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

IN THE HOUSE OF REPRESENTATIVES

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.

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

2 SECTION 1. SHORT TITLE.

3 This Act may be cited as the “Bipartisan Workforce Pell Act”.

4 SEC. 2. WORKFORCE PELL GRANTS.

5 (a) In general.—Section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a), as amended by sec-
tion 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 GRANT PROGRAM.—

“(1) IN GENERAL.—For the award year beginning on July 1, 2025, and each subsequent award year, the Secretary shall award grants (to be known as ‘Workforce Pell Grants’) to eligible students under paragraph (2) in accordance with this subsection.

“(2) ELIGIBLE STUDENTS.—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 under section 481(b)(3) (hereinafter referred to as an ‘eligible workforce program’); and

“(B) may not—

“(i) be enrolled, or accepted for enrollment, in a program of study that leads to a master’s degree, doctoral degree, or other post-graduate degree; or

“(ii) have attained such a 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 this section, except that—

“(A) each use of the term ‘eligible program’ shall be substituted by ‘eligible program under section 481(b)(3)’, other than with respect to—

“(i) paragraph (9)(A) of such subsection; and

“(ii) subsection (d)(2); and

“(B) a student who is eligible for a grant equal to less than the amount of the minimum Federal Pell Grant because the eligible workforce 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 in an amount that is prorated based on the length of the program.

“(4) PREVENTION OF DOUBLE BENEFITS.—No eligible student described in paragraph (2) may con-
currently receive a grant under both this subsection and—

“(A) subsection (b); or

“(B) subsection (c).

“(5) DURATION LIMIT.—Any period of study covered by a Workforce Pell Grant awarded under this subsection shall be included in determining a student’s duration limit under subsection (d)(5).”.

(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. 3. 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 Grant program under section 401(k) only if—
“(i) it is a program of at least 150 clock hours of instruction, but less than 600 clock hours of instruction, or an equivalent number of credit hours, offered during a minimum of 8 weeks, but less than 15 weeks;

“(ii) it is not offered as a correspondence course, as defined in 600.2 of title 34, Code of Federal Regulations (as in effect on September 20, 2020);

“(iii) the State board makes a determination that the program—

“(I) provides an education aligned with the requirements of high-skill, high-wage, or in-demand industry sectors or occupations (as used in section 122 of the Carl D. Perkins Career and Technical Education Act (20 U.S.C. 2342));

“(II) meets the hiring requirements of potential employers in the sectors or occupations described in subclause (I); and

“(III) satisfies any applicable educational prerequisite requirement for professional licensure or certification in the State or States in which the program is offered, as applicable, such that a student
who completes the program is qualified to—

“(aa) practice or find employment in the sectors or occupations described in subclause (I); and

“(bb) as applicable, take any licensure or certification examinations required to practice or find employment in such sectors or occupations;

“(iv) after the State board makes the determination that the program meets the requirements under clause (iii), the accrediting agency or association recognized by the Secretary pursuant to section 496(a) determines that the program—

“(I) either—

“(aa) leads to a recognized post-secondary credential that is stackable and portable across more than one employer; or

“(bb) with respect to students enrolled in the program—

“(AA) prepares such students for employment in an occupation for which there is only one
recognized postsecondary credential; and

“(BB) provides such students with such a credential upon completion of such program;

“(II) prepares students to pursue 1 or more certificate or degree programs at 1 or more institutions of higher education (which may include the institution of higher education providing the program), including by ensuring—

“(aa) that a student, upon completion of the program and enrollment in such a related certificate or degree program, will receive academic credit for the program that will be accepted toward meeting such certificate or degree program requirements; and

“(bb) the acceptability of such credit toward meeting such certificate or degree program requirements; and

“(III) publishes prominently on the website of the institution the recognized postsecondary credential that will be awarded to the student upon completion of
the program, including the entity issuing
the credential, any third-party endorse-
ments of the credential, the occupation or
occupations for which the credential pre-
pares individuals for employment, the com-
petencies achieved to earn the credential,
the level of mastery of such competencies
and how mastery is assessed, and specific
information with respect to where, whether,
and under what circumstances the cre-
dential is stackable or portable;
“(IV) with respect to the information
collected under section 131(i)—
“(aa) publishes such information
prominently on the website of the in-
stitution; and
“(bb) provides such information
in a written disclosure to each pro-
spective student prior to entering into
an enrollment agreement with such
student for such program, and estab-
ishes procedures for each such stu-
dent to confirm receipt of such disclo-
sure;
“(V) has established a plan to ensure students who completed the program have access to transcripts for completed coursework without a fee; and

“(VI) has been offered by an eligible institution of higher education for not less than 1 year prior to the date on which such agency or association is to make a determination under this paragraph; and

“(v) after the accrediting agency makes the determination that the program meets the requirements under clause (iv), the Secretary determines that—

“(I) for each award year, the program has a verified completion rate of at least 70 percent, within 150 percent of the normal time for completion;

“(II) for each award year, the program has a verified job placement rate of at least 70 percent, measured 180 days after completion;

“(III) for each award year, the program charges to a Workforce Pell Grant recipient under section 401(k) a total amount of tuition and fees for the program
for such year that does not exceed the 
value-added earnings of students for the 
most recent year for which data is avail-
able; and

“(IV) for at least 2 of the 3 most re-
cent consecutive award years for which 
data are available, the median earnings of 
students who completed the program, 
measured three years after students com-
pleted the program, exceeded the annual 
median earnings of individuals in the State 
in which the program is located—

“(aa) who are in the labor force;

“(bb) who are between 25 and 34 
years of age, inclusive; and

“(cc) for whom the highest de-
gree attained is a high school diploma 
(or recognized equivalent).

“(B)(i) The Secretary shall establish an appeals 
process wherein a program may request that, in 
making a determination under subparagraph (A)(v) 
(other than with respect to the median earnings of 
the individuals in the State described in subclause 
(IV) of such subparagraph), the Secretary use alter-
nate earnings data, provided by the program, that is
based on local, State, or Federal administrative data sources and that is statistically rigorous, accurate, comparable to, and representative of such students, if such program objects to a determination made by the Secretary under such subparagraph for purposes of—

“(I) eligibility under this paragraph; or

“(II) the reporting or publishing of the rates or earnings described in such a determination under section 131(i).

“(ii) In the case of a program that is seeking to establish initial eligibility under this paragraph that does not have data available for the Secretary to make the determinations required under subparagraph (A)(v), the Secretary may, for a period that does not exceed 1 year, make such determinations (other than the median earnings of the individuals in the State described in subclause (IV) of such subparagraph) with respect to the program using, as provided by the program—

“(I) alternate earnings data of students who complete the program, provided such data are statistically rigorous, accurate, comparable to, and representative of such students; and
“(II) alternate completion and job placement rates of students who enroll in the program, provided such data are statistically rigorous, accurate, comparable, and representative of such students.

“(iii) If the Secretary determines that a program provided inaccurate earnings data under clause (i)(I) or clause (ii), such program shall return to the Secretary any funds received under section 401(k) during the period beginning on the date that is the first day of the provisional eligibility period and ending on the date on which the Secretary makes such determination.

“(C)(i) In the case of a program that is seeking to establish initial eligibility under this paragraph, the Secretary shall grant eligibility for the program if it meets the requirements of this paragraph not more than 120 days after the date on which the Secretary receives a submission from such program for consideration as an eligible workforce program under this paragraph.

“(ii) If a program that is an eligible workforce program under this paragraph no longer meets one or more of the requirements under this paragraph,
as determined by the State Board, accrediting agency, or the Secretary, the Secretary—

“(I) may withdraw the eligibility of such program; and

“(II) shall prohibit such program, and any substantially similar program of the institution, from being considered an eligible workforce program under this paragraph for a period of not less than 3 years.

“(D)(i) In the case of a program with a number of enrolled students that is insufficient to provide the Secretary with enough relevant data to make the determinations under subparagraph (A)(v), the Secretary shall—

“(I) aggregate up to 4 years of additional data for such program and use such aggregated data to make such determinations; or

“(II) only if such aggregated data under subclause (I) is insufficient, aggregate up to 4 years of data of students who completed or were enrolled in, as applicable, similar programs at the institution (as determined using the first 4 digits of the
CIP codes of such programs) and use such
data to make such determinations.

“(ii) For purposes of this subparagraph, the
term ‘CIP code’ means the 6-digit taxonomic identi-
fication code assigned by an institution of higher
education to a specific program of study at the insti-
tution, determined by the institution in accordance
with the Classification of Instructional Programs
published by the National Center for Education Sta-
tistics.

“(E) In this paragraph:

“(i) The term ‘eligible institution of higher
education’ means an institution of higher edu-
cation (as defined in section 102) that—

“(I) is approved by an accrediting
agency or association that meets the re-
quirements of section 496(a)(4)(C); and

“(II) has not been subject, during any
of the preceding 3 years, to—

“(aa) any suspension, emergency
action, or termination under this title;

“(bb) any adverse action by the
institution’s accrediting agency or as-
association that revokes or denies ac-
creditation for the institution; or
“(ce) any final action by the State where the institution holds its legal domicile, authorization, and accreditation that revokes a license or other authority to operate.

“(ii) The term ‘median earnings’, when used with respect to an eligible workforce program under this paragraph—

“(I) means the median annualized earnings, calculated using earnings for a pay period, month, quarter, or other time period deemed appropriate by the Secretary, of all students who received Federal financial assistance under this title and who completed the program in an academic year; and

“(II) shall be measured a given number of years after such students completed the program, with the number of years determined in accordance with this Act based on the intended use of the median earnings data being calculated.

“(iii) With respect to students who received Federal financial aid under this title and who completed an eligible workforce program
under this paragraph in a given year, the term ‘value-added earnings’ means—

“(I) the median earnings of such students, measured one year after students completed the program; minus

“(II) for the year median earnings are measured for such students under subclause (I), 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 and, in the case of a program offered in-person, adjusted by the regional price parity index of the Bureau of Economic Analysis for the metropolitan statistical area in which the eligible institution of higher education offering such program is located.

“(iv) The terms ‘industry or sector partnership’, ‘in-demand industry sector or occupation’, ‘recognized postsecondary credential’, and ‘State board’ have the meanings given such terms in section 3 of the Workforce Innovation and Opportunity Act.”.
SEC. 4. 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) PRIMARY DATA SOURCE.—The Secretary shall use data from the National Student Loan Data System or administrative data maintained by the Department, matched with Internal Revenue Service income data to collect data and make calculations in accordance with this subsection and section 481(b)(3).

“(2) PUBLICATION.—The Secretary shall, on an annual basis, collect, verify, and make publicly available on the College Scorecard website (or any similar successor website), the information required under section 481(b)(3)(A)(v), with respect to each eligible program under section 481(b)(3) (hereinafter referred to as an ‘eligible workforce program’), including—

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

“(B) the required tuition and fees of the program;
“(C) the difference between the required tuition and fees described in section 481(b)(3)(A)(v)(III) and median amount of grant aid (which does not need to be repaid) provided to students receiving Workforce Pell Grants, disaggregated by source of such grant aid;

“(D) the median earnings of students as such term is defined in section 481(b)(3)(E);

“(E) the median earnings of students who did not complete the program and received Federal financial assistance under this title;

“(F) the ratio of the amount described in subparagraph (C) to the value-added earnings (as such term is defined in section 481(b)(3)(E)) of students and an explanation, in clear and plain language, of this ratio;

“(G) in the case of a program that prepares students for a professional licensure or certification examination, the share of such students who pass such examinations;

“(H) the number of students enrolled in the program during the most recent academic year for which data is available;
“(I) the percentage of students who enroll in the program and who complete the program within—

“(i) 100 percent of the normal time for completion of such program;

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

“(iii) 200 percent of the normal time for completion of such program;

“(J) the percentage of students who are employed not later than 180 days and 1 year, respectively, after completing the program;

“(K) the percentage of individuals—

“(i) who have completed such program; and

“(ii) 1 year 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));

“(L) the percentage of students who enroll in a certificate or degree program at any institution of higher education within 1 year of completing such program; and
“(M) the percentage of students who complete a subsequent certificate or degree program at any institution of higher education within 6 years of completing such program.

“(3) DATA DISAGGREGATION.—The information in subparagraphs (D), (E), and (H) through (M) shall be disaggregated by—

“(A) sex;
“(B) race and ethnicity;
“(C) income quintile, as defined by the Secretary; and
“(D) status as a recipient of a Workforce Pell Grant.

“(4) 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 the steps described in paragraph (5), and any other steps determined by the Secretary to be necessary to make publicly available such data in accordance with such laws and regulations.

“(5) SMALL PROGRAMS.—

“(A) AGGREGATION.—For purposes of publishing the information described in this subsection with respect to an eligible workforce
program, for any year for which the number of
students is determined by the Secretary to be of
insufficient size to maintain the privacy of stu-
dent data, the Secretary shall, to obtain data
for a sufficient number of students to maintain
student privacy—

“(i) aggregate up to 4 years of addi-
tional data for such program;

“(ii) only if the aggregated data under
clause (i) is insufficient to maintain stu-
dent privacy or cannot be aggregated, ag-
gregate data for students who completed or
were enrolled in, as applicable, similar pro-
grams at the institution (as determined
using the first 4 digits of the CIP codes);
or

“(iii) only if the aggregated data
under clause (ii) is insufficient to maintain
student privacy or cannot be aggregated,
aggregate data with respect to all students
who completed or were enrolled in, as ap-
plicable, any program of the institution of
the same credential level, in lieu of data
specific to students in such program.
“(B) Notification of Aggregation.—

The Secretary shall prominently indicate whether data published under this subsection has been aggregated in accordance with subparagraph (A).

“(C) CIP Code Defined.—For purposes of this paragraph, the term ‘CIP code’ means the 6-digit taxonomic identification code assigned by an institution of higher education to a specific program of study at the institution, determined by the institution in accordance with the Classification of Instructional Programs published by the National Center for Education Statistics.”.

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

(a) References.—Except as otherwise expressly provided, whenever in this section an amendment or reference is expressed in terms of an amendment or reference to a section or other provision, the amendment or reference shall be considered to be made to a section or other provision of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).
(b) RECOGNITION OF ACCREDITING AGENCY OR ASSOCIATION.—Section 496(a)(4) (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 under 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 an eligible program—

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

“(ii) the agency or association requires a demonstration that the program satisfies the requirements of section 481(b)(3)(A)(iv).”.

(c) PROSPECTIVE ACCREDITORS.—The Secretary—
(1) in the case of an accrediting agency or association that is not recognized under section 496 (20 U.S.C. 1099b) and that is seeking initial recognition to evaluate only eligible programs under section 481(b)(3) (20 U.S.C. 1088(b)), may only recognize such agency or association for such purpose if such agency or association demonstrates, in the application submitted under such section 496 for such recognition, compliance with the requirements of such section for at least 1 year prior to the date on which such application is submitted;

(2) shall, not later than 1 year after receiving such an application, make a recommendation with respect to whether such agency or association should be recognized for such purpose; and

(3) shall, after making the recommendation described in paragraph (2), direct the National Advisory Committee on Institutional Quality and Integrity (as established by section 114 (20 U.S.C. 1011c)) (hereinafter referred to as “NACIQI”) to, at the first scheduled meeting of such Committee following such a recommendation—

(A) evaluate the recognition of the agency or association; and
advice the Secretary with respect to whether the agency or association meets the criteria under section 496(a)(4)(C) (20 U.S.C. 1099b(a)(4)) (as added by subsection (b)).

(d) Technical Assistance.—The Secretary shall provide technical assistance to any prospective accrediting agency or association seeking initial recognition by the Secretary under section 496 (20 U.S.C. 1099b), including with respect to recognition to evaluate institutions with an eligible Workforce Pell Grants program.

(e) Additional NACIQI Review Meetings.—For the purpose of preparing for the implementation of the Workforce Pell Grant program under section 401(k) (20 U.S.C. 1070a) (as added by section 2), and in addition to the meetings required under section 114(d)(1) (20 U.S.C. 1011c(d)(1)), NACIQI shall, for the period beginning on the date of the enactment of this Act and ending on December 31, 2030, hold meetings to evaluate the recognition of prospective accrediting agencies or associations described in subsection (e) and the addition to the scope of recognition of accrediting agencies and associations under section 496(a)(4)(C) (20 U.S.C. 1099b(a)(4)).

(f) Interim Accreditation Authority.—

(1) Notification.—Beginning on the date of the enactment of this Act, a recognized accrediting
agency or association that seeks, for the first time, to add to its scope of recognition the evaluation of the quality of institutions offering an eligible program under section 481(b)(3) (20 U.S.C. 1088(b)) may include within its scope of recognition the evaluation of such institutions if such agency or association—

(A) submits to the Secretary a notification of the agency 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) (20 U.S.C. 1099b(a)(4)) (as added by subsection (b)).

(2) REVIEW OF SCOPE OF CHANGES.—Upon receipt of a notification from an accrediting agency or association described in subparagraph (A), the Secretary shall direct NACIQI 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
section 496(a)(4)(C) (20 U.S.C. 1099b(a)(4)) (as added by subsection (b)).

(3) TERMINATION OF INTERIM AUTHORITY.—

The interim authority granted to an agency or association under this paragraph shall terminate on the earlier of—

(A) the date that is 5 years after the date of the 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) (20 U.S.C. 1099b(a)(4)) (as added by subsection (b)).

SEC. 6. RULE OF CONSTRUCTION.

Nothing in this Act shall be construed to impose or increase an occupational licensing or certification requirement on eligible programs under this title.

SEC. 7. AGREEMENTS WITH APPLICABLE EDUCATIONAL INSTITUTIONS.

(a) DIRECT LOANS.—Section 454(a) of the Higher Education Act of 1965 (20 U.S.C. 1087d(a)) is amended—

(1) in paragraph (5), by striking “and” after the semicolon;
(2) by redesignating paragraph (6) as paragraph (7); and

(3) by inserting after paragraph (5) the following:

“(6) notwithstanding any other provision of this Act, for the award year beginning on July 1, 2024, and each subsequent award year, if such institution is an applicable educational institution (as defined in section 4968(b) of title 26, United States Code), provide that such institution may not award—

“(A) a Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, or a Federal Direct Plus Loan to any eligible student; or

“(B) a Federal Direct Plus Loan to a parent of an eligible dependent undergraduate student if such student is eligible for a Federal Pell Grant.”.

(b) FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS.—Section 413C(a) of the Higher Education Act of 1965 (20 U.S.C. 1070b–2(a)) is amended—

(1) in paragraph (3), by redesignating subparagraphs (A) through (D) as clauses (i) through (iv), respectively;
(2) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively;

(3) in the matter preceding subparagraph (A), as so redesignated, by striking “Assistance may” and inserting

“(1) IN GENERAL.—Assistance may”; and

(4) by adding at the end the following:

“(2) EXCEPTION.—(A) In addition to the requirements under paragraph (1), for the award year beginning on July 1, 2024 and each subsequent award year, an institution that is an applicable educational institution (as defined in section 4968(b) of title 26, United States Code) may only receive assistance under this subpart if such institution guarantees that, for each such award year—

“(i) the institution will make available to each student who is enrolled at the institution and who is eligible for a Federal Pell Grant under section 401, an amount, derived from only non-Federal resources, that is not less than the maximum amount that may be awarded to a student under section 413B(a)(1), to be provided to such a student as emergency financial assistance in the event that the student is in need of such assistance; and
“(ii) the percentage of students enrolled at such institution who are eligible for a Federal Pell grant will be equal to or greater than the percentage of students who were enrolled at such institution and were eligible for a Federal Pell grant in the award year during which the Bipartisan Workforce Pell Act was enacted.”.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to implement the amendments made by this Act $40,000,000 for fiscal year 2025 and $30,000,000 for each of the 4 succeeding fiscal years.