

THE BIPARTISAN WORKFORCE PELL ACT

Background

During the 118th Congress, Republicans and Democrats on the House Committee on Education and the Workforce introduced separate bills to expand the Pell Grant program to include short-term programs. Rep. Elise Stefanik (R-NY), along with Committee Chairwoman Virginia Foxx (R-NC) and others, [introduced](#) H.R. 496, the Promoting Employment and Lifelong Learning (PELL) Act. Meanwhile, Ranking Member Bobby Scott (D-VA) [introduced](#) H.R. 1655, the Jobs to Compete Act. Both bills sought to expand the Pell Grant program to short-term programs that are between 150 and 600 clock hours or between eight to 15 weeks in length, but the bills have slightly different approaches.

After both bills were officially introduced, committee Republicans and Democrats began negotiations on a bipartisan approach. After months of negotiations, Reps. Stefanik, with Foxx, and Scott and DeSaulnier (D-CA) [introduced](#) H.R. 6585, the Bipartisan Workforce Pell Act.

Summary

- This bill allows for undergraduate students to use the Pell Grant for short-term programs offered through distance education between 150 to 600 clock hours or between eight to 15 weeks in length beginning on July 1, 2025, for the 2025-2026 award year.
- Undergraduate students can receive a Pell Grant award prorated to the length of the program, which can go below the minimum amount of \$739.50 for students in degree programs,
- State workforce boards will have the initial responsibility to approve individual workforce Pell programs by ensuring that the program:
 - Is aligned with the requirements of high-skill, high-wage, or in-demand industry sectors or occupations;
 - Meets the hiring requirements of the aforementioned potential employers in the sectors or occupations; and
 - Satisfies educational prerequisites for professional licensure or certification in the state(s) where the program is offered.
- Accreditors are required to make a determination that the program:
 - Leads to a recognized postsecondary credential that is stackable and portable across more than one employer, or prepares the undergraduate student for jobs that require one recognized postsecondary credential and awards the student with the credential upon completion of the program;
 - Prepares students to enter into a certificate or degree program at an institution of higher education by guaranteeing the transfer of academic credit and the acceptability of such credit meeting the requirements of the certificate or degree program;

- Publishes relevant information on the institution’s website to include the credential that will be awarded, any third-party endorsements, and the occupation(s) the credential prepares the students to enter into for employment;
 - Provides prospective undergraduate students with written disclosures prior to enrollment and a way for students to confirm receipt of the disclosure agreement;
 - Provides a transcript to students who complete the program without a fee; and
 - Has been offered for at least one year.
- The Secretary of Education is then required to make a determination that the program:
 - Has a completion rate of 70 percent within six years and a job placement rate of 70 percent after 180 days;
 - Does not charge the student more in tuition and fees than the median earnings of the students who complete the program, minus 150 percent of the poverty level (also known as the value-added earnings); and
 - Has median earnings that exceed the annual median earnings of individuals who are working adults aged 25-34 with a high school diploma in the state in which the program is located, for two out of three consecutive award years.
 - Institutions are allowed to appeal the median earnings data with earnings data of their own as long as the data are statistically rigorous, accurate, comparable, and representative of such students. If the secretary determines that the data used in the appeal are invalid, the program must return funds received to the Secretary.
 - A program can become ineligible and not be reconsidered as an eligible program for at least three years.
 - Eligible programs will have 16 distinct data metrics collected using the National Student Loan Data System or data from the Department of Education matched with income data from the Internal Revenue Service.
 - For an accreditor to accredit the program, they must have approval by the Secretary.
 - Institutions participating in the Federal Supplemental Educational Opportunity Grant program that are subject to the endowment tax must offer institutional funds to cover the emergency needs of low-income students that benefit from the program, institutions can use funds from scholarships, grants, loans, or other financial assistance received to cover this mandate. Also, institutions must increase or maintain the percentage of Pell-eligible students enrolled at their institution.
 - To cover the cost of the bill:
 - Both undergraduate and graduate students are prohibited from using federal loans and parent PLUS loans for private institutions that are subject to the endowment excise tax.