

119TH CONGRESS
1ST SESSION

S. _____

To amend the Higher Education Act of 1965 to provide for Workforce
Pell Grants.

IN THE SENATE OF THE UNITED STATES

Mr. BUDD (for himself, Mr. GRASSLEY, Mr. RICKETTS, Mr. McCORMICK, and
Mr. JUSTICE) introduced the following bill; which was read twice and re-
ferred to the Committee on _____

A BILL

To amend the Higher Education Act of 1965 to provide
for Workforce Pell Grants.

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 “Promoting Employ-
5 ment and Lifelong Learning Act of 2025” or the “PELL
6 Act of 2025”.

7 **SEC. 2. WORKFORCE PELL GRANTS.**

8 (a) IN GENERAL.—Section 401 of the Higher Edu-
9 cation Act of 1965 (20 U.S.C. 1070a) is amended by add-
10 ing at the end the following:

1 “(k) WORKFORCE PELL GRANT PROGRAM.—

2 “(1) IN GENERAL.—For the award year begin-
3 ning on July 1, 2026, and each subsequent award
4 year, the Secretary shall award grants (to be known
5 as ‘Workforce Pell Grants’) to eligible students
6 under paragraph (2) in accordance with this sub-
7 section.

8 “(2) ELIGIBLE STUDENTS.—To be eligible to
9 receive a Workforce Pell Grant under this subsection
10 for any period of enrollment, a student shall meet
11 the eligibility requirements for a Federal Pell Grant
12 under this section, except that the student—

13 “(A) shall be enrolled, or accepted for en-
14 rollment, in an eligible program under section
15 481(b)(3) (hereinafter referred to as an ‘eligible
16 workforce program’); and

17 “(B) may not—

18 “(i) be enrolled, or accepted for enroll-
19 ment, in a program of study that leads to
20 a graduate credential; or

21 “(ii) have attained such a credential.

22 “(3) TERMS AND CONDITIONS OF AWARDS.—
23 The Secretary shall award Workforce Pell Grants
24 under this subsection in the same manner and with
25 the same terms and conditions as the Secretary

1 awards Federal Pell Grants under this section, ex-
2 cept that—

3 “(A) each use of the term ‘eligible pro-
4 gram’ (except in subsections (b)(9)(A) and
5 (d)(2)) shall be substituted by ‘eligible work-
6 force program under section 481(b)(3)’; and

7 “(B) a student who is eligible for a grant
8 equal to less than the amount of the minimum
9 Federal Pell Grant because the eligible work-
10 force program in which the student is enrolled
11 or accepted for enrollment is less than an aca-
12 demic year (in hours of instruction or weeks of
13 duration) may still be eligible for a Workforce
14 Pell Grant in an amount that is prorated based
15 on the length of the program.

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

20 “(A) subsection (b); or

21 “(B) subsection (c).

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

1 (b) PROGRAM ELIGIBILITY FOR WORKFORCE PELL
2 GRANTS.—Section 481(b) Higher Education Act of 1965
3 (20 U.S.C. 1088(b)) is amended—

4 (1) by redesignating paragraphs (3) and (4) as
5 paragraphs (4) and (5), respectively; and

6 (2) by inserting after paragraph (2) the fol-
7 lowing:

8 “(3)(A) A program is an eligible program for
9 purposes of the Workforce Pell Grant program
10 under section 401(k) only if—

11 “(i) it is a program of at least 150 clock
12 hours of instruction, but less than 600 clock
13 hours of instruction, or an equivalent number of
14 credit hours, offered by an eligible institution
15 during a minimum of 8 weeks, but less than 15
16 weeks;

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

21 “(iii) the Governor of a State, after con-
22 sultation with the State board, makes a deter-
23 mination that the program—

24 “(I) provides an education aligned
25 with the requirements of high-skill, high-

1 wage (as identified by the State pursuant
2 to section 122 of the Carl D. Perkins Ca-
3 reer and Technical Education Act (20
4 U.S.C. 2342)), or in-demand industry sec-
5 tors or occupations;

6 “(II) meets the hiring requirements of
7 potential employers in the sectors or occu-
8 pations described in subclause (I);

9 “(III) either—

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

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

16 “(AA) prepares such stu-
17 dents for employment in an occu-
18 pation for which there is only one
19 recognized postsecondary creden-
20 tial; and

21 “(BB) provides such stu-
22 dents with such a credential upon
23 completion of such program; and

24 “(IV) prepares students to pursue 1
25 or more certificate or degree programs at

1 1 or more institutions of higher education
2 (which may include the eligible institution
3 providing the program), including by en-
4 suring—

5 “(aa) that a student, upon com-
6 pletion of the program and enrollment
7 in such a related certificate or degree
8 program, will receive academic credit
9 for the program that will be accepted
10 toward meeting such certificate or de-
11 gree program requirements; and

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

15 “(iv) after the Governor of such State
16 makes the determination that the program
17 meets the requirements under clause (iii), the
18 Secretary determines that—

19 “(I) the program has been offered by
20 the eligible institution for not less than 1
21 year prior to the date on which the Sec-
22 retary makes a determination under this
23 clause;

24 “(II) for each award year, the pro-
25 gram has a verified completion rate of at

1 least 70 percent, within 150 percent of the
2 normal time for completion; and

3 “(III) for each award year, the pro-
4 gram has a verified job placement rate of
5 at least 70 percent, measured 180 days
6 after completion; and

7 “(v) for each award year, the total amount
8 of the published tuition and fees of the program
9 for such year is an amount that does not exceed
10 the value-added earnings of students who re-
11 ceived Federal financial aid under this title and
12 who completed the program 3 years prior to the
13 award year, as such earnings are determined by
14 calculating the difference between—

15 “(I) the median earnings of such stu-
16 dents, as adjusted by the State and metro-
17 politan area regional price parities of the
18 Bureau of Economic Analysis based on the
19 location of such program; and

20 “(II) 150 percent of the poverty line
21 applicable to a single individual as deter-
22 mined under section 673(2) of the Commu-
23 nity Services Block Grant Act (42 U.S.C.
24 9902(2)) for such year.

1 “(B) In the case of a program that has not
2 previously participated in programs under this
3 title and is being determined eligible for the
4 first time under this paragraph, the Secretary
5 may consider such program to be an eligible
6 program for purposes of the Workforce Pell
7 Grants program under section 401(k) for a pro-
8 visional eligibility period that may not exceed 3
9 years, if such program—

10 “(i) subject to clause (ii), meets the
11 requirements of subparagraph (A); and

12 “(ii) in lieu of the determination of
13 median earnings under subclause (I) of
14 subparagraph (A)(v), provides to the Sec-
15 retary for purposes of meeting the require-
16 ments of subparagraph (A)(v), alternate
17 earnings of students who complete the pro-
18 gram, which are statistically rigorous, ac-
19 curate, comparable, and representative of
20 students who complete such program.

21 “(C) In this paragraph:

22 “(i) The term ‘eligible institution’ means
23 an institution of higher education (as defined in
24 section 102), or any other entity that has en-
25 tered into a program participation agreement

1 with the Secretary under section 487(a) (with-
2 out regard to whether that entity is accredited
3 by a national recognized accrediting agency or
4 association), which has not been subject, during
5 any of the preceding 3 years, to—

6 “(I) any suspension, emergency ac-
7 tion, or termination under this title;

8 “(II) in the case of an institution of
9 higher education, any adverse action by the
10 institution’s accrediting agency or associa-
11 tion that revokes or denies accreditation
12 for the institution of higher education; or

13 “(III) any final action by the State in
14 which the institution or other entity holds
15 its legal domicile, authorization, or accredi-
16 tation that revokes the institution’s or enti-
17 ty’s license or other authority to operate in
18 such State.

19 “(ii) The term ‘Governor’ means the chief
20 executive of a State.

21 “(iii) The terms ‘industry or sector part-
22 nership’, ‘in-demand industry sector or occupa-
23 tion’, ‘recognized postsecondary credential’, and
24 ‘State board’ have the meanings given such

1 terms in section 3 of the Workforce Innovation
2 and Opportunity Act.”.

3 (3) STUDENT ELIGIBILITY.—Section 484(a)(1)
4 of the Higher Education Act of 1965 (20 U.S.C.
5 1091(a)(1)) is amended by inserting “or, for pur-
6 poses of section 401(k), at an entity (other than an
7 institution of higher education) that meets the re-
8 quirements of section 481(b)(3)(B)(i),” after “sec-
9 tion 487”.

10 (4) EFFECTIVE DATE; APPLICABILITY.—The
11 amendments made by this section shall take effect
12 on July 1, 2026, and shall apply with respect to
13 award year 2026–2027 and each succeeding award
14 year.