

103^D CONGRESS
2^D SESSION

H. R. 4025

To amend the Higher Education Act of 1965 to extend the cohort default rate exemption for historically Black colleges, tribally controlled community colleges, and Navajo community colleges.

IN THE HOUSE OF REPRESENTATIVES

MARCH 11, 1994

Mr. SCOTT (for himself, Mr. OWENS, Mr. CLAY, Mr. PAYNE of New Jersey, Mr. JEFFERSON, Mr. DELLUMS, Mr. WATT, Mr. WILLIAMS, Mr. KILDEE, Mr. SISISKY, Mr. CLYBURN, Mr. MFUME, Mr. REYNOLDS, Mr. HOBSON, Mr. WHEAT, Mr. PARKER, Mr. FORD of Tennessee, Mr. FROST, Mr. NEAL of North Carolina, Mr. THORNTON, Mr. RANGEL, Ms. BROWN of Florida, Mr. STOKES, Mr. BAESLER, Mr. LEWIS of Georgia, Mr. DIXON, Mrs. MEEK, Ms. WATERS, Mrs. CLAYTON, Mr. HILLIARD, Ms. MCKINNEY, Ms. NORTON, Mr. FLAKE, Mr. WYNN, Mr. MILLER of California, Mr. THOMPSON of Mississippi, Mr. RAHALL, Mr. RICHARDSON, Mr. FORD of Michigan, and Mr. PICKLE) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To amend the Higher Education Act of 1965 to extend the cohort default rate exemption for historically Black colleges, tribally controlled community colleges, and Navajo community colleges.

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. FINDINGS.**

4 The Congress finds that—

1 (1) Historically Black colleges and universities
2 (HBCU's), tribally controlled community colleges,
3 and Navajo community colleges have, as part of
4 their overall mission, educated and provided oppor-
5 tunities to lower-income and minority students who
6 may not have otherwise been afforded opportunities
7 to obtain a higher degree;

8 (2) the Congress has already recognized the
9 need for these institutions by passage of such legis-
10 lation as part B, title III of the Higher Education
11 Act of 1965 (Strengthening Historically Black Col-
12 leges and Universities), the Tribally Controlled Com-
13 munity College Assistance Act of 1978, and the
14 Navajo Community College Act;

15 (3) at current Federal student loan default rate
16 thresholds, one-third of HBCU's, and many of the
17 tribally controlled and Navajo community colleges
18 may be deemed ineligible for participation in the
19 Federal student loan program, and many more will
20 be subject to review under part H of the Program
21 Integrity Triad, jeopardizing the continued existence
22 of these institutions; and

23 (4) there exists a need to reexamine the criteria
24 used to determine exclusion from title IV programs,
25 in order to more accurately predict loan mismanage-

1 ment, fraud, and abuse, and offer fairer standards
2 to those institutions that disproportionately educate
3 students of lower economic backgrounds.

4 **SEC. 2. EXTENSION OF EXEMPTION.**

5 Section 435(a)(2)(C) of the Higher Education Act of
6 1965 (20 U.S.C. 1085(a)(2)(C)) is amended by striking
7 “July 1, 1994” and inserting “July 1, 1998”.

○