AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 4508
OFFERED BY MS. BONAMICI OF OREGON

Strike subsection (b) of section 406.

Strike section 423 and 424.

Page 239, strike lines 10 through 21 and insert the following:

(1) in subsection (a), by inserting “and work-based learning” after “community service”;
(2) in subsection (b), by striking “part, such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.” and inserting the following: “part—
“(1) $1,750,000,000 for fiscal year 2019;
“(2) $2,000,000,000 for fiscal year 2020;
“(3) $2,250,000,000 for fiscal year 2021;
“(4) $2,500,000,000 for fiscal year 2022;
“(5) $2,750,000,000 for fiscal year 2023; and
“(6) $3,000,000,000 for fiscal year 2024 and each succeeding fiscal year.”; and

Page 239, beginning line 25, strike “paid” and all that follows through page 240, line 4, and insert the fol-
following: “sustained paid interactions with industry, academic, or community professionals in real workplace settings that foster in-depth, first-hand engagement with the tasks required of a given career field, that are aligned to a student’s field of study, and may include internships, fellowships, and apprenticeships.”

Page 241, strike lines 15 and all that follows through page 242, line 14 and insert the following:

“(B) **IMPROVED INSTITUTION DESCRIBED.**—For purposes of this paragraph, an improved institution is an institution that, on the date the Secretary makes an allocation under subparagraph (A)(ii)—

“(i) meets the requirements of subsection (d)(5);

“(ii) is with respect to—

“(I) the completion rate or graduation rate of Federal Pell Grant recipients at the institution, in the top 75 percent of all institutions participating under this part for the preceding fiscal year;

“(II) the percentage of Federal Pell Grant recipients at the institution, in the top 50 percent of the in-
stitions described in subclause (I); and

“(III) the annual increase in the completion rate or graduation rate of Federal Pell Grant recipients at the institution, in the top 50 percent of the institutions described in subclauses (I) and (II).”.

Page 242, line 20, insert “150 percent of” before “the normal time”.

Page 246, strike line 11 and all that follows through page 249, line 6, and insert the following:

“(d) DETERMINATION OF FAIR SHARE AMOUNT.—

“(1) IN GENERAL.—Subject to paragraph (2), the fair share amount for an institution for a fiscal year shall be equal to the sum of—

“(A) 100 percent of the institution’s undergraduate student need described in paragraph (3) for the preceding fiscal year; and

“(B) 25 percent of the institution’s graduate student need described in paragraph (4) for the preceding fiscal year.

“(2) INSTITUTIONAL UNDERGRADUATE STUDENT NEED.—The undergraduate student need for
an institution for a fiscal year shall be equal to the sum of the following:

“(A) An amount equal to 50 percent of the amount that bears the same proportion to the available appropriated amount for such fiscal year as the total amount of Federal Pell Grant funds awarded at the institution for the preceding fiscal year bears to the total amount of Federal Pell Grant funds awarded at all institutions participating under this part for the preceding fiscal year.

“(B) An amount equal to 50 percent of the amount that bears the same proportion to the available appropriated amount for such fiscal year as the total amount of the undergraduate student need at the institution for the preceding fiscal year bears to the total amount of undergraduate student need at all institutions participating under this part for the preceding fiscal year.

“(3) Institutional Graduate Student Need.—The graduate student need for an institution for a fiscal year shall be equal to the amount that bears the same proportion to the available appropriated amount for such fiscal year as the total
amount of the graduate student need at the institution for the preceding fiscal year bears to the total amount of graduate student need at all institutions participating under this part for the preceding fiscal year.

“(4) Eligibility for Fair Share Amount.—
The Secretary may not allocate funds under this part to any institution that, for two or more fiscal years during any three fiscal year period beginning not earlier than the first day of the first fiscal year that is 2 years after the date of the enactment of this paragraph, has—

“(A) a student population with less than 7 percent of undergraduate students who are recipients of Federal Pell Grants; or

“(B) if the institution only enrolls graduate students, a student population with less than 5 percent of students that have an expected family contribution of zero.

“(5) Definitions.—In this subsection:

“(A) Available Appropriated Amount.—In this section, the term ‘available appropriated amount’ means—

“(i) the amount appropriated under section 441(b) for a fiscal year, minus
“(ii) the amounts reserved under subsection (a) for such fiscal year.

“(B) AVERAGE COST OF ATTENDANCE.—

The term ‘average cost of attendance’ means, with respect to an institution, the average of the attendance costs for a fiscal year for students which shall include—

“(i) tuition and fees, computed on the basis of information reported by the institution to the Secretary, which shall include—

“(I) total revenue received by the institution from undergraduate and graduate tuition and fees for the second year preceding the year for which it is applying for an allocation; and

“(II) the institution’s enrollment for such second preceding year;

“(ii) standard living expenses equal to 150 percent of the difference between the income protection allowance for a family of five with one in college and the income protection allowance for a family of six with one in college for a single independent student; and
“(iii) books and supplies, in an
amount not exceeding $1000.

“(C) GRADUATE STUDENT NEED.—The
term ‘graduate student need’ means, with re-
spect to a graduate student for a fiscal year,
the lesser of the following:

“(i) The amount equal to (except the
amount computed by this clause shall not
be less than zero)—

“(I) the average cost of attend-
ance for the preceding fiscal year,
minus

“(II) each such graduate stu-
dent’s expected family contribution
(computed in accordance with part F
of this title) for the preceding fiscal
year.

“(ii) The total loan limit for Federal
Direct Unsubsidized Stafford Loan.

“(D) NON-REPAYMENT RISK RATE.—The
term ‘non-repayment risk rate’ means, with re-
spect to an institution, the percent obtained by
multiplying the borrowing rate of the institu-
tion’s students by the 3-year non-repayment
rate.
“(E) UNDERGRADUATE STUDENT NEED.—

The term ‘undergraduate student need’ means,

with respect to an undergraduate student for a

fiscal year, the lesser of the following:

“(i) The total of the amount equal to

(except the amount computed by this

clause shall not be less than zero)—

“(I) the average cost of attend-

ance for the fiscal year, minus

“(II) each such undergraduate

student’s expected family contribution

(computed in accordance with part F

of this title) for the preceding fiscal

year.

“(ii) The total loan limit for Federal

Direct Unsubsidized Stafford loan and

Federal Direct Loan.”.

Strike section 443 and insert the following:

SEC. 443. GRANTS FOR FEDERAL WORK-STUDY PROGRAMS.

Section 443 of the Higher Education Act of 1965 (20

U.S.C. 1087–53) is amended—

(1) in subsection (b)—

(A) by amending paragraph (2)(A) to read

as follows:
“(A) for fiscal year 2018 and succeeding fiscal years, an institution shall (unless the Secretary determines that enforcing this subparagraph would cause hardship for students at the institution) use—

“(i) at least 7 percent of the total amount of funds granted to such institution under this section for such fiscal year to compensate students employed in work-based learning positions; and

“(ii) at least 3 percent of the total amount of funds granted to such institution under this section for such fiscal year to compensate students who have exceptional need (as defined in section 413C(e)(2)) and are employed in a work-based learning position during a qualified period of non-enrollment, as defined in subsection (f).”;

(B) in paragraph (4)—

(i) by striking “$300” and inserting “$500”; and

(ii) by inserting “except as provided under subsection (f),” before “provide”;
(C) in paragraph (5), by striking “75 percent” each place it appears and inserting “75 percent in the first year after the date of the enactment of the PROSPER Act, 65 percent in the first succeeding fiscal year, 60 percent in the second succeeding fiscal year, 55 percent in the third succeeding fiscal year, and 50 percent each succeeding fiscal year”;

(D) in paragraph (6)—

(i) by inserting “who demonstrate exceptional need (as defined in section 413C(c)(2))” after “students”; and

(ii) by striking “in need thereof”;

(E) in paragraph (7), by striking “vocational” and inserting “career”;

(F) in paragraph (8)(A)(i), by striking “or vocational goals” and inserting “career goals”;

(G) in paragraph (10), by striking “; and” and inserting a semicolon;

(H) in paragraph (11), by striking the period at the end and inserting a semicolon; and

(I) by adding at the end the following:

“(12) provide assurances that compensation of students employed in the work-study program in accordance with the agreement shall include reim-
bursement for reasonable travel (not including the purchase of a vehicle) directly related to such work-

study program;

“(13) provide assurances that the institution will administer and use feedback from the surveys required under section 449 of the PROSPER Act to improve the experiences of students employed in the work-study program in accordance with the agree-

ment;

“(14) provide assurances that the institution will collect data from students and employers such that the employment made available from funds under this part will, to the maximum extent prac-

ticable, complement and reinforce the educational goals or career goals of each student receiving assis-
tance under this part; and

“(15) provide assurances that if the institution receives funds under section 442(a)(1)(A), such in-

stitution shall—

“(A) use such funds to compensate stu-

dents employed in the work-study program in accordance with the agreement;

“(B) prioritize the awarding of such funds (and increasing the amount of each award) to students—
“(i) who demonstrate exceptional need (as defined in section 413C(e)(2)); and
“(ii) who are employed in work-based learning opportunities through the work study program in accordance with the agreement.”;

(2) in subsection (e)—

(A) by striking paragraph (2);

(B) by inserting after paragraph (1) the following:

“(2) provide assurances that compensation of students employed in the work-study program in accordance with the agreement shall include reimbursement for reasonable travel (not including the purchase of a vehicle) directly related to such work-study program.”; and

(C) in paragraph (4), by inserting “and complement and reinforce the educational goals or career goals of each student receiving assistance under this part” after “academically relevant”; 

(3) in subsection (d)(1)—

(A) by striking “In any academic year to which subsection (b)(2)(A) applies, an institu-
tion shall ensure that” and inserting “An institution may use the” ; and

(B) by striking “travel” and inserting “reasonable travel (not including the purchase of a vehicle)”;

(4) in subsection (e)(3), by striking “75” and inserting “50”; and

(5) by adding at the end the following:

“(f) QUALIFIED PERIOD OF NONENROLLMENT.—

“(1) IN GENERAL.—A student may be awarded work-study employment during a qualified period of nonenrollment if—

“(A) the student demonstrates exceptional need (as defined in section 413C(e)(2)) in the award year prior to the qualified period of nonenrollment;

“(B) the student is employed in a work-based learning position; and

“(C) the employment—

“(i) involves less than 25 percent administrative work; and

“(ii) is for at least 20 hours per week, unless the institution waives such require-
“(I) at the request of the student; or

“(II) based on a finding by the institution that such requirement presents a hardship in finding a work-based learning position for the student.

“(2) FUNDS EARNED.—

“(A) IN GENERAL.—Any funds earned by a student (beyond standard living expenses (as such term is described in section 413D(e)(3)(C)) during the qualified period of nonenrollment less than or equal to $2,500 may not be applied to such student’s cost of attendance for the next period in which the student is enrolled.

“(B) EXCESS FUNDS.—Any funds earned by a student (beyond standard living expenses (as such term is described in section 413D(e)(3)(C)) during the qualified period of nonenrollment in excess of $2,500 shall be applied to such student’s cost of attendance for the next period in which the student is enrolled.

“(3) DEFINITION OF QUALIFIED PERIOD OF NONENROLLMENT.—In this subsection, the term
‘qualified period of nonenrollment’ means, with respect to a student, a period of nonenrollment that—

“(A) occurs between a period of enrollment and a period of anticipated enrollment; and

“(B) the duration of which is no longer than 6 months.”.

Strike section 446 and insert the following:

SEC. 446. COMMUNITY SERVICE WORK-STUDY PROGRAMS.

Section 447 of the Higher Education Act of 1965 (20 U.S.C. 1087–57) is amended to read as follows:

“SEC. 447. ADDITIONAL FUNDS TO CONDUCT COMMUNITY SERVICE WORK-STUDY PROGRAMS.

“Each institution participating under this part may use up to 10 percent of the funds made available under section 489(a) and attributable to the amount of the institution’s expenditures under this part to conduct that institution’s program of community service-learning, including—

“(1) development of mechanisms to assure the academic quality of the student experience;

“(2) assuring student access to educational resources, expertise, and supervision necessary to achieve community service objectives;

“(3) assuring, to the maximum extent practicable, that the community service-learning program
will support the educational goals or career goals of students participating in such program;

“(4) collaboration with public and private non-profit agencies, and programs assisted under the National and Community Service Act of 1990 in the planning, development, and administration of such programs; and

“(5) to recruit and compensate students for community service-learning (including compensation for time spent in training and for reasonable travel (not including the purchase of a vehicle) directly related to such community service).”.

Page 257, after line 25, insert the following:

SEC. 448. PILOT GRANT PROGRAM.

Part C of title IV of the Higher Education Act (42 U.S.C. 1087–51 et seq.) is amended by adding at the end the following:

“SEC. 449. WORK-BASED LEARNING OPPORTUNITIES PILOT GRANT PROGRAM.

“(a) ESTABLISHMENT.—

“(1) IN GENERAL.—The Secretary shall establish a program to provide grants to eligible institutions participating under this part to establish or expand a program to develop work-based learning positions.
“(2) LIMITATIONS.—

“(A) DURATION.—A grant awarded under this section shall be for a period of not more than 4 years, but may be renewed by the Secretary for a period of 2 years.

“(B) AMOUNT.—A grant under this section may not be in an amount greater than $1,000,000.

“(b) APPLICATION.—To be selected to receive a grant under this section an eligible institution participating under this part shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including a plan that describes how the eligible institution will establish or expand a program to develop work-based learning positions that will—

“(1) benefit students who demonstrate exceptional need (as defined in section 413C(e)(2));

“(2) identify high-demand occupations (as determined by the Bureau of Labor and Statistics, State departments of labor, and local workforce investment boards) and develop partnerships with high-demand employers (including nonprofit organizations, for-profit firms, or public agencies);
“(3) involve participating employers in evaluating and improving such program;

“(4) track and report academic and employment outcomes for participating students; and

“(5) be able to continue after the end of the grant term.

“(c) Use of Funds.—Grant funds awarded under this program shall be used to pay wages for students participating under this program and develop work-based learning positions that—

“(1) are for a period of at least 12 weeks;

“(2) serve students who demonstrate exceptional need (as defined in section 413C(e)(2));

“(3) limit administrative work to no more than 25 percent of such position;

“(4) provide a minimum of 15 hours of work per week during periods of enrollment and 30 hours per week during periods of non-enrollment, except such requirement may be waived by the institution in consultation with a student;

“(5) include career coaching from participating employers (including, mock interviews, resume writing assistance, and counseling on applying for and attaining employment); and
“(6) provide participating students with opportunities to meet with employers in fields or industries related to those of participating employers.

“(d) REPORT.—On a date that is before the date on which the period of the grant received by an eligible institution under this section terminates, such institution shall submit a report to the Secretary including—

“(1) the graduation rate or completion rate (as described under section 442(a)(1)(C)) with respect to students participating in work-based learning positions under the pilot program; and

“(2) the results of the work-based learning opportunities program for which such institution received such grant, including—

“(A) participating students’ satisfaction with the program (as reported in surveys under section 449 of the ‘PROSPER ACT’);

“(B) the types of jobs in which participating students were employed and the types of duties performed in such jobs;

“(C) the academic programs of the participating students;

“(D) the share of participating students who worked at another job, in addition to the one under the pilot program;
“(E) the percentage of participating students who, during the second quarter after completing their academic program, are in education or training activities or unsubsidized employment;

“(F) the percentage of participating students employed in high-demand occupations within 2 quarters of completing their academic programs; and

“(G) other items as determined by the Secretary.

“(e) Reservation of Funding for Such Program.—From the amount appropriated under section 441(b) for a fiscal year and remaining after the Secretary reserves funds under section 442(a)(1), the Secretary shall reserve $30,000,000 to carry out grants under this section.”.

SEC. 449. DEPARTMENT ACTIVITIES.

(a) Surveys.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Education shall develop, in consultation with work-study administrators from institutions of higher education, participating employers, and participating students—

(1) a consumer-tested electronic survey for students awarded work-study employment under the
Federal work-study program under Part C of title IV of the Higher Education Act (42 U.S.C. 1087–51 et seq.) that—

(A) measures each such student’s satisfaction with the Federal work-study program, including—

(i) any complaints the student has with respect to the program;

(ii) the amount and quality of the on-the-job training the student received;

(iii) the amount and quality of on-the-job supervision and employer feedback the student received;

(iv) the amount and quality of information provided by the institution about the work-study program and job opportunities and the availability of work-study staff at the institution;

(v) the quality of the assistance provided by the institution to the student in finding a work-study job and the availability of types of jobs; and

(vi) the student’s overall satisfaction with the work-study program;
(B) measures the applicability of work-study employment to the educational goals and career goals of each such student;

(C) elicits an assessment by each such student of the capacity to manage time between work-study employment and coursework;

(D) measures, with respect to the program—

(i) the award amounts under the program;

(ii) the average number of hours students worked per week, and the wages received for such work;

(iii) the number of on campus jobs and off campus jobs;

(iv) how students located work-study positions;

(v) the work performed at each job;

(vi) whether students worked additional jobs while employed in a work-study job (and the reason for such additional job);

(vii) whether the work-study employment had an impact on the student’s academic performance; and
(viii) the voluntarily disclosed demographics of students awarded work-study employment; and

(E) includes such information as the Secretary may require; and

(2) a consumer-tested electronic survey for employers of students described in paragraph (1) that—

(A) measures each such employer’s satisfaction with the Federal work-study program, including—

(i) the extent to which the employer is satisfied with its ability to accommodate students’ schedules;

(ii) the extent to which student-employees are prepared for the duties advertised for the job; and

(iii) the extent to which the employer is satisfied with opportunities to make recommendations for improving institutions’ academic programs;

(B) elicits an assessment by each such employer of—

(i) any complaints the employer had with respect to the program;
(ii) any skills or knowledge necessary for the job that student-employees are lacking; and

(iii) the extent of outreach from institutions to the employer; and

(C) includes such information as the Secretary may require; and

(3) a consumer-tested electronic survey that, not less than once every 4 years, with respect to each institution of higher education participating in the Federal work-study program, measures—

(A) methods used to recruit on-campus and off-campus employers;

(B) if an institution operates a job location development program—

(i) the share of jobs filled on-campus and off-campus;

(ii) the share of jobs filled by—

(I) work-study recipients; and

(II) students who demonstrate exceptional need (as defined in section 413C(c)(2) of the Higher Education Act of 1965 (20 U.S.C. 1070b–2(c)(2))).
(iii) the primary factors considered in matching work-study students and jobs;

(iv) the share of students employed in work-based learning opportunities; and

(v) the share of students employed during qualified periods of nonenrollment, including the share of students with exceptional need (as defined in section 413C(c)(2) of the Higher Education Act of 1965 (20 U.S.C. 1070b–2(c)(2))) employed during qualified periods of nonenrollment;

(C) the institution’s Federal and non-Federal contributions toward work-study wages;

(D) the primary factors considered in awarding students work-study and in determining the amount of the award;

(E) the acceptance rate among students who were offered work-study aid; and

(F) other information the Secretary may require.

(b) RESULTS.—The Secretary of Education shall develop an online portal—

(1) for students, employers, and institutions of higher education to access the surveys required under subsection (a); and
(2) to compile the results of such surveys.

(e) REPORT.—Not less than once every 4 year after the date of the enactment of this Act, the Secretary of Education shall submit a report to Congress that includes—

(1) the data collected under this section (redacted for personal information);

(2) with respect to students employed in work-study through the Federal work-study program—

(A) the types of jobs such students participated in;

(B) the average hours worked per week;

(C) the average award amount;

(D) the average wage rates;

(E) the extent to which students enter employment with skills and knowledge gained from work-study participation that have prepared them for the job; and

(F) the students’ satisfaction with the program and primary complaints;

(3) the extent to which institutions conduct outreach to employers and engage them in discussions on improving academic programs;

(4) the extent to which institutions conduct outreach to students and make jobs readily available;
(5) the extent to which the work-study employment aligns with students’ academic programs or career goals;

(6) the employers’ satisfaction with the program and primary complaints; and

(7) recommendations for improving the program.

(d) Consultation.—In consulting with the entities described in subsection (a) to create the electronic surveys required under such subsection, the Secretary of Education shall engage with—

(1) a representative sample of institutions of higher education participating in the Federal work-study program;

(2) a representative sample of employers participating in the Federal work-study program; and

(3) a representative sample of students participating in the Federal work-study program.

(e) Technical Assistance.—The Secretary of Education shall—

(1) provide technical assistance to institutions participating under the Federal work-study program under Part C of title IV of the Higher Education Act (42 U.S.C. 1087–51 et seq.) to—
(A) comply with the amendments made by this Act and the regulations issued pursuant to this Act;

(B) administer the surveys described in subsection (a) to students and employers participating in the Federal work-study program;

(C) ensure that Federal work-study positions align with students’ educational goals or career goals to the maximum extent practicable; and

(D) satisfy the requirements under section 443(b)(7) of the Higher Education Act of 1965 (20 U.S.C. 1087–53(b)(7)); and

(2) issue guidance and provide technical assistance to institutions to support improved partnerships and coordination among financial aid, career services, and academic advisors to administer the Federal work-study program.

(f) RESPONSE RATE.—In the case of an institution participating under the Federal work-study program under Part C of title IV of the Higher Education Act (42 U.S.C. 1087–51 et seq.) with a response rate for students and employers with respect to the surveys described in subsection (a)(1) of less than 75 percent, the Secretary of Education shall require such institution—
(1) to submit to the Secretary an improvement plan to increase such response rate; and

(2) if the response rate has not improved 2 years after the date on which an improvement plan was submitted under paragraph (1), submit to the Secretary a revised improvement plan.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $2,000,000 to carry out this subsection (a).

SEC. 449A. STUDY AND REPORT ON FEDERAL WORK-STUDY PROGRAM.

(a) Study.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General of the United States shall conduct a study on best practices for assisting students participating in the Federal work-study program under Part C of title IV of the Higher Education Act (42 U.S.C. 1087–51 et seq.) with—

(1) connecting to off-campus employers;

(2) procuring work-based learning opportunities through such program;

(3) procuring employment that aligns with students’ educational goals or career goals;

(4) locating employment through job location and development programs;
(5) procuring employment in high-demand occupations;

(6) balancing employment with academic programs to improve graduation and completion rates;

(7) with respect to students with exceptional need (as defined in section 413C(c)(2) of the Higher Education Act of 1965 (20 U.S.C. 1070b–2(c)(2))—

(A) locating and coordinating work-study employment during qualified periods of non-enrollment;

(B) increasing participation of such students in such work-study program; and

(C) limiting the need for additional employment outside the work-study program.

(b) REPORT.—Not later than one year after the date on which the study required under subsection (a) is completed, the Comptroller General of the United States shall submit to Congress a report summarizing the findings of such study.

(c) PUBLICATION OF REPORT.—The Comptroller General of the United States shall make the report required under subsection (b) available to the public on the website of the Government Accountability Office.

Page 260, strike lines 9 through 13.
Strike section 454.

Page 273, beginning line 1, strike part E, and insert the following:

PART E—FEDERAL PERKINS LOANS

SEC. 461. AUTHORITY TO MAKE LOANS.

Section 461(b) of the Higher Education Act of 1965 (20 U.S.C. 1087aa(b)) is amended—

(1) in paragraph (1)—

(A) by striking “September 30, 2017” both places it appears and inserting “September 30, 2024”; and

(B) in subparagraph (C), by striking “September 30, 2016” and inserting “September 30, 2024”; and

(2) by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).

Page 456, strike lines 3 through 7.