114TH CONGRESS
1ST SESSION

H. R. _____

To amend the Higher Education Act of 1965 to provide students with increased flexibility in the use of Federal Pell Grants, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. STEFANIK (for herself, Mr. CURBelo of Florida, and Mr. HINOJOSA) introduced the following bill; which was referred to the Committee on

A BILL

To amend the Higher Education Act of 1965 to provide students with increased flexibility in the use of Federal Pell Grants, and for other purposes.

1 Be it enacted by the Senate and House of Representa-

tives of the United States of America in Congress assembled,

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “Flexible Pell Grant

5 for 21st Century Students Act”. 
SEC. 2. FLEXIBLE PELL GRANTS.

(a) PURPOSE AND AMOUNT OF GRANTS.—Section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a(b)) is amended by adding at the end the following:

“(8)(A) Notwithstanding any other provision of this subsection, an eligible student who has received a Federal Pell Grant during an award year, and is enrolled in an eligible program for one or more additional payment periods during the same award year, may receive an additional Federal Pell Grant for such additional period or periods.

“(B) In the case of a student receiving more than one Federal Pell Grant during a single award year under subparagraph (A), the total amount of the Federal Pell Grants awarded to such student for the award year shall not exceed an amount equal to 150 percent of the amount of the Federal Pell Grant award determined under paragraph (2)(A) for which such student is eligible during such award year.

“(C) At or before the time of disbursement of a Federal Pell Grant under subparagraph (A) to a student, the institution in which the student is enrolled shall notify the student that any payment period for which the student receives a Federal Pell Grant shall count towards the student’s duration limits under subsection (c)(5).

“(D) In this paragraph, the term ‘eligible student’ means a student who—
“(i) continues to meet all eligibility requirements to receive a Federal Pell Grant under this section; and

“(ii) is accelerating progress toward a degree or certificate.

“(E)(i) In this paragraph, except as provided in clause (ii), a student shall be considered accelerating progress toward a degree or certificate during an award year if, during such award year—

“(I) the student completes the credit hours (or credit hour equivalencies) of an academic year of the student’s eligible program that are necessary for the student to enroll, during such award year, in credit hours (or credit hour equivalencies) that are attributable to a second academic year for such program; and

“(II) during the payment period or periods for which the student desires to receive a Federal Pell Grant under subparagraph (A), the student enrolls in credit hours (or credit hour equivalencies) that are attributable to a second academic year for the student’s eligible program.

“(ii) The financial aid administrator at an institution may waive the requirement of subparagraph (D)(ii), if the financial aid administrator—
“(I) determines that, due to circumstances beyond a student’s control, the student was unable to complete the credit hours described in clause (i)(I) of this subparagraph; and

“(II) makes and documents such a determination on an individual basis.

“(iii) In this subparagraph—

“(I) circumstances beyond a student’s control—

“(aa) may include the student withdrawing from classes due to illness or being unable to register for classes necessary to complete the credit hours described in clause (i)(I) because such classes were not offered during the applicable period; and

“(bb) shall not include withdrawing to avoid a particular grade or failing to register for a necessary class that was offered during such period to avoid a particular instructor; and

“(II) the term ‘academic year’, when used with respect to an eligible program at an institution, has the meaning given such term by the institution.

“(9) If a student is receiving a Federal Pell Grant for a payment period that spans 2 award years, the eligible institution in which the student is enrolled shall determine
the award year to which the additional period shall be assigned.

“(10) A student may decline to receive any portion of a Federal Pell Grant for any payment period, except that the institution may establish a reasonable deadline by which the student may decline the Federal Pell Grant.”.

(b) PERIOD OF ELIGIBILITY FOR GRANTS.—Section 401(c) of such Act (20 U.S.C. 1070a(c)) is amended by adding at the end the following new paragraph:

“(6)(A) The Secretary shall issue to each student receiving a Federal Pell Grant, an annual status report which shall—

“(i) inform the student of the remaining period during which the student may receive Federal Pell Grants in accordance with paragraph (5), and provide access to a calculator to assist the student in making such determination;

“(ii) include an estimate of the Federal Pell Grant amounts which may be awarded for such remaining period based on the student’s award amount determined under paragraph (2)(A) for the most recent award year;

“(iii) explain how the estimate was calculated and any assumptions underlying the estimate;
“(iv) explain that the estimate may be affected if there is a change—

“(I) in the student’s financial circumstances; or

“(II) the availability of Federal funding; and

“(v) describe how the remaining period during which the student may receive Federal Pell Grants may be affected by whether the student is enrolled as a full-time student.

“(B) Nothing in this paragraph shall be construed to prohibit an institution from offering additional counseling to a student with respect to Federal Pell Grants, but such counseling shall not delay or impede disbursement of a Federal Pell Grant award to the student.”.

(e) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to award years beginning on or after July 1, 2017.