

118TH CONGRESS
1ST SESSION

S. 2442

To amend the Higher Education Act of 1965 to extend Federal Pell Grant eligibility to certain short-term workforce programs.

IN THE SENATE OF THE UNITED STATES

JULY 20, 2023

Mr. BUDD (for himself and Mr. SCOTT of Florida) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Higher Education Act of 1965 to extend Federal Pell Grant eligibility to certain short-term workforce programs.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Promoting Employ-
5 ment and Lifelong Learning Act” or the “PELL Act”.

6 **SEC. 2. PROGRAM ELIGIBILITY FOR WORKFORCE PELL**
7 **GRANTS.**

8 Section 481(b) of the Higher Education Act of 1965
9 (20 U.S.C. 1088(b)) is amended—

1 (1) by redesignating paragraphs (3) and (4) as
2 paragraphs (4) and (5), respectively; and

3 (2) by inserting after paragraph (2) the fol-
4 lowing:

5 “(3)(A) A program is an eligible program for
6 purposes of the Workforce Pell Grants program
7 under section 401(k) only, if—

8 “(i) it leads to a recognized educational
9 credential at an institution of higher education,
10 which may include a recognized postsecondary
11 credential, as defined in section 3 of the Work-
12 force Innovation and Opportunity Act;

13 “(ii) it is at least 150 clock hours of in-
14 struction, but not more than 600 clock hours of
15 instruction, or an equivalent number of credit
16 hours, offered during a minimum of 8 weeks,
17 but not more than 15 weeks;

18 “(iii) it is determined by an accrediting
19 agency or association recognized by the Sec-
20 retary pursuant to section 496(a) to—

21 “(I) provide an education aligned with
22 the requirements of in-demand industry
23 sectors or occupations, as defined in sec-
24 tion 3 of the Workforce Innovation and
25 Opportunity Act;

1 “(II) meet the hiring requirements of
2 potential employers in the sectors or occu-
3 pations described in subclause (I);

4 “(III) have been offered by an institu-
5 tion for not less than 1 year prior to a de-
6 termination by such agency or association
7 under this paragraph;

8 “(IV) have a verified completion rate
9 of at least 70 percent, calculated so as to
10 ensure that a student shall be counted as
11 a completion if the student completes the
12 program within 150 percent of the normal
13 time for completion; and

14 “(V) have verified a job placement
15 rate of at least 70 percent; and

16 “(iv) for each award year, the total amount
17 of the published tuition and fees of the program
18 for such year is an amount that does not exceed
19 the value-added earnings of students who re-
20 ceived Federal financial aid under this title and
21 who completed the program 3 years prior to the
22 award year, as such earnings are determined by
23 calculating the difference between—

24 “(I) the median earnings of such stu-
25 dents, as adjusted by the State and metro-

1 politan area regional price parities of the
2 Bureau of Economic Analysis based on the
3 location of such program; and

4 “(II) 150 percent of the poverty line
5 applicable to a single individual as deter-
6 mined under section 673(2) of the Commu-
7 nity Services Block Grant Act (42 U.S.C.
8 9902(2)) for such year.

9 “(B)(i) In the case of a program that has not
10 previously participated in programs under this title
11 and is being determined eligible for the first time
12 under this paragraph, the Secretary may consider
13 such program to be an eligible program for purposes
14 of the Workforce Pell Grants program under section
15 401(k) for a provisional eligibility period that may
16 not exceed 3 years, if such program—

17 “(I) subject to subclause (II), meets the
18 requirements of subparagraph (A); and

19 “(II) in lieu of the determination of me-
20 dian earnings under subclause (I) of subpara-
21 graph (A)(iv), provides to the Secretary for pur-
22 poses of meeting the requirements of subpara-
23 graph (A)(iv), alternate earnings of students
24 who complete the program, which are statis-
25 tically rigorous, accurate, comparable, and rep-

1 representative of students who complete such pro-
2 gram.

3 “(ii) In a case in which the Secretary deter-
4 mines that a program provided inaccurate earnings
5 data under clause (i)(II) for purposes of receiving
6 provisional eligibility under clause (i), such program
7 shall return to the Secretary any funds received
8 under this title during the period beginning on first
9 date of the provisional eligibility period and ending
10 on the date of determination under this clause.

11 “(C) The Secretary shall establish an appeals
12 process to permit eligible programs for purposes of
13 the Workforce Pell Grants program under section
14 401(k) to submit alternate earnings data to comply
15 with subparagraph (A)(iv), provided that such data
16 are statistically rigorous, accurate, comparable, and
17 representative of students who receive a Workforce
18 Pell Grant and complete the eligible program.”.

19 **SEC. 3. DATA COLLECTION AND DISSEMINATION RELATED**
20 **TO WORKFORCE PELL.**

21 Section 131 of the Higher Education Act of 1965 (20
22 U.S.C. 1015) is amended by adding at the end the fol-
23 lowing:

24 “(i) DATA COLLECTION AND DISSEMINATION RE-
25 LATED TO WORKFORCE PELL.—

1 “(1) IN GENERAL.—The Secretary shall, on an
2 annual basis, collect, verify, and make publicly avail-
3 able on the College Scorecard or any similar suc-
4 cessor website, the information required under
5 clause (ii), subclauses (IV) and (V) of clause (iii),
6 and clause (iv) of subsection (b)(3)(A) of section
7 481, with respect to each eligible program that
8 meets the requirements of section 481(b)(3), includ-
9 ing—

10 “(A) the length of the program (as meas-
11 ured in clock hours, credit hours, or weeks);

12 “(B) the number of students enrolled in
13 the eligible program during the most recent
14 academic year for which data is available;

15 “(C) the percentage of students who enroll
16 in the eligible program and who complete the
17 eligible program within—

18 “(i) 150 percent of the normal time
19 for completion of such program; and

20 “(ii) 200 percent of the normal time
21 for completion of such program;

22 “(D) the percentage of students who are
23 employed not later than 180 days after com-
24 pleting the eligible program; and

25 “(E) the percentage of individuals—

1 “(i) who have completed such eligible
2 program; and

3 “(ii) 3 years after such completion,
4 whose median earnings exceed 150 percent
5 of the poverty line applicable to a single in-
6 dividual, as determined under section
7 673(2) of the Community Services Block
8 Grant Act (42 U.S.C. 9902(2)).

9 “(2) EXCEPTIONS.—Notwithstanding any other
10 provision of this subsection, if disclosure of any data
11 under paragraph (1) is prohibited under State or
12 Federal privacy laws or regulations, the Secretary
13 shall take such steps as the Secretary determines
14 necessary to make publicly available such data in ac-
15 cordance with such laws and regulations.”.

16 **SEC. 4. WORKFORCE PELL GRANTS.**

17 (a) IN GENERAL.—Section 401 of the Higher Edu-
18 cation Act of 1965 (20 U.S.C. 1070a), as amended by sec-
19 tion 703 of the FAFSA Simplification Act (title VII of
20 division FF of Public Law 116–260), is amended by add-
21 ing at the end the following:

22 “(k) WORKFORCE PELL GRANTS PROGRAM.—

23 “(1) IN GENERAL.—For the award year begin-
24 ning on July 1, 2024, and each subsequent award
25 year, the Secretary shall award grants (referred to

1 as a ‘Workforce Pell Grants’) to eligible students
 2 under paragraph (2) in accordance with this sub-
 3 section.

4 “(2) ELIGIBLE STUDENTS.—For award year
 5 2024–2025 and each succeeding award year, to be
 6 eligible to receive a Workforce Pell Grant under this
 7 subsection for any period of enrollment, a student
 8 shall meet the eligibility requirements for a Federal
 9 Pell Grant under this section, except that the stu-
 10 dent—

11 “(A) shall be enrolled, or accepted for en-
 12 rollment, in an eligible program—

13 “(i) that leads to a recognized edu-
 14 cational credential at an institution of
 15 higher education, which may include a rec-
 16 ognized postsecondary credential, as de-
 17 fined in section 3 of the Workforce Innova-
 18 tion and Opportunity Act; and

19 “(ii) that meets the other require-
 20 ments described in section 481(b)(3); and

21 “(B) may not have received a
 22 postbaccalaureate degree.

23 “(3) TERMS AND CONDITIONS OF AWARDS.—
 24 The Secretary shall award Workforce Pell Grants
 25 under this subsection in the same manner and with

1 the same terms and conditions as the Secretary
 2 awards Federal Pell Grants under subsection (b), ex-
 3 cept that a student who is eligible for a grant equal
 4 to less than the amount of the minimum Federal
 5 Pell Grant because the eligible workforce develop-
 6 ment program in which the student is enrolled or ac-
 7 cepted for enrollment is less than an academic year
 8 (in hours of instruction or weeks of duration) may
 9 still be eligible for a Workforce Pell Grant.

10 “(4) PREVENTION OF DOUBLE BENEFITS.—No
 11 eligible student described in paragraph (2) may, for
 12 the same period of enrollment, receive both a grant
 13 under this subsection and a Federal Pell Grant
 14 under subsection (b).”.

15 (b) EFFECTIVE DATE.—The amendment made by
 16 subsection (a) shall take effect as if included in section
 17 703 of the FAFSA Simplification Act (title VII of division
 18 FF of Public Law 116–260; 134 Stat. 3191) and in ac-
 19 cordance with section 701(b) of such Act.

20 **SEC. 5. ACCREDITING AGENCY DETERMINATION OF ELIGI-**
 21 **BILITY REQUIREMENTS FOR THE WORK-**
 22 **FORCE PELL GRANTS PROGRAM.**

23 (a) IN GENERAL.—Section 496(a)(4) of the Higher
 24 Education Act of 1965 (20 U.S.C. 1099b(a)(4)) is amend-
 25 ed—

1 (1) in subparagraph (A), by striking “and” at
2 the end;

3 (2) in subparagraph (B)(ii), by inserting “and”
4 at the end; and

5 (3) by adding at the end the following:

6 “(C) if such agency or association has or seeks
7 to include within its scope of recognition the evalua-
8 tion of the quality of institutions offering an eligible
9 program for purposes of the Workforce Pell Grants
10 program (in accordance with section 481(b)(3)),
11 such agency or association shall, in addition to meet-
12 ing the other requirements of this subpart, dem-
13 onstrate to the Secretary that, with respect to such
14 eligible programs—

15 “(i) the agency’s or association’s standards
16 include a process for determining if the institu-
17 tion has the capability to effectively offer such
18 an eligible program; and

19 “(ii) the agency or association requires a
20 demonstration that the program—

21 “(I) satisfies the requirements of sub-
22 paragraph (A)(iii) of section 481(b)(3);
23 and

24 “(II) provides academic content, an
25 amount of instructional time, and com-

1 petencies to satisfy any applicable edu-
2 cational requirement so that a student who
3 completes the program and seeks employ-
4 ment is qualified to practice or work in the
5 sectors or occupations that the program
6 prepares students to enter;”.

7 (b) ADDITIONAL NACIQI REVIEW MEETINGS.—For
8 the purpose of preparing for the implementation of the
9 Workforce Pell Grant program under section 401(k) of the
10 Higher Education Act of 1965 (as added by section 4),
11 in addition to the meetings required under section
12 114(d)(1) of the Higher Education Act of 1965 (20
13 U.S.C. 1011c(d)(1)), the National Advisory Committee on
14 Institutional Quality and Integrity (as established by such
15 section 114) shall, through 2025, hold meetings to evalu-
16 ate the additions to the scope of recognition of accrediting
17 agencies and associations with respect to an eligible pro-
18 gram for purposes of the Workforce Pell Grants program
19 (in accordance with section 481(b)(3) of the Higher Edu-
20 cation Act of 1965, as added by section 2).

21 (c) INTERIM ACCREDITATION AUTHORITY.—

22 (1) NOTIFICATION.—Beginning on the date of
23 enactment of this Act, a qualified accrediting agency
24 or association which seeks to include within its scope
25 of recognition the evaluation of the quality of insti-

1 tutions offering eligible programs for the purposes of
2 the Workforce Pell Grants program, may include
3 within its scope of recognition the evaluation of such
4 institutions if the accrediting agency or associa-
5 tion—

6 (A) submits to the Secretary a notification
7 of the agency's or association's intent to add
8 the evaluation of such institutions to its scope
9 of recognition; and

10 (B) includes with such notification an ex-
11 planation of how the agency or association in-
12 tends to meet the criteria under section
13 496(a)(4)(C) of the Higher Education Act of
14 1965 (as added by subsection (a)) with respect
15 to the evaluation of institutions for purposes of
16 the Workforce Pell Grants program.

17 (2) REVIEW OF SCOPE OF CHANGES.—Upon re-
18 ceipt of a notification from an accrediting agency or
19 association under paragraph (1), the Secretary shall
20 direct the National Advisory Committee on Institu-
21 tional Quality and Integrity (as established by sec-
22 tion 114 of the Higher Education Act of 1965 (20
23 U.S.C. 1011e)) to evaluate, at the next available
24 meeting of such Committee, the addition to the
25 scope of recognition of the agency or association and

1 to advise the Secretary with respect to whether the
2 agency or association meets the criteria under sec-
3 tion 496(a)(4)(C) of the Higher Education Act of
4 1965 (as added by subsection (a)).

5 (3) TERMINATION OF INTERIM AUTHORITY.—

6 The interim authority under this subsection for an
7 agency or association to include within its scope of
8 recognition the evaluation of the quality of institu-
9 tions offering eligible programs for the purposes of
10 the Workforce Pell Grants program shall terminate
11 on the earlier of—

12 (A) the date that is 5 years after the date
13 of enactment of this Act; or

14 (B) the date on which the Secretary deter-
15 mines whether such agency or association meets
16 the criteria under section 496(a)(4)(C) of the
17 Higher Education Act of 1965 (as added by
18 subsection (a)).

19 (4) DEFINITIONS.—In this subsection:

20 (A) The term “qualified accrediting agency
21 or association” means an accrediting agency or
22 association recognized by the Secretary under
23 section 496 of the Higher Education Act of
24 1965 (20 U.S.C. 1099b) that seeks, for the
25 first time, to add to its scope of recognition the

1 evaluation of the quality of institutions offering
2 an eligible program for purposes of the Work-
3 force Pell Grants program.

4 (B) The term “Workforce Pell Grants pro-
5 gram” means the Workforce Pell Grant pro-
6 gram under section 401(k) of the Higher Edu-
7 cation Act of 1965 (as added by section 4).

8 **SEC. 6. ORDERLY IMPLEMENTATION OF WORKFORCE PELL**
9 **GRANT PROGRAM.**

10 The Secretary of Education shall have the authority
11 to take such steps as are necessary before July 1, 2024,
12 to provide for the orderly implementation on such date of
13 the amendments to the Higher Education Act of 1965
14 made by this Act.

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