TITLE 20 - EDUCATION
CHAPTER 28 - HIGHER EDUCATION RESOURCES AND STUDENT ASSISTANCE
SUBCHAPTER IV - STUDENT ASSISTANCE
Part F - General Provisions Relating to Student Assistance Programs

§ 1088. Definitions

(a) Academic and award year

(1) For the purpose of any program under this subchapter and part C of subchapter I of chapter 34 of title 42, the term “award year” shall be defined as the period beginning July 1 and ending June 30 of the following year.

(2) (A) For the purpose of any program under this subchapter and part C of subchapter I of chapter 34 of title 42, the term “academic year” shall—

   (i) require a minimum of 30 weeks of instructional time for a course of study that measures its program length in credit hours; or
   (ii) require a minimum of 26 weeks of instructional time for a course of study that measures its program length in clock hours; and
   (iii) require an undergraduate course of study to contain an amount of instructional time whereby a full-time student is expected to complete at least—

   (I) 24 semester or trimester hours or 36 quarter credit hours in a course of study that measures its program length in credit hours; or
   (II) 900 clock hours in a course of study that measures its program length in clock hours.

   (B) The Secretary may reduce such minimum of 30 weeks to not less than 26 weeks for good cause, as determined by the Secretary on a case-by-case basis, in the case of an institution of higher education that provides a 2-year or 4-year program of instruction for which the institution awards an associate or baccalaureate degree and that measures program length in credit hours or clock hours.

(b) Eligible program

(1) For purposes of this subchapter and part C of subchapter I of chapter 34 of title 42, the term “eligible program” means a program of at least—

   (A) 600 clock hours of instruction, 16 semester hours, or 24 quarter hours, offered during a minimum of 15 weeks, in the case of a program that—

      (i) provides a program of training to prepare students for gainful employment in a recognized profession; and
      (ii) admits students who have not completed the equivalent of an associate degree; or

   (B) 300 clock hours of instruction, 8 semester hours, or 12 hours, offered during a minimum of 10 weeks, in the case of—

      (i) an undergraduate program that requires the equivalent of an associate degree for admissions; or
      (ii) a graduate or professional program.

(2) (A) A program is an eligible program for purposes of part B of this subchapter if it is a program of at least 300 clock hours of instruction, but less than 600 clock hours of instruction, offered during a minimum of 10 weeks, that—

      (i) has a verified completion rate of at least 70 percent, as determined in accordance with the regulations of the Secretary;
      (ii) has a verified placement rate of at least 70 percent, as determined in accordance with the regulations of the Secretary; and
(iii) satisfies such further criteria as the Secretary may prescribe by regulation.

(B) In the case of a program being determined eligible for the first time under this paragraph, such determination shall be made by the Secretary before such program is considered to have satisfied the requirements of this paragraph.

(3) An otherwise eligible program that is offered in whole or in part through telecommunications is eligible for the purposes of this subchapter and part C of subchapter I of chapter 34 of title 42 if the program is offered by an institution, other than a foreign institution, that has been evaluated and determined (before or after February 8, 2006) to have the capability to effectively deliver distance education programs by an accrediting agency or association that—

(A) is recognized by the Secretary under subpart 2 of part G of this subchapter; and

(B) has evaluation of distance education programs within the scope of its recognition, as described in section 1099b (n)(3) of this title.

(4) For purposes of this subchapter and part C of subchapter I of chapter 34 of title 42, the term “eligible program” includes an instructional program that, in lieu of credit hours or clock hours as the measure of student learning, utilizes direct assessment of student learning, or recognizes the direct assessment of student learning by others, if such assessment is consistent with the accreditation of the institution or program utilizing the results of the assessment. In the case of a program being determined eligible for the first time under this paragraph, such determination shall be made by the Secretary before such program is considered to be an eligible program.

(c) Third party servicer

For purposes of this subchapter and part C of subchapter I of chapter 34 of title 42, the term “third party servicer” means any individual, any State, or any private, for-profit or nonprofit organization, which enters into a contract with—

(1) any eligible institution of higher education to administer, through either manual or automated processing, any aspect of such institution’s student assistance programs under this subchapter and part C of subchapter I of chapter 34 of title 42; or

(2) any guaranty agency, or any eligible lender, to administer, through either manual or automated processing, any aspect of such guaranty agency’s or lender’s student loan programs under part B of this subchapter, including originating, guaranteeing, monitoring, processing, servicing, or collecting loans.

(d) Definitions for military deferments

For purposes of parts B, C, and D of this subchapter:

(1) Active duty

The term “active duty” has the meaning given such term in section 101 (d)(1) of title 10, except that such term does not include active duty for training or attendance at a service school.

(2) Military operation

The term “military operation” means a contingency operation as such term is defined in section 101 (a)(13) of title 10.

(3) National emergency

The term “national emergency” means the national emergency by reason of certain terrorist attacks declared by the President on September 14, 2001, or subsequent national emergencies declared by the President by reason of terrorist attacks.

(4) Serving on active duty

The term “serving on active duty during a war or other military operation or national emergency” means service by an individual who is—

(A) a Reserve of an Armed Force ordered to active duty under section 12301 (a), 12301 (g), 12302, 12304, or 12306 of title 10 or any retired member of an Armed Force ordered to active
duty under section 688 of such title, for service in connection with a war or other military operation or national emergency, regardless of the location at which such active duty service is performed; and

(B) any other member of an Armed Force on active duty in connection with such emergency or subsequent actions or conditions who has been assigned to a duty station at a location other than the location at which such member is normally assigned.

(5) Qualifying National Guard duty

The term “qualifying National Guard duty during a war or other military operation or national emergency” means service as a member of the National Guard on full-time National Guard duty (as defined in section 101 (d)(5) of title 10) under a call to active service authorized by the President or the Secretary of Defense for a period of more than 30 consecutive days under section 502 (f) of title 32 in connection with a war, other military operation, or a national emergency declared by the President and supported by Federal funds.

(e) Consumer reporting agency

For purposes of this subchapter and part C of subchapter I of chapter 34 of title 42, the term “consumer reporting agency” has the meaning given the term “consumer reporting agency that compiles and maintains files on consumers on a nationwide basis” in Section 1681a(p) of title 15.

(f) Definition of educational service agency

For purposes of parts B, C, and D, the term “educational service agency” has the meaning given the term in section 7801 of this title.

Footnotes

1 So in original. Probably should not be capitalized.


Prior Provisions


Amendments

2009—Subsec. (c). Pub. L. 111–39 substituted “any State, or any private, for-profit or nonprofit organization,” for “or any State, or private, profit or nonprofit organization” in introductory provisions.

2008—Subsec. (a)(2)(B). Pub. L. 110–315, § 481(1), inserted “and that measures program length in credit hours or clock hours” after “baccalaureate degree”.

Subsecs. (e), (f). Pub. L. 110–315, § 481(2), added subsecs. (e) and (f).
2006—Subsec. (a)(2). Pub. L. 109–171, § 8020(a), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “For the purpose of any program under this subchapter and part C of subchapter I of chapter 34 of title 42, the term ‘academic year’ shall require a minimum of 30 weeks of instructional time, and, with respect to an undergraduate course of study, shall require that during such minimum period of instructional time a full-time student is expected to complete at least 24 semester or trimester hours or 36 quarter hours at an institution which measures program length in credit hours, or at least 900 clock hours at an institution which measures program length in clock hours. The Secretary may reduce such minimum of 30 weeks to not less than 26 weeks for good cause, as determined by the Secretary on a case-by-case basis, in the case of an institution of higher education that provides a 2-year or 4-year program of instruction for which the institution awards an associate or baccalaureate degree.”

Subsec. (b)(3), (4). Pub. L. 109–171, § 8020(b), added pars. (3) and (4).


1998—Pub. L. 105–244 redesignated subsecs. (d) to (f) as (a) to (c), respectively, and struck out former subsecs. (a) to (c) which defined the terms “institution of higher education”, “proprietary institution of higher education”, and “postsecondary vocational institution”. See section 1002 of this title.

Subsec. (a)(4). Pub. L. 105–216, which directed the amendment of par. (4), effective 1 year after July 29, 1998, by designating existing provisions as subpar. (A), redesignating former subpars. (A) and (B) as cls. (i) and (ii), respectively, of subpar. (A), and by adding subpar. (B) to read as follows: “Subparagraph (A)(i) shall not apply to a nonprofit institution whose primary function is to provide health care educational services (or an affiliate of such an institution that has the power, by contract or ownership interest, to direct or cause the direction of the institution’s management or policies) that files for bankruptcy under chapter 11 of title 11 between July 1, and December 31, 1998.”, could not be executed because subsec. (a) did not contain a par. (4) subsequent to amendment by Pub. L. 105–244. See above.

1993—Subsec. (a)(3)(B). Pub. L. 103–208, § 2(h)(1), inserted before semicolon at end “, except that the Secretary, at the request of such institution, may waive the applicability of this subparagraph to such institution for good cause, as determined by the Secretary in the case of an institution of higher education that provides a 2-year or 4-year program of instruction for which the institution awards an associate or baccalaureate degree”.

Subsec. (a)(3)(D). Pub. L. 103–208, § 2(h)(2), substituted “do not have a high school diploma or its recognized equivalent” for “are admitted pursuant to section 1091 (d) of this title” and inserted before period at end “, except that the Secretary may waive the limitation contained in this subparagraph if a nonprofit institution demonstrates to the satisfaction of the Secretary that it exceeds such limitation because it serves, through contracts with Federal, State, or local government agencies, significant numbers of students who do not have a high school diploma or its recognized equivalent”.

Subsec. (a)(4)(A). Pub. L. 103–208, § 2(h)(3), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “such institution has filed for bankruptcy; or”.

Subsec. (d)(2). Pub. L. 103–208, § 2(h)(4), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “For the purpose of any program under this subchapter and part C of subchapter I of chapter 34 of title 42, the term ‘academic year’ shall require a minimum of 30 weeks of instructional time in which a full-time student is expected to complete at least 24 semester or trimester hours or 36 quarter hours at an institution which measures program length in credit hours or at least 900 clock hours at an institution which measures program length in clock hours. The Secretary may reduce such minimum of 30 weeks to not less than 26 weeks for good cause, as determined by the Secretary on a case-by-case basis, in the case of an institution of higher education that provides a 2-year or 4-year program of instruction for which the institution awards an associate or baccalaureate degree.”

Subsec. (e)(2). Pub. L. 103–208, § 2(h)(5), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “The Secretary shall develop regulations to determine the quality of programs of less than 600 clock hours in length. Such regulations shall require, at a minimum, that the programs have a verified rate of completion of at least 70 percent and a verified rate of placement of at least 70 percent. Pursuant to these regulations and notwithstanding paragraph (1), the Secretary shall allow programs of less than 600 clock hours, but greater than 300 clock hours, in length to be eligible to participate in the programs authorized under part B of this subchapter.”


Subsec. (a). Pub. L. 102–325, § 481(a), added subsec. (a) and struck out former subsec. (a) which contained pars. (1) and (2) defining “institution of higher education” and “accredited” and par. (3) which related to recognition of accreditation of eligible institutions of higher education.

Subsec. (b). Pub. L. 102–325, § 481(b)(4), struck out at end “For the purpose of this subsection, the Secretary shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.”

Subsec. (b)(1). Pub. L. 102–325, § 481(b)(1), substituted “an eligible program” for “not less than a 6-month program”.

---

NB: This unofficial compilation of the U.S. Code is current as of Jan. 4, 2012 (see http://www.law.cornell.edu/uscode/uscprint.html).
Subsec. (b)(4). Pub. L. 102–325, § 481(b)(2), substituted “pursuant to part G of this subchapter,” for “for this purpose, and”.
Subsec. (b)(5), (6). Pub. L. 102–325, § 481(b)(3), substituted “years, and” for “years,” in cl. (5) and added cl. (6).
Subsec. (c)(1). Pub. L. 102–325, § 481(c), substituted “an eligible program” for “not less than a six-month program”.
Prior to amendment, text read as follows: “For the purpose of any program under this subchapter and part C of subchapter I of chapter 34 of title 42, the term ‘academic year’ shall be defined by the Secretary by regulation.”
Subsec. (e). Pub. L. 102–325, § 481(e), amended subsec. (e) generally, substituting provisions relating to eligible program for provisions relating to impact of loss of accreditation.

1991—Subsec. (b). Pub. L. 102–26, § 2(a)(2), struck out “and who have the ability to benefit (as determined by the institution under section 1091 (d) of this title) from the training offered by the institution” before period at end of second sentence, and struck out at end “The Secretary shall not promulgate regulations defining the admissions procedures or remediation programs that must be used by an institution in admitting students on the basis of their ability to benefit from the training offered and shall not, as a condition of recognition under section 413(e) of this Act, impose upon any accrediting body or bodies standards which are different or more restrictive than the standards provided in this subsection.”
Subsec. (c). Pub. L. 102–26, § 2(a)(3), struck out before period at end “and who have the ability to benefit (as determined by the institution under section 1091 (d) of this title) from the training offered by the institution”.


1989—Subsec. (a)(1). Pub. L. 101–239, § 2007(b)(1), substituted “Subject to subsection (e) of this section, for the purpose” for “For the purpose”.

1987—Subsec. (c). Pub. L. 100–50 substituted “section 1091 (d) of this title” for “subsection (d) of this section”.

**Effective Date of 2009 Amendment**

**Effective Date of 2006 Amendment**
Amendment by Pub. L. 109–171 effective July 1, 2006, except as otherwise provided, see section 8001(c) of Pub. L. 109–171, set out as a note under section 1002 of this title.

**Effective Date of 1998 Amendments**
Amendment by Pub. L. 105–216 effective 1 year after July 29, 1998, see section 13 of Pub. L. 105–216, set out as an Effective Date note under section 4901 of Title 12, Banks and Banking.

**Effective Date of 1993 Amendment**
Amendment by Pub. L. 103–208 effective as if included in the Higher Education Amendments of 1992, Pub. L. 102–325, except as otherwise provided, see section 5(a) of Pub. L. 103–208, set out as a note under section 1051 of this title.
Effective Date of 1992 Amendment


“(1) as otherwise provided in such part G;
“(2) the changes in section 481 (a) [20 U.S.C. 1088 (a)], relating to the definition of institution of higher education, other than paragraph (4) of such section, shall be effective on and after October 1, 1992;
“(3) section 481 (e) as added by such amendments, relating to the definition of eligible program, shall be effective on and after July 1, 1993;
“(4) section 484 (m)(1) [20 U.S.C. 1091 (m)(1)], relating to proportion of courses permitted to be correspondence courses, as added by such amendments shall be effective on and after October 1, 1992;
“(5) the changes in section 485 [20 U.S.C. 1092], relating to disclosures, shall be effective with respect to periods of enrollment beginning on or after July 1, 1993;
“(6) the changes in section 488 [20 U.S.C. 1095], relating to transfers of allotments, shall apply with respect to funds provided for award years beginning on or after July 1, 1993; and
“(7) the changes in section 489 [20 U.S.C. 1096], relating to payments for administrative expenses, shall apply with respect to funds provided for award years beginning on or after July 1, 1993.”

Effective Date of 1991 Amendment

Amendment by Pub. L. 102–26 applicable to any grant, loan, or work assistance to cover the cost of instruction for periods of enrollment beginning on or after July 1, 1991, see section 2(d)(1) of Pub. L. 102–26, set out as a note under section 1085 of this title.

Effective Date of 1990 Amendment

Section 3005(c) of Pub. L. 101–508, which provided that the amendments made by section 3005 (amending this section and section 1091 of this title) were to apply to any grant, loan, or work assistance to cover the cost of instruction for periods of enrollment beginning on or after Jan. 1, 1991, was repealed by section 2(d)(2)(A) of Pub. L. 102–26. See Construction of 1991 Amendment note below.

Effective Date of 1987 Amendment


Construction of 2006 Amendment

Nothing in amendment by section 8007(d) of Pub. L. 109–171 to be construed to authorize any refunding of any repayment of a loan, see section 8007(e) of Pub. L. 109–171, set out as a note under section 1078 of this title.

Construction of 1991 Amendment

Section 2(d)(2)(A) of Pub. L. 102–26 provided that: “Section 3005 of the Omnibus Reconciliation Act of 1990 [Pub. L. 101–508, amending this section and section 1091 of this title and enacting provisions set out as a note above] is repealed. Sections 484(d) and 481(b) of the Act [20 U.S.C. 1091 (d), 1088 (b)] shall be applied as if such section 3005 had not been enacted.”

Need-Based Aid

Section 1544 of Pub. L. 102–325 authorized institutions of higher education to voluntarily agree with other such institutions to award financial aid not awarded under this chapter to students attending such institutions only on basis of demonstrated financial need for such aid, and to discuss and adopt principles of professional judgment for determining student financial need for such aid, with exceptions for cases pending on July 23, 1992, and for discussions or agreements on prospective financial aid awards to specific common applicants, and provided that such authorization was to expire on Sept. 30, 1994, prior to repeal by Pub. L. 103–382, title V, § 568(e)(2), Oct. 20, 1994, 108 Stat. 4061. See section 568 (a)–(d) of Pub. L. 103–382, set out as a note under section 1 of Title 15, Commerce and Trade.