

Public Law 95-566
95th Congress

An Act

Nov. 1, 1978
 [S. 2539]

To amend title IV of the Higher Education Act of 1965 to increase the availability of assistance to middle-income students.

Middle Income
 Student
 Assistance
 Act.
 20 USC 1001
 note.
 Basic educational
 opportunity
 grants.
 20 USC 1070a.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Middle Income Student Assistance Act".

SEC. 2. (a) Section 411(a)(3)(B) of the Higher Education Act of 1965 (hereinafter in this Act referred to as the "Act") is amended by adding at the end thereof the following new division:

"(iv) In determining the expected family contribution under this subparagraph for any academic year after academic year 1978-1979, an assessment rate of not more than 10.5 per centum shall be applied to parental discretionary income."

(b) Section 411(a)(3)(C) of the Act is amended by adding at the end thereof the following: "In addition, such regulations shall—

"(i) provide that the portion of assets which shall be exempt from assessment for contribution for an independent student who has one or more dependents shall be the same as the portion so exempt for the family of a dependent student;

"(ii) provide that the rate of assessment for contribution on that portion of assets of such an independent student which is not exempt under division (i) shall be the same as the rate applied to the comparable portion of assets of the family of a dependent student; and

(iii) in establishing a portion of effective family income which shall be exempt from assessment for contribution by reason of subsistence requirements of independent students who have no dependents, use the same method for computation of such portion for such students as is used for dependent students and for independent students who have dependents."

(c) Section 411(b)(3)(B)(i) is amended—

(1) by redesignating subdivisions (II), (III), and (IV) as subdivisions (IV), (V), and (VI), respectively; and

(2) by striking out subdivision (I) and inserting in lieu thereof the following:

"(I) the full amount in the case of any entitlement which exceeds \$1,600;

"(II) in the case of any entitlement which exceeds \$1,200 but does not exceed \$1,600, 90 per centum thereof;

"(III) in the case of any entitlement which exceeds \$1,000 but does not exceed \$1,200, 75 per centum thereof;"

(d) Section 411(b)(5) of the Act is amended to read as follows:

"(5) No payment may be made on the basis of entitlements established under this subpart during the fiscal year ending September 30, 1980, if, for such fiscal year—

"(A) the appropriation for making grants under subpart 2 of this part does not at least equal \$370,000,000;

"(B) the appropriation for work-study payments under section 441 of this title does not at least equal \$500,000,000; and

42 USC 2751.

“(C) the appropriation for capital contributions to student loan funds under part E of this title does not at least equal \$286,000,000.”

SEC. 3. Section 415C(b) (4) of the Act is amended by inserting before the semicolon at the end thereof a comma and the following: “except in any State in which participation of nonprofit institutions of higher education is in violation of the constitution of the State”.

SEC. 4. Section 417B(b) of the Higher Education Act of 1965 is amended by inserting immediately after paragraph (5) the following new sentence: “No individual who is an eligible veteran, as that term is defined by section 1652(a) of title 38, United States Code, shall be deemed ineligible to participate in any program under this subsection by reason of such individual’s age.”

SEC. 5. (a) (1) Section 427(a) (2) (C) (i) of the Act is amended by striking out “or” and by inserting immediately after “Commissioner,” the following: “or pursuant to a rehabilitation training program for disabled individuals approved by the Commissioner.”

(2) Section 428(b) (1) (M) (i) of the Act is amended by striking out “or” and by inserting immediately after “Commissioner,” the following: “or pursuant to a rehabilitation training program for disabled individuals approved by the Commissioner.”

(b) (1) Section 428(a) (2) of the Act is amended—

(A) by striking out subparagraphs (A) and (B) and inserting in lieu thereof the following:

“(2) (A) Each student qualifying for a portion of an interest payment under paragraph (1) shall have provided to the lender a statement from the eligible institution, at which the student has been accepted for enrollment, or at which he is in attendance in good standing (as determined by the institution), which—

“(i) sets forth such student’s estimated cost of attendance, and

“(ii) sets forth such student’s estimated financial assistance.”;

and

(B) by redesignating subparagraph (C) as subparagraph (B) and by striking out subparagraph (D).

(2) Section 425(a) (1) (A) of the Act is amended by striking out “section 428(a) (2) (C) (i)” and inserting in lieu thereof “section 428(a) (2) (B) (i)”.

(3) Section 428(a) (2) (B) of the Act (as redesignated by paragraph (1) (A) of this subsection) is amended by striking out the semicolon at the end of clause (iii) and inserting in lieu thereof a period and by striking out clause (iv) of such section.

(4) Section 428(a) of the Act is amended by striking out paragraph (9).

(5) Section 428(b) (1) (A) (i) of the Act is amended by striking out “section 428(a) (2) (C) (i)” and inserting in lieu thereof “section 428(a) (2) (B) (i)”.

SEC. 6. Section 491(b) (3) of the Act is amended by inserting immediately after the first sentence thereof the following new sentence: “Such term also includes a proprietary educational institution in any State which, in lieu of the requirement in clause (1) of section 1201(a), admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located and who have the ability to benefit from the training offered by the institution.”

20 USC 1088f.

SEC. 7. Section 497 of the Act is amended by adding after subsection (c) thereof the following new subsection:

42 USC 2751,
20 USC 1088.
20 USC 1070b-2.

“(d) Any determinations of need made for the purposes of part C or part E of this title shall include considerations of the factor described in section 413C(a)(2)(v). Nothing in this subsection shall be deemed to prohibit the taking into account for the purposes of such parts of other factors used for the determination of need under other parts of this title.”

20 USC 1087-3a.

SEC. 8. Part B of title IV of the Act is further amended by inserting after section 439A the following new section:

20 USC 1070.

“**SEC. 439B.** Any loan under this part may be counted as part of the expected family contribution in the determination of need for parts A, C, and E of this title, notwithstanding any other provisions of parts A, C, and E.”

Effective date.
20 USC 1070a
note.

SEC. 9. The amendments made by this Act shall take effect upon enactment, except that the amendments made by subsections (a), (b), and (c), of section 2 shall be effective with respect to periods of enrollment beginning on or after August 1, 1979.

Approved November 1, 1978.

LEGISLATIVE HISTORY:

SENATE REPORT No. 95-643 (Comm. on Human Resources).

CONGRESSIONAL RECORD, Vol. 124 (1978):

Aug. 15, 16, considered and passed Senate.

Oct. 14, H.R. 11274 considered and passed House; passage vacated, and S. 2539, amended, passed in lieu.

Oct. 15, Senate concurred in House amendments.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 14, No. 44:

Nov. 1, Presidential statement.