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(Original Signature of Member)

118TH CONGRESS  
1ST SESSION

**H. R.**

To amend the Higher Education Act of 1965 to establish grants for tuition-free community colleges, student success grants, and grants for Historically Black Colleges and Universities, Tribal Colleges and Universities, and Minority-Serving Institutions, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Ms. LEGER FERNANDEZ introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Higher Education Act of 1965 to establish grants for tuition-free community colleges, student success grants, and grants for Historically Black Colleges and Universities, Tribal Colleges and Universities, and Minority-Serving Institutions, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “America’s College  
5 Promise Act of 2023”.

1 **TITLE I—GRANTS FOR TUITION-**  
2 **FREE COMMUNITY COLLEGES**

3 **SEC. 101. PROGRAM AUTHORIZED.**

4 Title IV of the Higher Education Act of 1965 (20  
5 U.S.C. 1070 et seq.) is amended by adding at the end  
6 the following:

7 **“PART J—AMERICA’S COLLEGE PROMISE**

8 **FEDERAL-STATE PARTNERSHIP**

9 **“Subpart 1—Grants for Tuition-free Community**  
10 **College**

11 **“SEC. 499A. IN GENERAL.**

12 “From amounts appropriated under section 499G for  
13 any fiscal year, the Secretary shall award grants to eligible  
14 States and eligible Tribal Colleges and Universities to pay  
15 the Federal share of expenditures needed to carry out the  
16 activities and services described in section 499E.

17 **“SEC. 499B. FEDERAL SHARE; NON-FEDERAL SHARE.**

18 “(a) FEDERAL SHARE.—

19 “(1) IN GENERAL.—

20 “(A) AMOUNT.—Subject to paragraph (2),  
21 the amount of the Federal share of a grant  
22 under this subpart shall be based on a formula,  
23 determined by the Secretary, that provides, for  
24 each eligible student enrolled in a community  
25 college operated or controlled by the State or in

1 an eligible Tribal College or University, a per-  
2 student amount that is equal to the applicable  
3 percent described in subparagraph (B) of—

4 “(i) for the 2024–2025 award year,  
5 the average unweighted resident commu-  
6 nity college tuition and fees per student in  
7 all States for the most recent year for  
8 which data are available; and

9 “(ii) for each subsequent award year,  
10 the amount determined under this para-  
11 graph for the preceding award year, in-  
12 creased by the lesser of—

13 “(I) a percentage equal to the es-  
14 timated percentage increase in the  
15 Consumer Price Index (as determined  
16 by the Secretary) since the date of  
17 such determination; or

18 “(II) 3 percent.

19 “(B) APPLICABLE PERCENT.—The appli-  
20 cable percent for a State receiving a grant  
21 under this subpart shall be—

22 “(i) for the 2024–2025 award year,  
23 100 percent;

24 “(ii) for the 2025–2026 award year,  
25 95 percent;

1                   “(iii) for the 2026–2027 award year,  
2                   90 percent;

3                   “(iv) for the 2027–2028 award year,  
4                   85 percent; and

5                   “(v) for the 2028–2029 award year  
6                   and each subsequent award year, 80 per-  
7                   cent.

8                   “(2) TRIBAL COLLEGES AND UNIVERSITIES.—  
9                   The amount of the Federal share for an eligible  
10                  Tribal College or University receiving a grant under  
11                  this subpart shall be the greater of—

12                  “(A) 100 percent of the per-student  
13                  amount determined in accordance with clause  
14                  (i) or (ii) of paragraph (1)(A), as applicable,  
15                  with respect to eligible students enrolled in such  
16                  eligible Tribal College or University (based on  
17                  full-time equivalent enrollment); or

18                  “(B) the amount that is 100 percent of the  
19                  total amount needed to set tuition and fees to  
20                  \$0 for all eligible students enrolled in such eligi-  
21                  ble Tribal College or University for the 2023–  
22                  2024 award year, increased by the percentage  
23                  increase in the Consumer Price Index (as deter-  
24                  mined by the Secretary) between July 1, 2023,  
25                  and the applicable award year, and adjusted to

1 reflect the enrollment in such eligible Tribal  
2 College or University for such applicable award  
3 year.

4 “(b) STATE SHARE.—

5 “(1) FORMULA.—

6 “(A) IN GENERAL.—Subject to subpara-  
7 graph (B), the State share of a grant under  
8 this subpart for each fiscal year shall be the  
9 amount needed to pay the applicable percent  
10 described in subparagraph (B) of the average  
11 unweighted resident community college tuition  
12 and fees per student in the 2024–2025 award  
13 year for all eligible students in the State for  
14 such award year.

15 “(B) APPLICABLE PERCENT.—The appli-  
16 cable percentage shall be—

17 “(i) for the 2024–2025 award year, 0  
18 percent;

19 “(ii) for the 2025–2026 award year, 5  
20 percent;

21 “(iii) for the 2026–2027 award year,  
22 10 percent;

23 “(iv) for the 2027–2028 award year,  
24 15 percent; and

1           “(v) for the 2028–2029 award year  
2           and each subsequent award year, 20 per-  
3           cent.

4           “(C) OBLIGATION TO PROVIDE SHARE.—  
5           The State shall provide the State share even if  
6           the State is able to set tuition and fees charged  
7           to eligible students attending community col-  
8           leges operated or controlled by the State to \$0  
9           as required by section 499D without such State  
10          share.

11          “(D) NO DOUBLE COUNTING FUNDS.—No  
12          funds that count toward the maintenance of ef-  
13          fort requirement under section 499D(c) may  
14          also count toward the State share under this  
15          subsection.

16          “(E) SPECIAL RULE FOR OUTLYING AREAS  
17          AND TERRITORIES.—

18          “(i) IN GENERAL.—If the Secretary  
19          determines that requiring an outlying area  
20          or territory to provide a State share in ac-  
21          cordance with this subsection would rep-  
22          resent a substantial hardship for the out-  
23          lying area or territory, the Secretary shall  
24          reduce or waive the State share for such  
25          area or territory. If the Secretary so re-

1           duces or waives the amount of the State  
2           share of an outlying area or territory, the  
3           Secretary shall increase the applicable per-  
4           cent used to calculate the Federal share  
5           for such area or territory, in proportion to  
6           the reduction in the applicable percent  
7           used to calculate such State share.

8                   “(ii) DEFINITION.—For the purposes  
9                   of this subparagraph, the term ‘outlying  
10                   area or territory’ means the Common-  
11                   wealth of Puerto Rico, the District of Co-  
12                   lumbia, Guam, American Samoa, the  
13                   United States Virgin Islands, the Com-  
14                   monwealth of the Northern Mariana Is-  
15                   lands, and the Freely Associated States.

16                   “(2) INCLUSION OF STATE FINANCIAL AID AND  
17                   LOCAL FUNDS.—In the case of a State that dem-  
18                   onstrates to the satisfaction of the Secretary that  
19                   community colleges operated or controlled by such  
20                   State will not experience a net reduction in total  
21                   per-student revenue (including revenue derived from  
22                   tuition and fees) as compared to the preceding State  
23                   fiscal year in such State, a State may include, as  
24                   part of the State share—

1           “(A) any financial aid that is provided  
2           from State funds to eligible students for such  
3           students’ cost of attendance that is not awarded  
4           predominantly on the basis of merit; and

5           “(B) any funds provided to community col-  
6           leges by local governments in such State for the  
7           purpose of carrying out this subpart, including  
8           for the purpose of setting community college  
9           tuition and fees for eligible students to \$0 as  
10          required under section 499D.

11          “(3) RELATIONSHIP TO MAINTENANCE OF EF-  
12          FORT.—The inclusion of funds described in para-  
13          graph (2) as part of a State’s share shall modify the  
14          maintenance of effort requirements under section  
15          499D(c) in accordance with the provisions of—

16                 “(A) section 499H(12)(B)(iii) with respect  
17                 to funds included under paragraph (2)(A); and

18                 “(B) section 499H(12)(B)(ii), with respect  
19                 to funds included under paragraph (2)(B).

20          “(4) NO IN-KIND CONTRIBUTIONS.—A State  
21          shall not include in-kind contributions for purposes  
22          of the State share described in paragraph (1).

23          “(c) DETERMINING NUMBER OF ELIGIBLE STU-  
24          DENTS.—

1           “(1) IN GENERAL.—For purposes of subsection  
2           (a) and subsection (b), the Secretary shall develop  
3           and implement a formula for accurately estimating  
4           the number of eligible students and for making ad-  
5           justments based on the number of eligible students  
6           enrolled in the community colleges operated or con-  
7           trolled by a State or in an eligible Tribal College or  
8           University on less than a full-time basis and the as-  
9           sociated tuition and fees charged to such students in  
10          proportion to the degree to which each such student  
11          is not attending on a full-time basis.

12          “(2) INITIAL DETERMINATION.—For the first  
13          year for which grants are awarded under this sub-  
14          part, the number of eligible students in a State or  
15          eligible Tribal College or University shall be consid-  
16          ered to be equal to the number of eligible students  
17          who were in the State or eligible Tribal College or  
18          University for the preceding school year.

19          “(d) ADJUSTMENT OF GRANT AMOUNT.—Not later  
20          than 180 days after the date on which a State or eligible  
21          Tribal College or University receives a grant under this  
22          subpart, the Secretary shall—

23                 “(1) in consultation with the State or eligible  
24                 Tribal College or University concerned, determine  
25                 whether the actual number of eligible students in the

1 State or eligible Tribal College or University for the  
2 year covered by the grant is greater than the esti-  
3 mated number of such students that was used to de-  
4 termine the amount of the grant; and

5 “(2) in the case of a determination under para-  
6 graph (1) that the actual number of eligible students  
7 in the State or eligible Tribal College or University  
8 is higher than such estimate, issue a supplementary  
9 grant payment to the State or eligible Tribal College  
10 or University in an amount that ensures that the  
11 total amount of the grant funds received by the  
12 State or eligible Tribal College or University under  
13 this subpart for the year covered by the grant accu-  
14 rately reflects the higher number of eligible students.

15 “(e) COMMUNITY COLLEGES OPERATED OR CON-  
16 TROLLED BY STATE TO INCLUDE COMMUNITY COLLEGES  
17 OPERATED OR CONTROLLED BY LOCAL GOVERNMENTS  
18 WITHIN THE STATE.—For purposes of this subpart, the  
19 term ‘community college operated or controlled by a State’  
20 shall include a community college operated or controlled  
21 by a local government within such State.

22 “(f) INAPPLICABILITY OF STATE REQUIREMENTS TO  
23 ELIGIBLE TCUS.—The Secretary may not apply any re-  
24 quirements applicable only to States under this subpart  
25 to an eligible Tribal College or University, including the

1 requirements under subsection (b) and subsection (b) and  
2 (c) of section 499D.

3 **“SEC. 499C. APPLICATIONS.**

4 “(a) SUBMISSION.—In order to receive a grant under  
5 this subpart, a State or an eligible Tribal College or Uni-  
6 versity shall submit an application to the Secretary at such  
7 time, in such manner, and containing such information as  
8 the Secretary may require.

9 “(b) CONTENTS.—Each application under subsection  
10 (a) shall include—

11 “(1) an estimate of the number of eligible stu-  
12 dents enrolled in the community colleges operated or  
13 controlled by the State or in the eligible Tribal Col-  
14 lege or University and the cost of waiving commu-  
15 nity college tuition and fees for all eligible students  
16 for each award year covered by the grant;

17 “(2) in the case of a State, a list of each of the  
18 community colleges operated or controlled by the  
19 State;

20 “(3) an assurance that each community college  
21 operated or controlled by the State, or the eligible  
22 Tribal College or University, as applicable, will set  
23 community college tuition and fees for eligible stu-  
24 dents to \$0 as required by section 499D(a);

1           “(4) a description of the promising and evi-  
2           dence-based institutional reforms and innovative  
3           practices to improve student outcomes, including  
4           transfer and completion rates, that have been or will  
5           be adopted by each such community college, such  
6           as—

7                   “(A) providing comprehensive academic,  
8                   career, and student support services (including  
9                   mentoring, advising, case management services,  
10                  and career pathway navigation), especially for  
11                  low-income, first-generation, and adult stu-  
12                  dents, and other students belonging to racial  
13                  and other groups that are historically underrep-  
14                  resented in higher education;

15                  “(B) providing direct support services, or  
16                  assistance in applying for such services, such  
17                  as—

18                          “(i) childcare, transportation, and  
19                          emergency financial assistance;

20                          “(ii) assistance in obtaining health in-  
21                          surance coverage and accessing health care  
22                          services, including behavioral and mental  
23                          health services;

24                          “(iii) affordable housing;

1                   “(iv) nutrition assistance programs or  
2                   free or discounted food; and

3                   “(v) means-tested Federal benefit pro-  
4                   grams, or similar State, tribal, or local  
5                   benefit programs;

6                   “(C) providing accelerated learning oppor-  
7                   tunities, such as dual or concurrent enrollment  
8                   programs, including early college high school  
9                   programs, and reforming course scheduling and  
10                  credit awarding policies to better meet the  
11                  needs of students and shorten time to comple-  
12                  tion;

13                  “(D) strengthening and reforming remedial  
14                  and developmental education, especially for low-  
15                  income, first-generation, and adult students,  
16                  and other students belonging to racial and  
17                  other groups that are historically underrep-  
18                  resented in higher education, including through  
19                  the use of multiple measures (such as a stu-  
20                  dent’s college entrance examination score, grade  
21                  point average, high school course list, or a  
22                  placement examination) to identify students in  
23                  need of remedial education;

24                  “(E) utilizing career pathways, including  
25                  through building capacity for career and tech-

1            nical education, as defined in section 3(5) of  
2            the Carl D. Perkins Career and Technical Edu-  
3            cation Act of 2006 (20 U.S.C. 2302(5)), and  
4            programs of study, as defined in section 3(41)  
5            of such Act (20 U.S.C. 2302(41)), or degree  
6            pathways; or

7                  “(F) providing expanded opportunities for  
8            participating in work-based learning, which may  
9            include apprenticeship programs, in students’  
10          programs of study;

11                “(5) a description of how the State or eligible  
12          Tribal College or University will ensure that pro-  
13          grams leading to a recognized postsecondary creden-  
14          tial meet the quality criteria established by the State  
15          under section 122(b)(1) of the Workforce Innovation  
16          and Opportunity Act (29 U.S.C. 3152(b)(1)) or  
17          other quality criteria determined appropriate by the  
18          State or eligible Tribal College or University;

19                “(6) an assurance that each community college  
20          operated or controlled by the State or the eligible  
21          Tribal College or University, as applicable, has en-  
22          tered into a program participation agreement under  
23          section 487;

24                “(7) an assurance that the State or eligible  
25          Tribal College or University will assist eligible stu-

1       dents in obtaining information about and accessing  
2       means-tested Federal benefit programs and similar,  
3       State, tribal, and local benefit programs that can  
4       provide financial assistance for any component of  
5       the student’s cost of attendance, as defined under  
6       section 472, other than tuition and fees;

7               “(8) an assurance that, for each year of the  
8       grant, the State or eligible Tribal College or Univer-  
9       sity will notify each eligible student of the student’s  
10      remaining eligibility for assistance under this sub-  
11      part;

12              “(9) if the application is submitted by a  
13      State—

14                      “(A) a description of how the State will  
15                      support the scaling and increased adoption of  
16                      the reforms and practices described in para-  
17                      graph (4);

18                      “(B) an assurance that the State will, to  
19                      the extent practicable, consider changes to  
20                      State law that will enable more community col-  
21                      lege students to be eligible for means-tested  
22                      Federal benefit programs and similar State  
23                      benefit programs;

24                      “(C) an assurance that the State will meet  
25                      the requirements of section 499D(b)(1) relating

1 to the alignment of secondary and postsec-  
2 ondary education; and

3 “(D) an assurance that the State will meet  
4 the requirements of section 499D(b)(2) relating  
5 to the improvement of transfer pathways be-  
6 tween institutions of higher education; and

7 “(10) an assurance that the State or eligible  
8 Tribal College or University will clearly communicate  
9 to prospective students, including students with  
10 prior college experience who have not completed a  
11 postsecondary degree or credential, their families,  
12 and the general public—

13 “(A) plans to implement the program  
14 funded under this subpart; and

15 “(B) how eligible students can attend a  
16 community college operated or controlled by the  
17 State or eligible Tribal College or University  
18 without paying tuition and fees.

19 **“SEC. 499D. PROGRAM REQUIREMENTS.**

20 “(a) GENERAL REQUIREMENTS.—As a condition of  
21 receiving a grant under this subpart, a State or eligible  
22 Tribal College or University shall meet the following re-  
23 quirements:

24 “(1) Ensure that the total amount of tuition  
25 and fees charged to an eligible student in the State

1 or the eligible Tribal College or University shall be  
2 \$0.

3 “(2) For each year of the grant no amount of  
4 financial assistance for which an eligible student  
5 qualifies may be applied to such tuition or fees.

6 “(3) The State or eligible Tribal College or  
7 University may not use any funds provided under  
8 this subpart for administrative purposes relating to  
9 such grant.

10 “(b) STATE REQUIREMENTS.—In addition to the re-  
11 quirements under subsection (a), as a condition of receiv-  
12 ing a grant under this subpart, a State shall meet the fol-  
13 lowing requirements:

14 “(1) ALIGNMENT OF K-12 AND HIGHER EDU-  
15 CATION.—

16 “(A) IN GENERAL.—The State shall—

17 “(i) submit a plan to align the re-  
18 quirements for receiving a regular high  
19 school diploma from public schools in the  
20 State with the requirements for entering  
21 credit-bearing coursework at community  
22 colleges in such State; and

23 “(ii) not later than 3 years after the  
24 date on which the State first receives a  
25 grant under this subpart, certify to the

1 Secretary that such alignment has been  
2 achieved.

3 “(B) FAILURE TO CERTIFY.—If a State  
4 does not provide the certification required  
5 under subparagraph (A) by the date specified in  
6 such subparagraph, the State shall submit to  
7 the Secretary, at such time and in such manner  
8 as the Secretary may require—

9 “(i) a written explanation for the  
10 delay in making the certification; and

11 “(ii) a plan that will enable the State  
12 to make the certification by not later than  
13 5 years after the date on which the State  
14 first received a grant under this sub-  
15 part.\art.

16 “(2) TRANSFER PATHWAYS.—

17 “(A) IN GENERAL.—The State shall—

18 “(i) submit a plan, developed in col-  
19 laboration with faculty from institutions of  
20 higher education in the State, to improve  
21 transfer pathways between institutions of  
22 higher education in the State, including  
23 by—

24 “(I) ensuring that associate de-  
25 grees awarded by community colleges

1 in the State are fully transferable to,  
2 and credited as, the first 2 years of  
3 related baccalaureate programs at  
4 public institutions of higher education  
5 in such State;

6 “(II) increasing the transfer-  
7 ability of individual courses within the  
8 certificate or associate programs of-  
9 fered by community colleges in the  
10 State to related baccalaureate pro-  
11 grams offered by institutions of higher  
12 education in such State to maximize  
13 the transferability of credits for stu-  
14 dents who transfer before completing  
15 an associate degree;

16 “(III) expanding the use of re-  
17 verse transfer policies that allow insti-  
18 tutions to—

19 “(aa) implement the process  
20 of retroactively granting a certifi-  
21 cate or associate degree to stu-  
22 dents who had not completed the  
23 requirements for such certificate  
24 or degree before they transferred;  
25 and

1                   “(bb) allow academic credits  
2                   for coursework completed at a 4-  
3                   year institution to be applied to a  
4                   previously-attended community  
5                   college for the purpose of obtain-  
6                   ing an associate degree or a cer-  
7                   tificate; and

8                   “(IV) ensuring that students at-  
9                   tending community colleges in the  
10                  State have access to comprehensive  
11                  counseling regarding the process for  
12                  transferring to a 4-year institution of  
13                  higher education; and

14                  “(ii) not later than 3 years after the  
15                  date on which the State first receives a  
16                  grant under this subpart, certify to the  
17                  Secretary that the State is carrying out  
18                  the plan submitted in accordance with  
19                  clause (i) and is meeting the requirements  
20                  of subclauses (I) through (IV) of such  
21                  clause.

22                  “(B) FAILURE TO CERTIFY.—If a State  
23                  does not provide the certification required  
24                  under subparagraph (A) by the date specified in  
25                  such subparagraph, the State shall submit to

1 the Secretary, at such time and in such manner  
2 as the Secretary may require—

3 “(i) a written explanation for the  
4 delay in making the certification; and

5 “(ii) a plan that will enable the State  
6 to make the certification by not later than  
7 5 years after the date on which the State  
8 first received a grant under this subpart.

9 “(3) APPLICABILITY.—The Secretary may not  
10 apply the requirements under this subsection to an  
11 eligible Tribal College or University.

12 “(c) STATE MAINTENANCE OF EFFORT.—A State re-  
13 ceiving a grant under this subpart shall be entitled to re-  
14 ceive its full allotment of funds under this subpart for a  
15 fiscal year only if, for each year of the grant, the State  
16 provides—

17 “(1) State fiscal support for higher education  
18 per full-time equivalent student at a level equal to or  
19 exceeding the average amount of State fiscal support  
20 for higher education per full-time equivalent student  
21 provided for the 3 consecutive preceding fiscal years;

22 “(2) financial support for operating expenses  
23 (excluding capital expenses and research and devel-  
24 opment costs) for public 4-year institutions of higher  
25 education at a level equal to or exceeding the aver-

1       age amount provided for the 3 consecutive preceding  
2       State fiscal years; and

3               “(3) financial support for need-based financial  
4       aid at a level equal to or exceeding the average  
5       amount provided for the 3 consecutive preceding  
6       State fiscal years.

7       “(d) NO ADDITIONAL ELIGIBILITY REQUIRE-  
8       MENTS.—A State or eligible Tribal College or University  
9       that receives a grant under this subpart may not impose  
10      additional eligibility requirements on eligible students  
11      other than the requirements under this subpart.

12      “(e) ELIGIBILITY FOR BENEFITS.—No individual  
13      shall be determined to be ineligible to receive benefits pro-  
14      vided under this subpart (including tuition and fees set  
15      to \$0 and other aid provided under this subpart) on the  
16      basis of citizenship, alienage, or immigration status.

17      **“SEC. 499E. ALLOWABLE USES OF FUNDS.**

18      “(a) IN GENERAL.—Except as provided in subsection  
19      (b), a State or eligible Tribal College or University shall  
20      use a grant under this subpart only to ensure that the  
21      total amount of tuition and fees charged to an eligible stu-  
22      dent in the State or the eligible Tribal College or Univer-  
23      sity shall be \$0.

24      “(b) ADDITIONAL USES.—If a State or an eligible  
25      Tribal College or University demonstrates to the Secretary

1 that the State or eligible Tribal College or University has  
2 grant funds remaining after meeting the demand for ac-  
3 tivities described in subsection (a), the State or eligible  
4 Tribal College or University may use those funds to carry  
5 out 1 or more of the following:

6           “(1) Providing need-based financial aid to stu-  
7 dents that may be used by such students to pay any  
8 component of cost of attendance, as defined under  
9 section 472.

10           “(2) Improving student outcomes by imple-  
11 menting evidence-based institutional reforms or  
12 practices.

13           “(3) Enhancing the quality and equity of public  
14 higher education to improve student outcomes, in-  
15 cluding transfer and completion rates and labor  
16 market outcomes.

17           “(4) Investing in and diversifying the academic  
18 workforce.

19           “(5) Expanding the scope and capacity of high-  
20 quality academic and occupational skills training  
21 programs at community colleges, which may include  
22 collaboration with one or more industry or sector  
23 partnerships (as defined in section 3 of the Work-  
24 force Innovation and Opportunity Act (29 U.S.C.  
25 3201)).

1           “(6) Improving postsecondary education readi-  
2           ness in the State, including through outreach and  
3           early intervention.

4           “(7) Expanding access to dual or concurrent  
5           enrollment programs, such as early college high  
6           school programs.

7           “(8) Reducing unmet need at public 4-year in-  
8           stitutions of higher education.

9           “(c) USE OF FUNDS FOR ADMINISTRATIVE PUR-  
10          POSES.—A State or Tribal College or University that re-  
11          ceives a grant under this subpart may not use any funds  
12          provided under this subpart for administrative purposes  
13          relating to such grant.

14          “(d) SUPPLEMENT, NOT SUPPLANT.—Funds made  
15          available under this subpart shall be used to supplement,  
16          and not supplant, other Federal, State, tribal, and local  
17          funds that would otherwise be expended to carry out ac-  
18          tivities described in this section.

19          “(e) REPORT REQUIREMENTS.—

20                 “(1) REPORTING BY STATES .—A State receiv-  
21                 ing a grant under this subpart shall submit to the  
22                 Secretary an annual report that shall include—

23                         “(A) the uses of grant funds under this  
24                         subpart;

1           “(B) the progress made in fulfilling the re-  
2           quirements of the grant;

3           “(C) the rates of transfer, graduation, and  
4           attainment of recognized postsecondary creden-  
5           tials at participating community colleges,  
6           disaggregated by race, income, and age; and

7           “(D) any other information that the Sec-  
8           retary may require.

9           “(2) REPORTING BY SECRETARY.—The Sec-  
10          retary shall, on an annual basis—

11           “(A) compile and analyze the information  
12           described in paragraph (1); and

13           “(B) prepare and submit to the author-  
14           izing committees a report containing—

15           “(i) the analysis described in subpara-  
16           graph (A); and

17           “(ii) an identification of State and  
18           best practices for achieving the purpose of  
19           this subpart.

20          “(f) TECHNICAL ASSISTANCE.—The Secretary shall  
21          provide technical assistance to States and eligible Tribal  
22          Colleges and Universities concerning best practices re-  
23          garding the promising and evidence-based institutional re-  
24          forms and innovative practices to improve student out-

1 comes and shall disseminate such best practices among  
2 such entities.

3 “(g) CONTINUATION OF FUNDING.—

4 “(1) IN GENERAL.—Except as provided in para-  
5 graph (2), a State or an eligible Tribal College or  
6 University receiving a grant under this subpart for  
7 a fiscal year may continue to receive funding under  
8 this subpart for future fiscal years conditioned on  
9 the availability of budget authority and on meeting  
10 the requirements of the grant, as determined by the  
11 Secretary.

12 “(2) DISCONTINUATION.—The Secretary may  
13 discontinue funding of the Federal share of a grant  
14 under this subpart if the State or eligible Tribal Col-  
15 lege or University has violated the terms of the  
16 grant or is not making adequate progress in imple-  
17 menting the reforms described in the application  
18 submitted under section 499C.

19 “(h) RULE OF CONSTRUCTION REGARDING BIE  
20 FUNDS.—Nothing in this subpart shall be construed to  
21 impact the availability of funds from, or uses of funds pro-  
22 vided by, the Bureau of Indian Education for Tribal Col-  
23 leges and Universities.

1 **“SEC. 499F. AUTOMATIC STABILIZERS FOR AMERICA’S COL-**  
2 **LEGE PROMISE.**

3 “(a) MAINTENANCE OF EFFORT RELIEF.—Notwith-  
4 standing subsection (c) of section 499D, a State that  
5 meets the qualifying spending requirements may request  
6 a waiver of the requirements under such subsection (c).  
7 The Secretary shall waive the requirements of such sub-  
8 section (c) for a State that makes a qualifying request  
9 under this subsection as follows:

10 “(1) TIER I.—With respect to each State eligi-  
11 ble for relief under tier I, such requirements shall be  
12 waived for the fiscal year succeeding the fiscal year  
13 in which the determination of the State’s eligibility  
14 for such relief is made.

15 “(2) TIERS II THROUGH V.—With respect to  
16 each State eligible for relief under tier II, III, IV,  
17 or V, such requirements shall be waived, in accord-  
18 ance with subsection (d), for—

19 “(A) the fiscal year in which the deter-  
20 mination of the State’s eligibility for such relief  
21 is made;

22 “(B) the fiscal year succeeding the fiscal  
23 year described in subparagraph (A); or

24 “(C) both such fiscal years.

25 “(b) STATE SHARE RELIEF.—

1           “(1) STATE MATCH RELIEF.—Notwithstanding  
2           subsection (b) of section 499B, a State that is eligi-  
3           ble for relief under tier II, III, IV, or V may request  
4           relief with respect to the requirements of such sub-  
5           section (b). The Secretary shall provide relief from  
6           the requirements of such subsection (b), for the ap-  
7           plicable fiscal year or years, for a State that makes  
8           a qualifying request under this paragraph as follows:

9                   “(A) TIER II.—With respect to a State  
10                   that is eligible for relief under tier II, the Sec-  
11                   retary shall—

12                           “(i) apply section 499B(a)(1)(B)(v)  
13                           by substituting ‘85 percent’ for ‘80 per-  
14                           cent’; and

15                           “(ii) apply section 499B(b)(1)(B)(v)  
16                           by substituting ‘15 percent’ for ‘20 per-  
17                           cent’.

18                   “(B) TIER III.—With respect to a State  
19                   that is eligible for relief under tier III, the Sec-  
20                   retary shall—

21                           “(i) apply section 499B(a)(1)(B)(v)  
22                           by substituting ‘90 percent’ for ‘80 per-  
23                           cent’;

1 “(ii) apply section 499B(b)(1)(B)(v)  
2 by substituting ‘10 percent’ for ‘20 per-  
3 cent’;

4 “(iii) apply section 499B(a)(1)(B)(iv)  
5 by substituting ‘90 percent’ for ‘85 per-  
6 cent’; and

7 “(iv) apply section 499B(b)(1)(B)(iv)  
8 by substituting ‘10 percent’ for ‘15 per-  
9 cent’

10 “(C) TIER IV.—With respect to a State  
11 that is eligible for relief under tier IV, the Sec-  
12 retary shall—

13 “(i) apply section 499B(a)(1)(B)(v)  
14 by substituting 95 percent’ for ‘80 per-  
15 cent’;

16 “(ii) apply section 499B(b)(1)(B)(v)  
17 by substituting ‘5 percent’ for ‘20 percent’;

18 “(iii) apply section 499B(a)(1)(B)(iv)  
19 by substituting ‘95 percent’ for ‘85 per-  
20 cent’;

21 “(iv) apply section 499B(b)(1)(B)(iv)  
22 by substituting ‘5 percent’ for ‘15 percent’;

23 “(v) apply section 499B(a)(1)(B)(iii)  
24 by substituting ‘95 percent’ for ‘90 per-  
25 cent’; and

1 “(vi) apply section 499B(b)(1)(B)(iii)  
2 by substituting ‘5 percent’ for ‘10 percent’.

3 “(D) TIER V.—With respect to a State  
4 that is eligible for relief under tier V, the Sec-  
5 retary shall—

6 “(i) apply section 499B(a)(1)(B)(v)  
7 by substituting 100 percent’ for ‘80 per-  
8 cent’;

9 “(ii) apply section 499B(b)(1)(B)(v)  
10 by substituting ‘0 percent’ for ‘20 percent’;

11 “(iii) apply section 499B(a)(1)(B)(iv)  
12 by substituting ‘100 percent’ for ‘85 per-  
13 cent’;

14 “(iv) apply section 499B(b)(1)(B)(iv)  
15 by substituting ‘0 percent’ for ‘15 percent’;

16 “(v) apply section 499B(a)(1)(B)(iii)  
17 by substituting ‘100 percent’ for ‘90 per-  
18 cent’;

19 “(vi) apply section 499B(b)(1)(B)(iii)  
20 by substituting ‘0 percent’ for ‘10 percent’;

21 “(vii) apply section 499B(a)(1)(B)(ii)  
22 by substituting ‘100 percent’ for ‘95 per-  
23 cent’; and

24 “(viii) apply section 499B(b)(1)(B)(ii)  
25 by substituting ‘0 percent’ for ‘5 percent’.

1           “(2) APPLICABLE FISCAL YEARS.—With respect  
2           to each State eligible for relief under tier II, III, IV,  
3           or V, the Secretary shall provide the relief under  
4           paragraph (1), in accordance with subsection (d),  
5           for—

6                   “(A) the fiscal year in which the deter-  
7                   mination of the State’s eligibility for such relief  
8                   is made;

9                   “(B) the fiscal year succeeding the fiscal  
10                  year described in subparagraph (A); or

11                  “(C) both such fiscal years.

12           “(c) STATE ELIGIBILITY.—A State’s eligibility for re-  
13           lief under this section shall be determined as follows:

14                  “(1) TIER I.—A State shall be eligible for relief  
15                  under tier I for a fiscal year in which—

16                          “(A)(i) the State was in an elevated unem-  
17                          ployment period at any point in the fiscal year;  
18                          or

19                          “(ii) the Nation as a whole was in an ele-  
20                          vated unemployment period at any point in the  
21                          fiscal year; and

22                          “(B) the State is not eligible for relief  
23                          under any other tier.

24                  “(2) TIER II.—A State shall be eligible for re-  
25                  lief under tier II for a fiscal year in which—

1           “(A)(i) the State average unemployment  
2           rate was equal to or greater than 6.5 percent  
3           but less than 7.5 percent at any point in the  
4           fiscal year; or

5           “(ii) the national average unemployment  
6           rate is equal to or greater than 6.5 percent but  
7           less than 7.5 percent at any point in the fiscal  
8           year; and

9           “(B) the State is not eligible for relief  
10          under tier III, IV, or V.

11          “(3) TIER III.—A State shall be eligible for re-  
12          lief under tier III for a fiscal year in which—

13               “(A)(i) the State average unemployment  
14               rate was equal to or greater than 7.5 percent  
15               but less than 8.5 percent at any point in the  
16               fiscal year; or

17               “(ii) the national average unemployment  
18               rate is equal to or greater than 7.5 percent but  
19               less than 8.5 percent at any point in the fiscal  
20               year; and

21               “(B) the State is not eligible for relief  
22               under tier IV or V.

23          “(4) TIER IV.—A State shall be eligible for re-  
24          lief under tier IV for a fiscal year in which—

1           “(A)(i) the State average unemployment  
2           rate was equal to or greater than 8.5 percent  
3           but less than 9.5 percent at any point in the  
4           fiscal year; or

5           “(ii) the national average unemployment  
6           rate is equal to or greater than 8.5 percent but  
7           less than 9.5 percent at any point in the fiscal  
8           year; and

9           “(B) the State is not eligible for relief  
10          under tier V.

11          “(5) TIER V.—A State shall be eligible for relief  
12          under tier V for a fiscal year in which—

13                 “(A) the State average unemployment rate  
14                 was equal to or greater than 9.5 percent at any  
15                 point in the fiscal year; or

16                 “(B) the national average unemployment  
17                 rate is equal to or greater than 9.5 percent at  
18                 any point in the fiscal year.

19          “(d) DISCRETION IN THE PROVISION OF RELIEF.—  
20          In determining the fiscal years for which to provide relief  
21          in accordance with subsections (a)(2) and (b) to a State  
22          that is eligible under tier II, III, IV, or V, the Secretary  
23          shall take into account the following:

1           “(1) In the case of a State that requests relief  
2           under subsection (a)(2), the fiscal years for which  
3           the State requests such relief, including—

4                   “(A) if the State requests such relief for  
5                   the fiscal year for which the determination of  
6                   the State’s eligibility for such relief is made, the  
7                   amount by which the State is unable to meet  
8                   the requirements of section 499D(c) for such  
9                   fiscal year; and

10                   “(B) if the State requests such relief for  
11                   the fiscal year succeeding the year described in  
12                   subparagraph (A), the amount by which the  
13                   State anticipates being unable to meet such re-  
14                   quirements for such succeeding fiscal year.

15           “(2) In the case of a State that requests relief  
16           under subsection (b), the fiscal years for which the  
17           State requests such relief, including—

18                   “(A) if the State requests such relief for  
19                   the fiscal year for which the determination of  
20                   the State’s eligibility for such relief is made, the  
21                   extent to which the State is unable to meet the  
22                   requirements of section 499B(b) for such fiscal  
23                   year; and

24                   “(B) if the State requests such relief for  
25                   the fiscal year succeeding the year described in

1           subparagraph (A), the extent to which the State  
2           anticipates being unable to meet such require-  
3           ments for such succeeding fiscal year.

4           “(3) The actual or anticipated timing, severity,  
5           and duration of the unemployment rate increase  
6           during—

7                   “(A) the fiscal year for which the deter-  
8                   mination of the State’s eligibility for such relief  
9                   is made;

10                   “(B) the fiscal year succeeding the fiscal  
11                   year described in subparagraph (A); and

12                   “(C) the fiscal year preceding the fiscal  
13                   year described in subparagraph (A).

14           “(4) Other factors determined to be relevant by  
15           the Secretary.

16           “(e) CONTINUED PAYMENT TO EMPLOYEES.—A  
17           State that receives relief under subsection (a) or (b) shall,  
18           to the greatest extent practicable, continue to pay its em-  
19           ployees of, and contractors with, public institutions of  
20           higher education in the State during the period in which  
21           the State is receiving such relief.

22           “(f) DEFINITIONS.—In this section:

23                   “(1) ELEVATED UNEMPLOYMENT PERIOD.—  
24           The term ‘elevated unemployment period’—

1           “(A) when used with respect to the Nation  
2           as a whole, means a consecutive, 3-month pe-  
3           riod in a fiscal year in which the national aver-  
4           age unemployment rate is not less than 0.5 per-  
5           centage points above the lowest national aver-  
6           age unemployment rate for the 12-month period  
7           preceding such 3-month period; and

8           “(B) when used with respect to a State,  
9           means a consecutive, 3-month period in a fiscal  
10          year in which the State average unemployment  
11          rate is not less than 0.5 percentage points  
12          above the lowest State average unemployment  
13          rate for the 12-month period preceding such 3-  
14          month period.

15          “(2) QUALIFYING SPENDING REQUIREMENTS.—  
16          The term ‘qualifying spending requirements’ means  
17          the requirements that a State not disproportionately  
18          decrease spending for any of the categories described  
19          in paragraphs (1) through (3) of section 499D(c)  
20          relative to such State’s overall, average decrease in  
21          spending for the 3 consecutive preceding fiscal years.

22          “(3) NATIONAL AVERAGE UNEMPLOYMENT  
23          RATE.—The term ‘national average unemployment  
24          rate’ means the average (seasonally adjusted) rate of  
25          total unemployment in all States for a consecutive,

1 3-month period in a fiscal year, based on data from  
2 the Bureau of Labor Statistics of the Department of  
3 Labor.

4 “(4) STATE AVERAGE UNEMPLOYMENT RATE.—  
5 The term ‘State average unemployment rate’ means  
6 the average (seasonally adjusted) rate of total unem-  
7 ployment in a State for a consecutive, 3-month pe-  
8 riod in a fiscal year, based on data from the Bureau  
9 of Labor Statistics of the Department of Labor.

10 **“SEC. 499G. APPROPRIATIONS.**

11 “There are authorized to be appropriated, and there  
12 are appropriated to carry out this subpart (in addition to  
13 any other amounts appropriated to carry out this subpart  
14 and out of any money in the Treasury not otherwise ap-  
15 propriated), such sums as may be necessary for fiscal year  
16 2024 and each succeeding fiscal year.

17 **“SEC. 499H. DEFINITIONS.**

18 “In this subpart:

19 “(1) APPRENTICESHIP.—The term ‘apprentice-  
20 ship’ means an apprenticeship program registered  
21 under the Act of August 16, 1937 (commonly known  
22 as the ‘National Apprenticeship Act’; 50 Stat. 664,  
23 chapter 663; 29 U.S.C. 50 et seq.).

24 “(2) CAREER PATHWAY.—The term ‘career  
25 pathway’ has the meaning given the term in section

1           3 of the Workforce Innovation and Opportunity Act  
2           (29 U.S.C. 3102).

3           “(3) COMMUNITY COLLEGE.—The term ‘com-  
4           munity college’ means—

5                   “(A) a degree-granting public institution of  
6                   higher education at which—

7                           “(i) the highest degree awarded is an  
8                           associate degree; or

9                           “(ii) an associate degree is the pre-  
10                          dominant degree awarded;

11                          “(B) an eligible Tribal College or Univer-  
12                          sity;

13                          “(C) a degree-granting branch campus of a  
14                          4-year public institution of higher education if,  
15                          at such branch campus—

16                           “(i) the highest degree awarded is an  
17                           associate degree; or

18                           “(ii) an associate degree is the pre-  
19                           dominant degree awarded; or

20                          “(D) at the designation of the Secretary,  
21                          in the case of a State that does not operate or  
22                          control any institution that meets a definition  
23                          under subparagraph (A) or (C), a college or  
24                          similarly defined and structured academic enti-  
25                          ty—

1 “(i) that was in existence on July 1,  
2 2021;

3 “(ii) within a 4-year public institution  
4 of higher education; and

5 “(iii) at which—

6 “(I) the highest degree awarded  
7 is an associate degree; or

8 “(II) an associate degree is the  
9 predominant degree awarded.

10 “(4) DUAL OR CONCURRENT ENROLLMENT  
11 PROGRAM.—The term ‘dual or concurrent enrollment  
12 program’ has the meaning given the term in section  
13 8101 of the Elementary and Secondary Education  
14 Act of 1965.

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

19 “(6) ELIGIBLE STUDENT.—The term ‘eligible  
20 student’ means a student who—

21 “(A) is enrolled as an undergraduate stu-  
22 dent in an eligible program (as defined in sec-  
23 tion 481(b)) at a community college on not less  
24 than a half-time basis;

1           “(B) in the case of a student who is en-  
2 rolled in a community college that charges dif-  
3 ferent tuition rates on the basis of in-State or  
4 in-district residency, either—

5           “(i) qualifies for in-State or in-district  
6 resident community college tuition; or

7           “(ii) would qualify for such in-State  
8 or in-district resident tuition at such com-  
9 munity college, but for the immigration  
10 status of such student; and

11          “(C) has not been enrolled (whether full-  
12 time or less than full-time) for more than 6 se-  
13 mesters (or the equivalent) for which commu-  
14 nity college tuition and fees of the student were  
15 set to \$0 pursuant to section 499D(a);

16          “(D) is not enrolled in a dual or concu-  
17 rent enrollment program or early college high  
18 school; and

19          “(E) in the case of a student who is a  
20 United States citizen, has filed a FAFSA de-  
21 scribed in section 483 for the applicable award  
22 year for which the student is enrolled.

23          “(7) ELIGIBLE TRIBAL COLLEGE OR UNIVER-  
24 SITY.—The term ‘eligible Tribal College or Univer-  
25 sity’ means—

1                   “(A) a 2-year Tribal College or University;

2                   or

3                   “(B) a degree-granting Tribal College or

4                   University—

5                   “(i) at which the highest degree

6                   awarded is an associate degree; or

7                   “(ii) an associate degree is the pre-

8                   dominant degree awarded.

9                   “(8) EVIDENCE-BASED INSTITUTIONAL RE-  
10                  FORMS AND INNOVATIVE PRACTICES.—The term  
11                  ‘evidence-based institutional reforms and innovative  
12                  practices’ means practices or reforms that meet the  
13                  criteria for ‘evidence tier 1’ and ‘evidence tier 2’  
14                  under section 4611(a)(2) of the Elementary and  
15                  Secondary Education Act of 1965, as determined by  
16                  the Secretary in accordance with such section.

17                  “(9) INSTITUTION OF HIGHER EDUCATION.—  
18                  The term ‘institution of higher education’ has the  
19                  meaning given the term in section 101.

20                  “(10) MEANS-TESTED FEDERAL BENEFIT PRO-  
21                  GRAM.—The term ‘means-tested Federal benefit pro-  
22                  gram’ has the meaning given the term in section  
23                  479.

24                  “(11) RECOGNIZED POSTSECONDARY CREDEN-  
25                  TIAL.—The term ‘recognized postsecondary creden-

1        tial’ has the meaning given the term in section 3 of  
2        the Workforce Innovation and Opportunity Act (29  
3        U.S.C. 3102).

4            “(12) STATE FISCAL SUPPORT FOR HIGHER  
5        EDUCATION.—

6            “(A) INCLUSIONS.—

7            “(i) IN GENERAL.—Except as pro-  
8        vided in subparagraph (B), the term ‘State  
9        fiscal support for higher education’, used  
10       with respect to a State for a fiscal year,  
11       means an amount that is equal to—

12            “(I) the gross amount of applica-  
13       ble State funds appropriated or dedi-  
14       cated, and expended by the State, in-  
15       cluding funds from lottery receipts, in  
16       the fiscal year, that are used to sup-  
17       port institutions of higher education  
18       and student financial aid for higher  
19       education in the State; and

20            “(II) any funds described in  
21       clause (ii).

22            “(ii) LOCAL FUNDS.—In the case of a  
23       State that includes, as part of the State  
24       share under section 499B(b)(2)(B) for an  
25       award year, funds provided to community

1 colleges by local governments in such State  
2 for the purpose of carrying out this sub-  
3 part, local funds provided to community  
4 colleges operated or controlled by such  
5 State for operating expenses (excluding  
6 capital expenses and research and develop-  
7 ment costs) shall be included in the cal-  
8 culation of the State fiscal support for  
9 higher education for such award year  
10 under clause (i).

11 “(B) EXCLUSIONS.—State fiscal support  
12 for higher education for a State for a fiscal  
13 year shall not include—

14 “(i) funds described in subparagraph  
15 (A)(i) that are returned to the State;

16 “(ii) State-appropriated funds derived  
17 from Federal sources, including funds pro-  
18 vided under section 499B(b) and section  
19 499J(b);

20 “(iii) funds that are included in the  
21 State share under section 499B(b) (except  
22 as provided in subparagraph (A)(ii) of this  
23 paragraph), including funds included in  
24 the State share in accordance with para-  
25 graph (2)(A) of such section;

1           “(iv) amounts that are portions of  
2           multiyear appropriations to be distributed  
3           over multiple years that are not to be  
4           spent for the year for which the calculation  
5           under this paragraph is being made, sub-  
6           ject to subparagraph (C);

7           “(v) tuition, fees, or other educational  
8           charges paid directly by a student to a  
9           public institution of higher education or to  
10          the State;

11          “(vi) funds for—

12           “(I) financial aid to students at-  
13          tending, or operating expenses of—

14           “(aa) out-of-State institu-  
15          tions of higher education;

16           “(bb) proprietary institu-  
17          tions of higher education (as de-  
18          fined in section 102(b)); or

19           “(cc) institutions of higher  
20          education not accredited by an  
21          agency or association recognized  
22          by the Secretary pursuant to sec-  
23          tion 496;

24          “(II) financial aid to students  
25          awarded predominantly on the basis

1 of merit, including programs awarded  
2 on the basis of predicted or actual  
3 academic performance or assessment;

4 “(III) research and development;

5 “(IV) hospitals, athletics, or  
6 other auxiliary enterprises; or

7 “(V) corporate or other private  
8 donations directed to 1 or more insti-  
9 tutions of higher education permitted  
10 to be expended by the State; or

11 “(vi) any other funds that the Sec-  
12 retary determines shall not be included in  
13 the calculation of State fiscal support for  
14 higher education for such State.

15 “(C) ADJUSTMENTS FOR BIENNIAL APPRO-  
16 PRIATIONS.—The Secretary shall take into con-  
17 sideration any adjustments to the calculations  
18 under this paragraph that may be required to  
19 accurately reflect State fiscal support for higher  
20 education in States with biennial appropriation  
21 cycles.

22 “(13) STATE FISCAL SUPPORT FOR HIGHER  
23 EDUCATION PER FULL-TIME EQUIVALENT STU-  
24 DENT.—The term ‘State fiscal support for higher  
25 education per full-time equivalent student’, when

1 used with respect to a State for a fiscal year, means,  
2 the amount that is equal to—

3 “(A) the State fiscal support for higher  
4 education for the previous fiscal year; divided  
5 by

6 “(B) the number of full-time equivalent  
7 students enrolled in public institutions of higher  
8 education in such State for such previous fiscal  
9 year.

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

## 13 **TITLE II—STUDENT SUCCESS** 14 **FUND**

### 15 **SEC. 201. STUDENT SUCCESS FUND.**

16 Part J of title IV of the Higher Education Act of  
17 1965 (20 U.S.C. 1070 et seq.), as added by section 101,  
18 is further amended by adding at the end the following:

#### 19 **“Subpart 2—Student Success Fund**

##### 20 **“SEC. 499I. IN GENERAL.**

21 “(a) IN GENERAL.—From amounts appropriated  
22 under section 499O for any fiscal year, the Secretary shall  
23 carry out a grant program (to be known as the ‘Student  
24 Success Fund’) to make grants to eligible entities to carry  
25 out the activities and services described in section 499L.

1       “(b) PRIORITY.—In awarding funds under this sub-  
2 part, the Secretary shall give priority to eligible entities  
3 that propose to use a significant share of grant funds to  
4 improve enrollment, retention, transfer, or completion  
5 rates or labor market outcomes among students of color,  
6 low-income students, students with disabilities, students in  
7 need of remediation, first generation college students, stu-  
8 dent parents, and other underserved student populations.

9       **“SEC. 499J. FEDERAL SHARE AND MATCHING FUNDS.**

10       “(a) FEDERAL SHARE.—

11               “(1) FORMULA REQUIREMENTS.—The Federal  
12 share of a grant under this subpart shall be based  
13 on a formula, developed by the Secretary, that ac-  
14 counts for—

15                       “(A) the State or Tribal College or Univer-  
16 sity relative share of eligible students, as deter-  
17 mined in accordance with section 499B(c);

18                       “(B) the State or Tribal College or Univer-  
19 sity relative share of Federal Pell Grant recipi-  
20 ents; and

21                       “(C) the ratio between a State or Tribal  
22 College or University funding per full-time  
23 equivalent (FTE) student at public institutions  
24 of higher education and the average net price at  
25 public 4-year institutions of higher education, in

1           such a way as to reward States and Indian  
2           tribes that keep net prices for students low  
3           while maintaining their fiscal support for higher  
4           education.

5           “(2) FORMULA PUBLISHED BEFORE APPLICA-  
6           TION DEADLINE.—The Secretary shall—

7                   “(A) develop the formula described in  
8                   paragraph (1);

9                   “(B) calculate estimated allotments for  
10                  each eligible entity under such formula; and

11                  “(C) publish such formula and estimated  
12                  allotments not later than the date of the notice  
13                  soliciting applications for participation in the  
14                  program under this subpart.

15          “(b) MATCHING FUNDS.—

16                  “(1) IN GENERAL.—Except as provided in para-  
17                  graph (2), an eligible entity participating in the pro-  
18                  gram under this subpart shall provide, from non-  
19                  Federal sources, in cash or in-kind—

20                          “(A) in each of the first, second, third, and  
21                          fourth years of participation in the program, an  
22                          amount equal to 25 percent of the amount such  
23                          entity received under subsection (a) with re-  
24                          spect to such year;

1           “(B) in each of the fifth and sixth years of  
2 participation in the program, an amount equal  
3 to 50 percent of the amount such entity re-  
4 ceived under subsection (a) with respect to such  
5 year;

6           “(C) in each of the seventh and eighth  
7 years of participation in the program, an  
8 amount equal to 75 percent of the amount such  
9 entity received under subsection (a) with re-  
10 spect to such year; and

11           “(D) in the ninth year and each subse-  
12 quent year thereafter of participation in the  
13 program, an amount equal to 100 percent of  
14 the amount such entity received under sub-  
15 section (a) with respect to such year.

16           “(2) EXCEPTION FOR TRIBAL COLLEGES AND  
17 UNIVERSITIES.—The Secretary may modify or waive  
18 the matching fund requirements under paragraph  
19 (1) in the case of an eligible entity that is a Tribal  
20 College or University.

21           “(3) REALLOTMENT.—If an eligible entity re-  
22 turns to the Secretary any portion of the grant  
23 amount provided to such eligible entity under this  
24 subpart for any fiscal year, or requests a grant  
25 amount that is less than the Federal share deter-

1       mined for such entity in accordance with subsection  
2       (a), the Secretary shall reallocate such excess amount  
3       for the succeeding fiscal year, in addition to the  
4       amounts appropriated under 4990 for such suc-  
5       ceeding fiscal year.

6       “(c) SUPPLEMENT, NOT SUPPLANT.—Grant funds  
7       awarded under this subpart shall be used to supplement,  
8       and not supplant, other Federal, State, tribal, and local  
9       funds that would otherwise be expended to carry out ac-  
10      tivities assisted under this subpart.

11      **“SEC. 499K. APPLICATIONS.**

12      “(a) IN GENERAL.—To be eligible to participate in  
13      the program under this subpart, an eligible entity shall  
14      submit an application to the Secretary at such time, in  
15      such manner, and containing such information as the Sec-  
16      retary may require, including—

17              “(1) a plan that includes—

18                      “(A) the amount of funds requested by the  
19                      eligible entity under this subpart and the in-  
20                      tended use of such funds;

21                      “(B) how the eligible entity will use the re-  
22                      quested funds to implement promising and evi-  
23                      dence-based institutional reforms and innovative  
24                      practices to improve student outcomes, includ-  
25                      ing—

1           “(i) implementation of the reforms  
2           and practices identified by such entity  
3           under section 499C(b)(4); and

4           “(ii) annual implementation bench-  
5           marks that the entity will use to track  
6           progress in implementing such reforms and  
7           practices;

8           “(C) if the eligible entity is a State, how  
9           such eligible entity will support the scaling of  
10          evidence-based and innovative initiatives sys-  
11          tem-wide;

12          “(D) how the eligible entity will meet its  
13          matching fund requirements under section  
14          499J(b);

15          “(E) if the eligible entity is a State, how  
16          such eligible entity will prioritize spending on  
17          the public institutions of higher education speci-  
18          fied in paragraph (2)(B); and

19          “(F) the improvements the eligible entity  
20          anticipates in student outcomes, including im-  
21          provements in transfer rates or completion  
22          rates, or both; and

23          “(2) if the eligible entity is a State, an analysis  
24          that includes—

1           “(A) with respect to each public institution  
2 of higher education of the eligible entity—

3                   “(i) the total per-student funding;

4                   “(ii) the amount of per-student fund-  
5 ing from State-appropriated funds;

6                   “(iii) the student demographics (in-  
7 cluding data on race, income, disability  
8 status, and remediation); and

9                   “(iv) transfer and completion rates,  
10 including such rates among low-income  
11 students, students of color, students with  
12 disabilities, and students in need of reme-  
13 diation; and

14           “(B) whether, of the public institutions of  
15 higher education of the eligible entity, the pub-  
16 lic institutions of higher education that received  
17 less funding on a per-student basis described in  
18 clause (i) or (ii), or both, of subparagraph (A),  
19 are serving disproportionately high shares of  
20 low-income students, students of color, students  
21 with disabilities, or students in need of remedi-  
22 ation.

23           “(b) APPROVAL.—

1           “(1) IN GENERAL.—Not later than 180 days  
2 after receiving a plan under subsection (a), the Sec-  
3 retary shall—

4                   “(A) approve the plan; or

5                   “(B) require revisions to such plan.

6           “(2) REVISIONS REQUIRED.—An eligible entity  
7 shall make such revisions as required by the Sec-  
8 retary under paragraph (1)(B).

9           “(c) PUBLICATION.—The Secretary shall make each  
10 plan approved under subsection (b)(1)(A) and each plan  
11 revised under subsection (b)(2) available to the public on  
12 the website of the Department.

13 **“SEC. 499L. PROGRAM REQUIREMENTS.**

14           “(a) GENERAL REQUIREMENTS.—

15                   “(1) REPORT ON DEMONSTRATED PROGRESS.—

16 For the third year in which an eligible entity partici-  
17 pates in the program under this subpart, and every  
18 2 years thereafter, the eligible entity shall submit a  
19 report to the Secretary, in such manner and con-  
20 taining such information as the Secretary may re-  
21 quire, that includes—

22                   “(A) the progress in meeting the annual  
23 implementation benchmarks included in the ap-  
24 plication of such eligible entity under section  
25 499K(a)(1)(B);

1           “(B) the progress in improving the student  
2 outcomes identified by the entity under section  
3 499K(a)(1)(F); and

4           “(C) with respect to the 2 years after such  
5 report is submitted—

6           “(i) a plan for the use of funds under  
7 this subpart; and

8           “(ii) the amount of funds requested  
9 by the eligible entity under this subpart.

10          “(2) APPROVAL.—Not later than 180 days  
11 after receiving a plan under paragraph (1)(C)(i), the  
12 Secretary shall—

13           “(A) approve the plan; or

14           “(B) require revisions to such plan.

15          “(3) REVISIONS REQUIRED.—An eligible entity  
16 shall make such revisions as required by the Sec-  
17 retary under paragraph (2)(B).

18          “(b) FAILURE TO MEET REQUIREMENTS.—If an eli-  
19 gible entity does not meet the annual implementation  
20 benchmarks included in the application of such eligible en-  
21 tity under section 499K(a)(1)(B), as required to be re-  
22 ported under subsection (a)(1)(A), such eligible entity  
23 shall submit to the Secretary, at such time and in such  
24 manner as the Secretary may require—

1           “(1) a written explanation for the delay in  
2 meeting such requirements; and

3           “(2) a plan that will enable such eligible entity  
4 to meet such requirements not later than 1 year  
5 after the date on which the eligible entity submitted  
6 the written explanation under paragraph (1).

7           “(c) PUBLICATION.—The Secretary shall make each  
8 plan approved under subsection (a)(2)(A), each plan re-  
9 vised under subsection (a)(3), and each plan submitted  
10 under subsection (b)(2) available to the public on the  
11 website of the Department.

12 **“SEC. 499M. ALLOWABLE USES OF FUNDS.**

13           “(a) IN GENERAL.—Except as provided in subsection  
14 (b), an eligible entity shall use a grant under this subpart  
15 only to carry out the plan approved or revised for such  
16 year under section 499K.

17           “(b) USE OF FUNDS FOR ADMINISTRATIVE PUR-  
18 POSES.—An eligible entity that receives a grant under this  
19 subpart may use not more than 5 percent of such grant  
20 for administrative purposes relating to the grant under  
21 this subpart.

22           “(c) PROHIBITED USES OF FUNDS.—No funds re-  
23 ceived under this section shall be used to—

1           “(1) pay contractors for the provision of pre-en-  
2           rollment recruitment activities through a revenue  
3           sharing agreement; or

4           “(2) fund endowments, athletics, sectarian in-  
5           struction, or religious worship.

6   **“SEC. 499N. ELIGIBLE ENTITY DEFINED.**

7           “‘In this subpart, the term ‘eligible entity’ means a  
8           State or Tribal College or University that is a recipient  
9           of a grant under subpart 1.

10   **“SEC. 499O. APPROPRIATIONS.**

11           “(a) AUTHORIZATION AND APPROPRIATIONS.—There  
12           are authorized to be appropriated, and there are appro-  
13           priated to carry out this subpart (in addition to any other  
14           amounts appropriated to carry out this subpart and out  
15           of any money in the Treasury not otherwise appropriated),  
16           \$1,000,000,000 for fiscal year 2024 and each succeeding  
17           fiscal year.

18           “(b) AVAILABILITY.—Funds appropriated under sub-  
19           section (a) shall remain available to the Secretary until  
20           expended.”.

1 **TITLE III—PATHWAYS TO STU-**  
2 **DENT SUCCESS FOR HISTORI-**  
3 **CALLY BLACK COLLEGES AND**  
4 **UNIVERSITIES, TRIBAL COL-**  
5 **LEGES AND UNIVERSITIES,**  
6 **AND MINORITY-SERVING IN-**  
7 **STITUTIONS**

8 **SEC. 301. GRANTS TO HISTORICALLY BLACK COLLEGES**  
9 **AND UNIVERSITIES, TRIBAL COLLEGES AND**  
10 **UNIVERSITIES, AND MINORITY-SERVING IN-**  
11 **STITUTIONS.**

12 Part J of title IV of the Higher Education Act of  
13 1965 (20 U.S.C. 1070 et seq.), as added and amended  
14 by this Act, is further amended by adding at the end the  
15 following:

16 **“Subpart 3—Grants to Historically Black Colleges**  
17 **and Universities, Tribal Colleges and Univer-**  
18 **sities, and Minority-Serving Institutions**

19 **“SEC. 499P. PATHWAYS TO STUDENT SUCCESS FOR HIS-**  
20 **TORICALLY BLACK COLLEGES AND UNIVER-**  
21 **SITIES.**

22 “From amounts appropriated under section 499U(a)  
23 for any fiscal year, the Secretary shall award grants to  
24 participating historically Black colleges or universities  
25 that meet the requirements of section 499S(a) to—

1           “(1) encourage students to enroll and success-  
2           fully complete a bachelor’s degree at such colleges  
3           and universities;

4           “(2) provide incentives to community college  
5           students to transfer to such colleges and universities  
6           through strong transfer pathways to complete a  
7           bachelor’s degree program; and

8           “(3) support such colleges and universities to  
9           better serve new and existing students by engaging  
10          in reforms and innovations designed to improve com-  
11          pletion rates and other student outcomes.

12   **“SEC. 499Q. PATHWAYS TO STUDENT SUCCESS FOR TRIBAL**  
13                           **COLLEGES AND UNIVERSITIES.**

14          “From amounts appropriated under section 499U(a)  
15          for any fiscal year, the Secretary shall award grants to  
16          participating Tribal Colleges or Universities that meet the  
17          requirements of section 499S(a) to—

18               “(1) encourage students to enroll and success-  
19               fully complete a bachelor’s degree at such Colleges  
20               and Universities;

21               “(2) provide incentives to community college  
22               students to transfer to such Colleges and Univer-  
23               sities through strong transfer pathways to complete  
24               a bachelor’s degree program; and

1           “(3) support such Colleges and Universities to  
2           better serve new and existing students by engaging  
3           in reforms and innovations designed to improve com-  
4           pletion rates and other student outcomes.

5   **“SEC. 499R. PATHWAYS TO STUDENT SUCCESS FOR ALASKA**  
6           **NATIVE-SERVING INSTITUTIONS, ASIAN**  
7           **AMERICAN AND NATIVE AMERICAN PACIFIC**  
8           **ISLANDER-SERVING INSTITUTIONS, HIS-**  
9           **PANIC-SERVING INSTITUTIONS, NATIVE**  
10          **AMERICAN-SERVING NONTRIBAL INSTITU-**  
11          **TIONS, NATIVE HAWAIIAN-SERVING INSTITU-**  
12          **TIONS, AND PREDOMINANTLY BLACK INSTI-**  
13          **TUTIONS.**

14          “From amounts appropriated under section 499U(a)  
15 for any fiscal year, the Secretary shall award grants to  
16 participating Alaska Native-serving institutions, Asian  
17 American and Native American Pacific Islander-serving  
18 institutions, Hispanic-serving institutions, Native Amer-  
19 ican-serving nontribal institutions, Native Hawaiian-serv-  
20 ing institutions, and Predominantly Black institutions  
21 that meet the requirements of section 499S(a) to—

22           “(1) encourage students to enroll and success-  
23 fully complete a bachelor’s degree at such institu-  
24 tions;

1           “(2) provide incentives to community college  
2 students to transfer to such institutions through  
3 strong transfer pathways to complete a bachelor’s  
4 degree program; and

5           “(3) support such institutions to better serve  
6 new and existing students by engaging in reforms  
7 and innovations designed to improve completion  
8 rates and other student outcomes.

9 **“SEC. 499S. GRANT TERMS.**

10          “(a) INSTITUTIONAL ELIGIBILITY.—An institution  
11 shall meet the requirements of this subsection if the insti-  
12 tution—

13           “(1) in a public or nonprofit 4-year institution  
14 that has a student body of which not less than 35  
15 percent are low-income students;

16           “(2) commits to maintaining or adopting and  
17 implementing promising and evidence-based institu-  
18 tional reforms and innovative practices to improve  
19 the completion rates and other student outcomes,  
20 such as—

21           “(A) providing comprehensive academic,  
22 career, and student support services (including  
23 mentoring, advising, case management services,  
24 and career pathway navigation), especially for  
25 low-income, first-generation, and adult stu-

1 dents, and other students belonging to racial  
2 and other groups that are historically underrep-  
3 resented in higher education;

4 “(B) providing direct support services, or  
5 assistance in applying for such services, such  
6 as—

7 “(i) childcare, transportation, and  
8 emergency financial assistance;

9 “(ii) assistance in obtaining health in-  
10 surance coverage and accessing health care  
11 services, including behavioral and mental  
12 health services;

13 “(iii) affordable housing;

14 “(iv) nutrition assistance programs or  
15 free or discounted food; and

16 “(v) means-tested Federal benefit pro-  
17 grams, or similar State, tribal, or local  
18 benefit programs;

19 “(C) providing accelerated learning oppor-  
20 tunities and degree pathways, such as dual or  
21 concurrent enrollment programs and pathways  
22 to graduate and professional degree programs;

23 “(D) partnering with employers, industry,  
24 nonprofit associations, and other groups to pro-

1           vide opportunities to advance learning outside  
2           the classroom, including—

3                   “(i) work-based learning opportunities  
4                   (such as internships or apprenticeships); or

5                   “(ii) programs designed to improve  
6                   inter-cultural development and personal  
7                   growth (such as foreign exchange and  
8                   study abroad programs); or

9                   “(E) strengthening remedial education, es-  
10                  pecially for low-income, first-generation, and  
11                  adult students, and other students belonging to  
12                  racial and other groups that are historically  
13                  underrepresented in higher education, including  
14                  through the use of multiple measures (such as  
15                  a student’s college entrance examination score,  
16                  grade point average, high school course list, or  
17                  a placement examination) to identify students  
18                  in need of remedial education;

19                  “(3) sets performance goals for improving stu-  
20                  dent outcomes for the duration of the grant; and

21                  “(4) if receiving a grant for transfer students,  
22                  has a formal, statewide articulation agreement with  
23                  community colleges in the State in which such insti-  
24                  tution operates that guarantees—

1           “(A) that a student who earns postsec-  
2           ondary credit at any community college in such  
3           State shall be able to fully transfer such credit  
4           toward meeting related degree or certificate re-  
5           quirements at such institution; and

6           “(B) that associate degrees awarded by  
7           community colleges in the State are fully trans-  
8           ferable to, and credited as, the first 2 years of  
9           related baccalaureate programs at such institu-  
10          tion.

11         “(b) GRANT AMOUNT.—

12           “(1) INITIAL AMOUNT.—For the first year that  
13           an eligible institution participates in the grant pro-  
14           gram under this subpart and subject to paragraph  
15           (3), such eligible institution shall receive a grant in  
16           an amount based on the product of—

17           “(A) the actual cost of tuition and fees at  
18           the eligible institution in such year (referred to  
19           in this subpart as the per-student rebate); and

20           “(B) the number of eligible students en-  
21           rolled in the eligible institution for the pre-  
22           ceding year.

23           “(2) SUBSEQUENT INCREASES.—For each suc-  
24           ceeding year after the first year of the grant pro-  
25           gram under this subpart, each participating eligible

1 institution shall receive a grant in the amount deter-  
2 mined under paragraph (1) for such year, except  
3 that in no case shall the amount of the per-student  
4 rebate for an eligible institution increase by more  
5 than 3 percent as compared to the amount of such  
6 rebate for the preceding year.

7 “(3) LIMITATIONS.—

8 “(A) MAXIMUM PER-STUDENT REBATE.—

9 No eligible institution participating in the grant  
10 program under this subpart shall receive a per-  
11 student rebate amount for any year that is  
12 greater than the national average of annual tui-  
13 tion and fees at public 4-year institutions of  
14 higher education for such year, as determined  
15 by the Secretary.

16 “(B) FIRST-YEAR TUITION AND FEES.—

17 During the first year of participation in the  
18 grant program under this subpart, no eligible  
19 institution may increase tuition and fees at a  
20 rate greater than any annual increase at the eli-  
21 gible institution in the previous 5 years.

22 “(4) STUDENTS ENROLLED LESS THAN FULL-

23 TIME.—The Secretary shall develop and implement a  
24 formula for making adjustments to grant amounts  
25 under this subpart based on the number of eligible

1 students at each eligible institution enrolled less  
2 than full-time and the associated tuition and fees  
3 charged to such students in proportion to the degree  
4 to which each such student is not attending on a  
5 full-time basis.

6 “(c) APPLICATION.—An eligible institution that de-  
7 sires a grant under this subpart shall submit an applica-  
8 tion to the Secretary at such time, in such manner, and  
9 containing such information as the Secretary may require.

10 “(d) USE OF FUNDS.—Funds awarded under this  
11 subpart to a participating eligible institution shall be used  
12 to waive or significantly reduce tuition and fees for eligible  
13 students by an amount not to exceed the annual per-stu-  
14 dent rebate amount. Such funds under this subpart may  
15 only be used to waive or reduce tuition and fees for the  
16 first 60 credits for which an eligible student is enrolled  
17 in the participating eligible institution.

18 “(e) SUPPLEMENT, NOT SUPPLANT.—Funds made  
19 available under section 499U to carry out this subpart  
20 shall be used to supplement, and not supplant, other Fed-  
21 eral, State, tribal, and local funds that would otherwise  
22 be expended to carry out activities under this subpart.

23 **“SEC. 499T. DEFINITIONS.**

24 “In this subpart:

1           “(1) ALASKA NATIVE-SERVING INSTITUTION.—  
2           The term ‘Alaska Native-serving institution’ has the  
3           meaning given such term in section 317(b).

4           “(2) ASIAN AMERICAN AND NATIVE AMERICAN  
5           PACIFIC ISLANDER-SERVING INSTITUTION.—The  
6           term ‘Asian American and Native American Pacific  
7           Islander-serving institution’ has the meaning given  
8           such term in section 371(c).

9           “(3) ELIGIBLE STUDENT.—The term ‘eligible  
10          student’ means a student, regardless of age, who—

11           “(A) is enrolled in an eligible program (as  
12           defined in section 481(b)) at a participating eli-  
13           gible institution, on at least a half-time basis;

14           “(B) is a low-income student;

15           “(C) has been enrolled at such partici-  
16           pating eligible institution under this subpart for  
17           not more than 60 credits; and

18           “(D) has not been enrolled (whether full-  
19           time or less than full-time) for more than 6 se-  
20           mesters (or the equivalent) for which the stu-  
21           dent received a benefit under this subpart.

22          “(4) HISPANIC-SERVING INSTITUTION.—The  
23          term ‘Hispanic-serving institution’ has the meaning  
24          given such term in section 502.

1           “(5) HISTORICALLY BLACK COLLEGE OR UNI-  
2           VERSITY.—The term ‘historically Black college or  
3           university’ means a part B institution described in  
4           section 322(2).

5           “(6) LOW-INCOME STUDENT.—The term ‘low-  
6           income student’ shall include—

7                   “(A) any student eligible for a Federal Pell  
8           Grant under section 401; and

9                   “(B) any student who meets the financial  
10           eligibility criteria for receiving a Federal Pell  
11           Grant under section 401, but who is ineligible  
12           to receive a Federal Pell Grant.

13           “(7) NATIVE AMERICAN-SERVING NONTRIBAL  
14           INSTITUTION.—The term ‘Native American-serving  
15           nontribal institution’ has the meaning given such  
16           term in section 371(c).

17           “(8) NATIVE HAWAIIAN-SERVING INSTITU-  
18           TION.—The term ‘Native Hawaiian-serving institu-  
19           tion’ has the meaning given such term in section  
20           317(b).

21           “(9) PREDOMINANTLY BLACK INSTITUTION.—  
22           The term ‘Predominantly Black institution’ has the  
23           meaning given such term in section 371(c).

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

4   **“SEC. 499U. APPROPRIATIONS.**

5           “(a) AUTHORIZATION AND APPROPRIATIONS FOR  
6   HBCU, TCU, AND MSI GRANTS.—For the purpose of  
7   carrying out this subpart there are authorized to be appro-  
8   priated, and there are appropriated—

9           “(1) \$98,100,000 for fiscal year 2024;

10          “(2) \$321,040,000 for fiscal year 2025;

11          “(3) \$1,912,010,000 for fiscal year 2026;

12          “(4) \$1,988,710,000 for fiscal year 2027;

13          “(5) \$2,068,960,000 for fiscal year 2028;

14          “(6) \$2,151,010,000 for fiscal year 2029;

15          “(7) \$2,184,900,000 for fiscal year 2030;

16          “(8) \$2,329,370,000 for fiscal year 2031;

17          “(9) \$2,423,910,000 for fiscal year 2032; and

18          “(10) \$2,521,990,000 for fiscal year 2033 and

19          each succeeding fiscal year.

20          “(b) AVAILABILITY.—Funds appropriated under sub-  
21   section (a) for a fiscal year are to remain available to the  
22   Secretary through the two fiscal years following such fiscal  
23   year.

24          “(c) INSUFFICIENT FUNDS.—If the amount appro-  
25   priated under subsection (a) for a fiscal year is not suffi-

1 cient to award each institution participating in the grant  
2 programs under sections 499P, 499Q, and 499R a grant  
3 under this subpart equal to 100 percent of the grant  
4 amount determined under section 499S(b), the Secretary  
5 may ratably reduce the amount of each such grant or take  
6 other actions necessary to ensure an equitable distribution  
7 of such amount appropriated under subsection (a).”.