

AMENDMENT TO
RULES COMMITTEE PRINT 118–36
OFFERED BY MS. STEFANIK OF NEW YORK

At the end of title XVII, add the following new subtitle:

1 **Subtitle D—Bipartisan Workforce**
2 **Pell Act**

3 **SEC. 1761. SHORT TITLE; EFFECTIVE DATE; REFERENCES.**

4 (a) **EFFECTIVE DATE; APPLICABILITY.**—The amend-
5 ments to the Higher Education Act of 1965 (20 U.S.C.
6 1001 et seq.) made by this subtitle shall take effect on
7 July 2, 2024, and shall apply with respect to award year
8 2025–2026 and each succeeding award year.

9 (b) **REFERENCES.**—Except as otherwise expressly
10 provided, whenever in this subtitle an amendment, repeal,
11 or reference is expressed in terms of an amendment to,
12 repeal of, or reference to, a section or other provision, the
13 amendment, repeal, or reference shall be considered to be
14 made to a section or other provision of the Higher Edu-
15 cation Act of 1965 (20 U.S.C. 1001 et seq.).

16 **SEC. 1762. WORKFORCE PELL GRANTS.**

17 Section 401 (20 U.S.C. 1070a) is amended by adding
18 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, 2025, 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 master’s degree, doctoral degree, or other
21 post-graduate degree; or

22 “(ii) have attained such a degree.

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

1 the same terms and conditions as the Secretary
2 awards Federal Pell Grants under this section, ex-
3 cept that—

4 “(A) each use of the term ‘eligible pro-
5 gram’ shall be substituted by ‘eligible workforce
6 program under section 481(b)(3)’, other than
7 with respect to—

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

10 “(ii) subsection (d)(2); and

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

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

24 “(A) subsection (b); or

25 “(B) subsection (c).

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

5 **SEC. 1763. PROGRAM ELIGIBILITY FOR WORKFORCE PELL**
6 **GRANTS.**

7 Section 481(b) (20 U.S.C. 1088(b)) is amended—

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

10 (2) by inserting after paragraph (2) the fol-
11 lowing:

12 “(3)(A) A program is an eligible program for
13 purposes of the Workforce Pell Grant program
14 under section 401(k) only if—

15 “(i) it is a program of at least 150 clock
16 hours of instruction, but less than 600 clock
17 hours of instruction, or an equivalent number of
18 credit hours, offered during a minimum of 8
19 weeks, but less than 15 weeks;

20 “(ii) it is not offered as a correspondence
21 course, as defined in 600.2 of title 34, Code of
22 Federal Regulations (as in effect on September
23 20, 2020);

24 “(iii) the State board makes a determina-
25 tion that the program—

1 “(I) provides an education aligned
2 with the requirements of high-skill, high-
3 wage (as identified by the State pursuant
4 to section 122 of the Carl D. Perkins Ca-
5 reer and Technical Education Act (20
6 U.S.C. 2342)), or in-demand industry sec-
7 tors or occupations;

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

11 “(III) satisfies any applicable edu-
12 cational prerequisite requirement for pro-
13 fessional licensure or certification in the
14 State or States in which the program is of-
15 fered, as applicable, such that a student
16 who completes the program is qualified
17 to—

18 “(aa) practice or find employ-
19 ment in the sectors or occupations de-
20 scribed in subclause (I); and

21 “(bb) as applicable, take any li-
22 censure or certification examinations
23 required to practice or find employ-
24 ment in such sectors or occupations;

1 “(iv) after the State board makes the de-
2 termination that the program meets the re-
3 quirements under clause (iii), the accrediting
4 agency or association recognized by the Sec-
5 retary pursuant to section 496(a) determines
6 that the program—

7 “(I) either—

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

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

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

19 “(BB) provides such stu-
20 dents with such a credential upon
21 completion of such program;

22 “(II) prepares students to pursue 1 or
23 more certificate or degree programs at 1 or
24 more institutions of (which may include
25 the institution of higher education pro-

1 viding the program), including by ensur-
2 ing—

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

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

13 “(III) posts prominently on the
14 website of the institution the recognized
15 postsecondary credential that will be
16 awarded to the student upon completion of
17 the program, including the entity issuing
18 the credential, any third-party endorse-
19 ments of the credential, the occupation or
20 occupations for which the credential pre-
21 pares individuals for employment, the com-
22 petencies achieved to earn the credential,
23 the level of mastery of such competencies
24 and how mastery is assessed, and specific
25 information with respect to where, wheth-

1 er, and under what circumstances the cre-
2 dential is stackable or portable;

3 “(IV) with respect to the information
4 collected under section 131(i)—

5 “(aa) posts such information
6 prominently on the website of the in-
7 stitution; and

8 “(bb) provides such information
9 in a written disclosure to each pro-
10 spective student prior to entering into
11 an enrollment agreement with such
12 student for such program, and estab-
13 lishes procedures for each such stu-
14 dent to confirm receipt of such disclo-
15 sure;

16 “(V) has established a plan to ensure
17 students who completed the program have
18 access to transcripts for completed
19 coursework without a fee; and

20 “(VI) has been offered by an eligible
21 institution of higher education for not less
22 than 1 year prior to the date on which
23 such agency or association is to make a de-
24 termination under this paragraph;

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

5 “(I) for each award year, the program
6 has a verified completion rate of at least
7 70 percent, within 150 percent of the nor-
8 mal time for completion;

9 “(II) for each award year, the pro-
10 gram has a verified job placement rate of
11 at least 70 percent, measured 180 days
12 after completion;

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

21 “(IV) for at least 2 of the 3 most re-
22 cent consecutive award years for which
23 data are available, the median earnings of
24 students who completed the program,
25 measured three years after students com-

1 pleted the program, exceeded the annual
2 median earnings of individuals in the State
3 in which the program is located—

4 “(aa) who are in the labor force;

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

7 “(cc) for whom the highest de-
8 gree attained is a high school diploma
9 (or recognized equivalent); and

10 “(vi) in the case of a program that has
11 been an eligible workforce program under this
12 paragraph for 3 or more years, it uses common,
13 linked, open, and interoperable data formats
14 when posting on the website of the institution
15 the data required under subclauses (III) and
16 (IV) of clause (iv).

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

1 comparable to, and representative of such students,
2 if such program objects to a determination made by
3 the Secretary under such subparagraph for purposes
4 of—

5 “(I) eligibility under this paragraph; or

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

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

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

23 “(II) alternate completion and job place-
24 ment rates of students who enroll in the pro-
25 gram, provided such data are statistically rig-

1 orous, accurate, comparable to, and representa-
2 tive of such students.

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

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

19 “(ii) If a program that is an eligible workforce
20 program under this paragraph no longer meets one
21 or more of the requirements under this paragraph,
22 as determined by the State Board, accrediting agen-
23 cy, or the Secretary, the Secretary—

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

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

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

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

14 “(II) only if such aggregated data under
15 subclause (I) is insufficient, aggregate up to 4
16 years of data of students who completed or
17 were enrolled in, as applicable, similar pro-
18 grams at the institution (as determined using
19 the first 4 digits of the CIP codes of such pro-
20 grams) and use such data to make such deter-
21 minations.

22 “(ii) For purposes of this subparagraph, the
23 term ‘CIP code’ means the 6-digit taxonomic identi-
24 fication code assigned by an institution of higher
25 education to a specific program of study at the insti-

1 tution, determined by the institution in accordance
2 with the Classification of Instructional Programs
3 published by the National Center for Education Sta-
4 tistics.

5 “(E) In this paragraph:

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

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

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

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

16 “(bb) any adverse action by the
17 institution’s accrediting agency or as-
18 sociation that revokes or denies ac-
19 creditation for the institution; or

20 “(cc) any final action by the
21 State where the institution holds its
22 legal domicile, authorization, and ac-
23 creditation that revokes a license or
24 other authority to operate.

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

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

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

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

23 “(I) the median earnings of such stu-
24 dents, measured one year after students
25 completed the program; minus

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

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

20 **SEC. 1764. DATA COLLECTION AND DISSEMINATION RE-**
21 **LATED TO WORKFORCE PELL.**

22 Section 131 (20 U.S.C. 1015) is amended by adding
23 at the end the following:

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

1 “(1) PRIMARY DATA SOURCE.—The Secretary
2 shall use data from the National Student Loan Data
3 System or administrative data maintained by the
4 Department, matched with Internal Revenue Service
5 income data to collect data and make calculations in
6 accordance with this subsection and section
7 481(b)(3).

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

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

18 “(B) the required tuition and fees of the
19 program;

20 “(C) the difference between the required
21 tuition and fees described in section
22 481(b)(3)(A)(v)(III) and median amount of
23 grant aid (which does not need to be repaid)
24 provided to students receiving Workforce Pell

1 Grants, disaggregated by source of such grant
2 aid;

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

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

8 “(F) the ratio of the amount described in
9 subparagraph (C) to the value-added earnings
10 (as such term is defined in section
11 481(b)(3)(E)) of students and an explanation,
12 in clear and plain language, of this ratio;

13 “(G) in the case of a program that pre-
14 pares students for a professional licensure or
15 certification examination, the share of such stu-
16 dents who pass such examinations;

17 “(H) the number of students enrolled in
18 the program during the most recent academic
19 year for which data is available;

20 “(I) the percentage of students who enroll
21 in the program and who complete the program
22 within—

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

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

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

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

8 “(K) the percentage of individuals—

9 “(i) who have completed such pro-
10 gram; and

11 “(ii) 1 year after such completion,
12 whose median earnings exceed 150 percent
13 of the poverty line applicable to a single in-
14 dividual, as determined under section
15 673(2) of the Community Services Block
16 Grant Act (42 U.S.C. 9902(2));

17 “(L) the percentage of students who enroll
18 in a certificate or degree program at any insti-
19 tution of higher education within 1 year of com-
20 pleting such program; and

21 “(M) the percentage of students who com-
22 plete a subsequent certificate or degree program
23 at any institution of higher education within 6
24 years of completing such program.

1 “(3) DATA DISAGGREGATION.—The information
2 in subparagraphs (D), (E), and (H) through (M)
3 shall be disaggregated, as applicable and to the ex-
4 tent practicable, by the following student character-
5 istics:

6 “(A) Student’s financial circumstances, in-
7 cluding—

8 “(i) household income categories, as
9 determined by students’ adjusted gross in-
10 come, family size, and poverty line (as de-
11 fined in section 401(a)); and

12 “(ii) student aid index categories, as
13 determined by the Secretary.

14 “(B) Sex.

15 “(C) Race and ethnicity.

16 “(D) Classification as a student with a dis-
17 ability.

18 “(E) Enrollment status, including part-
19 time or full-time enrollment.

20 “(F) Status as an in-district, in-State, or
21 out-of-State student.

22 “(G) Status as a recipient of Federal fi-
23 nancial assistance, including—

24 “(i) a Pell Grant;

25 “(ii) a Workforce Pell Grant;

1 “(iii) a loan made under title IV; and

2 “(iv) veterans’ education benefits (as
3 defined in section 480(c)).

4 “(H) Status as a participant in a program
5 described in section 116(b)(3)(A)(ii) of the
6 Workforce Innovation and Opportunity Act (29
7 U.S.C. 3141(b)(3)(A)(ii)).

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

16 “(5) SMALL PROGRAMS.—

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

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

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

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

19 “(B) NOTIFICATION OF AGGREGATION.—
20 The Secretary shall prominently indicate wheth-
21 er data published under this subsection has
22 been aggregated in accordance with subpara-
23 graph (A).

24 “(C) CIP CODE DEFINED.—For purposes
25 of this paragraph, the term ‘CIP code’ means

1 the 6-digit taxonomic identification code as-
2 signed by an institution of higher education to
3 a specific program of study at the institution,
4 determined by the institution in accordance
5 with the Classification of Instructional Pro-
6 grams published by the National Center for
7 Education Statistics.”.

8 **SEC. 1765. ACCREDITING AGENCY DETERMINATION OF ELI-**
9 **GIBILITY REQUIREMENTS FOR THE WORK-**
10 **FORCE PELL GRANTS PROGRAM.**

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

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

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

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

19 “(C) if such agency or association has or
20 seeks to include within its scope of recognition
21 the evaluation of the quality of institutions of-
22 fering an eligible program under section
23 481(b)(3), such agency or association shall, in
24 addition to meeting the other requirements of

1 this subpart, demonstrate to the Secretary that,
2 with respect to such an eligible program—

3 “(i) the agency or association’s stand-
4 ards include a process for determining if
5 the institution has the capability to effec-
6 tively offer such program; and

7 “(ii) the agency or association re-
8 quires a demonstration that the program
9 satisfies the requirements of section
10 481(b)(3)(A)(iv).”.

11 (b) PROSPECTIVE ACCREDITORS.—The Secretary—

12 (1) in the case of an accrediting agency or asso-
13 ciation that is not recognized under section 496 (20
14 U.S.C. 1099b) and that is seeking initial recognition
15 to evaluate only eligible programs under section
16 481(b)(3) (20 U.S.C. 1088(b)), may only recognize
17 such agency or association for such purpose if such
18 agency or association demonstrates, in the applica-
19 tion submitted under such section 496 for such rec-
20 ognition, compliance with the requirements of such
21 section for at least 1 year prior to the date on which
22 such application is submitted;

23 (2) shall, not later than 1 year after receiving
24 such an application, make a recommendation with

1 respect to whether such agency or association should
2 be recognized for such purpose; and

3 (3) shall, after making the recommendation de-
4 scribed in paragraph (2), direct the National Advi-
5 sory Committee on Institutional Quality and Integ-
6 rity (as established by section 114 (20 U.S.C.
7 1011c)) (hereinafter referred to as “NACIQI”) to,
8 at the first scheduled meeting of such Committee
9 following such a recommendation—

10 (A) evaluate the recognition of the agency
11 or association; and

12 (B) advise the Secretary with respect to
13 whether the agency or association meets the cri-
14 teria under section 496(a)(4)(C) of the Higher
15 Education Act of 1965 (20 U.S.C. 1099b(a)(4))
16 (as added by subsection (a)).

17 (c) TECHNICAL ASSISTANCE.—The Secretary shall
18 provide technical assistance to any prospective accrediting
19 agency or association seeking initial recognition by the
20 Secretary under section 496 (20 U.S.C. 1099b), including
21 with respect to recognition to evaluate institutions with
22 an eligible Workforce Pell Grants program.

23 (d) ADDITIONAL NACIQI REVIEW MEETINGS.—For
24 the purpose of preparing for the implementation of the
25 Workforce Pell Grant program under section 401(k) (20

1 U.S.C. 1070a) (as added by section 1762 of this subtitle),
2 and in addition to the meetings required under section
3 114(d)(1) (20 U.S.C. 1011c(d)(1)), NACIQI shall, for the
4 period beginning on the date of the enactment of this Act
5 and ending on December 31, 2030, hold meetings to evalu-
6 ate the recognition of prospective accrediting agencies or
7 associations described in subsection (b) and the addition
8 to the scope of recognition of accrediting agencies and as-
9 sociations under section 496(a)(4)(C) (20 U.S.C.
10 1099b(a)(4)) (as added by subsection (a)).

11 (e) INTERIM ACCREDITATION AUTHORITY.—

12 (1) NOTIFICATION.—Beginning on the date of
13 the enactment of this Act, a recognized accrediting
14 agency or association that seeks, for the first time,
15 to add to its scope of recognition the evaluation of
16 the quality of institutions offering an eligible pro-
17 gram under section 481(b)(3) (20 U.S.C. 1088(b))
18 (as added by section 1763 of this subtitle) may in-
19 clude within its scope of recognition the evaluation
20 of such institutions if such agency or association—

21 (A) submits to the Secretary a notification
22 of the agency or association’s intent to add the
23 evaluation of such institutions to its scope of
24 recognition; and

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

6 (2) REVIEW OF SCOPE OF CHANGES.—Upon re-
7 ceipt of a notification from an accrediting agency or
8 association described in paragraph (1)(A), the Sec-
9 retary shall direct NACIQI to evaluate, at the next
10 available meeting of such Committee, the addition to
11 the scope of recognition of the agency or association
12 and to advise the Secretary with respect to whether
13 the agency or association meets the criteria under
14 section 496(a)(4)(C) (20 U.S.C. 1099b(a)(4)) (as
15 added by subsection (a)).

16 (3) TERMINATION OF INTERIM AUTHORITY.—
17 The interim authority granted to an agency or asso-
18 ciation under this paragraph shall terminate on the
19 earlier of—

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

22 (B) the date on which the Secretary deter-
23 mines whether such agency or association meets
24 the criteria under section 496(a)(4)(C) (20

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

3 **SEC. 1766. AGREEMENTS WITH APPLICABLE EDUCATIONAL**
4 **INSTITUTIONS.**

5 (a) DIRECT LOANS.—Section 454 (20 U.S.C. 1087d)
6 is amended—

7 (1) in subsection (a)—

8 (A) in paragraph (5), by striking “and”
9 after the semicolon;

10 (B) by redesignating paragraph (6) as
11 paragraph (7); and

12 (C) by inserting after paragraph (5) the
13 following new paragraph:

14 “(6) in the case of an applicable educational in-
15 stitution, provide annual reimbursements to the Sec-
16 retary in accordance with the requirements under
17 subsection (d); and”; and

18 (2) by adding at the end the following new sub-
19 section:

20 “(d) REIMBURSEMENT REQUIREMENTS.—

21 “(1) ANNUAL REIMBURSEMENTS REQUIRED.—

22 Beginning in award year 2025–2026, each applicable
23 educational institution participating in the direct
24 student loan program under this part shall, for
25 qualifying student loans, provide a reimbursement to

1 the Secretary, at such time as the Secretary may
2 specify but not less than annually, for each student
3 cohort of the institution, for an amount equal to the
4 non-repayment loan balance of such cohort and de-
5 termined in accordance with paragraph (5).

6 “(2) STUDENT COHORTS.—For each applicable
7 educational institution, the Secretary shall establish
8 a student cohort, for each award year beginning
9 with award year 2024–2025, comprised of—

10 “(A) all students who received Federal fi-
11 nancial assistance under this title and who com-
12 pleted any program of study at such applicable
13 educational institution during such award year;
14 and

15 “(B) all students who received Federal fi-
16 nancial assistance under this title, who were en-
17 rolled in the applicable education institution
18 during the previous award year, and who at the
19 time the cohort is established—

20 “(i) have not completed any program
21 of study at the applicable educational insti-
22 tution; and

23 “(ii) are not enrolled at the applicable
24 educational institution.

1 “(3) QUALIFYING STUDENT LOAN.—For the
2 purposes of this subsection, the term ‘qualifying stu-
3 dent loan’ means a Federal Direct loan, including a
4 Federal Direct Consolidation loan, made under this
5 part that—

6 “(A) is a Federal Direct Stafford Loan, a
7 Federal Direct Unsubsidized Stafford Loan, or
8 a Federal Direct Plus Loan to any eligible stu-
9 dent;

10 “(B) was made to a student included in a
11 student cohort of an applicable educational in-
12 stitution;

13 “(C) except in the case of a loan described
14 in paragraph (4)(A), is not included in any
15 other student cohort of any other institution of
16 higher education;

17 “(D) is not in—

18 “(i) a medical or dental internship or
19 residency forbearance described in section
20 428(c)(3)(A)(i)(I), section 428B(a)(2), sec-
21 tion 428H(a), or section 685.205(a)(3) of
22 title 34, Code of Federal Regulations;

23 “(ii) a graduate fellowship deferment
24 described in section 455(f)(2)(A)(ii);

1 “(iii) rehabilitation training program
2 deferment described under section
3 455(f)(2)(A)(ii);

4 “(iv) an in-school deferment described
5 under section 455(f)(2)(A)(i);

6 “(v) a cancer deferment described
7 under section 455(f)(3);

8 “(vi) a military service deferment de-
9 scribed under section 455(f)(2)(C); or

10 “(vii) a post-active duty student
11 deferment described under section 493D;

12 and

13 “(E) is not in default.

14 “(4) SPECIAL CIRCUMSTANCES.—

15 “(A) TREATMENT OF CERTAIN CONSOLI-
16 DATION LOANS.—A Federal Direct Consolida-
17 tion loan made under this title shall not be con-
18 sidered a qualifying student loan for a student
19 cohort for an award year if all of the loans in-
20 cluded in such consolidation loan are attrib-
21 utable to another student cohort.

22 “(B) CONSOLIDATION AFTER INCLUSION
23 IN A STUDENT COHORT.—If a qualifying stu-
24 dent loan is consolidated into a consolidation
25 loan under this title after such qualifying stu-

1 dent loan has been included in a student cohort,
2 the percentage of the consolidation loan that
3 was attributable to such student cohort at the
4 time of consolidation shall remain attributable
5 to the student cohort for the life of the consoli-
6 dation loan.

7 “(5) NON-REPAYMENT LOAN BALANCE.—

8 “(A) IN GENERAL.—For each award year,
9 the Secretary shall determine the non-repay-
10 ment loan balance for such award year for each
11 student cohort of an applicable educational in-
12 stitution by calculating the sum of—

13 “(i) for loans in such cohort, the dif-
14 ference between the total amount of pay-
15 ments due from all borrowers on such
16 loans during such year and the total
17 amount of payments made by all such bor-
18 rowers on such loans during such year;

19 “(ii) the total amount of interest
20 waived, paid, or otherwise not charged by
21 the Secretary during such year under an
22 income-based repayment plan described in
23 section 493C or an income-contingent re-
24 payment plan described in section 455(e);
25 and

1 “(iii) the total amount of principal
2 and interest forgiven, cancelled, waived,
3 discharged, repaid, or otherwise reduced by
4 the Secretary under any act during such
5 year that is not included in clause (ii) and
6 was not discharged or forgiven under sec-
7 tion 437(a) or 428J.

8 “(B) SPECIAL CIRCUMSTANCES.—For the
9 purpose of calculating the non-repayment loan
10 balance of student cohorts under this para-
11 graph, the Secretary shall—

12 “(i) for each qualifying student loan
13 in a student cohort that is included in an-
14 other student cohort because the student
15 who borrowed such loan completed two or
16 more programs of study during the same
17 award year, the total amount described in
18 clauses (i) through (iii) of subparagraph
19 (A) for such qualifying student loan shall
20 be divided equally among each of the stu-
21 dent cohorts in which such loan is in-
22 cluded; and

23 “(ii) for each consolidation loan in a
24 student cohort—

1 “(I) determine the percentage of
2 the outstanding principal balance of
3 the consolidation loan attributable to
4 such student cohort—

5 “(aa) at the time of that
6 loan was included in such cohort,
7 in the case of a loan consolidated
8 before inclusion in such cohort;
9 or

10 “(bb) at the time of consoli-
11 dation, in the case of a loan con-
12 solidated after inclusion in such
13 cohort; and

14 “(II) include in the calculations
15 under subparagraph (A) for such stu-
16 dent cohort only the percentage of the
17 sum of the amounts described in
18 clauses (i) through (iii) of subpara-
19 graph (A) for the consolidation loan
20 for such year that is equal to the per-
21 centage of the consolidation loan de-
22 termined under subclause (I).

23 “(6) NOTIFICATION AND REMITTANCE.—Begin-
24 ning with the first award year for which reimburse-

1 ments are required under this subsection, and for
2 each succeeding award year, the Secretary shall—

3 “(A) notify each applicable educational in-
4 stitution of the amounts and due dates of each
5 annual reimbursement calculated under para-
6 graph (1) for each student cohort of the institu-
7 tion within 30 days of calculating such
8 amounts; and

9 “(B) require the applicable educational in-
10 stitution to provide such reimbursement within
11 180 days of such notification.

12 “(7) APPLICABLE EDUCATIONAL INSTITU-
13 TION.—For purposes of this subsection, the term
14 ‘applicable educational institution’ means an institu-
15 tion of higher education that is an organization sub-
16 ject to taxation under section 4968 of title 26,
17 United States Code.”.

18 (b) FEDERAL SUPPLEMENTAL EDUCATIONAL OP-
19 PORTUNITY GRANTS.—Section 413C(a) (20 U.S.C.
20 1070b–2(a)) is amended—

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

24 (2) by redesignating paragraphs (1) through
25 (3) as subparagraphs (A) through (C), respectively;

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

4 “(1) IN GENERAL.—Assistance may”; and
5 (4) by adding at the end the following:

6 “(2) EXCEPTION.—In addition to the require-
7 ments under paragraph (1), for award year 2025–
8 2026, and each subsequent award year, an institu-
9 tion that is an applicable educational institution that
10 is an organization subject to taxation under section
11 4968 of title 26, United States Code, may only re-
12 ceive assistance under this subpart if such institu-
13 tion guarantees that, for each such award year—

14 “(A) the total amount of grants and schol-
15 arships, including other financial assistance (as
16 defined in section 480(i)) not received under
17 this title, awarded to a student who receives a
18 Federal Pell Grant under this title shall not be
19 less than the student’s cost of attendance (as
20 defined in section 472); and

21 “(B) the percentage of students enrolled at
22 such institution who are eligible for a Federal
23 Pell Grant will be equal to or greater than the
24 percentage of students who were enrolled at
25 such institution and were eligible for a Federal

1 Pell Grant in the award year during which the
2 Bipartisan Workforce Pell Act was enacted.”.

3 (c) STUDY.—

4 (1) IN GENERAL.—Not later than July 1, 2026,
5 the Comptroller General of the United States shall
6 conduct a study on the impact of the reimbursement
7 requirements included in section 454 of the Higher
8 Education Act of 1965 (20 U.S.C. 1087d), as
9 amended by subsection (a). Such analysis shall in-
10 clude—

11 (A) an analysis of the impact on student
12 enrollment, progression, retention, completion,
13 and time to credential;

14 (B) an analysis of the impact on student
15 debt and repayment, including amounts bor-
16 rowed and repayment rates of students receiv-
17 ing Federal financial assistance under title IV
18 of the Higher Education Act of 1965 (20
19 U.S.C. 1070 et seq.);

20 (C) an analysis of the impact on college
21 costs and financial aid, including—

22 (i) the cost of attendance, including
23 such cost disaggregated by the costs de-
24 scribed in paragraphs (1) through (14) of
25 section 472(a) of the Higher Education

1 Act of 1965, as amended by the FAFSA
2 Simplification Act (title VII of division FF
3 of the Consolidated Appropriations Act,
4 2021 (Public Law 116–260)); and

5 (ii) the grants and scholarships re-
6 ceived by students at the institution and
7 the number and percentage of such stu-
8 dents receiving such grants and scholar-
9 ships, disaggregated by source and whether
10 such aid is need-based, merit-based, or
11 other type of grant or scholarship; and

12 (D) an analysis of the impact on post-com-
13 pletion outcomes, including earnings and em-
14 ployment of students receiving Federal financial
15 assistance under title IV of the Higher Edu-
16 cation Act of 1965 (20 U.S.C. 1070 et seq.).

17 (2) DISAGGREGATED INFORMATION.—

18 (A) STUDENT CHARACTERISTICS.—The
19 Comptroller General of the United States shall
20 ensure the information described in paragraph
21 (1) is disaggregated, as applicable and to the
22 extent practicable, by the following student
23 characteristics:

24 (i) The household income or student
25 aid index categories described in

1 131(i)(3)(A) of the Higher Education Act
2 of 1965, as added by section 1764 of this
3 subtitle.

4 (ii) The other student characteristics
5 described in subparagraphs (B) through
6 (J) of section 131(i)(3) of the Higher Edu-
7 cation Act of 1965, as added by section
8 1764 of this subtitle.

9 (B) PROGRAM OF STUDY.—The Comp-
10 troller General of the United States shall en-
11 sure the information described in paragraph (1)
12 is disaggregated, as applicable, by program of
13 study and credential level.

14 (d) REPORT.—Not later than July 1, 2029, the
15 Comptroller General of the United States shall—

16 (1) complete the study under subsection (c);
17 and

18 (2) submit to the Committee on Education and
19 the Workforce of the House of Representatives and
20 the Committee on Health, Education, Labor, and
21 Pensions of the Senate a report that includes the re-
22 sults of such study.

23 **SEC. 1767. RULE OF CONSTRUCTION.**

24 Nothing in this subtitle, or the amendments made by
25 this subtitle, shall be construed to impose or increase an

1 occupational licensing or certification requirement on eligi-
2 ble programs under title IV of the Higher Education Act
3 of 1965 (20 U.S.C. 1070 et seq.).

