

117TH CONGRESS
1ST SESSION

H. R. 2730

To amend the Higher Education Act of 1965 to ensure College for All.

IN THE HOUSE OF REPRESENTATIVES

APRIL 21, 2021

Ms. JAYAPAL (for herself, Mr. BLUMENAUER, Ms. LEE of California, Mr. GARCÍA of Illinois, Mr. KHANNA, Mrs. CAROLYN B. MALONEY of New York, Mr. MCNERNEY, Mrs. NAPOLITANO, Ms. NORTON, Mr. WELCH, Mr. ESPAILLAT, Ms. OMAR, Mr. POCAN, Ms. OCASIO-CORTEZ, Ms. TLAIB, Mr. TAKANO, Mr. JONES, Mr. BOWMAN, Ms. WILLIAMS of Georgia, Ms. BUSH, Mr. SWALWELL, Ms. PINGREE, Mr. THOMPSON of Mississippi, Mr. TORRES of New York, Ms. CLARKE of New York, Mr. VARGAS, Mrs. WATSON COLEMAN, Ms. SCHAKOWSKY, Mr. GOMEZ, Mr. RASKIN, Mr. JOHNSON of Georgia, Ms. MENG, Ms. CHU, Mr. GRIJALVA, and Ms. PRESSLEY) introduced the following bill; which was referred to the Committee on Education and Labor, and in addition to the Committees on the Budget, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Higher Education Act of 1965 to ensure
College for All.

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 “College for All Act
5 of 2021”.

1 **TITLE I—FEDERAL-STATE PART-**
 2 **nership to Eliminate Tui-**
 3 **tion and Required Fees**

4 **SEC. 101. FEDERAL-STATE PARTNERSHIP TO ELIMINATE**
 5 **Tuition and Required Fees.**

6 The Higher Education Act of 1965 (20 U.S.C. 1001
 7 et seq.) is amended by adding at the end the following:

8 **“TITLE IX—FEDERAL-STATE**
 9 **PARTNERSHIP TO ELIMINATE**
 10 **Tuition AND Required**
 11 **Fees**

12 **“SEC. 901. GRANT PROGRAM TO ELIMINATE TUITION AND**
 13 **REQUIRED FEES AT PUBLIC INSTITUTIONS**
 14 **OF HIGHER EDUCATION AND TRIBAL COL-**
 15 **leges and Universities.**

16 “(a) DEFINITIONS.—In this section:

17 “(1) AWARD YEAR.—The term ‘award year’ has
 18 the meaning given the term in section 481(a).

19 “(2) COMMUNITY COLLEGE.—The term ‘com-
 20 munity college’ means—

21 “(A) a public institution of higher edu-
 22 cation at which the credential that is predomi-
 23 nantly awarded to students is at the sub-bacca-
 24 laurate level; or

1 “(B) a public postsecondary vocational in-
2 stitution, as defined under section 102(c).

3 “(3) COST OF ATTENDANCE.—The term ‘cost of
4 attendance’ has the meaning given the term in sec-
5 tion 472.

6 “(4) DUAL OR CONCURRENT ENROLLMENT
7 PROGRAM.—The term ‘dual or concurrent enrollment
8 program’ has the meaning given the term in section
9 8101 of the Elementary and Secondary Education
10 Act of 1965.

11 “(5) EARLY COLLEGE HIGH SCHOOL.—The
12 term ‘early college high school’ has the meaning
13 given the term in section 8101 of the Elementary
14 and Secondary Education Act of 1965.

15 “(6) ELIGIBLE INDIAN ENTITY.—The term ‘eli-
16 gible Indian entity’ means the entity responsible for
17 the governance, operation, or control of a Tribal Col-
18 lege or University.

19 “(7) ELIGIBLE STUDENT.—The term ‘eligible
20 student’ means an individual, regardless of age, who
21 has not obtained a baccalaureate degree or higher
22 degree and—

23 “(A) is enrolled, or plans to enroll, in a
24 community college in the State in which the in-

1 dividual is a resident or in a 2-year Tribal Col-
2 lege or University; or

3 “(B) is a working class or middle class stu-
4 dent, as described in subsection (d)(3), who is
5 enrolled or plans to enroll in a 4-year public in-
6 stitution of higher education in the State in
7 which the individual is a resident or in a 4-year
8 Tribal College or University.

9 “(8) FULL-TIME EQUIVALENT ELIGIBLE STU-
10 DENTS.—The term ‘full-time equivalent eligible stu-
11 dents’, when used with respect to an institution of
12 higher education, has the meaning given the term
13 ‘full-time equivalent students’, except that the cal-
14 culation shall be made based on the number of eligi-
15 ble students enrolled at such institution.

16 “(9) FULL-TIME EQUIVALENT STUDENTS.—The
17 term ‘full-time equivalent students’ means the sum
18 of the number of students enrolled full time at an
19 institution, plus the full-time equivalent of the num-
20 ber of students enrolled part time (determined on
21 the basis of the quotient of the sum of the credit
22 hours of all part-time students divided by 12) at
23 such institution.

1 “(10) INSTITUTION OF HIGHER EDUCATION.—

2 The term ‘institution of higher education’ has the
3 meaning given the term in section 101.

4 “(11) PUBLIC 4-YEAR INSTITUTION OF HIGHER
5 EDUCATION.—The term ‘public 4-year institution of
6 higher education’ means a public institution of high-
7 er education that is not a community college.

8 “(12) TRIBAL COLLEGE OR UNIVERSITY.—The
9 term ‘Tribal College or University’ has the meaning
10 given the term in section 316(b)(3).

11 “(13) 2-YEAR TRIBAL COLLEGE OR UNIVER-
12 SITY.—The term ‘2-year Tribal College or Univer-
13 sity’ means a Tribal College or University at which
14 the credential that is predominantly awarded to stu-
15 dents is at the sub-baccalaureate level.

16 “(14) 4-YEAR TRIBAL COLLEGE OR UNIVER-
17 SITY.—The term ‘4-year Tribal College or Univer-
18 sity’ means a Tribal College or University that is not
19 a 2-year Tribal College or University.

20 “(b) PROGRAM AUTHORIZED.—

21 “(1) GRANTS AUTHORIZED.—From amounts
22 appropriated under subsection (g), the Secretary
23 shall award grants, from allotments under sub-
24 section (c), to States and eligible Indian entities hav-

1 ing applications approved under subsection (e), to
2 enable the States and eligible Indian entities—

3 “(A) to eliminate tuition and required fees
4 for all eligible students at community colleges
5 in the State or at 2-year Tribal Colleges and
6 Universities of the eligible Indian entity; and

7 “(B) to eliminate tuition and required fees
8 for working class and middle class eligible stu-
9 dents, as described in subsection (d)(3), at pub-
10 lic 4-year institutions of higher education in the
11 State or 4-year Tribal Colleges and Universities
12 of the eligible Indian entity.

13 “(2) NON-FEDERAL SHARE REQUIREMENT.—

14 “(A) IN GENERAL.—Except as provided in
15 subparagraphs (B) and (C), each State or eligi-
16 ble Indian entity that receives a grant under
17 this section shall provide a non-Federal share of
18 funds for an award year from non-Federal
19 sources in an amount that is equal to 25 per-
20 cent of the amount required to eliminate tuition
21 and required fees—

22 “(i) in the case of a State, at commu-
23 nity colleges in the State for all eligible
24 students and at public 4-year institutions
25 of higher education in the State for work-

1 ing class and middle class eligible students,
2 as described in subsection (d)(3), for the
3 award year; and

4 “(ii) in the case of an eligible Indian
5 entity, at 2-year Tribal Colleges and Uni-
6 versities of the eligible Indian entity for all
7 eligible students and at 4-year Tribal Col-
8 leges and Universities of the eligible Indian
9 entity for working class and middle class
10 eligible students, as described in subsection
11 (d)(3), for the award year.

12 “(B) NON-FEDERAL SHARE REQUIREMENT
13 FOR CERTAIN ELIGIBLE INDIAN ENTITIES.—

14 “(i) IN GENERAL.—In the case of an
15 eligible Indian entity that receives a grant
16 under this section for an award year for
17 which not less than 75 percent of the stu-
18 dents enrolled in the 2-year Tribal Colleges
19 and Universities and 4-year Tribal Colleges
20 and Universities of the eligible Indian enti-
21 ty are low-income students, such eligible
22 Indian entity shall provide a non-Federal
23 share of funds from non-Federal sources in
24 an amount that is equal to not more than
25 5 percent of the amount necessary to elimi-

1 nate tuition and required fees at 2-year
2 Tribal Colleges and Universities of the eli-
3 gible Indian entity for all eligible students
4 and at 4-year Tribal Colleges and Univer-
5 sities of the eligible Indian entity for work-
6 ing class and middle class eligible students,
7 as described in subsection (d)(3), for the
8 award year.

9 “(ii) LOW-INCOME STUDENT.—In this
10 subparagraph, the term ‘low-income stu-
11 dent’ has the meaning given such term by
12 the Secretary, except that such term shall
13 not exclude any student eligible for a Fed-
14 eral Pell Grant under section 401.

15 “(iii) DATA.—In calculating the num-
16 ber of enrolled students and low-income
17 students for purposes of clause (i), the
18 Secretary shall use—

19 “(I) for the first award year of
20 the program under this section, the
21 number of students enrolled in award
22 year 2019–2020; and

23 “(II) for each subsequent award
24 year, the projected student enrollment

1 numbers for the award year for which
2 the allotment is made.

3 “(C) AUTOMATIC STABILIZER.—

4 “(i) IN GENERAL.—Notwithstanding
5 subparagraph (A) and subsection (c)(1), in
6 the case in which a trigger is turned on—

7 “(I) under clause (ii) with re-
8 spect to a State, the Secretary shall—

9 “(aa) apply subparagraph
10 (A), by substituting ‘10 percent’
11 for ‘25 percent’; and

12 “(bb) apply subsection
13 (c)(1), by substituting ‘90 per-
14 cent’ for ‘75 percent’; and

15 “(II) under clause (iii) with re-
16 spect to an eligible Indian entity, the
17 Secretary shall—

18 “(aa) in the case in which
19 subparagraph (B) is not applica-
20 ble—

21 “(AA) apply subpara-
22 graph (A), by substituting
23 ‘10 percent’ for ‘25 percent’;
24 and

1 “(BB) apply subsection
2 (c)(1), by substituting ‘90
3 percent’ for ‘75 percent’; or

4 “(bb) in the case in which
5 subparagraph (B) is applicable—

6 “(AA) apply subpara-
7 graph (B)(i), by substituting
8 ‘3 percent’ for ‘5 percent’;
9 and

10 “(BB) apply subsection
11 (c)(1), by substituting ‘97
12 percent’ for ‘95 percent’.

13 “(ii) TRIGGER FOR STATES.—A trig-
14 ger shall be turned on under this clause
15 with respect to a State if—

16 “(I) the 3-month moving average
17 of the national prime-age employment-
18 to-population ratio (PAEPOP) is less
19 than 98 percent of the maximum in
20 the previous 12 months, and such
21 trigger shall stay on until the 3-month
22 moving average of the national
23 PAEPOP has improved for three con-
24 secutive months and is above 95 per-
25 cent of the maximum in the 12

1 months before the trigger was turned
2 on;

3 “(II) the 3-month moving aver-
4 age of the total unemployment rate
5 (TUR) of the State is at or above 7.5
6 percent, and such trigger shall stay on
7 until the 3-month moving average of
8 the TUR of the State falls below 7.5
9 percent.; or

10 “(III) the 3-month moving aver-
11 age of the total unemployment rate
12 (TUR) of the State is at or above 108
13 percent of the maximum in the pre-
14 vious 12 months, and such trigger
15 shall stay on until the 3-month mov-
16 ing average of the TUR of the State
17 falls below 115 percent of the max-
18 imum in the 12 months before the
19 trigger was turned on.

20 “(iii) TRIGGER FOR ELIGIBLE INDIAN
21 ENTITY.—A trigger shall be turned on
22 under this clause with respect to an eligible
23 Indian entity if any Tribal College or Uni-
24 versity governed, operated, or controlled by
25 the eligible Indian entity is located in a

1 State for which a trigger is turned on
2 under clause (ii).

3 “(iv) INCLUSION OF DETERMINATION
4 IN EMPLOYMENT STATISTICS REPORTS.—
5 Notwithstanding any other provision of
6 law, the Commissioner of the Bureau of
7 Labor Statistics shall include in each
8 monthly employment situation report and
9 each State unemployment and employment
10 report published by the Commissioner a
11 specific determination of whether any
12 State or national trigger is turned on
13 under this subparagraph.

14 “(3) NO IN-KIND CONTRIBUTIONS.—No in-kind
15 contribution shall count toward the non-Federal
16 share requirement under paragraph (2).

17 “(4) SUSTAIN AND EXPAND EXISTING PRO-
18 GRAMS.—The Secretary shall encourage States to
19 sustain and expand tuition-free ‘College Promise’
20 programs that are in existence on the date of enact-
21 ment of the College for All Act of 2021, especially
22 for programs that cover the ‘last dollar’ of tuition
23 and fees after exhausting Federal and State aid .

24 “(c) DETERMINATION OF ALLOTMENT.—

1 “(1) FIRST AWARD YEAR OF PROGRAM.—The
2 Secretary shall allot, to each eligible State or eligible
3 Indian entity that submits an application under this
4 section for a grant under subsection (b)(1) for the
5 first award year of the program under this section,
6 an amount that is equal to 75 percent (or not less
7 than 95 percent in the case of an eligible Indian en-
8 tity described in subsection (b)(2)(B)) of the total
9 revenue received—

10 “(A) in the case of a State, from all eligi-
11 ble students at community colleges in the State
12 and from working class and middle class eligible
13 students, as described in subsection (d)(3), at
14 public 4-year institutions of higher education in
15 the State in the form of tuition and required
16 fees for—

17 “(i) with respect to a State that did
18 not eliminate tuition and required fees as
19 described in paragraphs (2) and (3) of
20 subsection (d) for the preceding award
21 year, award year 2019–2020; or

22 “(ii) with respect to a State that has
23 eliminated tuition and required fees as de-
24 scribed in such paragraphs, the last award

1 year that the State charged tuition and re-
2 quired fees; and

3 “(B) in the case of an eligible Indian enti-
4 ty, from all eligible students at 2-year Tribal
5 Colleges and Universities of the eligible Indian
6 entity and from working class and middle class
7 eligible students, as described in subsection
8 (d)(3), at 4-year Tribal Colleges and Univer-
9 sities of the eligible Indian entity, in the form
10 of tuition and required fees for—

11 “(i) with respect to an eligible Indian
12 entity that did not eliminate tuition and
13 required fees as described in paragraphs
14 (2) and (3) of subsection (d) for the pre-
15 ceding award year, award year 2019–2020;
16 or

17 “(ii) with respect to an eligible Indian
18 entity that has eliminated tuition and re-
19 quired fees as described in such para-
20 graphs, the last award year for which the
21 eligible Indian entity charged tuition and
22 required fees.

23 “(2) FIRST AWARD YEAR ALLOTMENT FOR
24 STATES AND ELIGIBLE INDIAN ENTITIES APPLYING
25 AFTER THE FIRST YEAR OF THE PROGRAM.—

1 “(A) IN GENERAL.—The Secretary shall
2 allot to each eligible State or eligible Indian en-
3 tity that submits its first application for a
4 grant under subsection (b)(1) for the second or
5 a subsequent year of the program under this
6 section, an amount equal to—

7 “(i) the product of—

8 “(I) the allotment the eligible
9 State or eligible Indian entity would
10 have received in the first award year
11 of the program under this section if
12 the State or eligible Indian entity had
13 submitted an application for such
14 year;

15 “(II) the projected full-time
16 equivalent eligible students figure for
17 all community colleges and public 4-
18 year institutions of higher education
19 of the eligible State, or all 2-year
20 Tribal Colleges and Universities and
21 4-year Tribal Colleges and Univer-
22 sities of the eligible Indian entity, for
23 the award year for which the allot-
24 ment is made; and

1 “(III) the amount of additional
2 expenditures per full-time equivalent
3 eligible student by the eligible State or
4 eligible Indian entity that will be nec-
5 essary to eliminate tuition and re-
6 quired fees for each such student for
7 the award year for which the allot-
8 ment is made; divided by

9 “(ii) the product of—

10 “(I) the full-time equivalent eligi-
11 ble students figure for all community
12 colleges and public 4-year institutions
13 of higher education of the eligible
14 State, or all 2-year Tribal Colleges
15 and Universities and 4-year Tribal
16 Colleges and Universities of the eligi-
17 ble Indian entity, for the first award
18 year of the program for which the eli-
19 gible State or eligible Indian entity
20 was eligible to submit an application
21 under this section; and

22 “(II) the amount of expenditures
23 per full-time equivalent eligible stu-
24 dent by the eligible State or eligible
25 Indian entity that would have been

1 necessary to eliminate tuition and re-
2 quired fees for each such student for
3 the first award year of the program
4 for which the eligible State or eligible
5 Indian entity was eligible to submit an
6 application under this section.

7 “(B) PROJECTED ENROLLMENT.—If the
8 projected full-time equivalent eligible students
9 figure of the State or eligible Indian entity
10 under subparagraph (A) is more than 25 per-
11 cent larger than the full-time equivalent eligible
12 students figure for the preceding year, the Sec-
13 retary may challenge such enrollment projection
14 and offer an alternative enrollment projection
15 which shall be used in the formula under sub-
16 paragraph (A) for determining the allotment.

17 “(3) SUBSEQUENT AWARD YEARS.—

18 “(A) IN GENERAL.—The Secretary shall
19 allot to an eligible State or eligible Indian entity
20 submitting an application for a grant under
21 subsection (b)(1) for a second or subsequent
22 year after receiving a grant under paragraph
23 (1) or (2), an amount equal to—

24 “(i) the product of—

1 “(I) the allotment received for
2 the first award year for which the eli-
3 gible State or eligible Indian entity
4 submitted an application;

5 “(II) the projected full-time
6 equivalent eligible students figure for
7 all community colleges and public 4-
8 year institutions of higher education
9 of the eligible State, or all 2-year
10 Tribal Colleges and Universities and
11 4-year Tribal Colleges and Univer-
12 sities of the eligible Indian entity, for
13 the award year for which the allot-
14 ment is made; and

15 “(III) the amount of additional
16 expenditures per full-time equivalent
17 eligible student by the eligible State or
18 eligible Indian entity that will be nec-
19 essary to eliminate tuition and re-
20 quired fees for each such student for
21 the award year for which the allot-
22 ment is made; divided by

23 “(ii) the product of—

24 “(I) the full-time equivalent eligi-
25 ble student figure for all community

1 colleges and public 4-year institutions
2 of higher education of the eligible
3 State, or all 2-year Tribal Colleges
4 and Universities and 4-year Tribal
5 Colleges and Universities of the eligi-
6 ble Indian entity, for the first award
7 year that the State or eligible Indian
8 entity participates under paragraph
9 (1) or (2), as the case may be; and

10 “(II) the amount of expenditures
11 per full-time equivalent eligible stu-
12 dent by the eligible State or eligible
13 Indian entity that was necessary to
14 eliminate tuition and required fees for
15 each such student for the first award
16 year that the State or eligible Indian
17 entity participates under paragraph
18 (1) or (2), as the case may be.

19 “(B) PROJECTED ENROLLMENT.—If the
20 projected full-time equivalent eligible students
21 figure of the State or eligible Indian entity
22 under subparagraph (A) is more than 25 per-
23 cent larger than the full-time equivalent eligible
24 students figure for the preceding year, the Sec-
25 retary may challenge such enrollment projection

1 and offer an alternative enrollment projection
2 which shall be used in the formula under sub-
3 paragraph (A) for determining the allotment.

4 “(4) ACTUAL ENROLLMENT FIGURES.—

5 “(A) IN GENERAL.—By not later than No-
6 vember 1 of the second award year for which a
7 State or eligible Indian entity receives an allot-
8 ment under this section, and each succeeding
9 November 1, such State or eligible Indian entity
10 shall report to the Secretary its actual full-time
11 equivalent eligible students figure for the pre-
12 ceding award year.

13 “(B) ADJUSTMENTS.—If the actual full-
14 time equivalent eligible students figure for the
15 preceding award year reported under subpara-
16 graph (A)—

17 “(i) exceeds the projected enrollment
18 that was used for determining the allot-
19 ment for the preceding award year, not-
20 withstanding any other provision of this
21 section, the allotment for the award year in
22 which the November 1 date falls for the
23 State or eligible Indian entity shall be in-
24 creased to reflect such actual enrollment,
25 which figure shall be increased by the

1 State Gross Domestic Product Price Index,
2 or the Gross Domestic Product Price Index
3 of the State in which the eligible Indian
4 entity operates; or

5 “(ii) is below the projected enrollment
6 that was used for determining the allot-
7 ment for the preceding award year, not-
8 withstanding any other provision of this
9 section, the allotment for the award year in
10 which the November 1 date falls for the
11 State or eligible Indian entity shall be de-
12 creased to reflect such actual enrollment,
13 which figure shall be increased by the aver-
14 age interest rate on 5-year United States
15 Treasury securities issued during the pre-
16 ceding award year.

17 “(5) ADDITIONAL FUNDS.—If a State or eligi-
18 ble Indian entity provides additional funds toward
19 reducing the cost of attendance and improving in-
20 struction at institutions of higher education beyond
21 the cost of eliminating tuition and required fees as
22 described in paragraphs (2) and (3) of subsection
23 (d) for any award year that is more than the non-
24 Federal share requirement under subsection (b)(2)
25 and the maintenance of expenditures requirement

1 under paragraphs (4) and (5) of subsection (d), the
2 Secretary shall provide to the State or eligible In-
3 dian entity an amount equal to such additional fund-
4 ing provided by the State or eligible Indian entity,
5 which amount provided by the Secretary may be
6 used for the activities described in subsection (f)(2).

7 “(d) STATE AND ELIGIBLE INDIAN ENTITY ELIGI-
8 BILITY REQUIREMENTS.—In order to be eligible to receive
9 an allotment under this section for an award year, a State
10 or eligible Indian entity shall comply with the following:

11 “(1) Ensure that public institutions of higher
12 education in the State or Tribal Colleges and Uni-
13 versities of the eligible Indian entity maintain ex-
14 penditures on instruction per full-time equivalent
15 student at levels that are equal to or exceed the ex-
16 penditures on instruction per full-time equivalent
17 student for award year 2019–2020.

18 “(2) Ensure that tuition and required fees for
19 eligible students in the State’s community college
20 system or eligible students in the 2-year Tribal Col-
21 leges and Universities of the eligible Indian entity
22 are eliminated.

23 “(3)(A) Ensure that tuition and required fees
24 for eligible students attending the State’s public 4-
25 year institutions of higher education or eligible stu-

1 dents attending the 4-year Tribal Colleges and Uni-
2 versities of the eligible Indian entity are eliminated
3 as follows:

4 “(i) For the first award year of the pro-
5 gram under this section, the State or eligible
6 Indian entity shall eliminate tuition and re-
7 quired fees for such students—

8 “(I) who are dependent students,
9 whose parents’ adjusted gross income for
10 the taxable year that is 1 year prior to the
11 taxable year that ends immediately prior to
12 the beginning of the award year is equal to
13 or less than \$125,000; and

14 “(II) who are independent students,
15 whose adjusted gross income for the tax-
16 able year that is 1 year prior to the taxable
17 year that ends immediately prior to the be-
18 ginning of the award year is equal to or
19 less than \$125,000.

20 “(ii) For each award year after the first
21 award year of the program under this section,
22 the State or eligible Indian entity shall elimi-
23 nate tuition and required fees for such stu-
24 dents—

1 “(I) who are dependent students,
 2 whose parents’ adjusted gross income for
 3 the taxable year that is 1 year prior to the
 4 taxable year that ends immediately prior to
 5 the beginning of the award year is equal to
 6 or less than the applicable amount; and

7 “(II) who are independent students,
 8 whose adjusted gross income for the tax-
 9 able year that is 1 year prior to the taxable
 10 year that ends immediately prior to the be-
 11 ginning of the award year is equal to or
 12 less than the applicable amount.

13 “(B)(i) In this paragraph, the term ‘applicable
 14 amount’ means an amount equal to, for any award
 15 year beginning after the calendar year that precedes
 16 the calendar year in which the first award year of
 17 the program under this section begins, the greater
 18 of—

19 “(I) the amount determined under this
 20 subparagraph for the preceding award year, or

21 “(II) an amount equal to the product of—

22 “(aa) \$125,000, and

23 “(bb) the ratio of—

24 “(AA) the national average wage
 25 index (as defined in section 209(k)(1)

1 of the Social Security Act (42 U.S.C.
2 409(k)(1))) for the calendar year pre-
3 ceding the calendar year in which the
4 applicable award year begins, to
5 “(BB) the national average wage
6 index (as so defined) for 2020.

7 “(ii) If any amount determined under clause (i)
8 is not a multiple of \$100, such amount shall be
9 rounded to the nearest multiple of \$100.

10 “(4) Maintain State operating expenditures per
11 full-time equivalent student for public institutions of
12 higher education in the State, or operating expendi-
13 tures per full-time equivalent student for Tribal Col-
14 leges and Universities of the eligible Indian entity,
15 excluding the amount of funds provided under this
16 section, at a level that is equal to or exceeds the
17 level of such support for award year 2019–2020.

18 “(5) Maintain State expenditures on need-based
19 financial aid programs for enrollment in public insti-
20 tutions of higher education in the State or expendi-
21 tures on need-based financial aid programs for en-
22 rollment in Tribal Colleges and Universities of the
23 eligible Indian entity at a level that is equal to or
24 exceeds the level of such support for award year
25 2019–2020.

1 “(6) Ensure public institutions of higher edu-
2 cation in the State or Tribal Colleges and Univer-
3 sities of the eligible Indian entity maintain funding
4 for institutional need-based student financial aid in
5 an amount that is equal to or exceeds the level of
6 such support for award year 2019–2020.

7 “(7) Provide an assurance that not later than
8 5 years after the first award year for which the
9 grant is awarded, not less than 75 percent of in-
10 struction at public institutions of higher education in
11 the State or Tribal Colleges and Universities of the
12 eligible Indian entity is provided by tenure-track or
13 tenured faculty.

14 “(8) Provide an assurance that public institu-
15 tions of higher education in the State or Tribal Col-
16 leges and Universities of the eligible Indian entity
17 make it a priority to hire from the existing adjunct,
18 contract, contingent, and non-tenure track or
19 tenured faculty pool for tenure-track or tenured fac-
20 ulty positions.

21 “(9) Require that public institutions of higher
22 education in the State or Tribal Colleges and Uni-
23 versities of the eligible Indian entity provide, for
24 each student enrolled at the institution who receives
25 the maximum Federal Pell Grant award under sub-

1 part 1 of part A of title IV, institutional student fi-
2 nancial aid (excluding student loans) in an amount
3 equal to 100 percent of the difference between—

4 “(A) the cost of attendance at such institu-
5 tion; and

6 “(B) the sum of—

7 “(i) the amount of the maximum Fed-
8 eral Pell Grant award; and

9 “(ii) the student’s expected family
10 contribution.

11 “(10) Ensure that public institutions of higher
12 education in the State or Tribal Colleges and Uni-
13 versities of the eligible Indian entity not adopt poli-
14 cies to reduce enrollment.

15 “(11) Provide an assurance that public institu-
16 tions of higher education in the State or Tribal Col-
17 leges and Universities of the eligible Indian entity
18 will not charge out of State students an amount that
19 exceeds the marginal cost of attending institutions of
20 higher education in the State or Tribal Colleges and
21 Universities of the eligible Indian entity.

22 “(12) Provide an assurance that public institu-
23 tions of higher education in the State or Tribal Col-
24 leges and Universities of the eligible Indian entity
25 that charge non-eligible in-State students tuition and

1 required fees, will not charge such students a rate
2 that exceeds the rate for the last year that tuition
3 and required fees were charged to eligible students,
4 increased by the percentage change for subsequent
5 years in the expenditures per full-time equivalent eli-
6 gible student by the State or eligible entity that is
7 necessary to continue to eliminate tuition and re-
8 quired fees for eligible students.

9 “(13) Provide an assurance that public institu-
10 tions of higher education in the State or Tribal Col-
11 leges and Universities of the eligible Indian entity
12 maintain a disability services personnel to enrolled
13 student ratio of 1 to 500, and that such full-time
14 employees be specifically dedicated to serving stu-
15 dents with disabilities.

16 “(e) SUBMISSION AND CONTENTS OF APPLICA-
17 TION.—For each award year for which a State or eligible
18 Indian entity desires a grant under this section, an appli-
19 cation shall be submitted to the Secretary at such time,
20 in such manner, and containing such information as the
21 Secretary may require. Such application shall be sub-
22 mitted by—

23 “(1) in the case of a State, the State agency
24 with jurisdiction over higher education or another
25 agency designated by the Governor or chief executive

1 of the State to administer the program under this
 2 section; and

3 “(2) in the case of an eligible Indian entity, the
 4 eligible Indian entity or a Tribal College or Univer-
 5 sity of the eligible Indian entity.

6 “(f) USE OF FUNDS.—

7 “(1) IN GENERAL.—A State or eligible Indian
 8 entity that receives a grant under this section shall
 9 use the grant funds and the non-Federal share
 10 funds required under this section—

11 “(A) to eliminate tuition and required fees
 12 for all eligible students at community colleges
 13 in the State or at 2-year Tribal Colleges and
 14 Universities of the eligible Indian entity; and

15 “(B) to eliminate tuition and required fees
 16 for working class and middle class eligible stu-
 17 dents, as described in subsection (d)(3), at pub-
 18 lic 4-year institutions of higher education in the
 19 State or 4-year Tribal Colleges and Universities
 20 of the eligible Indian entity.

21 “(2) ADDITIONAL FUNDING.—Once tuition and
 22 required fees have been eliminated pursuant to para-
 23 graph (1), a State or eligible Indian entity that re-
 24 ceives a grant under this section shall use any re-
 25 maining grant funds and non-Federal share funds

1 required under this section to reduce the cost of at-
2 tendance and increase the quality of instruction and
3 student support services at public institutions of
4 higher education in the State or at Tribal Colleges
5 and Universities of the eligible Indian entity by car-
6 rying out any of the following:

7 “(A) Providing additional non-loan aid to
8 students, which may include need-based student
9 financial aid, to reduce or eliminate the cost of
10 attendance for a public institution of higher
11 education or a Tribal College or University be-
12 yond eliminating tuition and required fees.

13 “(B) Expanding academic course offerings
14 and high-quality occupational skills training
15 programs to students.

16 “(C) Increasing the number and percent-
17 age of full-time instructional faculty, including
18 full-time tenure and tenure-track instructional
19 faculty.

20 “(D) Providing all faculty with profes-
21 sional supports to help students succeed, such
22 as professional development opportunities, office
23 space, and shared governance in the institution.

1 “(E) Compensating part-time faculty for
2 work done outside of the classroom relating to
3 instruction, such as holding office hours.

4 “(F) Strengthening and ensuring all stu-
5 dents have access to student support services
6 such as academic advising, counseling, and tu-
7 toring.

8 “(G) Expanding access to dual or concur-
9 rent enrollment programs and early college high
10 school programs.

11 “(H) Establishing prison education pro-
12 grams in partnership with local or State correc-
13 tional facilities.

14 “(I) Any other additional activities that
15 improve instructional quality and academic out-
16 comes for students as approved by the Sec-
17 retary through a peer review process.

18 “(3) PROHIBITION.—A State or eligible Indian
19 entity that receives a grant under this section may
20 not use grant funds or non-Federal share funds re-
21 quired under this section—

22 “(A) for the construction of a nonacademic
23 facility, such as a student center or stadium;

24 “(B) for merit-based student financial aid;

1 “(C) for need-based student financial aid
 2 (except to the extent funds available under sub-
 3 section (c)(5) are used to carry out paragraph
 4 (2)(A));

5 “(D) to pay the salaries or benefits of
 6 school administrators;

7 “(E) for capital outlays or deferred main-
 8 tenance; or

9 “(F) for expenditures on athletics other
 10 than activities open to all members of the cam-
 11 pus community.

12 “(g) AUTHORIZATION OF APPROPRIATIONS.—

13 “(1) IN GENERAL.—There are authorized to be
 14 appropriated, and there are appropriated, to carry
 15 out this section—

16 “(A) such sums as may be necessary for
 17 the fourth quarter of fiscal year 2021; and

18 “(B) such sums as may be necessary for
 19 each of the fiscal years 2022 through 2030.

20 “(2) AVAILABILITY OF FUNDS.—Funds made
 21 available pursuant to paragraph (1)(A) shall be
 22 available for obligation from October 1, 2021 to Sep-
 23 tember 30, 2022. Funds made available pursuant to
 24 subparagraph (B) or (C) of paragraph (1) shall be
 25 available for obligation through September 30 of the

1 fiscal year succeeding the fiscal year for which such
2 sums were appropriated.

3 **“SEC. 902. GRANT PROGRAM FOR PRIVATE HISTORICALLY**
4 **BLACK COLLEGES AND UNIVERSITIES AND**
5 **PRIVATE MINORITY-SERVING INSTITUTIONS.**

6 “(a) DEFINITIONS.—Except as otherwise provided, in
7 this section:

8 “(1) COMMUNITY COLLEGE.—The term ‘com-
9 munity college’ has the meaning given the term in
10 section 901.

11 “(2) ELIGIBLE INSTITUTION.—

12 “(A) IN GENERAL.—Except as provided in
13 subparagraph (D), the term ‘eligible institution’
14 means a private, nonprofit 2-year institution or
15 4-year institution that—

16 “(i) is—

17 “(I) a part B institution (as de-
18 fined in section 322);

19 “(II) a Hispanic-serving institu-
20 tion (as defined in section 502);

21 “(III) a Tribal College or Univer-
22 sity (as defined in section 316) whose
23 entity responsible for the governance,
24 operation, or control of the College or

1 University has not received a grant
2 under section 901;

3 “(IV) an Alaska Native-serving
4 institution or a Native Hawaiian-serv-
5 ing institution (as defined in section
6 317(b));

7 “(V) a Predominantly Black in-
8 stitution (as defined in section
9 371(c));

10 “(VI) an Asian American and
11 Native American Pacific Islander-
12 serving institution (as defined in sec-
13 tion 371(c)); or

14 “(VII) a Native American-serving
15 nontribal institution (as defined in
16 section 371(c));

17 “(ii) ensures that tuition and required
18 fees for eligible students enrolled in the in-
19 stitution are eliminated during any period
20 for which the institution receives a grant
21 under this section;

22 “(iii) maintains expenditures on in-
23 struction per a full-time equivalent eligible
24 student at levels that meet or exceed the
25 expenditures on instruction per a full-time

1 equivalent eligible student for award year
2 2019–2020;

3 “(iv) maintains expenditures on need-
4 based financial aid programs for students
5 enrolled at the institution at a level that
6 meets or exceeds the level of such support
7 for award year 2019–2020;

8 “(v) provides an assurance that the
9 institution will increase the amount of in-
10 struction provided by tenured or tenure-
11 track faculty; and

12 “(vi) does not adopt policies to reduce
13 enrollment.

14 “(B) 2-YEAR INSTITUTION.—The term ‘2-
15 year institution’ means an institution at which
16 the credential that is predominantly awarded to
17 students is at the sub-baccalaureate level.

18 “(C) 4-YEAR INSTITUTION.—The term ‘4-
19 year institution’ means an institution that is
20 not a 2-year institution.

21 “(D) EXCEPTION.—

22 “(i) IN GENERAL.—An eligible institu-
23 tion as described in subparagraph (A) shall
24 not be an eligible institution for purposes
25 of this section for the period described in

1 clause (ii) if such institution was a for-
2 profit institution at any time that con-
3 verted to a nonprofit institution.

4 “(ii) PERIOD OF INELIGIBILITY.—An
5 institution described under clause (i) shall
6 not be an eligible institution for purposes
7 of this section for a period of 25 years
8 from the date the institution converted
9 from a for-profit institution to a nonprofit
10 institution or 25 years after the date of en-
11 actment of this Act, whichever period is
12 longer.

13 “(3) ELIGIBLE STUDENT.—

14 “(A) IN GENERAL.—The term ‘eligible stu-
15 dent’ means a student enrolled in an eligible in-
16 stitution who has not obtained a baccalaureate
17 degree or a higher degree and—

18 “(i) for the first award year of the
19 program under this section, if the stu-
20 dent—

21 “(I) is a dependent student, the
22 student’s parents’ adjusted gross in-
23 come for the taxable year that is 1
24 year prior to the taxable year that
25 ends immediately prior to the begin-

1 ning of the award year is equal to or
2 less than \$125,000; or

3 “(II) is an independent student,
4 the student’s adjusted gross income
5 for the taxable year that is 1 year
6 prior to the taxable year that ends im-
7 mediately prior to the beginning of
8 the award year is equal to or less than
9 \$125,000; and

10 “(ii) for each award year after the
11 first award year of the program under this
12 section, if the student—

13 “(I) is a dependent student, the
14 student’s parents’ adjusted gross in-
15 come for the taxable year that is 1
16 year prior to the taxable year that
17 ends immediately prior to the begin-
18 ning of the award year is equal to or
19 less than the applicable amount; and

20 “(II) is an independent student,
21 the student’s adjusted gross income
22 for the taxable year that is 1 year
23 prior to the taxable year that ends im-
24 mediately prior to the beginning of

1 the award year is equal to or less than
2 the applicable amount.

3 “(B) APPLICABLE AMOUNT.—

4 “(i) IN GENERAL.—In this paragraph,
5 the term ‘applicable amount’ means an
6 amount equal to, for any award year be-
7 ginning after the calendar year that pre-
8 cedes the calendar year in which the first
9 award year of the program under this sec-
10 tion begins, the greater of—

11 “(I) the amount determined
12 under this subparagraph for the pre-
13 ceding award year, or

14 “(II) an amount equal to the
15 product of—

16 “(aa) \$125,000, and

17 “(bb) the ratio of—

18 “(AA) the national av-
19 erage wage index (as defined
20 in section 209(k)(1) of the
21 Social Security Act (42
22 U.S.C. 409(k)(1))) for the
23 calendar year preceding the
24 calendar year in which the

1 applicable award year be-
2 gins, to

3 “(BB) the national av-
4 erage wage index (as so de-
5 fined) for 2020.

6 “(ii) **ROUNDED.**—If any amount de-
7 termined under clause (i) is not a multiple
8 of \$100, such amount shall be rounded to
9 the nearest multiple of \$100.

10 “(4) **FULL-TIME EQUIVALENT ELIGIBLE STU-**
11 **DENTS.**—The term ‘full-time equivalent eligible stu-

12 dents’ means the sum of the number of eligible stu-

13 dents projected to enroll full time at an institution

14 for an award year, plus the full-time equivalent of

15 the number of eligible students projected to be en-

16 rolled part time (determined on the basis of the

17 quotient of the sum of the credit hours of all part-

18 time eligible students divided by 12) at such institu-

19 tion, for such award year.

20 “(5) **PUBLIC 4-YEAR INSTITUTION OF HIGHER**
21 **EDUCATION.**—The term ‘public 4-year institution of

22 higher education’ has the meaning given the term in

23 section 901.

24 “(b) **AUTHORIZATION OF GRANT PROGRAM.**—

1 “(1) IN GENERAL.—From amounts appro-
2 priated under subsection (e), the Secretary shall
3 award grants, from allotments under paragraph (2),
4 to eligible institutions having applications approved
5 under subsection (c), to enable the eligible institu-
6 tions to eliminate tuition and required fees for eligi-
7 ble students.

8 “(2) ALLOTMENTS.—Subject to paragraph (3),
9 the Secretary shall allot, for each award year, to
10 each eligible institution having an application ap-
11 proved under subsection (c), an amount that is equal
12 to the product of—

13 “(A) tuition and required fees for eligible
14 students at the eligible institution for the award
15 year, and

16 “(B) the number of full-time equivalent eli-
17 gible students projected to enroll in the eligible
18 institution for the award year.

19 “(3) LIMITATIONS.—

20 “(A) LIMITATIONS ON INSTITUTIONAL AL-
21 LOTMENTS.—In making allotments under para-
22 graph (2) for an award year, the Secretary
23 shall not award an allotment that is—

24 “(i) with respect to an eligible institu-
25 tion that operates in a State that has

1 eliminated tuition and required fees as de-
2 scribed in paragraphs (2) and (3) of sec-
3 tion 901(d) for the preceding award year,
4 more than the amount equal to the product
5 of—

6 “(I) the number of projected full-
7 time equivalent eligible students for
8 the award year; and

9 “(II) the expenditures per full-
10 time equivalent eligible student, in-
11 cluding the Federal allotment and
12 non-Federal share, under section 901
13 for the preceding award year for the
14 State (or, in the case of a State that
15 did not receive a grant under such
16 section for the preceding award year,
17 the amount needed to eliminate tui-
18 tion and required fees for full-time
19 equivalent eligible students in the
20 State, calculated in the same manner
21 as such amount is calculated under
22 section 901(c) for the preceding
23 award year for the State), at—

24 “(aa) if the eligible institu-
25 tion is a 2-year institution, com-

1 community colleges in the State in
2 which the institution operates; or

3 “(bb) if the eligible institu-
4 tion is a 4-year institution, public
5 4-year institutions of higher edu-
6 cation in the State in which the
7 institution operates; and

8 “(ii) with respect to an eligible insti-
9 tution that operates in a State that has
10 not eliminated tuition and required fees as
11 described in paragraphs (2) and (3) of sec-
12 tion 901(d) for the preceding award year,
13 more than the amount equal to the product
14 of—

15 “(I) the number of projected full-
16 time equivalent eligible students for
17 the award year; and

18 “(II) the average tuition and re-
19 quired fees for the preceding award
20 year at—

21 “(aa) if the eligible institu-
22 tion is a 2-year institution, public
23 2-year institutions of higher edu-
24 cation in the State in which the
25 institution operates; or

1 “(bb) if the eligible institu-
2 tion is a 4-year institution, public
3 4-year institutions of higher edu-
4 cation in the State in which the
5 institution operates.

6 “(B) LIMITATIONS ON TUITION HIKES.—

7 “(i) FIRST AWARD YEAR.—For the
8 first award year for which an eligible insti-
9 tution applies for a grant under this sec-
10 tion, such eligible institution shall not in-
11 crease tuition and required fees at a rate
12 that is greater than any annual increase in
13 tuition and required fees at the eligible in-
14 stitution for the 5 years preceding such
15 first award year.

16 “(ii) SUCCEEDING AWARD YEARS.—

17 “(I) IN GENERAL.—For each
18 award year after the first award year
19 for which an eligible institution re-
20 ceives a grant under this section, such
21 eligible institution shall not increase
22 tuition and required fees for eligible
23 students from the preceding award
24 year at a rate that is greater than the
25 percentage increase in the Employ-

ment Cost Index for the award year for which the grant is received, as compared to the Employment Cost Index for the award year preceding the award year for which the grant is received.

“(II) EMPLOYMENT COST INDEX.—In this subparagraph, the term ‘Employment Cost Index’, when used with respect to an award year, means the Employment Cost Index for total compensation for private industry workers by bargaining status and census region and division (not seasonally adjusted) of the division in which the eligible entity is located, as provided by the Bureau of Labor Statistics of the Department of Labor, that is provided for the December that immediately precedes the start of the award year.

“(4) ACTUAL ENROLLMENT FIGURES.—

“(A) IN GENERAL.—By not later than November 1 of the second award year for which an eligible institution receives a grant under this

1 section, such eligible institution shall report to
2 the Secretary its actual full-time equivalent eli-
3 gible students figure for the preceding award
4 year.

5 “(B) ADJUSTMENTS.—If the actual full-
6 time equivalent eligible students figure for the
7 preceding award year reported under subpara-
8 graph (A)—

9 “(i) exceeds the projected enrollment
10 that was used for determining the allot-
11 ment under subparagraph (2)(B) for the
12 preceding award year, notwithstanding any
13 other provision of this Act, the allotment
14 for the award year in which the November
15 1 date falls for the eligible institution shall
16 be increased to reflect such actual enroll-
17 ment, which figure shall be increased by
18 the Gross Domestic Product Price Index of
19 the State in which the eligible institution
20 operates; or

21 “(ii) is below the projected enrollment
22 that was used for determining the allot-
23 ment under subparagraph (2)(B) for the
24 preceding award year, notwithstanding any
25 other provision of this Act, the allotment

1 for the award year in which the November
2 1 date falls for the eligible institution shall
3 be decreased to reflect such actual enroll-
4 ment, which figure shall be increased by
5 the average interest rate on 5-year United
6 States Treasury securities issued during
7 the preceding award year.

8 “(c) APPLICATION.—An eligible institution that de-
9 sires to receive a grant under this section shall submit to
10 the Secretary an application at such time, in such manner,
11 and containing such information as the Secretary may re-
12 quire.

13 “(d) PROHIBITION.—An eligible institution that re-
14 ceives a grant under this section may not use grant funds
15 under this section—

16 “(1) for the construction of a nonacademic fa-
17 cility, such as a student center or stadium;

18 “(2) for merit-based or need-based student fi-
19 nancial aid;

20 “(3) to pay the salaries or benefits of school ad-
21 ministrators;

22 “(4) for capital outlays or deferred mainte-
23 nance; or

1 “(5) for expenditures on athletics other than
2 activities open to all members of the campus com-
3 munity.

4 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
5 are authorized to be appropriated, and there are appro-
6 priated, to carry out this section—

7 “(1) such sums as may be necessary for the
8 fourth quarter of fiscal year 2021; and

9 “(2) such sums as may be necessary for each
10 of the fiscal years 2022 through 2031.”.

11 **TITLE II—FEDERAL PELL GRANT** 12 **IMPROVEMENTS**

13 **SEC. 201. FEDERAL PELL GRANT IMPROVEMENTS.**

14 (a) MANDATORY FUNDING.—Section 401 of the
15 Higher Education Act of 1965 (20 U.S.C. 1070a) is
16 amended—

17 (1) in subsection (a)(1), by striking “through
18 fiscal year 2017”;

19 (2) in subsection (b)—

20 (A) by striking paragraph (1);

21 (B) by striking subparagraph (A) of para-
22 graph (2);

23 (C) by redesignating subparagraph (B) of
24 paragraph (2) as paragraph (2);

1 (D) by inserting before paragraph (2) (as
2 redesignated by subparagraph (C)) the fol-
3 lowing:

4 “(1) AMOUNT.—The amount of the Federal Pell
5 Grant for a student eligible under this subpart shall be—

6 “(A) the maximum Federal Pell Grant de-
7 scribed in paragraph (7); less

8 “(B) the amount equal to the amount deter-
9 mined to be the expected family contribution with
10 respect to such student for such year.”;

11 (E) in paragraph (4), by striking “max-
12 imum amount of a Federal Pell Grant award
13 determined under paragraph (2)(A)” and in-
14 serting “maximum Federal Pell Grant described
15 in paragraph (7)”;

16 (F) in paragraph (5), by striking “max-
17 imum amount of a Federal Pell Grant award
18 determined under paragraph (2)(A)” and in-
19 serting “maximum amount of a Federal Pell
20 Grant award described in paragraph (7)”;

21 (G) by striking paragraph (7) and insert-
22 ing the following:

23 “(7) MAXIMUM FEDERAL PELL GRANT.—

1 “(A) AWARD YEAR 2021–2022.—For award
2 year 2021–2022, the maximum Federal Pell
3 Grant shall be—

4 “(i) in the case of an eligible student
5 who is in attendance at an institution of
6 higher education described in section 101
7 or a Tribal College or University described
8 in section 316(b)(3), \$12,990; or

9 “(ii) in the case of an eligible student
10 who is in attendance at an institution of
11 higher education not described in clause
12 (i), \$6,495.

13 “(B) SUBSEQUENT AWARD YEAR.—For
14 award year 2022–2023, the maximum Federal
15 Pell Grant shall be equal to the total maximum
16 Federal Pell Grant for award year 2021–2022
17 (applicable to the institution at which the eligi-
18 ble student is in attendance) under this para-
19 graph—

20 “(i) increased by the annual adjust-
21 ment percentage for the award year for
22 which the amount under this subparagraph
23 is being determined; and

24 “(ii) rounded to the nearest \$5.

1 “(C) DEFINITION OF ANNUAL ADJUST-
 2 MENT PERCENTAGE.—In this paragraph, the
 3 term ‘annual adjustment percentage,’ as applied
 4 to an award year, is equal to the estimated per-
 5 centage increase in the Consumer Price Index
 6 (as determined by the Secretary, using the defi-
 7 nition in section 478(f)) for the most recent cal-
 8 endar year ending prior to the beginning of that
 9 award year.”; and

10 (H) in paragraph (8)(B), by striking “may
 11 exceed” and all that follows through the period
 12 and inserting “may exceed the maximum Fed-
 13 eral Pell Grant available for an award year.”;
 14 (3) in subsection (c)(5)—

15 (A) by striking “shall not exceed 12 semes-
 16 ters, or the equivalent of 12 semesters, as de-
 17 termined by the Secretary by regulation” and
 18 inserting “shall not exceed 7 years and 6
 19 months”; and

20 (B) by striking “only that same fraction of
 21 such semester or equivalent” and inserting
 22 “only that same fraction of such year”;

23 (4) in subsection (e), by striking “Any disburse-
 24 ment allowed to be made by crediting the student’s
 25 account shall be limited to tuition and fees and, in

1 the case of institutionally owned housing, room and
2 board. The student may elect to have the institution
3 provide other such goods and services by crediting
4 the student's account." and inserting "Payments
5 under this section may be used by the student for
6 living and non-tuition expenses.";

7 (5) in subsection (f)—

8 (A) in paragraph (1), by striking the mat-
9 ter preceding subparagraph (A) and inserting
10 the following: "After receiving an application
11 for a Federal Pell Grant under this subpart, the
12 Secretary (including any contractor of the Sec-
13 retary processing applications for Federal Pell
14 Grants under this subpart) shall, in a timely
15 manner, furnish to the student financial aid ad-
16 ministrator at each institution of higher edu-
17 cation that a student awarded a Federal Pell
18 Grant under this subpart is attending, the ex-
19 pected family contribution for each such stu-
20 dent. Each such student financial administrator
21 shall—"; and

22 (B) in paragraph (3)—

23 (i) by striking "after academic year
24 1986–1987"; and

1 (ii) in paragraph (3), by striking “the
 2 Committee on Appropriations of the Sen-
 3 ate, the Committee on Appropriations of
 4 the House of Representatives, and”;

5 (6) by striking subsections (g) and (h);

6 (7) by redesignating subsections (i) and (j) as
 7 subsections (g) and (h), respectively; and

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

9 “(k) APPROPRIATION OF FUNDS.—There are author-
 10 ized to be appropriated, and there are appropriated, out
 11 of any money in the Treasury not otherwise appropriated,
 12 such sums as may be necessary for fiscal year 2021 and
 13 each subsequent fiscal year to provide the maximum Fed-
 14 eral Pell Grant for which a student shall be eligible under
 15 this section during an award year.”.

16 (b) REPEAL OF SCORING REQUIREMENT.—Section
 17 406 of H. Con. Res. 95 (109th Congress) is amended—

18 (1) by striking subsection (b); and

19 (2) by striking “(a) IN GENERAL.—Upon” and
 20 inserting the following: “Upon”.

21 (c) AMENDMENT TO THE FAFSA SIMPLIFICATION
 22 ACT.—

23 (1) IN GENERAL.—Section 401 of the Higher
 24 Education Act of 1965, as amended by section 703

1 of the FAFSA Simplification Act (title VII of divi-
2 sion FF of Public Law 116–260), is amended—

3 (A) in subsection (b), by striking para-
4 graphs (5), (6), and (7) and inserting the fol-
5 lowing:

6 “(5) MAXIMUM FEDERAL PELL GRANT.—

7 “(A) IN GENERAL.—For award year 2023–
8 2024, and each subsequent award year, the
9 total maximum Federal Pell Grant shall be
10 equal to the total maximum Federal Pell Grant
11 for the preceding award year (applicable to the
12 institution at which the eligible student is in at-
13 tendance)—

14 “(i) increased by the annual adjust-
15 ment percentage for the award year for
16 which the amount under this subparagraph
17 is being determined; and

18 “(ii) rounded to the nearest \$5.

19 “(B) DEFINITION OF ANNUAL ADJUST-
20 MENT PERCENTAGE.—In this paragraph, the
21 term ‘annual adjustment percentage,’ as applied
22 to an award year, is equal to the estimated per-
23 centage increase in the Consumer Price Index
24 (as determined by the Secretary, using the defi-
25 nition in section 478(f)) for the most recent cal-

1 endar year ending prior to the beginning of that
2 award year.

3 “(6) APPROPRIATION OF FUNDS.—There are
4 authorized to be appropriated, and there are appro-
5 priated, out of any money in the Treasury not other-
6 wise appropriated, such sums as may be necessary
7 for fiscal year 2023 and each subsequent fiscal year
8 to provide the maximum Federal Pell Grant for
9 which a student shall be eligible under this section
10 during an award year.

11 “(7) NO EFFECT ON PREVIOUS APPROPRIA-
12 TIONS.—The amendments made to this section by
13 the FAFSA Simplification Act shall not—

14 “(A) increase or decrease the amounts that
15 have been appropriated or are available to carry
16 out this section for fiscal year 2017, 2018,
17 2019, 2020, 2021, or 2022 as of the day before
18 the effective date of such Act; or

19 “(B) extend the period of availability for
20 obligation that applied to any such amount, as
21 of the day before such effective date.”;

22 (B) in subsection (d)(5)(A), by striking
23 “shall not exceed 12 semesters, or the equiva-
24 lent of 12 semesters, as determined by the Sec-

1 retary by regulation” and inserting “shall not
2 exceed 7 years and 6 months”;

3 (C) in subsection (f), by striking “Any dis-
4 bursement allowed to be made by crediting the
5 student’s account shall be limited to tuition and
6 fees, and food and housing if that food and
7 housing is institutionally owned or operated.
8 The student may elect to have the institution
9 provide other such goods and services by cred-
10 iting the student’s account.” and inserting
11 “Payments under this section may be used by
12 the student for living and non-tuition ex-
13 penses.”;

14 (D) by striking subsections (g) and (h);
15 and

16 (E) by redesignating subsections (i) and (j)
17 as subsections (g) and (h), respectively.

18 (2) EFFECTIVE DATE.—The amendments made
19 by paragraph (1) shall take effect as if included in
20 section 703 of the FAFSA Simplification Act (title
21 VII of division FF of Public Law 116–260) and sub-
22 ject to the effective date of section 701(b) of such
23 Act.

24 (d) FEDERAL PELL GRANT ELIGIBILITY FOR
25 DREAMER STUDENTS.—

1 (1) IN GENERAL.—Section 484 of the Higher
2 Education Act of 1965 (20 U.S.C. 1091) is amend-
3 ed—

4 (A) in subsection (a)(5), by inserting “, or
5 be a Dreamer student, as defined in subsection
6 (u)” after “becoming a citizen or permanent
7 resident”; and

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

9 “(u) DREAMER STUDENTS.—

10 “(1) IN GENERAL.—In this section, the term
11 ‘Dreamer student’ means an individual who—

12 “(A) was younger than 16 years of age on
13 the date on which the individual initially en-
14 tered the United States;

15 “(B) has provided a list of each secondary
16 school that the student attended in the United
17 States; and

18 “(C)(i) has earned a high school diploma,
19 the recognized equivalent of such diploma from
20 a secondary school, or a high school equivalency
21 diploma in the United States or is scheduled to
22 complete the requirements for such a diploma
23 or equivalent before the next academic year be-
24 gins;

1 “(ii) has acquired a degree from an institu-
2 tion of higher education or has completed not
3 less than 2 years in a program for a bacca-
4 laureate degree or higher degree at an institu-
5 tion of higher education in the United States
6 and has made satisfactory academic progress,
7 as defined in subsection (c), during such time
8 period;

9 “(iii) at any time was eligible for a grant
10 of deferred action under—

11 “(I) the June 15, 2012, memorandum
12 from the Secretary of Homeland Security
13 entitled ‘Exercising Prosecutorial Discre-
14 tion with Respect to Individuals Who
15 Came to the United States as Children’; or

16 “(II) the November 20, 2014, memo-
17 randum from the Secretary of Homeland
18 Security entitled ‘Exercising Prosecutorial
19 Discretion with Respect to Individuals
20 Who Came to the United States as Chil-
21 dren and with Respect to Certain Individ-
22 uals Who Are the Parents of U.S. Citizens
23 or Permanent Residents’; or

24 “(iv) has served in the uniformed services,
25 as defined in section 101 of title 10, United

1 States Code, for not less than 4 years and, if
 2 discharged, received an honorable discharge.

3 “(2) HARDSHIP EXCEPTION.—The Secretary
 4 shall issue regulations that direct when the Depart-
 5 ment shall waive the requirement of subparagraph
 6 (A) or (B), or both, of paragraph (1) for an indi-
 7 vidual to qualify as a Dreamer student under such
 8 paragraph, if the individual—

9 “(A) demonstrates compelling cir-
 10 cumstances for the inability to satisfy the re-
 11 quirement of such subparagraph (A) or (B), or
 12 both; and

13 “(B) satisfies the requirement of para-
 14 graph (1)(C).”.

15 (2) AMENDMENT TO THE FAFSA SIMPLIFICA-
 16 TION ACT.—

17 (A) IN GENERAL.—Section 484 of the
 18 Higher Education Act of 1965, as amended by
 19 section 702(n)(1)(A) of the FAFSA Simplifica-
 20 tion Act (title VII of division FF of Public Law
 21 116–260), is amended by adding at the end the
 22 following:

23 “(u) DREAMER STUDENTS.—

24 “(1) IN GENERAL.—In this section, the term
 25 ‘Dreamer student’ means an individual who—

1 “(A) was younger than 16 years of age on
2 the date on which the individual initially en-
3 tered the United States;

4 “(B) has provided a list of each secondary
5 school that the student attended in the United
6 States; and

7 “(C)(i) has earned a high school diploma,
8 the recognized equivalent of such diploma from
9 a secondary school, or a high school equivalency
10 diploma in the United States or is scheduled to
11 complete the requirements for such a diploma
12 or equivalent before the next academic year be-
13 gins;

14 “(ii) has acquired a degree from an institu-
15 tion of higher education or has completed not
16 less than 2 years in a program for a bacca-
17 laureate degree or higher degree at an institu-
18 tion of higher education in the United States
19 and has made satisfactory academic progress,
20 as defined in subsection (c), during such time
21 period;

22 “(iii) at any time was eligible for a grant
23 of deferred action under—

24 “(I) the June 15, 2012, memorandum
25 from the Secretary of Homeland Security

1 entitled ‘Exercising Prosecutorial Discre-
2 tion with Respect to Individuals Who
3 Came to the United States as Children’; or

4 “(II) the November 20, 2014, memo-
5 randum from the Secretary of Homeland
6 Security entitled ‘Exercising Prosecutorial
7 Discretion with Respect to Individuals
8 Who Came to the United States as Chil-
9 dren and with Respect to Certain Individ-
10 uals Who Are the Parents of U.S. Citizens
11 or Permanent Residents’; or

12 “(iv) has served in the uniformed services,
13 as defined in section 101 of title 10, United
14 States Code, for not less than 4 years and, if
15 discharged, received an honorable discharge.

16 “(2) HARDSHIP EXCEPTION.—The Secretary
17 shall issue regulations that direct when the Depart-
18 ment shall waive the requirement of subparagraph
19 (A) or (B), or both, of paragraph (1) for an indi-
20 vidual to qualify as a Dreamer student under such
21 paragraph, if the individual—

22 “(A) demonstrates compelling cir-
23 cumstances for the inability to satisfy the re-
24 quirement of such subparagraph (A) or (B), or
25 both; and

1 “(B) satisfies the requirement of para-
2 graph (1)(C).”.

3 (B) EFFECTIVE DATE.—The amendment
4 made by subparagraph (A) shall take effect as
5 if included in section 702(n)(1)(A) of the
6 FAFSA Simplification Act (title VII of division
7 FF of Public Law 116–260) and subject to the
8 effective date of section 701(b) of such Act.

9 (e) FULL EXCLUSION FROM GROSS INCOME FOR
10 PELL GRANTS.—

11 (1) IN GENERAL.—Section 117(b) of the Inter-
12 nal Revenue Code of 1986 is amended by adding at
13 the end the following new paragraph:

14 “(3) SPECIAL RULE FOR PELL GRANTS.—
15 Amounts received under a Federal Pell Grant under
16 subpart 1 of part A of title IV of the Higher Edu-
17 cation Act of 1965 (20 U.S.C. 1070a et seq.) shall
18 be treated as an amount received as a qualified
19 scholarship notwithstanding whether such amount
20 was used for qualified tuition and related expenses.”.

21 (2) EFFECTIVE DATE.—The amendment made
22 by this subsection shall apply to amounts received in
23 taxable years beginning after the date of the enact-
24 ment of this Act.

1 **TITLE III—EQUITY GRANTS**

2 **SEC. 301. PELL BONUS.**

3 Title III of the Higher Education Act of 1965 (20
4 U.S.C. 1051a et seq.) is amended by adding at the end
5 the following:

6 **“PART H—EQUITY GRANTS**

7 **“SEC. 399A. EQUITY GRANTS.**

8 “(a) IN GENERAL.—The Secretary shall award
9 grants to eligible institutions to enable the eligible institu-
10 tions to invest in support programs with the goal of im-
11 proving student outcomes.

12 “(b) ELIGIBLE INSTITUTIONS.—In this section:

13 “(1) IN GENERAL.—The term ‘eligible institu-
14 tion’ means—

15 “(A) an under-funded institution; or

16 “(B) a—

17 “(i) part B institution (as defined in
18 section 322);

19 “(ii) Hispanic-serving institution (as
20 defined in section 502);

21 “(iii) Tribal College or University (as
22 defined in section 316);

23 “(iv) Alaska Native-serving institution
24 (as defined in section 317(b));

1 “(v) Native Hawaiian-serving institu-
2 tion (as defined in section 317(b));

3 “(vi) Predominantly Black Institution
4 (as defined in section 318);

5 “(vii) Asian American and Native
6 American Pacific Islander-serving institu-
7 tion (as defined in section 320(b)); or

8 “(viii) Native American-serving, non-
9 tribal institution (as defined in section
10 319).

11 “(2) UNDER-FUNDED INSTITUTION.—The term
12 ‘under-funded institution’ means a public 2-year in-
13 stitution of higher education or public 4-year institu-
14 tion of higher education that receives less than the
15 national average State appropriations per full-time
16 equivalent students.

17 “(c) APPLICATIONS.—An eligible institution that de-
18 sires to receive a grant under this section shall submit an
19 application to the Secretary at such time, in such manner,
20 and accompanied by such information as the Secretary
21 may require, including, if the eligible institution is an
22 under-funded institution—

23 “(1) an assurance that the State in which the
24 institution is located will provide a non-Federal
25 share of funds for an award year from non-Federal

1 sources in an amount that is equal to 25 percent of
2 the amount required to carry out the activities de-
3 scribed in this section; and

4 “(2) a description of how the State in which the
5 institution is located will prioritize spending for
6 under-funded institutions in the State and close gaps
7 in State appropriations per full-time equivalent stu-
8 dents and will institution in the State described in
9 subsection (b)(1)(B).

10 “(d) GRANT AMOUNTS.—The Secretary shall award
11 a grant under this section to an eligible institution in an
12 amount based on the number of students enrolled at the
13 institution who receive a Federal Pell Grant.

14 “(e) USE OF GRANT FUNDS.—An eligible institution
15 that receives a grant under this section shall use the grant
16 funds exclusively to invest in support programs with the
17 goal of improving student outcomes such as attendance,
18 grades, and graduation rates, including through—

19 “(1) making investments in reforming remedial
20 education;

21 “(2) making investments in academic advisors,
22 mental health counselors, trauma-informed care, and
23 tutors; and

24 “(3) reducing class sizes.

1 “(f) GOALS.—The Secretary shall set goals on stu-
2 dent outcomes for eligible institutions that receive grants
3 under this section.

4 “(g) PROGRESS.—The Secretary shall track progress
5 in improving student outcomes for eligible institutions that
6 receive grants under this section, including conducting
7 independent evaluations of support programs funded
8 under this section.

9 “(h) SUPPLEMENT, NO SUPPLANT.—An eligible in-
10 stitution that receives a grant under this section shall use
11 the grant funds to supplement, and not supplant, any non-
12 Federal funds available to improve student outcomes.

13 “(i) AUTHORIZATION OF APPROPRIATIONS.—There
14 are authorized to be appropriated to carry out this sec-
15 tion—

16 “(1) such sums as may be necessary for the
17 fourth quarter of fiscal year 2021;

18 “(2) \$10,000,000,000 for fiscal year 2022; and

19 “(3) such sums as may be necessary for each
20 of the following fiscal years.”.

TITLE IV—INCREASING SUPPORT FOR STUDENTS

SEC. 401. INCREASING SUCCESS FOR LOW-INCOME AND FIRST GENERATION STUDENTS.

(a) AUTHORIZATION OF APPROPRIATIONS FOR FEDERAL TRIO PROGRAMS.—Section 402A(g) of the Higher Education Act of 1965 (20 U.S.C. 1070a–11(g)) is amended by inserting after the first sentence the following: “For the purpose of making grants and contracts under this chapter, there are authorized to be appropriated \$3,000,000,000 for fiscal year 2022, and such sums as may be necessary for each of fiscal years 2023 through 2031.”.

(b) AUTHORIZATION OF APPROPRIATIONS FOR GEAR UP PROGRAMS.—Section 404H of the Higher Education Act of 1965 (20 U.S.C. 1070a–28) is amended by striking “\$400,000,000” and all that follows through the period and inserting “\$736,000,000 for fiscal year 2022, and such sums as may be necessary for each of fiscal years 2023 through 2025.”.

TITLE V—SNYDER ACT

SEC. 501. RULE OF CONSTRUCTION REGARDING THE SNYDER ACT.

Nothing in this Act, or an amendment made by this Act, shall be construed to change or abrogate the Federal

1 Government's responsibilities under the Act of November
2 2, 1921 (commonly known as the "Snyder Act") (25
3 U.S.C. 13).

