

H.R.496 Promoting Employment and Lifelong Learning (PELL) Act Fact Sheet

On January 25, 2023, House Republican Conference Chair Elise Stefanik (R-NY), along with Education and the Workforce Committee Chairwoman Virginia Foxx (R-NC), Rep. Jim Banks (R-IN), Rep. Ashley Hinson (R-IA), and Agriculture Committee Chair "GT" Thompson (R-PA), introduced H.R. 496, the Promoting Employment and Lifelong Learning (PELL) Act. The bill has been referred to the House Committee on Education and the Workforce.

The legislation would allow students to use federal Pell Grants for high-quality, shorter-term job training programs that are between 150-600 clock hours in length for the first time. Currently, students may only use Pell Grants for programs longer than 15 weeks (about 3 and a half months). By expanding Pell Grant eligibility, the bill would help close the skills gap and provide workers with the job training and credentials they need for careers in high-demand fields.

While several distinct Short-term Pell bills have been introduced in the 118th Congress, the PELL Act provides the Republican leadership approach to expanding Pell grant eligibility to short-term workforce training programs. It rebrands the program as "Workforce Pell" and provides some unique accountability measures to ensure newly eligible programs provide added value to students enrolled. Below is a summary of the changes proposed in the bill:

- To be considered an eligible job training program, the program must adhere to the following guidelines:
 - Between 150 – 600 clock hours, or an equivalent number of credit hours, of instructional time over 8 – 15 weeks (sec. 2, pg. 2)
 - An accrediting agency or association recognized by the Secretary of Education must determine that the program:
 - Provides 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 and meets the hiring requirements of employers in those sectors. (sec. 2, pgs. 2-3)
 - Is offered by an institution for at least 1 year prior to eligibility (sec. 2, pg. 3)
 - Has a verified completion rate of at least 70% within 150% of the normal time it takes to complete the program (sec. 2, pg. 3)
 - Has a verified job placement rate of at least 70% (sec.2 pg. 3)
- To ensure students receiving federal Pell Grants are earning high-quality postsecondary credentials, programs eligible under this bill must meet value-added earning requirements including:

- The total amount of tuition and fees for the program must not exceed the value-added earnings of students who completed the program, three years after completion (sec. 2, pgs. 3-4).
- The value-added earnings are calculated by finding the difference between the median earnings of students receiving federal financial aid, adjusted to state and local wages, and 150 percent of the federal poverty line (FPL) for a single individual student (sec. 2, pg. 4).
- Programs that have not previously participated in programs under Title IV of the HEA (Higher Education Act) may be provisionally eligible for Workforce Pell for up to three years if they meet all the eligibility requirements and can provide alternate earnings data. (sec. 2 pg. 4)
 - Programs that the Secretary of Education determines have provided inaccurate alternate earnings data will be required to return any title IV funds. (sec. 2, pg. 5)
- Programs that fail to meet the value-added earnings metric based on the median earnings and federal poverty line will be able to appeal to show alternate earnings data that is statistically rigorous, accurate, comparable, and representative of students who receive a Workforce Pell Grant and complete the eligible program. (sec. 2, pg. 5)
- The Secretary of Education will be required to compile and publish data on programs eligible for Workforce Pell, including (sec. 3, pg. 6):
 - The percentage of students who enroll and complete a program annually. (sec. 3 pg. 6)
 - The percentage of students employed no later than 180 days (about 6 months) after completing a program. (sec. 3, pg. 7)
 - The percentage of individuals who after 3 years of completing the program have earnings that exceed 150% of the federal poverty line for single households. (sec. 3, pg. 7)
- To receive a Workforce Pell Grant, students must:
 - Be eligible for the standard Pell Grant program (sec. 4, pg. 8).
 - Be enrolled in, or accepted to, a postsecondary institution, including proprietary institutions (sec. 4, pg. 8).
 - Not have received a postbaccalaureate degree (sec. 4, pg. 8).
- Students enrolled in an eligible Workforce Pell program may receive a Pell award lower than the minimum statutory Pell Grant award. (sec. 4, pgs. 8-9)
- Students may not be able to receive a Workforce Pell Grant and a Standard Pell Grant at the same time (sec. 4, pg. 9)