

GRADUATION DATA DISCLOSURES TECHNICAL AMENDMENTS

MARCH 11, 1997.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. GOODLING, from the Committee on Education and the
Workforce, submitted the following

REPORT

[To accompany H.R. 914]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and the Workforce, to whom was referred the bill (H.R. 914) to make certain technical corrections in the Higher Education Act of 1965 relating to graduation data disclosures, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

The purpose of H.R. 914 is to make certain technical corrections to the Student Right to Know provisions of the Higher Education Act of 1965 relating to graduation data disclosures.

LEGISLATIVE ACTION

On March 4, 1997, Representatives McKeon and Kildee introduced H.R. 914. On March 5, 1997, the Committee on Education and the Workforce assembled to consider H.R. 914. The Committee adopted the bill by a voice vote.

BACKGROUND AND NEED FOR LEGISLATION/COMMITTEE VIEWS

The Student Right to Know provisions of the Higher Education Act require institutions of higher education to report graduation rates for their student body. The law required institutions to compile these statistics through June 30 of each year. In H.R. 3610, the Omnibus Appropriations Act of 1996, (P.L. 104-208), the language was changed to require the statistics to be compiled through Au-

gust 30 of each year for student athletes. Because institutions include July and August graduates in their yearly graduation rate calculations, the change was made in order to (i) more accurately reflect the manner in which institutions collect the data and (ii) eliminate the burdensome task of preparing one set of graduation rates through June 30 for purposes of Student Right to Know compliance and another set to reflect the actual graduation rates including July and August graduates.

Two mistakes were made when this language was included in the Appropriations bill. First, because there are 31 days in August, the cutoff date should have been August 31 rather than August 30. Second, a corresponding date change for calculating graduation rates for the student body-at-large was omitted. Because of this mistake, colleges participating in national athletics will have to report one graduation rate for their athletes using a cut-off date of August 30 and another graduation rate for the student body-at-large using a cut-off date of June 30.

H.R. 914 corrects both problems. The first change corrects the August cut-off from August 30 to August 31. The second change conforms the section of the Act dealing with the reporting date for student athletes to the section of the Act that requires preparation of graduation rates for all students.

SUMMARY

The purpose of H.R. 914 is to make technical corrections to the Student Right to Know provisions of the Higher Education Act of 1965 relating to graduation data disclosures.

SECTION-BY-SECTION ANALYSIS

Section 1(a)(1) amends Section 485 of the Higher Education Act of 1965 (U.S.C. 1092) by striking in subsection (a)(3)(B) "June 30" and inserting "August 31".

Section 1(a)(2) amends Section 485 of the Higher Education Act of 1965 (U.S.C. 1092) by striking in subsection (e)(9) "August 30" and inserting "August 31".

Section 1(b) provides for an effective date for the amendments made by subsection (a) with respect to disclosures required to be made for academic years beginning on or after July 1, 1998. Any institution that complies with such amendments before July 1, 1998, shall not be treated as a failure to comply with subsections (a)(3)(B) and (e)(9) of section 485 of the Higher Education Act of 1965 as in effect on the day before enactment of this Act.

STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 2(l)(3)(A) of rule XI of the Rules of the House of Representatives and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the body of this report.

GOVERNMENT REFORM AND OVERSIGHT

With respect to the requirement of clause 2(1)(3)(D) of rule XI of the Rules of the House of Representatives, the Committee has received no report of oversight findings and recommendations from the Committee on Government Reform and Oversight on the subject of H.R. 914.

COMMITTEE ESTIMATE

Clause 7 of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out H.R. 914. However, clause 7(d) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 403 of the Congressional Budget Act of 1974.

APPLICATION OF LAW TO LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch. This bill is designed to make certain technical corrections to the Student Right to Know provisions of the Higher Education Act of 1965 relating to graduation data disclosures. This bill does not prohibit legislative branch employees from receiving the benefits of this legislation.

CONSTITUTIONAL AUTHORITY STATEMENT

Section 485 of the Higher Education Act of 1965 and this Act are constitutional under the spending clause of the constitution, Article I, section 8, clause 1.

UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act requires a statement of whether the provisions of the reported bill include unfunded mandates. The Committee received a letter regarding unfunded mandates from the Director of the Congressional Budget Office. See *infra*.

BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST
ESTIMATE

With respect to the requirement of clause 2(1)(3)(B) of rule XI of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause 2(1)(3)(C) of rule XI of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 914 from the Director of the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 10, 1997.

Hon. BILL GOODLING,
*Chairman, Committee on Education and the Workforce, House of
Representatives, Washington, DC.*

DEAR CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 914, a bill to make certain technical corrections in the Higher Education Act of 1965 relating to graduation data disclosures.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Deborah Kalcevic.

Sincerely,

JAMES L. BLUM
(For June E. O'Neill, Director).

Enclosure.

*H.R. 914—A bill to make certain technical corrections in the Higher
Education Act of 1965 relating to graduation data disclosures*

CBO estimates that enacting this bill would have no effect on the federal budget. Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply. H.R. 914 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 and would not affect the budgets of state, local, or tribal governments.

The Higher Education Act requires that all schools participating in the federal student aid programs disseminate information for prospective and enrolled students. Schools must publish and make readily available information regarding many aspects of the institution, including graduation rates.

H.R. 914 would change the current reporting period for graduation rates at institutions of higher education participating in the federal student aid programs. Currently the reporting period is the 12 months ending June 30. This bill would make the reporting period the 12 months ending August 31.

The CBO staff contact for this estimate is Deborah Kalcevic. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italic*, existing law in which no change is proposed is shown in roman):

SECTION 485 OF THE HIGHER EDUCATION ACT OF 1965

SEC. 485. INSTITUTIONAL AND FINANCIAL ASSISTANCE INFORMATION FOR STUDENTS.

(a) INFORMATION DISSEMINATION ACTIVITIES.—(1) * * *

* * * * *

(3) In calculating the completion or graduation rate under subparagraph (L) of paragraph (1) of this subsection or under subsection (e), a student shall be counted as a completion or graduation if, within 150 percent of the normal time for completion of or graduation from the program, the student has completed or graduated from the program, or enrolled in any program of an eligible institution for which the prior program provides substantial preparation. The information required to be disclosed under such subparagraph—

(A) * * *

(B) shall cover the one-year period ending on **June 30** *August 31* of the preceding year.

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(e) DISCLOSURES REQUIRED WITH RESPECT TO ATHLETICALLY RELATED STUDENT AID.—(1) * * *

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(9) This subsection shall not be effective until the first July 1 that follows, by more than 270 days, the date on which the Secretary first prescribes final regulations pursuant to this subsection. The reports required by this subsection shall be due on that July 1 and each succeeding July 1 and shall cover the 1-year period ending **August 30** *August 31* of the preceding year.

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