To amend the Higher Education Act to ensure College for All.

IN THE SENATE OF THE UNITED STATES

Mr. Sanders (for himself, Ms. Harris, Ms. Warren, and Mr. Blumenthal) introduced the following bill; which was read twice and referred to the Committee on _____________

A BILL

To amend the Higher Education Act to ensure College for All.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “College for All Act of 2017”.

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TITLE I—FEDERAL-STATE PARTNERSHIP TO ELIMINATE TUITION AND REQUIRED FEES

SEC. 101. FEDERAL-STATE PARTNERSHIP TO ELIMINATE TUITION AND REQUIRED FEES.

The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended by adding at the end the following:

“TITLE IX—FEDERAL-STATE PARTNERSHIP TO ELIMINATE TUITION AND REQUIRED FEES

“SEC. 901. GRANT PROGRAM TO ELIMINATE TUITION AND REQUIRED FEES AT PUBLIC INSTITUTIONS OF HIGHER EDUCATION AND TRIBAL COLLEGES AND UNIVERSITIES.

“(a) DEFINITIONS.—In this section:

“(1) AWARD YEAR.—The term ‘award year’ has the meaning given the term in section 481(a).

“(2) COMMUNITY COLLEGE.—The term ‘community college’ means—

“(A) a public institution of higher education at which the credential that is predominantly awarded to students is at the sub-baccalaureate level; or
“(B) a public postsecondary vocational institution, as defined under section 102(e).

“(3) COST OF ATTENTION.—The term ‘cost of attendance’ has the meaning given the term in section 472.

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

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

“(6) ELIGIBLE INDIAN ENTITY.—The term ‘eligible Indian entity’ means the entity responsible for the governance, operation, or control of a Tribal College or University.

“(7) ELIGIBLE STUDENT.—The term ‘eligible student’ means an individual, regardless of age, who has not obtained a baccalaureate degree or higher degree and—

“(A) is enrolled, or plans to enroll, in a community college in the State in which the in-
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dividual is a resident or in a 2-year Tribal Col-
lege or University; or

“(B) is a working class or middle class stu-
dent, as described in subsection (d)(3), who is
enrolled or plans to enroll in a 4-year public in-
stitution of higher education in the State in
which the individual is a resident or in a 4-year
Tribal College or University.

“(8) FULL-TIME EQUIVALENT ELIGIBLE STU-
DENTS.—The term ‘full-time equivalent eligible stu-
dents’, when used with respect to an institution of
higher education, has the meaning given the term
‘full-time equivalent students’, except that the cal-
culation shall be made based on the number of eligi-
ble students enrolled at such institution.

“(9) FULL-TIME EQUIVALENT STUDENTS.—The
term ‘full-time equivalent students’ means the sum
of the number of students enrolled full time at an
institution, plus the full-time equivalent of the num-
ber of students enrolled part time (determined on
the basis of the quotient of the sum of the credit
hours of all part-time students divided by 12) at
such institution.
“(10) INSTITUTION OF HIGHER EDUCATION.—
The term ‘institution of higher education’ has the meaning given the term in section 101.

“(11) PUBLIC 4-YEAR INSTITUTION OF HIGHER EDUCATION.—The term ‘public 4-year institution of higher education’ means a public institution of higher education that is not a community college.

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

“(13) 2-YEAR TRIBAL COLLEGE OR UNIVERSITY.—The term ‘2-year Tribal College or University’ means a Tribal College or University at which the credential that is predominantly awarded to students is at the sub-baccalaureate level.

“(14) 4-YEAR TRIBAL COLLEGE OR UNIVERSITY.—The term ‘4-year Tribal College or University’ means a Tribal College or University that is not a 2-year Tribal College or University.

“(b) PROGRAM AUTHORIZED.—

“(1) GRANTS AUTHORIZED.—From amounts appropriated under subsection (g), the Secretary shall award grants, from allotments under subsection (c), to States and eligible Indian entities hav-
ing applications approved under subsection (e), to enable the States and eligible Indian entities—

“(A) to eliminate tuition and required fees for all eligible students at community colleges in the State or at 2-year Tribal Colleges and Universities of the eligible Indian entity; and

“(B) to eliminate tuition and required fees for working class and middle class eligible students, as described in subsection (d)(3), at public 4-year institutions of higher education in the State or 4-year Tribal Colleges and Universities of the eligible Indian entity.

“(2) NON-FEDERAL SHARE REQUIREMENT.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), each State or eligible Indian entity that receives a grant under this section shall provide a non-Federal share of funds for an award year from non-Federal sources in an amount that is equal to 33 percent of the amount required to eliminate tuition and required fees—

“(i) in the case of a State, at community colleges in the State for all eligible students and at public 4-year institutions of higher education in the State for work-
ing class and middle class eligible students, as described in subsection (d)(3), for the award year; and

“(ii) in the case of an eligible Indian entity, at 2-year Tribal Colleges and Universities of the eligible Indian entity for all eligible students and at 4-year Tribal Colleges and Universities of the eligible Indian entity for working class and middle class eligible students, as described in subsection (d)(3), for the award year.

“(B) Non-Federal Share Requirement for Certain Eligible Indian Entities.—

“(i) In general.—In the case of an eligible Indian entity that receives a grant under this section for an award year for which not less than 75 percent of the students enrolled in the 2-year Tribal Colleges and Universities and 4-year Tribal Colleges and Universities of the eligible Indian entity are low-income students, such eligible Indian entity shall provide a non-Federal share of funds from non-Federal sources in an amount that is equal to not more than 5 percent of the amount necessary to elimi-
nate tuition and required fees at 2-year Tribal Colleges and Universities of the eligible Indian entity for all eligible students and at 4-year Tribal Colleges and Universities of the eligible Indian entity for working class and middle class eligible students, as described in subsection (d)(3), for the award year.

“(ii) LOW-INCOME STUDENT.—In this subparagraph, the term ‘low-income student’ has the meaning given such term by the Secretary, except that such term shall not exclude any student eligible for a Federal Pell Grant under section 401.

“(iii) DATA.—In calculating the number of enrolled students and low-income students for purposes of clause (i), the Secretary shall use—

“(I) for the first award year of the program under this section, the number of students enrolled in award year 2015–2016; and

“(II) for each subsequent award year, the projected student enrollment
numbers for the award year for which the allotment is made.

“(3) NO IN-KIND CONTRIBUTIONS.—No in-kind contribution shall count toward the non-Federal share requirement under paragraph (2).

“(c) DETERMINATION OF ALLOTMENT.—

“(1) FIRST AWARD YEAR OF PROGRAM.—The Secretary shall allot, to each eligible State or eligible Indian entity that submits an application under this section for a grant under subsection (b)(1) for the first award year of the program under this section, an amount that is equal to 67 percent (or not less than 95 percent in the case of an eligible Indian entity described in subsection (b)(2)(B)) of the total revenue received—

“(A) in the case of a State, from all eligible students at community colleges in the State and from working class and middle class eligible students, as described in subsection (d)(3), at public 4-year institutions of higher education in the State in the form of tuition and required fees for—

“(i) with respect to a State that did not eliminate tuition and required fees as described in paragraphs (2) and (3) of
subsection (d) for the preceding award
year, award year 2015–2016; or

“(ii) with respect to a State that has
eliminated tuition and required fees as de-
scribed in such paragraphs, the last award
year that the State charged tuition and re-
quired fees; and

“(B) in the case of an eligible Indian enti-
yty, from all eligible students at 2-year Tribal
Colleges and Universities of the eligible Indian
entity and from working class and middle class
eligible students, as described in subsection
(d)(3), at 4-year Tribal Colleges and Univer-
sities of the eligible Indian entity, in the form
of tuition and required fees for—

“(i) with respect to an eligible Indian
entity that did not eliminate tuition and
required fees as described in paragraphs
(2) and (3) of subsection (d) for the pre-
ceding award year, award year 2015–2016;
or

“(ii) with respect to an eligible Indian
entity that has eliminated tuition and re-
quired fees as described in such para-
graphs, the last award year for which the
eligible Indian entity charged tuition and
required fees.

“(2) First award year allotment for
States and eligible Indian entities applying
after the first year of the program.—

“(A) In general.—The Secretary shall
allot to each eligible State or eligible Indian en-
tity that submits its first application for a
grant under subsection (b)(1) for the second or
a subsequent year of the program under this
section, an amount equal to—

“(i) the product of—

“(I) the allotment the eligible
State or eligible Indian entity would
have received in the first award year
of the program under this section if
the State or eligible Indian entity had
submitted an application for such
year;

“(II) the projected full-time
equivalent eligible students figure for
all community colleges and public 4-
year institutions of higher education
of the eligible State, or all 2-year
Tribal Colleges and Universities and
4-year Tribal Colleges and Universities of the eligible Indian entity, for
the award year for which the allotment is made; and

“(III) the amount of additional expenditures per full-time equivalent
eligible student by the eligible State or eligible Indian entity that will be nec-
essary to eliminate tuition and required fees for each such student for
the award year for which the allotment is made; divided by

“(ii) the product of—

“(I) the full-time equivalent eligible students figure for all community
colleges and public 4-year institutions of higher education of the eligible
State, or all 2-year Tribal Colleges and Universities and 4-year Tribal
Colleges and Universities of the eligible Indian entity, for the first award
year of the program for which the eligible State or eligible Indian entity
was eligible to submit an application under this section; and
“(II) the amount of expenditures per full-time equivalent eligible student by the eligible State or eligible Indian entity that would have been necessary to eliminate tuition and required fees for each such student for the first award year of the program for which the eligible State or eligible Indian entity was eligible to submit an application under this section.

“(B) PROJECTED ENROLLMENT.—If the projected full-time equivalent eligible students figure of the State or eligible Indian entity under subparagraph (A) is more than 25 percent larger than the full-time equivalent eligible students figure for the preceding year, the Secretary may challenge such enrollment projection and offer an alternative enrollment projection which shall be used in the formula under subparagraph (A) for determining the allotment.

“(3) SUBSEQUENT AWARD YEARS.—

“(A) IN GENERAL.—The Secretary shall allot to an eligible State or eligible Indian entity submitting an application for a grant under subsection (b)(1) for a second or subsequent
year after receiving a grant under paragraph (1) or (2), an amount equal to—

“(i) the product of—

“(I) the allotment received for the first award year for which the eligible State or eligible Indian entity submitted an application;

“(II) the projected full-time equivalent eligible students figure for all community colleges and public 4-year institutions of higher education of the eligible State, or all 2-year Tribal Colleges and Universities and 4-year Tribal Colleges and Universities of the eligible Indian entity, for the award year for which the allotment is made; and

“(III) the amount of additional expenditures per full-time equivalent eligible student by the eligible State or eligible Indian entity that will be necessary to eliminate tuition and required fees for each such student for the award year for which the allotment is made; divided by
“(ii) the product of—

“(I) the full-time equivalent eligible student figure for all community colleges and public 4-year institutions of higher education of the eligible State, or all 2-year Tribal Colleges and Universities and 4-year Tribal Colleges and Universities of the eligible Indian entity, for the first award year that the State or eligible Indian entity participates under paragraph (1) or (2), as the case may be; and

“(II) the amount of expenditures per full-time equivalent eligible student by the eligible State or eligible Indian entity that was necessary to eliminate tuition and required fees for each such student for the first award year that the State or eligible Indian entity participates under paragraph (1) or (2), as the case may be.

“(B) PROJECTED ENROLLMENT.—If the projected full-time equivalent eligible students figure of the State or eligible Indian entity under subparagraph (A) is more than 25 per-
cent larger than the full-time equivalent eligible students figure for the preceding year, the Secretary may challenge such enrollment projection and offer an alternative enrollment projection which shall be used in the formula under subparagraph (A) for determining the allotment.

“(4) ACTUAL ENROLLMENT FIGURES.—

“(A) IN GENERAL.—By not later than November 1 of the second award year for which a State or eligible Indian entity receives an allotment under this section, and each succeeding November 1, such State or eligible Indian entity shall report to the Secretary its actual full-time equivalent eligible students figure for the preceding award year.

“(B) ADJUSTMENTS.—If the actual full-time equivalent eligible students figure for the preceding award year reported under subparagraph (A)—

“(i) exceeds the projected enrollment that was used for determining the allotment for the preceding award year, notwithstanding any other provision of this section, the allotment for the award year in which the November 1 date falls for the
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State or eligible Indian entity shall be increased to reflect such actual enrollment, which figure shall be increased by the State Gross Domestic Product Price Index, or the Gross Domestic Product Price Index of the State in which the eligible Indian entity operates; or

“(ii) is below the projected enrollment that was used for determining the allotment for the preceding award year, notwithstanding any other provision of this section, the allotment for the award year in which the November 1 date falls for the State or eligible Indian entity shall be decreased to reflect such actual enrollment, which figure shall be increased by the average interest rate on 5-year United States Treasury securities issued during the preceding award year.

“(5) ADDITIONAL FUNDS.—If a State or eligible Indian entity provides additional funds toward reducing the cost of attendance and improving instruction at institutions of higher education beyond the cost of eliminating tuition and required fees as described in paragraphs (2) and (3) of subsection
(d) for any award year that is more than the non-
Federal share requirement under subsection (b)(2)
and the maintenance of expenditures requirement
under paragraphs (4) and (5) of subsection (d), the
Secretary shall provide to the State or eligible In-
dian entity an amount equal to such additional fund-
ing provided by the State or eligible Indian entity,
which amount provided by the Secretary may be
used for the activities described in subsection (f)(2).

“(d) State and Eligible Indian Entity Elig-
“(3)(A) Ensure that tuition and required fees for eligible students attending the State’s public 4-year institutions of higher education or eligible students attending the 4-year Tribal Colleges and Universities of the eligible Indian entity are eliminated as follows:

“(i) For the first award year of the program under this section, the State or eligible Indian entity shall eliminate tuition and required fees for such students—

“(I) who are dependent students, whose parents’ adjusted gross income for the taxable year that is 1 year prior to the taxable year that ends immediately prior to the beginning of the award year is equal to or less than $125,000; and

“(II) who are independent students, whose adjusted gross income for the taxable year that is 1 year prior to the taxable year that ends immediately prior to the beginning of the award year is equal to or less than $125,000.

“(ii) For each award year after the first award year of the program under this section, the State or eligible Indian entity shall elimi-
nate tuition and required fees for such stu-
dents—

“(I) who are dependent students, whose parents’ adjusted gross income for the taxable year that is 1 year prior to the taxable year that ends immediately prior to the beginning of the award year is equal to or less than the applicable amount; and

“(II) who are independent students, whose adjusted gross income for the taxable year that is 1 year prior to the taxable year that ends immediately prior to the beginning of the award year is equal to or less than the applicable amount.

“(B)(i) In this paragraph, the term ‘applicable amount’ means an amount equal to, for any award year beginning after the calendar year that precedes the calendar year in which the first award year of the program under this section begins, the greater of—

“(I) the amount determined under this subparagraph for the preceding award year, or

“(II) an amount equal to the product of—

“(aa) $125,000, and

“(bb) the ratio of—
“(AA) the national average wage index (as defined in section 209(k)(1) of the Social Security Act (42 U.S.C. 409(k)(1))) for the calendar year preceding the calendar year in which the applicable award year begins, to

“(BB) the national average wage index (as so defined) for 2016.

“(ii) If any amount determined under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

“(4) Maintain State operating expenditures per full-time equivalent student for public institutions of higher education in the State, or operating expenditures per full-time equivalent student for Tribal Colleges and Universities of the eligible Indian entity, excluding the amount of funds provided under this section, at a level that is equal to or exceeds the level of such support for award year 2015–2016.

“(5) Maintain State expenditures on need-based financial aid programs for enrollment in public institutions of higher education in the State or expenditures on need-based financial aid programs for enrollment in Tribal Colleges and Universities of the eligible Indian entity at a level that is equal to or
exceeds the level of such support for award year 2015–2016.

“(6) Ensure public institutions of higher education in the State or Tribal Colleges and Universities of the eligible Indian entity maintain funding for institutional need-based student financial aid in an amount that is equal to or exceeds the level of such support for award year 2015–2016.

“(7) Provide an assurance that not later than 5 years after the first award year for which the grant is awarded, not less than 75 percent of instruction at public institutions of higher education in the State or Tribal Colleges and Universities of the eligible Indian entity is provided by tenured or tenure-track faculty.

“(8) Require that public institutions of higher education in the State or Tribal Colleges and Universities of the eligible Indian entity provide, for each student enrolled at the institution who receives the maximum Federal Pell Grant award under subpart 1 of part A of title IV, institutional student financial aid (excluding student loans) in an amount equal to 100 percent of the difference between—

“(A) the cost of attendance at such institution; and
“(B) the sum of—

“(i) the amount of the maximum Federal Pell Grant award; and

“(ii) the student’s expected family contribution.

“(9) Ensure that public institutions of higher education in the State or Tribal Colleges and Universities of the eligible Indian entity not adopt policies to reduce enrollment.

“(10) Provide an assurance that public institutions of higher education in the State or Tribal Colleges and Universities of the eligible Indian entity will not charge out of State students an amount that exceeds the marginal cost of attending institutions of higher education in the State or Tribal Colleges and Universities of the eligible Indian entity.

“(11) Provide an assurance that public institutions of higher education in the State or Tribal Colleges and Universities of the eligible Indian entity that charge non-eligible in-state students tuition and required fees, will not charge such students a rate that exceeds the rate for the last year that tuition and required fees were charged to eligible students, increased by the percentage change for subsequent years in the expenditures per full-time equivalent eli-
gible student by the State or eligible entity that is
necessary to continue to eliminate tuition and re-
quired fees for eligible students.

“(e) Submission and Contents of Application.—For each award year for which a State or eligible
Indian entity desires a grant under this section, an appli-
cation shall be submitted to the Secretary at such time,
in such manner, and containing such information as the
Secretary may require. Such application shall be sub-
mitted by—

“(1) in the case of a State, the State agency
with jurisdiction over higher education or another
agency designated by the Governor or chief executive
of the State to administer the program under this
section; and

“(2) in the case of an eligible Indian entity, the
eligible Indian entity or a Tribal College or Univer-
sity of the eligible Indian entity.

“(f) Use of Funds.—

“(1) In General.—A State or eligible Indian
entity that receives a grant under this section shall
use the grant funds and the non-Federal share
funds required under this section—

“(A) to eliminate tuition and required fees
for all eligible students at community colleges
in the State or at 2-year Tribal Colleges and Universities of the eligible Indian entity; and

“(B) to eliminate tuition and required fees for working class and middle class eligible students, as described in subsection (d)(3), at public 4-year institutions of higher education in the State or 4-year Tribal Colleges and Universities of the eligible Indian entity.

“(2) ADDITIONAL FUNDING.—Once tuition and required fees have been eliminated pursuant to paragraph (1), a State or eligible Indian entity that receives a grant under this section shall use any remaining grant funds and non-Federal share funds required under this section to reduce the cost of attendance and increase the quality of instruction and student support services at public institutions of higher education in the State or at Tribal Colleges and Universities of the eligible Indian entity by carrying out any of the following:

“(A) Providing additional non-loan aid to students, which may include need-based student financial aid, to reduce or eliminate the cost of attendance for a public institution of higher education or a Tribal College or University beyond eliminating tuition and required fees.
“(B) Expanding academic course offerings and high-quality occupational skills training programs to students.

“(C) Increasing the number and percentage of full-time instructional faculty, including full-time tenure and tenure-track instructional faculty.

“(D) Providing all faculty with professional supports to help students succeed, such as professional development opportunities, office space, and shared governance in the institution.

“(E) Compensating part-time faculty for work done outside of the classroom relating to instruction, such as holding office hours.

“(F) Strengthening and ensuring all students have access to student support services such as academic advising, counseling, and tutoring.

“(G) Expanding access to dual or concurrent enrollment programs and early college high school programs.

“(H) Any other additional activities that improve instructional quality and academic outcomes for students as approved by the Secretary through a peer review process.
“(3) Prohibition.—A State or eligible Indian entity that receives a grant under this section may not use grant funds or non-Federal share funds required under this section—

“(A) for the construction of a nonacademic facility, such as a student center or stadium;

“(B) for merit-based student financial aid;

“(C) for need-based student financial aid (except to the extent funds available under subsection (c)(5) are used to carry out paragraph (2)(A));

“(D) to pay the salaries or benefits of school administrators;

“(E) for capital outlays or deferred maintenance; or

“(F) for expenditures on athletics other than activities open to all members of the campus community.

“(g) Authorization of Appropriations.—

“(1) In General.—There are authorized to be appropriated, and there are appropriated, to carry out this section—

“(A) such sums as may be necessary for the fourth quarter of fiscal year 2017;
“(B) $41,000,000,000 for fiscal year 2018;

and

“(C) such sums as may be necessary for

each of the fiscal years 2019 through 2027.

“(2) AVAILABILITY OF FUNDS.—Funds made

available pursuant to paragraph (1)(A) shall be

available for obligation from October 1, 2016 to Sep-

tember 30, 2017. Funds made available pursuant to

subparagraph (B) or (C) of paragraph (1) shall be

available for obligation through September 30 of the

fiscal year succeeding the fiscal year for which such

sums were appropriated.

“SEC. 902. GRANT PROGRAM FOR PRIVATE HISTORICALLY

BLACK COLLEGES AND UNIVERSITIES AND

PRIVATE MINORITY-SERVING INSTITUTIONS.

“(a) DEFINITIONS.—Except as otherwise provided, in

this section:

“(1) COMMUNITY COLLEGE.—The term ‘com-

munity college’ has the meaning given the term in

section 901.

“(2) ELIGIBLE INSTITUTION.—

“(A) IN GENERAL.—Except as provided in

subparagraph (D), the term ‘eligible institution’

means a private, nonprofit 2-year institution or

4-year institution that—
“(i) is—

“(I) a part B institution (as defined in section 322);

“(II) a Hispanic-serving institution (as defined in section 502);

“(III) a Tribal College or University (as defined in section 316) whose entity responsible for the governance, operation, or control of the College of University has not received a grant under section 901;

“(IV) an Alaska Native-serving institution or a Native Hawaiian-serving institution (as defined in section 317(b));

“(V) a Predominantly Black institution (as defined in section 371(c));

“(VI) an Asian American and Native American Pacific Islander-serving institution (as defined in section 371(c)); or

“(VII) a Native American-serving nontribal institution (as defined in section 371(c));
“(ii) has a student body of which not less than 35 percent are low-income students;

“(iii) ensures that tuition and required fees for eligible students enrolled in the institution are eliminated or significantly reduced during any period for which the institution receives a grant under this section;

“(iv) maintains expenditures on instruction per a full-time equivalent eligible student at levels that meet or exceed the expenditures on instruction per a full-time equivalent eligible student for award year 2015–2016;

“(v) will invest institutional funds and seek additional funding to reduce or eliminate tuition and required fees for all students;

“(vi) maintains expenditures on need-based financial aid programs for students enrolled at the institution at a level that meets or exceeds the level of such support for award year 2015–2016;
“(vii) provides an assurance that the institution will increase the amount of instruction provided by tenured or tenure-track faculty; and

“(viii) does not adopt policies to reduce enrollment.

“(B) 2-YEAR INSTITUTION.—The term ‘2-year institution’ means an institution at which the credential that is predominantly awarded to students is at the sub-baccalaureate level.

“(C) 4-YEAR INSTITUTION.—The term ‘4-year institution’ means an institution that is not a 2-year institution.

“(D) EXCEPTION.—

“(i) IN GENERAL.—An eligible institution as described in subparagraph (A) shall not be an eligible institution for purposes of this section for the period described in clause (ii) if such institution was a for-profit institution at any time that converted to a nonprofit institution.

“(ii) PERIOD OF INELIGIBILITY.—An institution described under clause (i) shall not be an eligible institution for purposes of this section for a period of 25 years
from the date the institution converted
from a for-profit institution to a nonprofit
institution or 25 years after the date of en-
actment of this Act, whichever period is
longer.

“(3) ELIGIBLE STUDENT.—The term ‘eligible
student’ means a low-income student enrolled in an
eligible institution who has not obtained a bache-
laureate degree or a higher degree.

“(4) FULL-TIME EQUIVALENT ELIGIBLE STU-
DENTS.—The term ‘full-time equivalent eligible stu-
dents’ means the sum of the number of eligible stu-
dents projected to enroll full time at an institution
for an award year, plus the full-time equivalent of
the number of eligible students projected to be en-
rolled part time (determined on the basis of the
quotient of the sum of the credit hours of all part-
time eligible students divided by 12) at such institu-
tion, for such award year.

“(5) LOW-INCOME STUDENT.—The term ‘low-
income student’ has the meaning given such term by
the Secretary, except that such term shall not ex-
clude any student eligible for a Federal Pell Grant
under section 401.
“(6) Public 4-year institution of higher education.—The term ‘public 4-year institution of higher education’ has the meaning given the term in section 901.

“(b) Authorization of grant program.—

“(1) In general.—From amounts appropriated under subsection (e), the Secretary shall award grants, from allotments under paragraph (2), to eligible institutions having applications approved under subsection (c), to enable the eligible institutions to eliminate or significantly reduce tuition and required fees for eligible students.

“(2) Allotments.—Subject to paragraph (3), the Secretary shall allot, for each award year, to each eligible institution having an application approved under subsection (c), an amount that is equal to the product of—

“(A) tuition and required fees for eligible students at the eligible institution for the award year, and

“(B) the number of full-time equivalent eligible students projected to enroll in the eligible institution for the award year.

“(3) Limitations.—
“(A) LIMITATIONS ON INSTITUTIONAL ALLOTMENTS.—In making allotments under paragraph (2) for an award year, the Secretary shall not award an allotment that is—

“(i) with respect to an eligible institution that operates in a State that has eliminated tuition and required fees as described in paragraphs (2) and (3) of section 901(d) for the preceding award year, more than the amount equal to the product of—

“(I) the number of projected full-time equivalent eligible students for the award year; and

“(II) the expenditures per full-time equivalent eligible student, including the Federal allotment and non-Federal share, under section 901 for the preceding award year for the State (or, in the case of a State that did not receive a grant under such section for the preceding award year, the amount needed to eliminate tuition and required fees for full-time equivalent eligible students in the
State, calculated in the same manner as such amount is calculated under section 901(c) for the preceding award year for the State), at—

“(aa) if the eligible institution is a 2-year institution, community colleges in the State in which the institution operates; or

“(bb) if the eligible institution is a 4-year institution, public 4-year institutions of higher education in the State in which the institution operates; and

“(ii) with respect to an eligible institution that operates in a State that has not eliminated tuition and required fees as described in paragraphs (2) and (3) of section 901(d) for the preceding award year, more than the amount equal to the product of—

“(I) the number of projected full-time equivalent eligible students for the award year; and
“(II) the average tuition and required fees for the preceding award year at—

“(aa) if the eligible institution is a 2-year institution, public 2-year institutions of higher education in the State in which the institution operates; or

“(bb) if the eligible institution is a 4-year institution, public 4-year institutions of higher education in the State in which the institution operates.

“(B) LIMITATIONS ON TUITION HIKES.—

“(i) FIRST AWARD YEAR.—For the first award year for which an eligible institution applies for a grant under this section, such eligible institution shall not increase tuition and required fees at a rate that is greater than any annual increase in tuition and required fees at the eligible institution for the 5 years preceding such first award year.

“(ii) SUCCEEDING AWARD YEARS.—
“(I) IN GENERAL.—For each award year after the first award year for which an eligible institution receives a grant under this section, such eligible institution shall not increase tuition and required fees for eligible students from the preceding award year at a rate that is greater than the percentage increase in the Employment Cost Index for the award year for which the grant is received, as compared to the Employment Cost Index for the award year preceding the award year for which the grant is received.

“(II) EMPLOYMENT COST INDEX.—In this subparagraph, the term ‘Employment Cost Index’, when used with respect to an award year, means the Employment Cost Index for total compensation for private industry workers by bargaining status and census region and division (not seasonally adjusted) of the division in which the eligible entity is located, as
provided by the Bureau of Labor Statistics of the Department of Labor, that is provided for the December that immediately precedes the start of the award year.

“(4) ACTUAL ENROLLMENT FIGURES.—

“(A) IN GENERAL.—By not later than November 1 of the second award year for which an eligible institution receives a grant under this section, such eligible institution shall report to the Secretary its actual full-time equivalent eligible students figure for the preceding award year.

“(B) ADJUSTMENTS.—If the actual full-time equivalent eligible students figure for the preceding award year reported under subparagraph (A)—

“(i) exceeds the projected enrollment that was used for determining the allotment under subparagraph (2)(B) for the preceding award year, notwithstanding any other provision of this Act, the allotment for the award year in which the November 1 date falls for the eligible institution shall be increased to reflect such actual enroll-
ment, which figure shall be increased by
the Gross Domestic Product Price Index of
the State in which the eligible institution
operates; or

“(ii) is below the projected enrollment
that was used for determining the allot-
ment under subparagraph (2)(B) for the
preceding award year, notwithstanding any
other provision of this Act, the allotment
for the award year in which the November
1 date falls for the eligible institution shall
be decreased to reflect such actual enroll-
ment, which figure shall be increased by
the average interest rate on 5-year United
States Treasury securities issued during
the preceding award year.

“(c) APPLICATION.—An eligible institution that de-
sires to receive a grant under this section shall submit to
the Secretary an application at such time, in such manner,
and containing such information as the Secretary may re-
quire.

“(d) PROHIBITION.—An eligible institution that re-
ceives a grant under this section may not use grant funds
under this section—
“(1) for the construction of a nonacademic facility, such as a student center or stadium;

“(2) for merit-based or need-based student financial aid;

“(3) to pay the salaries or benefits of school administrators;

“(4) for capital outlays or deferred maintenance; or

“(5) for expenditures on athletics other than activities open to all members of the campus community.

“(e) Authorization of Appropriations.—There are authorized to be appropriated, and there are appropriated, to carry out this section—

“(1) such sums as may be necessary for the fourth quarter of fiscal year 2017;

“(2) $1,340,000,000 for fiscal year 2018; and

“(3) such sums as may be necessary for each of the fiscal years 2019 through 2027.”.

SEC. 102. INCREASING SUCCESS FOR LOW-INCOME AND FIRST GENERATION STUDENTS.

(a) Authorization of Appropriations for Federal TRIO Programs.—Section 402A(g) of the Higher Education Act of 1965 (20 U.S.C. 1070a–11(g)) is amended by inserting after the first sentence the fol-
lowing: “For the purpose of making grants and contracts under this chapter, there are authorized to be appropriated $1,080,000,000 for fiscal year 2018, $1,260,000,000 for fiscal year 2019, $1,440,000,000 for fiscal year 2020, $1,620,000,000 for fiscal year 2021, $1,800,000,000 for fiscal year 2022, and such sums as may be necessary for each of fiscal years 2023 through 2027.”.

(b) AUTHORIZATION OF APPROPRIATIONS FOR GEAR UP PROGRAMS.—Section 404H of the Higher Education Act of 1965 (20 U.S.C. 1070a–28) is amended by striking “$400,000,000” and all that follows through the period and inserting “$410,000,000 for fiscal year 2018 and such sums as may be necessary for each of fiscal years 2019 through 2027.”.

TITLE II—EXPANSION OF WORK STUDY TO MEET THE NEEDS OF TODAY’S STUDENTS

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Section 441(b) of the Higher Education Act of 1965 (20 U.S.C. 1087–51(b)) is amended to read as follows:

“(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part—

“(1) $1,000,000,000 for fiscal year 2018;

“(2) $1,500,000,000 for fiscal year 2019;
“(3) $2,000,000,000 for fiscal year 2020;
“(4) $2,500,000,000 for fiscal year 2021;
“(5) $3,000,000,000 for fiscal year 2022; and
“(6) such sums as may be necessary for each
of fiscal years 2023–2027.”.

SEC. 202. REFORM OF THE WORK STUDY FORMULA.

Section 442 of the Higher Education Act of 1965 (20
U.S.C. 1087–52) is amended—

(1) by striking subsection (a) and inserting the
following:

“(a) Revision to the Federal Work Study Al-
location.—The Secretary shall allocate funds under this
section solely on the basis of the self-help need determina-
tion described under subsection (c).”;

(2) in subsection (c)—

(A) in paragraph (2), by striking “To de-
termine the self-help need of an institution’s eli-
gible undergraduate students,” and inserting
“Until such time as the Secretary establishes a
revised method to determine the self-help need
of an institution’s eligible undergraduate stu-
dents, in accordance with paragraph (5),”;

(B) in paragraph (3), by striking “To de-
termine the self-help need of an institution’s eli-
gible graduate and professional students”, and
inserting “Until such time as the Secretary establishes a revised method to determine the self-help need of an institution’s eligible graduate and professional students, in accordance with paragraph (5),”; and

(C) by adding at the end the following:

“(5) Not later than 1 year after the date of enactment of the College for All Act of 2017, the Secretary shall establish revised methods for determining the self-help need of an institution’s eligible undergraduate students, as described in paragraph (2), and eligible graduate and professional students, as described in paragraph (3), that shall take into account the number of Federal Pell Grant eligible low-income and moderate-income students that an eligible institution serves and provide considerations for eligible institutions that successfully demonstrate improved employment outcomes. The Secretary shall promulgate any regulations necessary to carry out the revised methods of determining an eligible institution’s self-help need under this subsection.”; and

(3) by adding at the end the following:

“(f) FUNDS TO EXPAND JOB LOCATION DEVELOPMENT PROGRAMS.—Notwithstanding any other provision of this part, to promote career readiness and improve the
employment skills of Federal Pell Grant-eligible students,
the Secretary is authorized to enter into agreements with
eligible institutions under which such institution may use
not more than 20 percent or $150,000 of its allotment
under this section, whichever amount is less, to expand
job location development programs, which may be coordi-
nated with State and local workforce development
boards.”.

**TITLE III—STUDENT LOAN RELIEF FOR MILLIONS OF BOR-
ROWERS**

**SEC. 301. RESTORATION OF CERTAIN INTEREST RATE PRO-
VISIONS.**

Section 455(b) of the Higher Education Act of 1965
(20 U.S.C. 1087e(b)) is amended—

(1) in paragraph (8)—

(A) in the heading, by striking “ON OR
AFTER JULY 1, 2013” and inserting “ON OR
AFTER JULY 1, 2013, AND BEFORE JULY 1,
2017”; and

(B) by striking “on or after July 1, 2013”
and inserting “on or after July 1, 2013, and
before July 1, 2017” each place the term ap-
ppears;
(2) by redesignating paragraphs (9) and (10) as paragraphs (10) and (11), respectively; and

(3) by inserting after paragraph (8) the following:

“(9) INTEREST RATE PROVISIONS FOR NEW LOANS ON OR AFTER JULY 1, 2017.—

“(A) RATES FOR UNDERGRADUATE FDSL AND FDUSL.—Notwithstanding the preceding paragraphs of this subsection, for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans issued to undergraduate students, for which the first disbursement is made on or after July 1, 2017, the applicable rate of interest shall, during any 12-month period beginning on July 1 and ending on June 30, be determined on the preceding June 1 and be equal to—

“(i) the bond equivalent rate of 91-day Treasury bills auctioned at the final auction held prior to such June 1; plus

“(ii) 1.09 percent,

except that such rate shall not exceed 5 percent.

“(B) IN SCHOOL AND GRACE PERIOD RULES FOR UNDERGRADUATES.—Notwith-
standing the preceding paragraphs of this sub-
section, with respect to any Federal Direct
Stafford Loan or Federal Direct Unsubsidized
Stafford Loan issued to an undergraduate stu-
dent for which the first disbursement is made
on or after July 1, 2017, the applicable rate of
interest for interest which accrues—

“(i) prior to the beginning of the re-
payment period of the loan; or

“(ii) during the period in which prin-
cipal need not be paid (whether or not
such principal is in fact paid) by reason of

a provision described in subsection (f),
shall be determined under subparagraph (A) by

substituting ‘0.49 percent’ for ‘1.09 percent’.

“(C) RATES FOR GRADUATE AND PROFES-
SIONAL FDUSL.—Notwithstanding the pre-
ceeding paragraphs of this subsection, for Fed-
eral Direct Unsubsidized Stafford Loans issued
to graduate or professional students, for which
the first disbursement is made on or after July
1, 2017, the applicable rate of interest shall,
during any 12-month period beginning on July
1 and ending on June 30, be determined under
subparagraph (A)—
“(i) by substituting ‘1.86 percent’ for ‘1.09 percent’; and
“(ii) by substituting ‘8.25 percent’ for ‘5 percent’.
“(D) IN SCHOOL AND GRACE PERIOD RULES FOR GRADUATE AND PROFESSIONAL STUDENTS.—Notwithstanding the preceding paragraphs of this subsection, with respect to any Federal Direct Unsubsidized Stafford Loan issued to a graduate student or professional student for which the first disbursement is made on or after July 1, 2017, the applicable rate of interest for interest which accrues—
“(i) prior to the beginning of the repayment period of the loan; or
“(ii) during the period in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in subsection (f), shall be determined under subparagraph (A) by substituting ‘1.26 percent’ for ‘1.09 percent’.
“(E) PLUS LOANS.—Notwithstanding the preceding paragraphs of this subsection, with respect to Federal Direct PLUS Loan for which the first disbursement is made on or after July
1, 2017, the applicable rate of interest shall be
determined under subparagraph (A)—

“(i) by substituting ‘2.36 percent’ for
‘1.09 percent’; and

“(ii) by substituting ‘8.25 percent’ for
‘5 percent’.

“(F) CONSOLIDATION LOANS.—Notwith-
standing the preceding paragraphs of this sub-
section, any Federal Direct Consolidation loan
for which the application is received on or after
July 1, 2017, shall bear interest at an annual
rate on the unpaid principal balance of the loan
that is equal to the lesser of—

“(i) the weighted average of the inter-
est rates on the loans consolidated, round-
ed to the nearest higher 1/8 of 1 percent;

or

“(ii) 8.25 percent.”.

SEC. 302. BORROWER MODIFICATION OF INTEREST RATES
UNDER TITLE IV.

Section 455(b) of the Higher Education Act of 1965
(20 U.S.C. 1087e(b)), as amended by section 301, is fur-
ther amended by adding at the end the following:

“(12) BORROWER MODIFICATION OF INTEREST
RATE.—
“(A) MODIFICATION.—Notwithstanding any other provision of law, the borrower of a Federal Stafford Loan under section 428, a Federal Direct Stafford Loan, a Federal Unsubsidized Stafford Loan under section 428H, a Federal Direct Unsubsidized Stafford Loan, a Federal PLUS Loan under section 428B, a Federal Direct PLUS Loan, a Federal Consolidation Loan under section 428C, or a Federal Direct Consolidation Loan may elect to modify the interest rate of the loan to be equal to—

“(i) in the case of a Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, a Federal Direct PLUS Loan, or a Federal Direct Consolidation Loan, the interest rate that would be applicable to such loan if such loan were first disbursed (or in the case of a Federal Direct Consolidation Loan, first applied for) on the date on which such borrower elects to modify the interest rate of such loan; and

“(ii) in the case of a Federal Stafford Loan, a Federal Unsubsidized Stafford Loan, a Federal PLUS Loan, or a Federal Direct Consolidation Loan, the interest rate that would be applicable to such loan if such loan were first disbursed (or in the case of a Federal Direct Consolidation Loan, first applied for) on the date on which such borrower elects to modify the interest rate of such loan; and
Consolidation Loan, the weighted average of the interest rates applicable to loans under part B on the date the loan was first disbursed (or in the case of a Federal Consolidation Loan, first applied for).

“(B) FIXED RATE.—Except as provided in subparagraph (C), an interest rate elected under subparagraph (A) for a loan shall be fixed for the life of the loan.

“(C) CONTINUING AUTHORITY TO MODIFY.—A borrower may elect to modify the interest rate of a loan in accordance with subparagraph (A) at any time during the life of the loan.”.

SEC. 303. EXCESS REVENUE IN THE FEDERAL DIRECT LOAN PROGRAM.

(a) IN GENERAL.—The Secretary of Education shall, for each fiscal year beginning with the first full fiscal year following the date of enactment of this Act, as soon as practicable after the end of such fiscal year, determine whether the amount of Federal funds expended to carry out the William D. Ford Federal Direct Loan Program under part D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq.) during such fiscal year
was less than the revenue received from such Program during such fiscal year.  
(b) Excess Revenue.—If the Secretary determines, for any fiscal year, that the amount of Federal funds expended to carry out such Federal Direct Loan Program, as described in subsection (a), during such fiscal year was less than the revenue received from such Program during such fiscal year, the Secretary shall use the revenue in excess of the funds expended to carry out the Federal Pell Grant Program under subpart 1 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a et seq.) for the succeeding fiscal year.

**TITLE IV—SNYDER ACT**

SEC. 401. RULE OF CONSTRUCTION REGARDING THE SNYDER ACT.

Nothing in this Act, or an amendment made by this Act, shall be construed to change or abrogate the Federal Government’s responsibilities under the Act of November 2, 1921 (commonly known as the “Snyder Act”) (25 U.S.C. 13).