

## U.S. House of Representatives Conference Report 102-630

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The conference substitute provides for 10% match, but strikes "public agency."

The Senate bill, but not the House bill, requires proprietary institutions to establish the same community service Work-Study programs as nonprofit institutions.

The House recesses.

The Senate bill, but not the House bill, permits proprietary institutions to furnish student services that are directly related to the works-study student's education.

The conference substitute provides for this change with an amendment retaining the requirement that the Secretary regulate on this matter.

The House bill, but not the Senate bill, requires that institutions to provide assurances that work-study funds may be used for support programs for disabled students.

The Senate recesses.

The House bill, but not the Senate bill, requires that the work-study agreements between the Secretary and the institutions to permit institutions to devise work-study opportunities for study-abroad students.

The House recesses.

The House bill, but not the Senate bill, permits institutions to provide students with summer employment from the succeeding fiscal year's appropriations.

The Senate recesses.

The Senate bill raises the percentage of an institutions work-study funds that can be used to develop community services jobs under the Job Location and Development Programs from 10% to 15% and increases the maximum amount for such programs from \$20,000 to \$40,000. The House bill eliminates the separate categories for community services jobs and puts a 10% or \$50,000 overall cap on the JLD program.

The Senate recesses.

The House bill, but not the Senate bill, eliminates the current exception that allows JLD funds to be used to locate or develop jobs at eligible institutions if they are for community service.

The Senate recesses.

The House bill, but not the Senate bill, creates a separate Community Service Learning Program under Title XI.

The House recesses.

The Senate bill, but not the House bill, makes a number of conforming amendments to parallel changes made to community service portion of Work-Study Programs.

The conference substitute provides for these changes with an amendment permitting an institution to use up to 10% of its administrative expense funds for expenses incurred for community service.

The House bill strikes the special administrative expenses allowance for institutions providing work-study for community service-learning, whereas the Senate bill clarifies that the allowance is based upon the annual compensation to students participating in such programs.

The Senate recesses.

children whose income is less than or equal to the amount that may be earned in order to claim the maximum Federal earned income credit.

The Senate bill requires that the Secretary develop an easily identifiable application form for the individuals who qualify for the simplified needs test reflecting the reduced data requirements. The House bill removes the requirement for a simplified form.

The conference substitute requires that the Secretary develop an easily identifiable application form for the individuals who qualify for the simplified needs test reflecting the reduced data requirements. The conference substitute states that this is a separate section on the common reporting form. The conferees do not intend this to be a separate form. However, the conferees are concerned that currently not enough families are using this process and may be enticed into completing unnecessary questions on the form.

The House bill, but not the Senate bill, removes current law references limiting financial aid administrator discretion to subparts 1 and 2 of Parts A and Part B, C, and E as well as the specific reference to data elements under these subparts.

The conference substitute includes this provision and makes other clarifying changes.

The Senate bill, but not the House bill, requires that the aid administrator make adjustments, in the case of dislocated workers, displaced homemakers, unreimbursed medical or dental expenses and elementary and secondary tuition and fees.

The Senate recedes. The conferees intend that financial aid administrator discretion be extended to four areas that were previously included as part of the formal financial aid application. These include: (1) private elementary and secondary education expenses, (2) dislocated worker status, (3) displaced homemaker status, and (4) unusual medical and dental expenses. The conferees believe these are concerns that should not and must not be disregarded. The conferees also intend that financial aid can be used when base year income is not an appropriate estimate of expected year income. The conferees expect financial aid administrators to take positive action for students and families whenever the need is warranted in any and all of these areas.

The Senate bill, but not the House bill, prohibits the charging of a fee to any parent or student for the collection, processing or delivery of supplementary information for the purpose of professional judgment decisions.

The House recedes.

The House bill, but not the Senate bill, eliminates the examples of circumstances in which financial aid administrators are to be considered as making a necessary adjustment.

The Senate recedes.

The Senate bill, but not the House bill, specifies that financial aid administrators are making appropriate adjustments when they take into consideration the additional costs a student incurs as a result of being disabled.

The House recedes.

The Senate bill, but not the House bill, specifies that financial aid administrators, are making appropriate adjustments when they restore the eligibility for grant or work-study funds to students

The House bill, but not the Senate bill, strikes the special definition of institution of higher education for departments of nursing and allied subjects.

The Senate recedes.

The Senate bill eliminates any institution from Title VI eligibility that offers more than 50% of its courses by correspondence.

The House recedes.

The House bill eliminates any institution that enrolls 50% or more of its students in correspondence courses.

The Senate recedes.

The House bill, but not the Senate bill, strikes from the definition of eligible institutions any school that has filed for bankruptcy and in which there has been criminal activity by those exercising control.

The conference substitute incorporates this provision with an amendment changing the "and" to "or".

The Senate bill, but not the House bill, eliminates from Title IV eligibility any institution whose enrollment is composed of more than 25% incarcerated students.

The conference substitute incorporates this provision with an amendment establishing a Secretarial waiver for 2-4 year public or private non-profit institutions.

The Senate bill eliminates any institution from Title IV eligibility that uses commissioned salespeople any phase of its operation. The House bill adds a similar prohibition to the program participation agreements section but applies the limitation to the enrollment, recruitment, admissions and financial aid process.

The conference substitute applies the limitation to the enrollment, recruitment, admissions and financial aid process, places it in the program participation agreement section and provides an exemption for the use of commissioned sales in foreign countries for purposes of recruiting foreign students who do not meet the definition of eligible student under this title. The conferees note that substantial program abuse has occurred in the student aid programs with respect to the use of commissioned sales representatives. Therefore this legislation will prohibit their use. The conferees wish to clarify, however, that use of the term "indirectly" does not imply that schools cannot base employee salaries on merit. It does imply that such compensation cannot solely be a function of the number of students recruited, admitted, enrolled, or awarded financial aid. The conferees have provided a limited exception permitting the use of commissioned sales representatives for the recruitment of foreign students to U.S. institutions on the basis that such students are not eligible for Title IV assistance. Recruitment of such students falls beyond the scope of federal interest in preserving the integrity of student aid programs and are therefore not relevant to the granting of institutional eligibility under the Act.

The Senate bill, but not the House bill, eliminates from Title IV eligibility any school whose student enrollment is more than 50 percent ATB.

The conference substitute incorporates this provision with an amendment applying this only to non-degree granting institutions.

The House bill, but not the Senate bill, provides a definition of telecommunications devices or mediums.

The conference substitute incorporates this provision with an amendment adding video cassettes and discs in cases in which courses are offered directly to students at the institution of higher education. The conferees recognize that there are differences between courses offered via telecommunications and correspondence courses. It is the conferees understanding and intention that the time required of a student to complete a telecourse is typically comparable in all material respects to that required of a student attending a "live" class. The ability to "time shift" the viewing of telecourse programs to meet the student's schedule adds an essential flexibility to an academic program that many adult learners need, but it does not lessen the total time a student must commit to complete the course. Students enrolled in telecourses typically have identical requirements for research, writing, reading and testing, and must do so on the same time schedule and academic calendar, as "traditional" classes. Instructor contact is typically mandatory for students taking telecourses. While taped lessons may be available for the majority of the lecture portion of a course, contact with the instructor is accomplished through on-campus group sessions, orientation and lab sessions, individual face-to-face contact, group audio conferencing, and telephone contact through computer modems. Televised courses are in general the same as conventional courses. They carry the same or a parallel course number and course title, and have the same or substantially the same syllabus, course goals, objectives, requirements, texts, supplemental readings and evaluative instruments as "traditional" courses and are transferable to other institutions with the same credit as "traditional" courses. Telecourses are analogous to live classes except in the way they are delivered. Telecourse students who take a two semester instructional sequence in one semester via telecommunications and the second via "traditional" delivery should show no measurable differences in grades or completion rates and experience no more transition difficulties than those who took both components in the traditional lecture mode. Students who take courses through telecommunications mediums have the same privileges and rights of access to all campus services as their on-campus counterparts, and are subject to the same accrediting standards as "traditional" courses. It is the intent of the conferees that any course offered on video cassette or disks to distance learning students must also be available to the student, in any form, at the institution of higher education at some time during the award or academic year but not necessarily during the same enrollment period.

The Senate bill, but not the House bill, prohibits the Secretary from penalizing students whose institution can demonstrate to the satisfaction of the Secretary that its course of instruction would have been in conformance with the requirements of this subsection in award years prior to the enactment of this subsection.

The House bill, but not the Senate bill, provides alternative processes by which institutions can confirm compliance with Selective Service registration requirements including mandating the Secretary to conduct data base matches with the Selective Service.

The Senate recesses.