



Higher Education Opportunity Act Definitions

Subject	HEOA Bill Section/ HEA Section	HEOA Definition
Agent	Title I, Part E and Title IV Bill Section: 120 HEA Section: 151(1) and 487(i)(1)	An officer or employee of a school or school-affiliated organization.
Affiliate	Title IV Bill Section: 493 HEA Section: 487(i)(2)	An entity that controls, is controlled by, or is under common control with another entity. Criteria met if: <ul style="list-style-type: none"> • The entity directly or indirectly owns, controls or has the power to vote 5% of the voting securities of the other entity; • The entity controls in any manner the election of a majority of directors or trustees of the other entity; or • ED (after a possible hearing) determines that the entity has a controlling interest over the management or policies of the other entity's education loans.
Cohort Default Rate	Title IV, Part B Bill Section: 436(e) HEA Section: 435(m)	Cohort default rate now means students who default before the end of the second fiscal year following the fiscal year in which students entered repayment. Effective: FY 2009 Transition: Rates before this change will be used until there are 3 years of rates under this regulation.
Covered Institution	Title I, Part E Bill Section: 120 HEA Section: 151(2)	Any school (defined in HEA section 102) that receives any Federal funding or assistance.
Distance Education	Title I, Part A Bill Section: 102 HEA Section: 103 (7)	Means the use of one or more technologies: <ul style="list-style-type: none"> • Internet, one-way and two-way transmissions through open broadcast, closed circuit, cable, microwave, broadband lines, fiber optics, satellite, or wireless communication devices, audio conferencing or video cassettes, DVDs, CD-ROMs, if cassettes, DVDs or CD-ROMs are used in a course in conjunction with any of the technologies as stated. • Delivering instruction to students who are separated from the instructor and to support regular and substantive interaction between the students and the instructor synchronously or asynchronously.
Education Loan	Title I, Part E Bill Section: 120 HEA Section: 151(3)	Means: <ul style="list-style-type: none"> • Any loan made, insured or guaranteed under FFELP. • Any loan made under the Direct Loan Program. • A private education loan.
Eligible Lender	Title I, Part E	Means: <ul style="list-style-type: none"> • An eligible FFELP lender.

Note: This summary is intended for informational purposes only. Refer to the bill for specific information.

* Draft – OGSLP Last Updated October 9, 2008

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	Bill Section: 120 HEA Section: 151(4)	<ul style="list-style-type: none"> • ED for Direct Lending loans. • Private educational lender for private loans. <p>Includes any other person engaged in the business of securing, making or extending education loans on behalf of the lender.</p>
Informational Materials	Title I, Part E Bill Section: 120 HEA Section: 152(a)(1)(C)	Informational materials are publications, mailings, or electronic messages or materials that concern financial aid at the school and are given to prospective or current students and their families.
Institution-Affiliated Organization	Title I, Part E Bill Section: 120 HEA Section: 151(5)	<p>Any organization that:</p> <ul style="list-style-type: none"> • Is directly or indirectly related to a school; and • Is engaged in the practice of recommending, promoting, or endorsing education loans for students attending such school or the families of such students; <p>May include an alumni organization, athletic organization, foundation, or social, academic, or professional organization, of a school; and does not include any lender or any education loan secured, made or extended by such lender.</p>
Institution of Higher Education	Title I, Part A Bill Section: 101 HEA Section: 101(a)(1), 101(a)(3), and 101(b)(2)(A) and (B)	<p>Institution of higher education includes:</p> <ul style="list-style-type: none"> • Institutions that admit as regular students, students that have completed a secondary school education in a home school setting that is treated as a home school or private school under state law. • Institutions that could award a degree that is acceptable for admission to a graduate or professional degree program, subject to review and approval by ED. • Institutions who admit individuals who will be dually or concurrently enrolled in the institution and a secondary school.
Lender	Title I, Part E Bill Section: 120 HEA Section: 151(6)	<p>Means:</p> <ul style="list-style-type: none"> • An eligible FFELP lender; • ED for Direct Lending loans; and • Private educational lender for private loans. <p>Includes any other person engaged in the business of securing, making or extending education loans on behalf of the lender.</p>
Officer	Title I, Part E Bill Section: 120 HEA Section: 151(7)	Includes a director or trustee of a school, if such individual is treated as an employee of the school or the organization affiliated with the school.
Preferred Lender Arrangement	Title I, Part E Bill Section: 120 HEA Section: 151(8)	<p>An arrangement or agreement between a lender and a school or a school-affiliated organization:</p> <ul style="list-style-type: none"> • Under which a lender provides loans to students and parents; • That involves the school or school-affiliated organization recommending, promoting, or endorsing the lender's student loans; and <p>Does not include:</p> <ul style="list-style-type: none"> • Arrangements or agreements regarding Direct loans; or • Arrangements or agreements regarding loans issued under the auction pilot program [HEA Sec. 499(b)].

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Private Education Loan	Title I, Part E Bill Section: 120 HEA Section: 151(9)	The same meaning given the term in section 140 of the Truth in Lending Act.
Proprietary School	Title I, Part A Bill Section: 102 HEA Section: 102(b)(1)(A) and 102(b)2(A) and (B)	<p>Definition of proprietary school includes schools in any state that:</p> <ul style="list-style-type: none"> • Provides an eligible program of training that leads to gainful employment in a recognized occupation; or • Provides a program leading to a BA in liberal arts and has provided such a program since 1/01/2009 and is accredited by an accreditation agency or association and has continuously been accredited since 10/01/2007. <p>Includes schools in any state who admit, as regular students, individuals who will be dually or concurrently enrolled in the institution and a secondary school.</p>
Public Service Job	Title IV, Part D Bill Section: 451(b) HEA Section: 455(m)(3)(B)(i)	<p>The definition of public service job is expanded for:</p> <ul style="list-style-type: none"> • Public health workers to include those who have – a full-time job as nurses, nurse practitioners, nurses in a clinical setting, and full-time professionals engaged in health care practitioner occupations, as such terms are defined by the Bureau of Labor Statistics. • Early childhood workers to include those who have a full-time job in licensed or regulated child care, Head Start, and State funded prekindergarten. • Teachers in high-needs areas is expanded to include those in shortage areas, including those teaching as nurse faculty, foreign language faculty, and part-time faculty at community colleges. <p>The definition of public service job is clarified for government workers to exclude time served as a member of Congress.</p>

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