

116TH CONGRESS  
1ST SESSION

# H. R. 404

To establish a program that enables college-bound residents of outlying areas of the United States to have greater choices among institutions of higher education, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

JANUARY 9, 2019

Ms. PLASKETT introduced the following bill; which was referred to the  
Committee on Education and Labor

---

## A BILL

To establish a program that enables college-bound residents of outlying areas of the United States to have greater choices among institutions of higher education, 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 “United States Terri-  
5 tories College Access Act”.

6 **SEC. 2. PURPOSE.**

7 It is the purpose of this Act to establish a program  
8 that enables college-bound residents of the outlying areas

1 to have greater choices among institutions of higher edu-  
2 cation.

3 **SEC. 3. COLLEGE ACCESS GRANTS.**

4 (a) GRANTS.—

5 (1) IN GENERAL.—

6 (A) ALLOCATION TO OUTLYING AREAS.—

7 From the total amount appropriated under sub-  
8 section (n) for a fiscal year, the Secretary shall  
9 allocate 25 percent to each of the outlying areas  
10 to make grants to eligible institutions in accord-  
11 ance with subparagraph (B).

12 (B) GRANTS TO ELIGIBLE INSTITU-  
13 TIONS.—From the amount allocated to an out-  
14 lying area under subparagraph (A) for a fiscal  
15 year, the Governor of the outlying area shall  
16 carry out a program under which the Governor  
17 awards grants to eligible institutions, on behalf  
18 of each eligible student from the outlying area  
19 who is enrolled in such institution, to pay the  
20 difference between—

21 (i) the base amount of tuition and  
22 fees charged to the eligible student; and

23 (ii) the base amount of tuition and  
24 fees charged to a student of the institution

1                   who is a resident of the State in which the  
2                   institution is located.

3                   (2) MAXIMUM STUDENT AMOUNTS.—The  
4                   amount paid on behalf of an eligible student under  
5                   this section shall be—

6                   (A) not more than \$15,000 for any one  
7                   award year (as defined in section 481 of the  
8                   Higher Education Act of 1965 (20 U.S.C.  
9                   1088)); and

10                  (B) not more than \$45,000 in the aggre-  
11                  gate.

12                  (3) PRORATION.—In the case of a grant made  
13                  under this section on behalf of an eligible student  
14                  who is attending an eligible institution on a less  
15                  than full-time basis, the amount of the grant shall  
16                  be reduced in proportion to the degree to which that  
17                  student is not so attending on a full-time basis.

18                  (b) REDUCTION FOR INSUFFICIENT APPROPRIA-  
19                  TIONS.—

20                  (1) IN GENERAL.—If the funds appropriated  
21                  pursuant to subsection (n) for any fiscal year are in-  
22                  sufficient to enable the Governor of an outlying area  
23                  to award a grant in the amount determined under  
24                  subsection (a) on behalf of each eligible student from  
25                  the outlying area enrolled in an eligible institution,

1 then the Governor, in consultation with the Sec-  
2 retary, shall—

3 (A) first, ratably reduce the amount of the  
4 tuition and fee payment made on behalf of each  
5 eligible student from the outlying area who has  
6 not received funds under this section for a pre-  
7 ceding year; and

8 (B) after making reductions under sub-  
9 paragraph (A), ratably reduce the amount of  
10 the tuition and fee payments made on behalf of  
11 all other eligible students from the outlying  
12 area.

13 (2) ADJUSTMENTS.—The Governor of an out-  
14 lying area, in consultation with the Secretary, may  
15 adjust the amount of tuition and fee payments made  
16 under paragraph (1) based on—

17 (A) the financial need of the eligible stu-  
18 dents to avoid undue hardship to the eligible  
19 students; or

20 (B) undue administrative burdens on the  
21 Governor.

22 (3) FURTHER ADJUSTMENTS.—Notwith-  
23 standing paragraphs (1) and (2), the Governor of an  
24 outlying area may prioritize the making or amount

1 of tuition and fee payments under this subsection  
2 based on the income and need of eligible students.

3 (c) RULE OF CONSTRUCTION.—Nothing in this sec-  
4 tion shall be construed to require an institution of higher  
5 education to alter the institution’s admissions policies or  
6 standards in any manner to enable an eligible student to  
7 enroll in the institution.

8 (d) APPLICATIONS.—Each student desiring that a  
9 Governor award a grant under this section to an eligible  
10 institution on behalf of the student shall submit an appli-  
11 cation to the eligible institution at such time, in such man-  
12 ner, and accompanied by such information as the eligible  
13 institution may require.

14 (e) EMPLOYMENT AGREEMENT.—

15 (1) IN GENERAL.—Except as provided in sub-  
16 section (f), each application submitted under sub-  
17 section (d) shall contain or be accompanied by an  
18 agreement by the applicant that the applicant will—

19 (A) maintain full-time employment within  
20 the outlying area where the applicant was domi-  
21 ciled, as described in subsection (1)(3)(A), for a  
22 period of not less than 2 years within the 4-  
23 year period after the date the applicant com-  
24 pletes the course of study for which the appli-

1           cant received grant assistance under this sec-  
2           tion; and

3                   (B) submit evidence of such employment in  
4           the form of a certification by the employer upon  
5           completion of each year of such employment.

6           (2) FAILURE OR REFUSAL TO CARRY OUT EM-  
7           PLOYMENT OBLIGATION.—In the event that an ap-  
8           plicant is determined to have failed or refused to  
9           carry out the employment obligation described in  
10          paragraph (1), the sum of the grant assistance  
11          under this section received by such applicant shall be  
12          treated as a loan and collected from the applicant in  
13          accordance with subsection (f) and the policies and  
14          procedures under subsection (h)(2).

15          (f) REPAYMENT FOR FAILURE TO COMPLETE EM-  
16          PLOYMENT.—In the event that a student on whose behalf  
17          a grant is made under this section fails or refuses to com-  
18          ply with the employment obligation in the agreement  
19          under subsection (e), the sum of the amounts of any such  
20          grant received by such student shall, upon a determination  
21          of such a failure or refusal in such employment obligation,  
22          be treated as a loan, and shall be subject to repayment,  
23          together with interest thereon accruing from the date of  
24          the grant award, in accordance with terms and conditions

1 specified by the Governor through policies and procedures  
2 under subsection (h)(2).

3 (g) EXTENUATING CIRCUMSTANCES.—

4 (1) IN GENERAL.—Each Governor shall identify  
5 extenuating circumstances under which a student on  
6 whose behalf a grant is made under this section who  
7 is unable to fulfill all or part of the student's em-  
8 ployment obligation under subsection (e) may be ex-  
9 cused from fulfilling that portion of the employment  
10 obligation.

11 (2) CONTINUOUS ENROLLMENT.—If a student  
12 on whose behalf a grant is made under this section  
13 is continuously enrolled at an institution of higher  
14 education in one or more postbaccalaureate pro-  
15 grams and is maintaining satisfactory progress in  
16 the course of study the student is pursuing in ac-  
17 cordance with section 484(e) of the Higher Edu-  
18 cation Act of 1965 (20 U.S.C. 1091(e)), the employ-  
19 ment obligation in the agreement under subsection  
20 (e) shall begin once such recipient is no longer con-  
21 tinuously enrolled.

22 (h) ADMINISTRATION OF PROGRAM.—

23 (1) IN GENERAL.—Each Governor shall carry  
24 out the program authorized under this section in  
25 consultation with the Secretary. Each Governor may

1 enter into a grant, contract, or cooperative agree-  
2 ment with another public or private entity to admin-  
3 ister the program under this section if the Governor  
4 determines that doing so is a more efficient way of  
5 carrying out the program.

6 (2) POLICIES AND PROCEDURES.—Each Gov-  
7 ernor, in consultation with institutions of higher  
8 education eligible for participation in the program  
9 authorized under this section, shall develop policies  
10 and procedures for the administration of the pro-  
11 gram.

12 (3) MEMORANDUM OF AGREEMENT.—Each  
13 Governor and the Secretary shall enter into a memo-  
14 randum of agreement that describes—

15 (A) the manner in which the Governor  
16 shall consult with the Secretary with respect to  
17 administering the program authorized under  
18 this section; and

19 (B) any technical or other assistance to be  
20 provided to the Governor by the Secretary for  
21 purposes of administering the program (which  
22 may include access to the information in the  
23 common financial reporting form developed  
24 under section 483 of the Higher Education Act  
25 of 1965 (20 U.S.C. 1090)).



1 (i) GOVERNOR'S REPORT.—Each Governor shall re-  
2 port to the authorizing committees annually regarding—

3 (1) the number of eligible students from the  
4 outlying area attending each eligible institution and  
5 the amount of the grant assistance paid to such in-  
6 stitutions on behalf of the eligible students;

7 (2) the extent, if any, to which a ratable reduc-  
8 tion was made in the amount of tuition and fee pay-  
9 ments made on behalf of eligible students from the  
10 outlying area;

11 (3) the progress in obtaining recognized aca-  
12 demic credentials of the cohort of eligible students  
13 from the outlying area for each year; and

14 (4) the number of eligible students whose grant  
15 assistance under this section has been converted to  
16 a loan, and the repayment of such loans.

17 (j) GAO REPORT.—Beginning on the date of enact-  
18 ment of this section, the Comptroller General of the  
19 United States shall monitor the effect of the program au-  
20 thorized under this section on educational opportunities  
21 for eligible students. The Comptroller General shall ana-  
22 lyze whether eligible students had difficulty gaining admis-  
23 sion to eligible institutions because of any preference af-  
24 farded in-State residents by eligible institutions, and shall  
25 expeditiously report any findings regarding such difficulty

1 to the authorizing committees. In addition, the Comp-  
2 troller General shall—

3 (1) analyze the extent to which there are an in-  
4 sufficient number of eligible institutions to which  
5 students from outlying areas can gain admission, in-  
6 cluding admission aided by assistance provided  
7 under this section, due to—

8 (A) caps on the number of out-of-State  
9 students the institution will enroll;

10 (B) significant barriers imposed by aca-  
11 demic entrance requirements (such as grade  
12 point average and standardized scholastic ad-  
13 missions tests); and

14 (C) absence of admission programs benefit-  
15 ting minority students; and

16 (2) report the findings of the analysis described  
17 in paragraph (1) to the authorizing committees.

18 (k) GENERAL REQUIREMENTS.—

19 (1) PERSONNEL.—The Secretary shall arrange  
20 for the assignment of an individual, pursuant to sub-  
21 chapter VI of chapter 33 of title 5, United States  
22 Code, to serve as an adviser to each Governor with  
23 respect to the program authorized under this sec-  
24 tion.

1           (2) ADMINISTRATIVE EXPENSES.—Each Gov-  
2           ernor may use not more than 5 percent of the funds  
3           made available for the program authorized under  
4           this section for a fiscal year to pay the administra-  
5           tive expenses of the program for the fiscal year.

6           (3) INSPECTOR GENERAL REVIEW.—The pro-  
7           gram authorized under this section shall be subject  
8           to audit and other review by the Inspector General  
9           of the Department of Education in the same manner  
10          as programs are audited and reviewed under the In-  
11          spector General Act of 1978 (5 U.S.C. App.).

12          (4) GIFTS.—Each Governor may accept, use,  
13          and dispose of donations of services or property for  
14          purposes of carrying out this section.

15          (5) MAXIMUM STUDENT AMOUNT ADJUST-  
16          MENTS.—Each Governor shall establish rules to ad-  
17          just the maximum student amounts described in  
18          subsection (a)(2)(B) for eligible students who trans-  
19          fer between the eligible institutions.

20          (l) DEFINITIONS.—In this section:

21               (1) AUTHORIZING COMMITTEES.—The term  
22               “authorizing committees” has the meaning given the  
23               term in section 103 of the Higher Education Act of  
24               1965 (20 U.S.C. 1003).

1           (2) ELIGIBLE INSTITUTION.—The term “eligi-  
2           ble institution” means an institution that—

3                   (A) is a public 4-year institution of higher  
4                   education located in one of the several States of  
5                   the United States, the District of Columbia, or  
6                   the Commonwealth of Puerto Rico;

7                   (B) is eligible to participate in the student  
8                   financial assistance programs under title IV of  
9                   the Higher Education Act of 1965 (20 U.S.C.  
10                  1070 et seq.); and

11                  (C) enters into an agreement with a Gov-  
12                  ernor containing such terms and conditions as  
13                  the Governor and institution may jointly speci-  
14                  fy, including a requirement that the institution  
15                  use the funds made available under this section  
16                  to supplement and not supplant assistance that  
17                  otherwise would be provided to eligible students.

18           (3) ELIGIBLE STUDENT.—The term “eligible  
19           student” means an individual who—

20                   (A) was domiciled in the outlying area  
21                   from which a grant is sought under this section  
22                   for not less than the 12 consecutive months  
23                   preceding the commencement of the freshman  
24                   year of the individual at an institution of higher  
25                   education;

1 (B) graduated from a secondary school in  
2 such outlying area, or received the recognized  
3 equivalent of a secondary school diploma while  
4 domiciled in such outlying area, on or after  
5 January 1, 2015;

6 (C) begins the individual's undergraduate  
7 course of study within the 3 calendar years (ex-  
8 cluding any period of service on active duty in  
9 the Armed Forces, or service under the Peace  
10 Corps Act (22 U.S.C. 2501 et seq.) or subtitle  
11 C of title I of the National and Community  
12 Service Act of 1990 (42 U.S.C. 12571 et seq.))  
13 of graduation from a secondary school, or ob-  
14 taining the recognized equivalent of a secondary  
15 school diploma;

16 (D) is enrolled or accepted for enrollment,  
17 on at least a half-time basis, in a baccalaureate  
18 degree or other program (including a program  
19 of study abroad approved for credit by the eligi-  
20 ble institution at which such student is en-  
21 rolled) leading to a recognized educational cre-  
22 dential at an eligible institution;

23 (E) if enrolled in an eligible institution, is  
24 maintaining satisfactory progress in the course  
25 of study the student is pursuing in accordance

1 with section 484(c) of the Higher Education  
2 Act of 1965 (20 U.S.C. 1091(c));

3 (F) while enrolled in an eligible institution,  
4 maintains the outlying area where the applicant  
5 was domiciled pursuant to subparagraph (A) as  
6 the individual's principal place of residence for  
7 purposes of the laws of such outlying area; and

8 (G) has not completed the individual's first  
9 undergraduate baccalaureate degree course of  
10 study.

11 (4) INSTITUTION OF HIGHER EDUCATION.—The  
12 term “institution of higher education” has the  
13 meaning given the term in section 101 of the Higher  
14 Education Act of 1965 (20 U.S.C. 1001).

15 (5) GOVERNOR.—The term “Governor”  
16 means—

17 (A) the Governor of the United States Vir-  
18 gin Islands, with respect to the grants author-  
19 ized to be made by such Governor under sub-  
20 section (a);

21 (B) the Governor of the Commonwealth of  
22 the Northern Mariana Islands, with respect to  
23 the grants authorized to be made by such Gov-  
24 ernor under subsection (a);

1 (C) the Governor of Guam, with respect to  
2 the grants authorized to be made by such Gov-  
3 ernor under subsection (a); and

4 (D) the Governor of American Samoa, with  
5 respect to the grants authorized to be made by  
6 such Governor under subsection (a).

7 (6) OUTLYING AREA.—The term “outlying  
8 area” means any of those insular areas specified  
9 under section 8101(36)(A) of the Elementary and  
10 Secondary Education Act of 1965 (20 U.S.C.  
11 7801(36)(A)).

12 (7) SECONDARY SCHOOL.—The term “sec-  
13 ondary school” has the meaning given the term in  
14 section 8101 of the Elementary and Secondary Edu-  
15 cation Act of 1965 (20 U.S.C. 7801).

16 (8) SECRETARY.—The term “Secretary” means  
17 the Secretary of Education.

18 (9) STATE.—Except as used in paragraph  
19 (2)(A), the term “State” has the meaning given the  
20 term in section 103 of the Higher Education Act of  
21 1965 (20 U.S.C. 1003).

22 (m) EFFECTIVE DATE.—This section shall take ef-  
23 fect with respect to payments for periods of instruction  
24 that begin on or after January 1, 2019.

1       (n) AUTHORIZATION OF APPROPRIATIONS.—There  
2 are authorized to be appropriated to carry out this section  
3 \$40,000,000 for each of the fiscal years 2020 through  
4 2025, and such sums as may be necessary for each of the  
5 succeeding fiscal years. Such funds shall remain available  
6 until expended.

○