

20 U.S. Code § 1088. Definitions

(a) Academic and award year

(1) For the purpose of any program under this subchapter, 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, 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, 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 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 H; 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, 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, 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; 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, D, and E 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, 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 [\[1\]](#) 1681a(p) of title 15.

(f) Definition of educational service agency For purposes of parts B, D, and E, the term “[educational service agency](#)” has the meaning given the term in [section 7801 of this title](#).