

H.R. 4674, the College Affordability Act of 2019, as Ordered Reported by the Committee on Education and Labor on October 31, 2019
Estimated Changes in Direct Spending, Outlays Only

	By Fiscal Year, Millions of Dollars										2020- 2024	2020- 2029
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029		
Increases or Decreases (-) in Direct Spending Outlays												
Increase the Pell grant maximum award by \$625 in 2021 and inflate thereafter	0	962	3,970	5,178	6,356	7,581	8,915	10,377	11,915	13,482	16,466	68,735
Appropriate funds for America's College Promise federal-state partnership												
Grants to states	0	314	1,636	3,206	4,499	6,185	7,880	9,438	11,818	14,327	9,655	59,303
Pell grants	0	2	21	63	87	111	128	140	152	164	173	868
Student loans	0	-30	-94	-107	-118	-122	-131	-139	-151	-163	-349	-1,055
Create new income-driven and fixed repayment plans for all student loans	43,000	1,500	1,000	500	500	-500	-500	-1,000	-1,000	-1,500	46,500	42,000
Create new income-driven and fixed repayment plans for PLUS loans to parents	8,150	2,100	2,100	2,100	2,150	2,100	2,100	2,000	2,000	1,950	16,600	26,750
Establish a subsidized loan program for certain graduate students	0	1,400	2,300	2,400	2,400	2,500	2,600	2,700	2,700	2,800	8,500	21,800
Eliminate origination fees	0	750	1,635	1,945	2,025	2,100	2,180	2,260	2,340	2,425	6,355	17,660
Count prior loan payments for PSLF for borrowers who consolidate outstanding loans	16,000	0	0	0	0	0	0	0	0	0	16,000	16,000
Amend rules related to borrower defense to repayment	530	1,130	1,315	1,350	1,390	1,445	1,495	1,550	1,615	1,685	5,715	13,505
Refinancing loans												
Allow borrowers to refinance federal student loans at interest rates specified in the bill	13,300	0	0	0	0	0	0	0	0	0	13,300	13,300
Allow borrowers to refinance private student loans at interest rates specified in the bill	*	-2,530	-1,220	-970	-250	*	*	*	*	*	-4,970	-4,970
Administer refinanced federal and private loans	0	10	25	35	35	35	30	30	25	25	105	250
Appropriate funds for grants to HBCUs, tribal colleges and universities, and MSIs												
Grants to institutions	0	13	79	380	1,030	1,231	1,332	1,378	1,420	1,494	1,502	8,357
Pell grants	0	1	3	4	4	4	4	5	5	5	12	35
Student loans	*	-9	-18	-11	-11	-10	-11	-11	-10	-12	-49	-103
Prohibit capitalization of interest on loans in certain periods of deferment and forbearance	1,350	290	290	300	300	320	330	360	360	380	2,530	4,280
Appropriate funds for institutional Pell bonuses	0	25	250	475	500	500	500	500	500	500	1,250	3,750
Appropriate funds for the Student Success Fund	0	25	250	475	500	500	500	500	500	500	1,250	3,750
After two years, automatically discharge loans of a borrower who attended a closed school	500	300	300	315	325	335	345	360	370	385	1,740	3,535
Expand PSLF to include certain adjunct faculty and employees of certain farms, Veteran Service Organizations, and health care organizations	1,238	121	131	151	161	171	181	196	211	231	1,802	2,792
Provide Pell grants to eligible graduate students	0	71	284	331	342	326	316	315	317	319	1,028	2,620
Appropriate funds for HBCUs and MSIs	0	3	138	273	297	300	300	300	300	300	711	2,211
Allow teachers to receive loan forgiveness in both the teacher loan forgiveness and PSLF programs	775	100	100	100	105	110	110	110	115	115	1,180	1,740
Permit inadmissible or deportable aliens and aliens with Temporary Protected Status to be eligible for federal student aid												
Pell grants	*	21	98	148	150	134	119	114	110	53	417	947
Student loans	*	20	68	95	94	86	74	72	61	30	278	601
Reduce the collections fees on defaulted student loans	0	160	160	165	165	170	170	175	180	180	650	1,525
Increase income protection allowances for certain students												
Pell grants	0	34	130	128	124	123	127	131	133	131	416	1,061
Student loans	0	20	45	50	50	55	55	55	55	60	165	445
Create a new unsubsidized loan program (referred to as a Perkins loan program)	0	100	185	185	180	170	165	165	160	160	650	1,470
Eliminate the 150 percent time limit on subsidized Loans	0	55	110	125	130	135	140	145	150	155	420	1,145
Appropriate funds for the Assistance to Progress Period Institutions Program	0	5	50	95	100	100	100	100	100	100	250	750

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Prohibit proprietary institutions from receiving more than 85 percent of their revenue from federal sources, and other changes													
Pell grants	0	-4	-18	-28	-41	-51	-52	-53	-55	-56	-90	-357	
Student loans	0	-3	-5	-5	-10	-10	-10	-15	-15	-15	-23	-88	
Veterans education benefits	0	*	-2	-3	-4	-4	-5	-5	-5	-5	-9	-33	
Amend lifetime eligibility for Pell grants from 12 semesters to 14 semesters, and other changes	0	11	42	43	44	44	45	46	47	48	139	369	
Amend the untaxed-income definition in the needs analysis formula													
Pell grants	0	10	40	40	40	40	40	40	40	40	130	330	
Student loans	0	1	3	3	3	3	3	3	3	3	10	25	
Appropriate funds for masters' degree and postbaccalaureate programs and for additional staffing	0	*	22	43	47	48	48	47	42	36	112	332	
Allow certain Pell-eligible students to fill out only one FAFSA													
Pell grants	0	0	2	10	20	30	42	55	70	87	32	317	
Student loans	0	0	*	1	1	1	1	3	3	3	2	13	
Allow eligible institutions to provide Pell grants to incarcerated students	0	6	25	35	41	44	44	44	44	43	107	325	
Permit certain short-term programs to participate in the Pell grant program	0	6	23	25	27	29	31	32	33	34	82	240	
Amend the TEACH grant program	0	34	55	43	34	19	10	11	14	17	166	239	
Require the Secretary of Education to measure the gainful employment of certain programs' graduates													
Pell grants	-2	-5	-1	-8	-14	-14	-15	-15	-15	-16	-30	-105	
Student loans	-1	-4	-6	-10	-14	-14	-14	-15	-15	-15	-35	-108	
Amend the calculation of the cohort default rate													
Pell grants	0	*	-1	-1	-3	-6	-6	-6	-9	-17	-5	-48	
Student loans	0	-5	-5	-5	-15	-20	-20	-25	-25	-30	-30	-150	
Amend the terms of the return of the Perkins loan revolving fund	1,810	-1,738	23	20	17	15	12	10	8	7	133	185	
Eliminate the requirement that aid recipients are registered with the Selective Service													
Pell grants	0	2	9	9	10	10	10	10	10	11	31	82	
Student loans	0	3	5	5	5	5	5	5	10	10	18	53	
Amend provisions related to the ability to benefit from student aid for students without a high school diploma or equivalent													
Pell grants	0	1	2	5	7	8	9	9	9	9	14	59	
Student loans	0	*	1	3	5	5	5	5	5	5	9	34	
Amend the rules relating to proprietary schools' conversion to nonprofit status													
Pell grants	0	0	*	-1	-3	-5	-6	-7	-8	-8	-4	-37	
Student loans	0	0	-3	-3	-5	-5	-5	-5	-10	-10	-11	-46	
Set the automatic zero expected family contribution to \$37,000 in 2021 and inflate thereafter													
Pell grants	0	2	7	8	9	9	10	11	11	12	25	78	
Student loans	0	*	*	*	*	*	*	*	*	*	*	*	
Create a loan repayment metric that schools must meet to be eligible for student aid													
Pell grants	0	*	-1	-1	-1	-3	-9	-9	-9	-9	-3	-43	
Student loans	0	*	-1	-1	-1	-3	-5	-5	-5	-5	-3	-26	

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Create a competency-based education demonstration program													
Pell grants	0	1	6	9	9	10	8	*	0	0	25	44	
Student loans	0	*	3	3	3	3	1	0	0	0	9	13	
Set benchmarks for spending on marketing and instruction that schools must meet to be eligible for student aid													
Pell grants	0	*	-2	-2	-2	-2	-2	-2	-2	-2	-7	-17	
Student loans	0	-1	-3	-3	-3	-3	-3	-3	-5	-5	-10	-29	
Direct prepayments on student loans to loans with the highest interest rate	0	1	3	3	3	3	3	3	3	5	10	27	
Set the simplified needs test threshold to \$60,000													
Pell grants	0	1	2	3	3	3	3	3	3	4	9	26	
Student loans	0	*	*	*	*	*	*	*	*	*	*	*	
Permit discharge of PLUS loans to parents if the student borrower is totally and permanently disabled	10	1	1	1	1	1	1	1	1	2	14	20	
Amend verification of FAFSA process for homeless students													
Pell grants	0	*	1	1	1	1	1	1	1	1	3	8	
Student loans	0	*	*	*	*	*	*	*	*	*	*	*	
Eliminate the prohibition on federal aid for students convicted of certain drug crimes													
Pell grants	0	*	*	*	*	*	*	*	*	*	1	3	
Student loans	0	*	*	*	*	*	*	*	*	*	*	*	
Interactions													
Pell grants	4,926	1,427	1,151	794	-320	95	-233	123	-290	-189	7,978	7,485	
Student loans	0	82	365	569	749	893	1,025	1,145	1,315	1,434	1,765	7,577	
Subtotal, Student Loans	89,778	6,908	9,576	9,514	9,284	9,161	9,062	9,103	8,841	8,666	125,060	169,894	
Subtotal, Pell Grants	-2	1,204	5,008	6,567	7,959	9,321	10,785	12,384	14,117	15,768	20,737	83,115	
Subtotal, Other Mandatory Programs	1,810	-1,319	2,500	5,007	7,021	8,893	10,677	12,280	14,697	17,276	15,020	78,843	
Total Changes in Direct Spending	91,586	6,792	17,085	21,089	24,264	27,375	30,525	33,767	37,656	41,710	160,817	331,852	

Components may not sum to totals because of rounding. This table includes only those provisions with an estimated effect of more than \$500,000 in direct spending. Estimates are in descending order by total outlays. Estimates are relative to CBO's May 2019 baseline.

Spending totals match those in CBO's estimate of H.R. 4674, the College Affordability Act (as ordered reported by the House Committee on Education and Labor on October 31, 2019), which was transmitted on December 10, 2019 (www.cbo.gov/publication/55939). On December 10, 2019, H.R. 5363, the FUTURE Act, cleared the Congress. That act makes several amendments to the Higher Education Act of 1965, including appropriating additional funding for HBCUs, MSIs, and Pell grants, and permitting the Department of Education to access tax return information from the Internal Revenue Service. The changes in estimated spending from the enactment of H.R. 5363 are not reflected in this table.

FAFSA = Free Application for Federal Student Aid; HBCUs = historically black colleges and universities; MSIs = minority-serving institutions; PSLF = Public Service Loan Forgiveness; * = between -\$500,000 and \$500,000.