

## **Introductory Remarks on S.901, The Higher Education Technical Amendments Act of 2003**

Mr. President, today I rise to introduce, along with my colleagues Senator Enzi and Senator Cochran, the Higher Education Technical Amendments Act of 2003. This legislation makes several technical and non-controversial changes to the Higher Education Act (HEA), and is designed to expand access to higher education, provide relief from burdensome legal requirements, improve the financial aid process, and bring greater clarity to the law.

My bill provides for the re-enactment of two provisions in the HEA that expired at the end of the last fiscal year, and which are of great importance to students, their families, and schools. These provide schools having low student loan default rates with exemptions from the requirement that loan proceeds be disbursed in multiple installments, and the requirement that the disbursement of loan proceeds to first-time undergraduate borrowers be delayed for 30 days after classes start. Thousands of institutions of higher education across America have traditionally counted on these exemptions to save them time and money in the disbursement of their limited financial aid resources. These provisions should also serve as an incentive for schools to keep their default rates low. At a time when both student and institutional budgets are being squeezed, we should do what we can to provide them with relief.

Furthermore, this legislation provides for greater access to federal financial aid for those students participating in distance education programs. Specifically, it provides a waiver to the rule that a school having 50% or more of its students or 50% or more of its courses in distance education is ineligible for the Title IV student aid programs. Schools eligible for the waiver must already be participating in the programs and must have low cohort default rates.

This bill will also clarify that the HEA provision that limits the aid eligibility of a student convicted of one or more drug offenses applies only to those offenses that occur while the student is in school and receiving aid. Thus, students who may have had drug problems in the past but who want to turn their lives around through postsecondary education will be able to do so.

The bill makes a number of other beneficial changes to the HEA. Most notably, it:

- Helps protect home-schooled students by making it clear that institutions of higher education will not lose their institutional eligibility for federal financial aid by admitting home-schooled students.
- Clarifies the federal policy on the return of financial aid funds when students withdraw, to better protect students' grant aid.
- Removes barriers to students seeking forbearance from lenders on student loan payments, by eliminating the requirement that new agreements between lenders and borrowers be in writing. Instead, the bill allows a lender to accept a request for forbearance over the telephone, as long as a confirmation notice of the agreement reached is provided to the borrower and the borrower's file is updated.

- Makes clear that under the Thurgood Marshall Legal Educational Opportunity Program, the U.S. Department of Education can provide scholarship aid to low-income and minority students to prepare for and attend law school.
- Eases requirements for Hispanic-Serving Institutions (HSIs) by allowing them to apply for federal HSI grants without waiting two years between applications.
- Corrects a drafting error in current law that mistakenly bars students attending certain nonprofit schools of veterinary medicine from eligibility for the Federal Family Education Loan Program.
- Requires the GAO to conduct a study on how institutions of higher education report teacher pass rates on state certification exams.
- Allows financial aid administrators to use “professional judgment” to adjust a student’s financial need in cases where the student is a ward of the court.
- Expands the use of technology to provide voter registration material directly to students in a timely manner.

The Higher Education Technical Amendments of 2003 will provide important benefits to our nation’s postsecondary students. I urge my colleagues to support this legislation.