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(Original Signature of Member)

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-*
2 *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”.

1 **SEC. 2. FLEXIBLE PELL GRANTS.**

2 (a) PURPOSE AND AMOUNT OF GRANTS.—Section
3 401(b) of the Higher Education Act of 1965 (20 U.S.C.
4 1070a(b)) is amended by adding at the end the following:

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

11 “(B) In the case of a student receiving more than
12 one Federal Pell Grant during a single award year under
13 subparagraph (A), the total amount of the Federal Pell
14 Grants awarded to such student for the award year shall
15 not exceed an amount equal to 150 percent of the amount
16 of the Federal Pell Grant award determined under para-
17 graph (2)(A) for which such student is eligible during such
18 award year.

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

25 “(D) In this paragraph, the term ‘eligible student’
26 means a student who—

1 “(i) continues to meet all eligibility require-
2 ments to receive a Federal Pell Grant under this
3 section; and

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

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

10 “(I) the student completes the credit hours (or
11 credit hour equivalencies) of an academic year of the
12 student’s eligible program that are necessary for the
13 student to enroll, during such award year, in credit
14 hours (or credit hour equivalencies) that are attrib-
15 utable to a second academic year for such program;
16 and

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

23 “(ii) The financial aid administrator at an institution
24 may waive the requirement of subparagraph (D)(ii), if the
25 financial aid administrator—

1 “(I) determines that, due to circumstances be-
2 yond a student’s control, the student was unable to
3 complete the credit hours described in clause (i)(I)
4 of this subparagraph; and

5 “(II) makes and documents such a determina-
6 tion on an individual basis.

7 “(iii) In this subparagraph—

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

9 “(aa) may include the student withdrawing
10 from classes due to illness or being unable to
11 register for classes necessary to complete the
12 credit hours described in clause (i)(I) because
13 such classes were not offered during the appli-
14 cable period; and

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

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

22 “(9) If a student is receiving a Federal Pell Grant
23 for a payment period that spans 2 award years, the eligible
24 institution in which the student is enrolled shall determine

1 the award year to which the additional period shall be as-
2 signed.

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

8 (b) PERIOD OF ELIGIBILITY FOR GRANTS.—Section
9 401(c) of such Act (20 U.S.C. 1070a(c)) is amended by
10 adding at the end the following new paragraph:

11 “(6)(A) The Secretary shall issue to each student re-
12 ceiving a Federal Pell Grant, an annual status report
13 which shall—

14 “(i) inform the student of the remaining period
15 during which the student may receive Federal Pell
16 Grants in accordance with paragraph (5), and pro-
17 vide access to a calculator to assist the student in
18 making such determination;

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

24 “(iii) explain how the estimate was calculated
25 and any assumptions underlying the estimate;

1 “(iv) explain that the estimate may be affected
2 if there is a change—

3 “(I) in the student’s financial cir-
4 cumstances; or

5 “(II) the availability of Federal funding;
6 and

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

11 “(B) Nothing in this paragraph shall be construed
12 to prohibit an institution from offering additional coun-
13 seling to a student with respect to Federal Pell Grants,
14 but such counseling shall not delay or impede disburse-
15 ment of a Federal Pell Grant award to the student.”.

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