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

Ms. STEFANIK introduced the following bill; which was referred to the Committee on

A BILL

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Promoting Employment and Lifelong Learning Act” or the “PELL Act”.

January 23, 2023 (3:56 p.m.)
SEC. 2. PROGRAM ELIGIBILITY FOR WORKFORCE PELL GRANTS.

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

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

(2) by inserting after paragraph (2) the following:

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

“(i) it is at least 150 clock hours of instruction, but not more than 600 clock hours of instruction, or an equivalent number of credit hours, offered during a minimum of 8 weeks, but not more than 15 weeks;

“(ii) it is determined by an accrediting agency or association recognized by the Secretary pursuant to section 496(a) to—

“(I) provide an education aligned with the requirements of in-demand industry sectors or occupations, as defined in section 3 of the Workforce Innovation and Opportunity Act;
“(II) meet the hiring requirements of potential employers in the sectors or occupations described in subclause (I);

“(III) have been offered by an institution for not less than 1 year prior to a determination by such agency or association under this paragraph;

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

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

“(iii) for each award year, the total amount of the published tuition and fees of the program for such year is an amount that does not exceed the value-added earnings of students who received Federal financial aid under this title and who completed the program 3 years prior to the award year, as such earnings are determined by calculating the difference between—
“(I) the median earnings of such students, as adjusted by the State and metropolitan area regional price parities of the Bureau of Economic Analysis based on the location of such program; and

“(II) 150 percent of the poverty line applicable to a single individual as determined under section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) for such year.

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

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

“(II) in lieu of the determination of median earnings under subclause (I) of subparagraph (A)(iii), provides to the Secretary for purposes of meeting the requirements of subparagraph (A)(iii), alternate earnings of stu-
dents who complete the program, which are statistically rigorous, accurate, comparable, and representative of students who complete such program.

“(ii) In a case in which the Secretary determines that a program provided inaccurate earnings data under clause (i)(II) for purposes of receiving provisional eligibility under clause (i), such program shall return to the Secretary any funds received under this title during the period beginning on first date of the provisional eligibility period and ending on the date of determination under this clause.

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

SEC. 3. DATA COLLECTION AND DISSEMINATION RELATED TO WORKFORCE PELL.

Section 131 of the Higher Education Act of 1965 (20 U.S.C. 1015) is amended by adding at the end the following:
“(i) DATA COLLECTION AND DISSEMINATION RELATED TO WORKFORCE PELL.—

“(1) IN GENERAL.—The Secretary shall, on an annual basis, collect, verify, and make publicly available on the College Scorecard or any similar successor website, the information required under clause (i), subclauses (IV) and (V) of clause (ii), and clause (iii), and of subsection (b)(3)(A) of section 481, with respect to each eligible program that meets the requirements of section 481(b)(3), including—

“(A) the length of the program (as measured in clock hours, credit hours, or weeks);

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

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

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

“(ii) 200 percent of the normal time for completion of such program;
“(D) the percentage of students who are employed not later than 180 days after completing the eligible program; and

“(E) the percentage of individuals—

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

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

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

SEC. 4. WORKFORCE PELL GRANTS.

(a) IN GENERAL.—Section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a), as amended by section 703 of the FAFSA Simplification Act (title VII of division FF of Public Law 116–260), is amended by adding at the end the following:
“(k) WORKFORCE PELL GRANTS PROGRAM.—

“(1) IN GENERAL.—For the award year beginning on July 1, 2024, and each subsequent award year, the Secretary shall award grants (referred to as a ‘Workforce Pell Grants’) to eligible students under paragraph (2) in accordance with this subsection.

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

“(A) shall be enrolled, or accepted for enrollment, in an eligible program described in section 481(b)(3); and

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

“(3) TERMS AND CONDITIONS OF AWARDS.—
The Secretary shall award Workforce Pell Grants under this subsection in the same manner and with the same terms and conditions as the Secretary awards Federal Pell Grants under subsection (b), except that a student who is eligible for a grant equal
to less than the amount of the minimum Federal Pell Grant because the eligible workforce development program in which the student is enrolled or accepted for enrollment is less than an academic year (in hours of instruction or weeks of duration) may still be eligible for a Workforce Pell Grant.

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

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

SEC. 5. ACCREDITING AGENCY DETERMINATION OF ELIGIBILITY REQUIREMENTS FOR THE WORKFORCE PELL GRANTS PROGRAM.

(a) IN GENERAL.—Section 496(a)(4) of the Higher Education Act of 1965 (20 U.S.C. 1099b(a)(4)) is amended—

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

(3) by adding at the end the following:

“(C) if such agency or association has or seeks to include within its scope of recognition the evaluation of the quality of institutions offering an eligible program for purposes of the Workforce Pell Grants program (in accordance with section 481(b)(3)), such agency or association shall, in addition to meeting the other requirements of this subpart, demonstrate to the Secretary that, with respect to such eligible programs—

“(i) the agency’s or association’s standards include a process for determining if the institution has the capability to effectively offer such an eligible program; and

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

“(I) satisfies the requirements of subparagraph (A)(ii) of section 481(b)(3); and

“(II) provides academic content, an amount of instructional time, and competencies to satisfy any applicable educational requirement so that a student who completes the program and seeks employ-
ment is qualified to practice or work in the
sectors or occupations that the program
prepares students to enter;”.

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

(c) INTERIM ACCREDITATION AUTHORITY.—

(1) NOTIFICATION.—Beginning on the date of
enactment of this Act, a qualified accrediting agency
or association which seeks to include within its scope
of recognition the evaluation of the quality of institu-
tions offering eligible programs for the purposes of
the Workforce Pell Grants program, may include
within its scope of recognition the evaluation of such
institutions if the accrediting agency or association—

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

(B) includes with such notification an explanation of how the agency or association intends to meet the criteria under section 496(a)(4)(C) of the Higher Education Act of 1965 (as added by subsection (a)) with respect to the evaluation of institutions for purposes of the Workforce Pell Grants program.

(2) REVIEW OF SCOPE OF CHANGES.—Upon receipt of a notification from an accrediting agency or association under paragraph (1), the Secretary shall direct the National Advisory Committee on Institutional Quality and Integrity (as established by section 114 of the Higher Education Act of 1965 (20 U.S.C. 1011c)) to evaluate, at the next available meeting of such Committee, the addition to the scope of recognition of the agency or association and to advise the Secretary with respect to whether the agency or association meets the criteria under sec-
tion 496(a)(4)(C) of the Higher Education Act of 1965 (as added by subsection (a)).

(3) TERMINATION OF INTERIM AUTHORITY.—The interim authority under this subsection for an agency or association to include within its scope of recognition the evaluation of the quality of institutions offering eligible programs for the purposes of the Workforce Pell Grants program shall terminate on the earlier of—

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

(B) the date on which the Secretary determines whether such agency or association meets the criteria under section 496(a)(4)(C) of the Higher Education Act of 1965 (as added by subsection (a)).

(4) DEFINITIONS.—In this subsection:

(A) The term “qualified accrediting agency or association” means an accrediting agency or association recognized by the Secretary under section 496 of the Higher Education Act of 1965 (20 U.S.C. 1099b) that seeks, for the first time, to add to its scope of recognition the evaluation of the quality of institutions offering
an eligible program for purposes of the Workforce Pell Grants program.

(B) The term “Workforce Pell Grants program” means the Workforce Pell Grant program under section 401(k) of the Higher Education Act of 1965 (as added by section 4).

SEC. 6. ORDERLY IMPLEMENTATION OF WORKFORCE PELL GRANT PROGRAM.

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