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(Original Signature of Member)

118TH CONGRESS
1ST SESSION

H. R. 6585

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 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 “Bipartisan Workforce
5 Pell Act”.

6 **SEC. 2. WORKFORCE PELL GRANTS.**

7 (a) IN GENERAL.—Section 401 of the Higher Edu-
8 cation Act of 1965 (20 U.S.C. 1070a), as amended by sec-

1 tion 703 of the FAFSA Simplification Act (title VII of
2 division FF of Public Law 116–260), is amended by add-
3 ing at the end the following:

4 “(k) WORKFORCE PELL GRANT PROGRAM.—

5 “(1) IN GENERAL.—For the award year begin-
6 ning on July 1, 2025, and each subsequent award
7 year, the Secretary shall award grants (to be known
8 as ‘Workforce Pell Grants’) to eligible students
9 under paragraph (2) in accordance with this sub-
10 section.

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

16 “(A) shall be enrolled, or accepted for en-
17 rollment, in an eligible program under section
18 481(b)(3) (hereinafter referred to as an ‘eligible
19 workforce program’); and

20 “(B) may not—

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

25 “(ii) have attained such a degree.

1 “(3) TERMS AND CONDITIONS OF AWARDS.—

2 The Secretary shall award Workforce Pell Grants
3 under this subsection in the same manner and with
4 the same terms and conditions as the Secretary
5 awards Federal Pell Grants under this section, ex-
6 cept that—

7 “(A) each use of the term ‘eligible pro-
8 gram’ shall be substituted by ‘eligible program
9 under section 481(b)(3)’, other than with re-
10 spect to—

11 “(i) paragraph (9)(A) of such sub-
12 section; and

13 “(ii) subsection (d)(2); and

14 “(B) a student who is eligible for a grant
15 equal to less than the amount of the minimum
16 Federal Pell Grant because the eligible work-
17 force program in which the student is enrolled
18 or accepted for enrollment is less than an aca-
19 demic year (in hours of instruction or weeks of
20 duration) may still be eligible for a Workforce
21 Pell Grant in an amount that is prorated based
22 on the length of the program.

23 “(4) PREVENTION OF DOUBLE BENEFITS.—No
24 eligible student described in paragraph (2) may con-

1 currently receive a grant under both this subsection
2 and—

3 “(A) subsection (b); or

4 “(B) subsection (c).

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

9 (b) EFFECTIVE DATE.—The amendment made by
10 subsection (a) shall take effect as if included in section
11 703 of the FAFSA Simplification Act (title VII of division
12 FF of Public Law 116–260; 134 Stat. 3191) and in ac-
13 cordance with section 701(b) of such Act.

14 **SEC. 3. PROGRAM ELIGIBILITY FOR WORKFORCE PELL**
15 **GRANTS.**

16 Section 481(b) of the Higher Education Act of 1965
17 (20 U.S.C. 1088(b)) is amended—

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

20 (2) by inserting after paragraph (2) the fol-
21 lowing:

22 “(3) (A) A program is an eligible program for
23 purposes of the Workforce Pell Grant program
24 under section 401(k) only if—

1 “(i) it is a program of at least 150 clock
2 hours of instruction, but less than 600 clock
3 hours of instruction, or an equivalent number of
4 credit hours, offered during a minimum of 8
5 weeks, but less than 15 weeks;

6 “(ii) it is not offered as a correspondence
7 course, as defined in 600.2 of title 34, Code of
8 Federal Regulations (as in effect on September
9 20, 2020);

10 “(iii) the State board makes a determina-
11 tion that the program—

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

18 “(II) meets the hiring requirements of
19 potential employers in the sectors or occu-
20 pations described in subclause (I); and

21 “(III) satisfies any applicable edu-
22 cational prerequisite requirement for pro-
23 fessional licensure or certification in the
24 State or States in which the program is of-
25 fered, as applicable, such that a student

1 who completes the program is qualified
2 to—

3 “(aa) practice or find employ-
4 ment in the sectors or occupations de-
5 scribed in subclause (I); and

6 “(bb) as applicable, take any li-
7 censure or certification examinations
8 required to practice or find employ-
9 ment in such sectors or occupations;

10 “(iv) after the State board makes the de-
11 termination that the program meets the re-
12 quirements under clause (iii), the accrediting
13 agency or association recognized by the Sec-
14 retary pursuant to section 496(a) determines
15 that the program—

16 “(I) either—

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

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

23 “(AA) prepares such stu-
24 dents for employment in an occu-
25 pation for which there is only one

1 recognized postsecondary creden-
2 tial; and

3 “(BB) provides such stu-
4 dents with such a credential upon
5 completion of such program;

6 “(II) prepares students to pursue 1 or
7 more certificate or degree programs at 1 or
8 more institutions of higher education
9 (which may include the institution of high-
10 er education providing the program), in-
11 cluding by ensuring—

12 “(aa) that a student, upon com-
13 pletion of the program and enrollment
14 in such a related certificate or degree
15 program, will receive academic credit
16 for the program that will be accepted
17 toward meeting such certificate or de-
18 gree program requirements; and

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

22 “(III) publishes prominently on the
23 website of the institution the recognized
24 postsecondary credential that will be
25 awarded to the student upon completion of

1 the program, including the entity issuing
2 the credential, any third-party endorse-
3 ments of the credential, the occupation or
4 occupations for which the credential pre-
5 pares individuals for employment, the com-
6 petencies achieved to earn the credential,
7 the level of mastery of such competencies
8 and how mastery is assessed, and specific
9 information with respect to where, wheth-
10 er, and under what circumstances the cre-
11 dential is stackable or portable;

12 “(IV) with respect to the information
13 collected under section 131(i)—

14 “(aa) publishes such information
15 prominently on the website of the in-
16 stitution; and

17 “(bb) provides such information
18 in a written disclosure to each pro-
19 spective student prior to entering into
20 an enrollment agreement with such
21 student for such program, and estab-
22 lishes procedures for each such stu-
23 dent to confirm receipt of such disclo-
24 sure;

1 “(V) has established a plan to ensure
2 students who completed the program have
3 access to transcripts for completed
4 coursework without a fee; and

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

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

14 “(I) for each award year, the program
15 has a verified completion rate of at least
16 70 percent, within 150 percent of the nor-
17 mal time for completion;

18 “(II) for each award year, the pro-
19 gram has a verified job placement rate of
20 at least 70 percent, measured 180 days
21 after completion;

22 “(III) for each award year, the pro-
23 gram charges to a Workforce Pell Grant
24 recipient under section 401(k) a total
25 amount of tuition and fees for the program

1 for such year that does not exceed the
2 value-added earnings of students for the
3 most recent year for which data is avail-
4 able; and

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

13 “(aa) who are in the labor force;

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

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

19 “(B)(i) The Secretary shall establish an appeals
20 process wherein a program may request that, in
21 making a determination under subparagraph (A)(v)
22 (other than with respect to the median earnings of
23 the individuals in the State described in subclause
24 (IV) of such subparagraph), the Secretary use alter-
25 nate earnings data, provided by the program, that is

1 based on local, State, or Federal administrative data
2 sources and that is statistically rigorous, accurate,
3 comparable to, and representative of such students,
4 if such program objects to a determination made by
5 the Secretary under such subparagraph for purposes
6 of—

7 “(I) eligibility under this paragraph; or

8 “(II) the reporting or publishing of the
9 rates or earnings described in such a deter-
10 mination under section 131(i).

11 “(ii) In the case of a program that is seeking
12 to establish initial eligibility under this paragraph
13 that does not have data available for the Secretary
14 to make the determinations required under subpara-
15 graph (A)(v), the Secretary may, for a period that
16 does not exceed 1 year, make such determinations
17 (other than the median earnings of the individuals
18 in the State described in subelause (IV) of such sub-
19 paragraph) with respect to the program using, as
20 provided by the program—

21 “(I) alternate earnings data of students
22 who complete the program, provided such data
23 are statistically rigorous, accurate, comparable
24 to, and representative of such students; and

1 “(II) alternate completion and job place-
2 ment rates of students who enroll in the pro-
3 gram, provided such data are statistically rig-
4 orous, accurate, comparable, and representative
5 of such students.

6 “(iii) If the Secretary determines that a pro-
7 gram provided inaccurate earnings data under clause
8 (i)(I) or clause (ii), such program shall return to the
9 Secretary any funds received under section 401(k)
10 during the period beginning on the date that is the
11 first day of the provisional eligibility period and end-
12 ing on the date on which the Secretary makes such
13 determination.

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

22 “(ii) If a program that is an eligible workforce
23 program under this paragraph no longer meets one
24 or more of the requirements under this paragraph,

1 as determined by the State Board, accrediting agency,
2 or the Secretary, the Secretary—

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

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

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

15 “(I) aggregate up to 4 years of addi-
16 tional data for such program and use such
17 aggregated data to make such determina-
18 tions; or

19 “(II) only if such aggregated data
20 under subclause (I) is insufficient, aggre-
21 gate up to 4 years of data of students who
22 completed or were enrolled in, as applica-
23 ble, similar programs at the institution (as
24 determined using the first 4 digits of the

1 CIP codes of such programs) and use such
2 data to make such determinations.

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

11 “(E) In this paragraph:

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

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

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

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

22 “(bb) any adverse action by the
23 institution’s accrediting agency or as-
24 sociation that revokes or denies ac-
25 creditation for the institution; or

1 “(cc) any final action by the
2 State where the institution holds its
3 legal domicile, authorization, and ac-
4 creditation that revokes a license or
5 other authority to operate.

6 “(ii) The term ‘median earnings’, when
7 used with respect to an eligible workforce pro-
8 gram under this paragraph—

9 “(I) means the median annualized
10 earnings, calculated using earnings for a
11 pay period, month, quarter, or other time
12 period deemed appropriate by the Sec-
13 retary, of all students who received Federal
14 financial assistance under this title and
15 who completed the program in an academic
16 year; and

17 “(II) shall be measured a given num-
18 ber of years after such students completed
19 the program, with the number of years de-
20 termined in accordance with this Act based
21 on the intended use of the median earnings
22 data being calculated.

23 “(iii) With respect to students who re-
24 ceived Federal financial aid under this title and
25 who completed an eligible workforce program

1 under this paragraph in a given year, the term
2 ‘value-added earnings’ means—

3 “(I) the median earnings of such stu-
4 dents, measured one year after students
5 completed the program; minus

6 “(II) for the year median earnings are
7 measured for such students under sub-
8 clause (I), 150 percent of the poverty line
9 applicable to a single individual as deter-
10 mined under section 673(2) of the Commu-
11 nity Services Block Grant Act (42 U.S.C.
12 9902(2)) for such year and, in the case of
13 a program offered in-person, adjusted by
14 the regional price parity index of the Bu-
15 reau of Economic Analysis for the metro-
16 politan statistical area in which the eligible
17 institution of higher education offering
18 such program is located.

19 “(iv) The terms ‘industry or sector part-
20 nership’, ‘in-demand industry sector or occupa-
21 tion’, ‘recognized postsecondary credential’, and
22 ‘State board’ have the meanings given such
23 terms in section 3 of the Workforce Innovation
24 and Opportunity Act.”.

1 **SEC. 4. DATA COLLECTION AND DISSEMINATION RELATED**
2 **TO WORKFORCE PELL.**

3 Section 131 of the Higher Education Act of 1965 (20
4 U.S.C. 1015) is amended by adding at the end the fol-
5 lowing:

6 “(i) DATA COLLECTION AND DISSEMINATION RE-
7 LATED TO WORKFORCE PELL.—

8 “(1) PRIMARY DATA SOURCE.—The Secretary
9 shall use data from the National Student Loan Data
10 System or administrative data maintained by the
11 Department, matched with Internal Revenue Service
12 income data to collect data and make calculations in
13 accordance with this subsection and section
14 481(b)(3).

15 “(2) PUBLICATION.—The Secretary shall, on an
16 annual basis, collect, verify, and make publicly avail-
17 able on the College Scorecard website (or any similar
18 successor website), the information required under
19 section 481(b)(3)(A)(v), with respect to each eligible
20 program under section 481(b)(3) (hereinafter re-
21 ferred to as an ‘eligible workforce program’), includ-
22 ing—

23 “(A) the length of the program (as meas-
24 ured in clock hours, credit hours, or weeks);

25 “(B) the required tuition and fees of the
26 program;

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

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

10 “(E) the median earnings of students who
11 did not complete the program and received Fed-
12 eral financial assistance under this title;

13 “(F) the ratio of the amount described in
14 subparagraph (C) to the value-added earnings
15 (as such term is defined in section
16 481(b)(3)(E)) of students and an explanation,
17 in clear and plain language, of this ratio;

18 “(G) in the case of a program that pre-
19 pares students for a professional licensure or
20 certification examination, the share of such stu-
21 dents who pass such examinations;

22 “(H) the number of students enrolled in
23 the program during the most recent academic
24 year for which data is available;

1 “(I) the percentage of students who enroll
2 in the program and who complete the program
3 within—

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

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

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

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

13 “(K) the percentage of individuals—

14 “(i) who have completed such pro-
15 gram; and

16 “(ii) 1 year after such completion,
17 whose median earnings exceed 150 percent
18 of the poverty line applicable to a single in-
19 dividual, as determined under section
20 673(2) of the Community Services Block
21 Grant Act (42 U.S.C. 9902(2));

22 “(L) the percentage of students who enroll
23 in a certificate or degree program at any insti-
24 tution of higher education within 1 year of com-
25 pleting such program; and

1 “(M) the percentage of students who com-
2 plete a subsequent certificate or degree program
3 at any institution of higher education within 6
4 years of completing such program.

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

8 “(A) sex;

9 “(B) race and ethnicity;

10 “(C) income quintile, as defined by the
11 Secretary; and

12 “(D) status as a recipient of a Workforce
13 Pell Grant.

14 “(4) EXCEPTIONS.—Notwithstanding any other
15 provision of this subsection, if disclosure of any data
16 under paragraph (1) is prohibited under State or
17 Federal privacy laws or regulations, the Secretary
18 shall take the steps described in paragraph (5), and
19 any other steps determined by the Secretary to be
20 necessary to make publicly available such data in ac-
21 cordance with such laws and regulations.

22 “(5) SMALL PROGRAMS.—

23 “(A) AGGREGATION.—For purposes of
24 publishing the information described in this
25 subsection with respect to an eligible workforce

1 program, for any year for which the number of
2 students is determined by the Secretary to be of
3 insufficient size to maintain the privacy of stu-
4 dent data, the Secretary shall, to obtain data
5 for a sufficient number of students to maintain
6 student privacy—

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

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

17 “(iii) only if the aggregated data
18 under clause (ii) is insufficient to maintain
19 student privacy or cannot be aggregated,
20 aggregate data with respect to all students
21 who completed or were enrolled in, as ap-
22 plicable, any program of the institution of
23 the same credential level, in lieu of data
24 specific to students in such program.

1 “(B) NOTIFICATION OF AGGREGATION.—
2 The Secretary shall prominently indicate wheth-
3 er data published under this subsection has
4 been aggregated in accordance with subpara-
5 graph (A).

6 “(C) CIP CODE DEFINED.—For purposes
7 of this paragraph, the term ‘CIP code’ means
8 the 6-digit taxonomic identification code as-
9 signed by an institution of higher education to
10 a specific program of study at the institution,
11 determined by the institution in accordance
12 with the Classification of Instructional Pro-
13 grams published by the National Center for
14 Education Statistics.”.

15 **SEC. 5. ACCREDITING AGENCY DETERMINATION OF ELIGI-**
16 **BILITY REQUIREMENTS FOR THE WORK-**
17 **FORCE PELL GRANTS PROGRAM.**

18 (a) REFERENCES.—Except as otherwise expressly
19 provided, whenever in this section an amendment or ref-
20 erence is expressed in terms of an amendment or reference
21 to a section or other provision, the amendment or ref-
22 erence shall be considered to be made to a section or other
23 provision of the Higher Education Act of 1965 (20 U.S.C.
24 1001 et seq.).

1 (b) RECOGNITION OF ACCREDITING AGENCY OR AS-
2 SOCIATION.—Section 496(a)(4) (20 U.S.C. 1099b(a)(4))
3 is amended—

4 (1) in subparagraph (A), by striking “and” at
5 the end;

6 (2) in subparagraph (B)(ii), by inserting “and”
7 at the end; and

8 (3) by adding at the end the following:

9 “(C) if such agency or association has or seeks
10 to include within its scope of recognition the evalua-
11 tion of the quality of institutions offering an eligible
12 program under section 481(b)(3), such agency or as-
13 sociation shall, in addition to meeting the other re-
14 quirements of this subpart, demonstrate to the Sec-
15 retary that, with respect to such an eligible pro-
16 gram—

17 “(i) the agency or association’s standards
18 include a process for determining if the institu-
19 tion has the capability to effectively offer such
20 program; and

21 “(ii) the agency or association requires a
22 demonstration that the program satisfies the re-
23 quirements of section 481(b)(3)(A)(iv).”.

24 (c) PROSPECTIVE ACCREDITORS.—The Secretary—

1 (1) in the case of an accrediting agency or asso-
2 ciation that is not recognized under section 496 (20
3 U.S.C. 1099b) and that is seeking initial recognition
4 to evaluate only eligible programs under section
5 481(b)(3) (20 U.S.C. 1088(b)), may only recognize
6 such agency or association for such purpose if such
7 agency or association demonstrates, in the applica-
8 tion submitted under such section 496 for such rec-
9 ognition, compliance with the requirements of such
10 section for at least 1 year prior to the date on which
11 such application is submitted;

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

16 (3) shall, after making the recommendation de-
17 scribed in paragraph (2), direct the National Advi-
18 sory Committee on Institutional Quality and Integ-
19 rity (as established by section 114 (20 U.S.C.
20 1011c)) (hereinafter referred to as “NACIQI”) to,
21 at the first scheduled meeting of such Committee
22 following such a recommendation—

23 (A) evaluate the recognition of the agency
24 or association; and

1 (B) advise the Secretary with respect to
2 whether the agency or association meets the cri-
3 teria under section 496(a)(4)(C) (20 U.S.C.
4 1099b(a)(4)) (as added by subsection (b)).

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

11 (e) ADDITIONAL NACIQI REVIEW MEETINGS.—For
12 the purpose of preparing for the implementation of the
13 Workforce Pell Grant program under section 401(k) (20
14 U.S.C. 1070a) (as added by section 2), and in addition
15 to the meetings required under section 114(d)(1) (20
16 U.S.C. 1011c(d)(1)), NACIQI shall, for the period begin-
17 ning on the date of the enactment of this Act and ending
18 on December 31, 2030, hold meetings to evaluate the rec-
19 ognition of prospective accrediting agencies or associations
20 described in subsection (c) and the addition to the scope
21 of recognition of accrediting agencies and associations
22 under section 496(a)(4)(C) (20 U.S.C. 1099b(a)(4)).

23 (f) INTERIM ACCREDITATION AUTHORITY.—

24 (1) NOTIFICATION.—Beginning on the date of
25 the enactment of this Act, a recognized accrediting

1 agency or association that seeks, for the first time,
2 to add to its scope of recognition the evaluation of
3 the quality of institutions offering an eligible pro-
4 gram under section 481(b)(3) (20 U.S.C. 1088(b))
5 may include within its scope of recognition the eval-
6 uation of such institutions if such agency or associa-
7 tion—

8 (A) submits to the Secretary a notification
9 of the agency or association's intent to add the
10 evaluation of such institutions to its scope of
11 recognition; and

12 (B) includes with such notification an ex-
13 planation of how the agency or association in-
14 tends to meet the criteria under section
15 496(a)(4)(C) (20 U.S.C. 1099b(a)(4)) (as
16 added by subsection (b)).

17 (2) REVIEW OF SCOPE OF CHANGES.—Upon re-
18 ceipt of a notification from an accrediting agency or
19 association described in subparagraph (A), the Sec-
20 retary shall direct NACIQI to evaluate, at the next
21 available meeting of such Committee, the addition to
22 the scope of recognition of the agency or association
23 and to advise the Secretary with respect to whether
24 the agency or association meets the criteria under

1 section 496(a)(4)(C) (20 U.S.C. 1099b(a)(4)) (as
2 added by subsection (b)).

3 (3) **TERMINATION OF INTERIM AUTHORITY.**—

4 The interim authority granted to an agency or asso-
5 ciation under this paragraph shall terminate on the
6 earlier of—

7 (A) the date that is 5 years after the date
8 of the enactment of this Act; or

9 (B) the date on which the Secretary deter-
10 mines whether such agency or association meets
11 the criteria under section 496(a)(4)(C) (20
12 U.S.C. 1099b(a)(4)) (as added by subsection
13 (b)).

14 **SEC. 6. RULE OF CONSTRUCTION.**

15 Nothing in this Act shall be construed to impose or
16 increase an occupational licensing or certification require-
17 ment on eligible programs under this title.

18 **SEC. 7. AGREEMENTS WITH APPLICABLE EDUCATIONAL IN-
19 STITUTIONS.**

20 (a) **DIRECT LOANS.**—Section 454(a) of the Higher
21 Education Act of 1965 (20 U.S.C. 1087d(a)) is amend-
22 ed—

23 (1) in paragraph (5), by striking “and” after
24 the semicolon;

1 (2) by redesignating paragraph (6) as para-
2 graph (7); and

3 (3) by inserting after paragraph (5) the fol-
4 lowing:

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

11 “(A) a Federal Direct Stafford Loan, a
12 Federal Direct Unsubsidized Stafford Loan, or
13 a Federal Direct Plus Loan to any eligible stu-
14 dent; or

15 “(B) a Federal Direct Plus Loan to a par-
16 ent of an eligible dependent undergraduate stu-
17 dent if such student is eligible for a Federal
18 Pell Grant.”.

19 (b) FEDERAL SUPPLEMENTAL EDUCATIONAL OP-
20 PORTUNITY GRANTS.—Section 413C(a) of the Higher
21 Education Act of 1965 (20 U.S.C. 1070b–2(a)) is amend-
22 ed—

23 (1) in paragraph (3), by redesignating subpara-
24 graphs (A) through (D) as clauses (i) through (iv),
25 respectively;

1 (2) by redesignating paragraphs (1) through
2 (3) as subparagraphs (A) through (C), respectively;
3 (3) in the matter preceding subparagraph (A),
4 as so redesignated, by striking “Assistance may”
5 and inserting

6 “(1) IN GENERAL.—Assistance may”; and

7 (4) by adding at the end the following:

8 “(2) EXCEPTION.—(A) In addition to the re-
9 quirements under paragraph (1), for the award year
10 beginning on July 1, 2024 and each subsequent
11 award year, an institution that is an applicable edu-
12 cational institution (as defined in section 4968(b) of
13 title 26, United States Code) may only receive as-
14 sistance under this subpart if such institution guar-
15 antees that, for each such award year—

16 “(i) the institution will make available to
17 each student who is enrolled at the institution
18 and who is eligible for a Federal Pell Grant
19 under section 401, an amount, derived from
20 only non-Federal resources, that is not less
21 than the maximum amount that may be award-
22 ed to a student under section 413B(a)(1), to be
23 provided to such a student as emergency finan-
24 cial assistance in the event that the student is
25 in need of such assistance; and

1 “(ii) the percentage of students enrolled at
2 such institution who are eligible for a Federal
3 Pell grant will be equal to or greater than the
4 percentage of students who were enrolled at
5 such institution and were eligible for a Federal
6 Pell grant in the award year during which the
7 Bipartisan Workforce Pell Act was enacted.”.

8 **SEC. 8. AUTHORIZATION OF APPROPRIATIONS.**

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