

CAREER, TECHNICAL, AND ADULT EDUCATION

Appropriations, 2016	\$1,720,686,000
Budget estimate, 2017	1,808,686,000
Committee recommendation	1,720,686,000

Career and Technical Education

The Committee recommends \$1,125,019,000 for the Career and Technical Education [CTE] account.

State Grants.—The Committee recommends \$1,117,598,000 for CTE State grants. The budget request included an increase of \$75,000,000 for this program for a new American Technical Training Fund, a new competitive grant program as part of a larger re-authorization proposal for the Carl D Perkins Career and Technical Education Act. The Committee recommendation does not include funding for this activity.

Funds provided under the State grant program assist States, localities, and outlying areas to expand and improve their CTE program and help ensure equal access to CTE for populations with special needs. Persons assisted range from secondary students in prevocational courses through adults who need retraining to adapt to changing technological and labor market conditions. Funds are distributed according to a formula based on State population and State per capita income.

Under the Indian and Hawaiian Natives programs, competitive grants are awarded to federally recognized Indian tribes or tribal organizations and to organizations primarily serving and representing Hawaiian Natives for services that are additional to what these groups receive under other provisions of the Perkins Act.

Of the funds available for this program, \$326,598,000 will become available July 1, 2017, and \$791,000,000 will become available on October 1, 2017. These funds will remain available for obligation until September 30, 2018.

National Programs.—The Committee recommends \$7,421,000 to support research, development, demonstration, dissemination, evaluation, and assessment of activities aimed at improving the quality and effectiveness of CTE.

Adult Education

The Committee recommends \$595,667,000 for Adult Education programs.

Adult Education State Grants.—The Committee recommendation includes \$581,955,000 for Adult Education State Grants, which provides grants to States for programs that assist adults in becoming literate and in obtaining the skills necessary for employment and self-sufficiency.

National Leadership Activities.—The Committee recommends \$13,712,000 for adult education national leadership activities.

STUDENT FINANCIAL ASSISTANCE

Appropriations, 2016	\$24,198,210,000
Budget estimate, 2017	24,198,210,000
Committee recommendation	24,198,210,000

The Committee recommends an appropriation of \$24,198,210,000 for programs under the Student Financial Assistance account.

Federal Pell Grant Program

The Committee recommends \$22,475,352,000 in discretionary funding for the Pell grant program. Pell grants provide need-based financial assistance that helps undergraduate students and their families defray a portion of the costs of postsecondary education. Awards are determined according to a statutory need-analysis formula that takes into account a student's family income and assets, household size, and the number of family members, excluding parents, attending postsecondary institutions.

The Committee recommended funding level is more than sufficient to support an increase in the maximum Pell grant award, from \$5,815 for the 2016–17 school year to an estimated \$5,935 for the 2017–18 school year.

Over the last several years, the Labor-HHS-Education bill has appropriated significantly more discretionary funding than has been needed to fully fund the Pell grant program. That was in anticipation of future increased costs in the program, which have not materialized. Instead, projected costs have significantly, and consistently, decreased year-after-year relative to prior estimates. This has resulted in significant current and projected unobligated balances that are expected to persist through fiscal year 2024. CBO's estimate of the fiscal year 2015 Omnibus projected unobligated Pell "surplus" funding would be exhausted in fiscal year 2016, and there would be a \$206,000,000 shortfall in funding. In the most recent estimate, with no increase in funding or legislative changes to the program in the meantime, CBO now estimates, instead of a shortfall in funding, there will be surplus funding of \$7,754,000,000 in fiscal year 2016, that will grow to over \$9,000,000,000 by fiscal year 2018, and will not be fully exhausted until fiscal year 2025.

Given the significant unobligated balances in the program, the projected balances going forward, and the significant improvement in the overall discretionary funding outlook for the program, the Committee recommendation restores and modifies a provision previously implemented from the Higher Education Opportunity Act of 2008 allowing students to receive Pell grants year-round. This provision will allow a student who has exhausted their Pell grant award for the academic year, and wishes to enroll in additional coursework, to receive a Pell grant for an additional payment period during the academic year, traditionally the summer term. The total Pell grant a student may receive during an academic year, who is receiving an additional Pell grant under this provision, is capped at 150 percent of the maximum Pell grant award. Currently, full-time students and some part-time students exhaust their Pell grant award after two semesters or the equivalent. This expanded eligibility and flexibility for the Pell grant program will provide an incentive for students to take classes year-round and stay continuously enrolled. This will help students stay on track for graduation or accelerate completion of their program. This provision is expected to provide an estimated 1 million students an average additional Pell grant of \$1,650 for the 2017–2018 award year.

The Committee intends the expanded eligibility to be implemented in such a way to maximize flexibility for institutions of higher education and avoid unnecessary administrative burdens associated with the previous implementation of year-round Pell grants, while still ensuring the best interests of students. The Committee believes that this can be facilitated by issuing guidance on this expanded authority not later than 90 days after enactment of this act. The Committee strongly encourages the Department to implement this provision as soon as possible. The Committee also expects the Department to provide reliable data on the implementation of this provision.

Finally, given the significant decrease in estimated costs compared to estimates used in formulating prior year appropriations, the Committee recommendation includes a one-time rescission of \$1,200,000,000 from unobligated prior-year discretionary balances appropriated in the Labor-HHS-Education bill. Based on CBO estimates, after restoring year-round Pell and assuming level funding going forward, the discretionary costs of the Pell grant program are estimated to be fully funded through fiscal year 2021. This one-time rescission prevents cuts to other programs in this bill serving students, children, families, and workers this coming fiscal year, while allowing for targeted increases and investments in other critical programs.

Federal Supplemental Educational Opportunity Grant Program

The Committee recommends \$733,130,000 for the Supplemental Educational Opportunity Grant [SEOG] program.

The SEOG program provides funds to approximately 3,700 post-secondary institutions for need-based grants to more than 1.5 million undergraduate students. Institutions must contribute at least 25 percent toward SEOG awards. Students qualify for grants of up to \$4,000 by demonstrating financial need. Priority is given to Pell grant recipients with exceptional need.

Federal Work-Study Program

The Committee bill provides \$989,728,000 for the Federal Work-Study [FWS] program.

This program provides grants to approximately 3,300 institutions and helps nearly 700,000 undergraduate, graduate, and professional students meet the costs of postsecondary education through part-time employment. Institutions must provide at least 25 percent of student earnings.

Within the total for FWS, the Committee recommendation includes \$8,390,000 for the Work Colleges program authorized under section 448 of the HEA.

STUDENT AID ADMINISTRATION

Appropriations, 2016	\$1,551,854,000
Budget estimate, 2017	1,631,990,000
Committee recommendation	1,546,854,000

The Committee recommends \$1,546,854,000 for the Student Aid Administration account. These funds are available until September 30, 2018, and support the Department's student aid management expenses.

The Committee recommendation includes \$691,643,000 for administrative costs and \$855,211,000 for loan servicing activities.

The Committee directs the Department to continue to provide quarterly reports detailing its obligation plan by quarter for student aid administrative activities broken out by servicer and activity. Further, any reallocation of funds between administrative costs and servicing activities within this account should be treated as a reprogramming of funds, and the Committee should be notified in advance of any such changes.

Student Loan Servicing.—The Committee has serious concerns about the Department's management of the student loan servicing system, including how it has adhered to congressional directives, intent, and notice requirements in this area. The Department is currently in the process of re-competing contracts that will significantly change the current student loan servicing system. The Committee supports the Department's efforts to improve the student loan servicing process by moving to a more simple, consistent, and unified experience for all student borrowers and to take steps that will reduce student delinquencies and defaults. However, the Committee is concerned that other changes the Department is proposing in the current solicitation could ultimately jeopardize the quality of service to student borrowers. The Committee directs the Department to ensure that the new student loan servicing contract includes the participation of multiple student loan servicers, each responsible for all aspects of servicing loans, which would allow the Department to allocate loans to different servicers based on performance. The Committee strongly believes this will promote competition and increase incentives for such entities to provide high-quality service to student borrowers. The Department should brief the Committee on Appropriations of the House of Representatives and the Senate, the Senate Committee on Health, Education, Labor, and Pensions, and the House Committee on Education and the Workforce no less than 15 days prior to releasing a final request for proposals for a new student loan servicing contract.

Until a new student loan servicing contract is implemented, the Committee directs the Department to continue to allocate new student loan accounts to servicers based on performance compared against all servicers, utilizing common metrics established by the Department. The Committee appreciates recent efforts to work with servicers to develop these common metrics. However, the Committee remains concerned about the quality of servicing being provided to borrowers and servicers' compliance with the law, and expects the Department to adhere to congressional directive to produce a common policies and procedures manual that applies to all Direct Loan servicers and provides voluntary best practices intended to improve the consistency of servicing for student loan borrowers. Finally, the Committee directs the Department, no later than March 1, 2017, to allow Federal student loan borrowers who are consolidating their student loans to select from any of the existing student loan servicers to service their new consolidated student loans. Furthermore, borrowers who are consolidating their loans should have ready access to the aforementioned common performance metrics to help guide their decision for which servicer to select. Allowing the student borrower to select from any of the

servicers will allow the borrower to remain with their existing servicer if they wish to, limit unnecessary disruption for borrowers, and provide another incentive for servicers to provide high-quality services to student borrowers.

Federal Student Aid Enforcement Office.—The Committee notes that in fiscal year 2016 the Department established an independent enforcement office within the Office of Federal Student Aid. However, budget justification materials provide little information about the specific focus of the unit, how it will operate and be managed, and how its work will relate to and be coordinated with other work being done in FSA, elsewhere in the Department, and other enforcement agencies. The Committee appreciates the need to ensure students are protected and that there is proper oversight of the significant taxpayer investment in Federal student aid. However, the Committee directs the Secretary to ensure that the work of this unit is transparent, and not duplicative of other work being done at the Department. The Committee directs the Department to brief the Committees on Appropriations of the House of Representatives and the Senate, the Senate Health, Education, Labor, and Pensions Committee, and House Education and Workforce Committee within 30 days of enactment on the current and planned actions of this new office. Further, the Secretary shall ensure that the Chief Operating Officers reports on the operations of the enforcement unit as part of the required reports under section 141 of the HEA, including how information is shared internally within FSA and between relevant agencies.

Interagency Task Force on For Profit Colleges.—The Committee is concerned about the lack of available public information on a task force the Department of Education established on for-profit colleges and universities, including the frequency of meetings, contact information, and topics of discussion and the focus on one particular sector of higher education. The Committee directs the Department to brief the Committees on Appropriations of the House of Representatives and the Senate, the Senate Health, Education, Labor, and Pensions Committee, and House Education and Workforce Committee within 30 days of enactment on the current and planned actions of the taskforce, and how it works with and shares information with other Federal and State agencies.

National Student Loan Data System.— The Committee encourages the Department to determine the steps necessary to expand the National Student Loan Data System, develop a new system or adopt or improve upon an existing system to ensure that borrowers have access to all of their student loan information, both Federal and private, in one central online location.

HIGHER EDUCATION

Appropriations, 2016	\$1,982,185,000
Budget estimate, 2017	2,189,200,000
Committee recommendation	1,986,792,000

The Committee recommends an appropriation of \$1,986,792,000 for higher education programs.

Aid for Institutional Development

The Committee recommends \$579,514,000 in discretionary funding for Aid for Institutional Development. These totals do not include separately authorized and appropriated mandatory funding.

Strengthening Institutions.—The Committee bill recommends \$86,534,000 to provide competitive, 1-year planning and 5-year development grants for institutions with a significant percentage of financially needy students and low educational and general expenditures per student in comparison with similar institutions. Applicants may use these funds to develop faculty, strengthen academic programs, improve institutional management, and expand student services.

Hispanic-Serving Institutions [HSIs].—The Committee recommends \$107,795,000 for competitive grants to institutions at which Hispanic students make up at least 25 percent of enrollment. Funds may be used for acquisition, rental, or lease of scientific or laboratory equipment; renovation of instructional facilities; development of faculty; support for academic programs; institutional management; and purchase of educational materials.

Promoting Postbaccalaureate Opportunities for Hispanic Americans.—The Committee recommends \$9,671,000 for competitive, 5-year grants to HSIs to help Hispanic Americans gain entry into and succeed in graduate study. Institutions may use funding to support low-income students through outreach programs; academic support services; mentoring and financial assistance; acquisition, rental, or lease of scientific or laboratory equipment; construction and other facilities improvements; and purchase of educational materials.

Strengthening Historically Black Colleges and Universities.—The Committee recommends \$244,694,000 for the Strengthening HBCUs program. The program makes formula grants to HBCUs that may be used to purchase equipment; construct and renovate facilities; develop faculty; support academic programs; strengthen institutional management; enhance fundraising activities; provide tutoring and counseling services to students; and conduct outreach to elementary and secondary school students.

Strengthening Historically Black Graduate Institutions [HBGIs].—The Committee recommends \$63,281,000 for the Strengthening HBGIs program. This program provides 5-year grants to provide scholarships for low-income students and academic and counseling services to improve student success. Funds may also be used for construction, maintenance, and renovation activities; the purchase or lease of scientific and laboratory equipment; and the establishment of an endowment.

Strengthening Predominately Black Institutions [PBIs].—The Committee recommends \$9,942,000 for the Strengthening PBIs program. This program provides 5-year grants to PBIs to plan and implement programs to enhance the institutions' capacity to serve more low- and middle-income Black American students.

Strengthening Asian American and Native American Pacific Islander-Serving Institutions [AANAPISIs].—The Committee recommends \$3,348,000 for competitive grants to AANAPISIs that have an enrollment of undergraduate students that is at least 10 percent Asian American or Native American Pacific Islander stu-

dents. Grants may be used to improve their capacity to serve Asian American and Native American Pacific Islander students and low-income individuals.

Strengthening Alaska Native and Native Hawaiian-Serving Institutions [ANNHs].—The Committee recommends \$13,802,000 for the Strengthening ANNHs program.

The purpose of this program is to improve and expand the capacity of institutions serving Alaska Native and Native Hawaiian students and low-income individuals. Funds may be used to plan, develop, and implement activities that encourage faculty and curriculum development; improve administrative management; renovate educational facilities; enhance student services; purchase library and other educational materials; and, provide education or counseling services designed to improve the financial and economic literacy of students or their families.

Strengthening Native American-Serving Non-Tribal Institutions.—The Committee recommends \$3,348,000 for this program, which serves institutions that enroll at least 10 percent Native American students and at least 50 percent low-income students. This program helps institutions plan, develop, and implement activities that encourage faculty and curriculum development; improve administrative management; renovate educational facilities; enhance student services; and purchase library and other educational materials.

Strengthening Tribally Controlled Colleges and Universities.—The Committee recommends \$27,599,000 for this program. Tribal colleges and universities rely on a portion of the funds provided to address developmental needs, including faculty development, curriculum, and student services.

Strengthening Masters Degree Programs at Historically Black Colleges and Universities.—The Committee recommends \$9,500,000 for this program, authorized by section 723 of the HEA. This program provides grants to specified colleges and universities making a substantial contribution to graduate education opportunities at the masters level in mathematics, engineering, the physical or natural sciences, computer science, information technology, nursing, allied health, or other scientific disciplines.

International Education and Foreign Language Studies

The bill includes a total of \$67,271,000 for International Education and Foreign Language Studies programs.

Funds are used to increase the number of experts in foreign languages and area or international studies to meet national security needs through visits and study in foreign countries.

Domestic Programs.—The Committee recommends \$65,103,000 for domestic program activities related to international education and foreign language studies under title VI of the HEA. Funds are used to support centers, programs, and fellowships. The Committee urges the Secretary to preserve the program's longstanding focus on activities and institutions that address the Nation's need for a strong training and research capacity in foreign languages and international studies, including increasing the pool of international experts in areas that are essential to national security and economic competitiveness.

Overseas Programs.—The Committee recommends \$2,168,000 for overseas programs authorized under the Mutual Educational and Cultural Exchange Act of 1961, popularly known as the Fulbright-Hays Act. Funding is provided for group, faculty, or doctoral dissertation research abroad as well as special bilateral projects. Grants focus on training American instructors and students to improve foreign language and area studies education in the United States.

Fund for the Improvement of Postsecondary Education

The Committee recommendation does not include funding for the Fund for the Improvement of Postsecondary Education.

Model Comprehensive Transition and Postsecondary Programs for Students With Intellectual Disabilities

The Committee recommendation includes \$11,800,000 for competitive grants to postsecondary institutions to support model programs that help students with intellectual disabilities transition to and complete college, as authorized by section 767 of the HEA. Funds may be used for student support services; academic enrichment, socialization, or independent living; integrated work experiences; and partnerships with LEAs to support students with intellectual disabilities participating in the model program who are still eligible for special education and related services under the IDEA.

Minority Science and Engineering Improvement

The Committee recommends \$9,648,000 for the Minority Science and Engineering Improvement program. Funds are used to provide discretionary grants to institutions with minority enrollments greater than 50 percent to purchase equipment, develop curricula, and support advanced faculty training. Grants are intended to improve science and engineering education programs and increase the number of minority students in the fields of science, mathematics, and engineering.

Tribally Controlled Postsecondary Career and Technical Institutions

The Committee recommends \$8,286,000 for tribally controlled postsecondary vocational institutions. This program provides grants for the operation and improvement of tribally controlled postsecondary vocational institutions to ensure continued and expanding opportunities for Indian students.

Federal TRIO Programs

The Committee recommends \$900,000,000 for Federal TRIO programs, which provide a variety of services to improve postsecondary education opportunities for low-income individuals and first-generation college students.

Upward Bound offers disadvantaged high school students academic services to develop the skills and motivation needed to pursue and complete a postsecondary education; Student Support Services provides developmental instruction, counseling, summer programs, and grant aid to disadvantaged college students to help them complete their postsecondary education; Talent Search identi-

fies and counsels individuals between ages 11 and 27 regarding opportunities for completing high school and enrolling in postsecondary education; Educational Opportunity Centers provide information and counseling on available financial and academic assistance to low-income adults who are first-generation college students; and the Ronald E. McNair Postbaccalaureate Achievement Program supports research internships, seminars, tutoring, and other activities to encourage disadvantaged college students to enroll in doctoral programs.

The Committee recommendation does not include funding for a new demonstration program proposed by the administration. The Committee also directs the Department, when additional funding is provided to non-competing programs based on increased appropriations, to provide the maximum amount of flexibility to such programs in how to best allocate those additional resources under existing authorities. Finally, the Committee directs the Department to ensure that fiscal year 2017 grant competitions are announced and awarded in a timely manner, to allow grantees sufficient lead-time prior to the beginning of their program-year.

Gaining Early Awareness and Readiness for Undergraduate Programs

The Committee recommends \$322,754,000 for GEAR UP, which provides grants to States and partnerships of colleges, middle and high schools, and community organizations to assist cohorts or students in middle and high schools serving a high percentage of low-income students. Services provided help students prepare for and pursue a postsecondary education.

The Committee continues bill language allowing the Department to set aside up to 1.5 percent of the total provided for evaluation purposes.

Graduate Assistance in Areas of National Need and Javits Fellowships

The Committee recommends \$29,293,000 to support the Graduate Assistance in Areas of National Need [GAANN] program.

GAANN supports fellowships through 3-year competitive grants to graduate academic departments and programs in scientific and technical fields and other areas of national need as determined by the Secretary. Fellowship recipients must have excellent academic records and high financial need and must be pursuing doctoral degrees or the highest graduate degrees in their academic field. Each fellowship consists of a student stipend to cover living costs and an institutional payment to cover each fellow's tuition and other expenses. Institutions of higher education must match 25 percent of the grant amount.

Teacher Quality Partnership Program

The Committee recommends \$43,092,000 for the Teacher Quality Partnership [TQP] program. The budget request consolidates activities supported by this program into a proposed new Teacher and Principals Pathways program. The TQP program helps improve the quality of teachers working in high-need schools and

early childhood education programs by creating model teacher preparation and residency programs.

Within the TQP program, the Committee encourages the Department to consider funding for programs, including those operating in HBCUs, focused on increasing the number of high-quality teachers from diverse and underrepresented backgrounds. The Committee further directs the Department to ensure that grants are distributed among eligible entities that will serve geographically diverse areas, including rural areas.

Child Care Access Means Parents in Schools

The Committee recommendation includes \$15,134,000 for the Child Care Access Means Parents in Schools program. This program provides competitive grants to institutions of higher education to establish or support campus-based child care programs, to help support needs and participation of low-income parents in post-secondary education.

Teacher and Principal Pathways

The Committee recommendation does not include funding Teacher and Principal Pathways, a new, unauthorized program.

HOWARD UNIVERSITY

Appropriations, 2016	\$221,821,000
Budget estimate, 2017	221,821,000
Committee recommendation	221,821,000

The Committee recommends an appropriation of \$221,821,000 for Howard University. Located in the District of Columbia, Howard offers undergraduate, graduate, and professional degrees through 12 schools and colleges. The university also administers the Howard University Hospital. Federal funds from this account support approximately 38 percent of the university's operating costs. The Committee recommends, within the funds provided, not less than \$3,405,000 for the endowment program.

Howard University Hospital.—Within the funds provided, the Committee recommends \$27,325,000 for Howard University Hospital. The hospital provides inpatient and outpatient care, as well as training in the health professions. It also serves as a major acute and ambulatory care center for the District of Columbia and functions as a major teaching facility attached to the university. The Federal appropriation provides partial funding for the hospital's operations.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Appropriations, 2016	\$435,000
Budget estimate, 2017	457,000
Committee recommendation	435,000

Federal Administration.—The Committee bill includes \$435,000 for Federal administration of the CHAFL, College Housing Loans, and Higher Education Facilities Loans programs. Prior to fiscal year 1994, these programs provided financing for the construction, reconstruction, and renovation of housing, academic, and other educational facilities. While no new loans have been awarded since fis-

cal year 1993, costs for administering the outstanding loans will continue through 2030. These funds will be used to reimburse the Department for administrative expenses incurred in managing the existing loan portfolio.

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL
FINANCING PROGRAM ACCOUNT

Appropriations, 2016	\$20,484,000
Budget estimate, 2017	20,499,000
Committee recommendation	20,484,000

The Committee recommends \$20,484,000 for the HBCU Capital Financing Program.

The Committee recommendation includes \$20,150,000 to pay the loan subsidy costs in guaranteed loan authority under this program. This amount will support an estimated \$282,212,855 in new loan volume in fiscal year 2017. The remaining \$334,000 will be used for administrative expenses.

The HBCU Capital Financing Program makes capital available to HBCUs for construction, renovation, and repair of academic facilities by providing a Federal guarantee for private sector construction bonds. Construction loans will be made from the proceeds of the sale of the bonds.