

H.R. 4674, the College Affordability Act of 2019, as Ordered Reported by the Committee on Education and Labor on October 31, 2019
Estimated Discretionary Pell Grant Effects

	By Fiscal Year, Millions of Dollars										2020- 2024	2020- 2029	
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029			
Increases or Decreases (-) in Pell Grant Discretionary Spending													
Reauthorize the Pell grant program (assumes \$5,135 maximum award)													
Estimated authorization	0	16,296	24,333	25,098	25,679	26,302	27,080	27,901	28,820	29,587	91,406	231,096	
Estimated outlays	0	4,237	18,223	24,452	25,241	25,835	26,498	27,286	28,132	29,010	72,153	208,914	
Provide Pell grants to eligible graduate students													
Estimated authorization	0	1,107	1,328	1,421	1,356	1,307	1,309	1,322	1,339	1,358	5,212	11,847	
Estimated outlays	0	288	1,154	1,350	1,403	1,344	1,308	1,313	1,326	1,343	4,194	10,829	
Increase income protection allowances for certain students													
Estimated authorization	0	1,119	1,124	1,126	1,119	1,134	1,155	1,171	1,161	1,164	4,488	10,273	
Estimated outlays	0	291	1,109	1,124	1,124	1,123	1,140	1,159	1,168	1,162	3,648	9,400	
Permit inadmissible or deportable aliens and aliens with Temporary Protected Status to be eligible for federal student aid													
Estimated authorization	0	409	734	764	691	613	531	653	256	261	2,599	4,911	
Estimated outlays	0	106	490	739	745	671	592	563	548	261	2,080	4,716	
Implement America's College Promise (indirect discretionary Pell effects)													
Estimated authorization	0	36	229	326	435	513	567	617	671	732	1,026	4,126	
Estimated outlays	0	9	86	252	351	451	522	574	625	680	698	3,550	
Set the automatic zero expected family contribution to \$37,000 in 2021 and inflate thereafter													
Estimated authorization	0	167	178	193	203	207	214	228	223	262	740	1,875	
Estimated outlays	0	43	168	182	195	204	209	218	227	233	588	1,679	
Amend lifetime eligibility for Pell grants from 12 semesters to 14 semesters, and other changes													
Estimated authorization	0	169	174	179	182	185	190	195	200	205	703	1,678	
Estimated outlays	0	44	169	175	179	183	187	191	196	201	567	1,525	
Amend the untaxed-income definition in the needs analysis formula													
Estimated authorization	0	180	180	180	180	180	180	180	180	180	720	1,620	
Estimated outlays	0	47	178	180	180	180	180	180	180	180	585	1,485	
Prohibit proprietary institutions from receiving more than 85 percent of its revenue from federal sources, and other changes													
Estimated authorization	0	-64	-100	-153	-209	-214	-220	-226	-233	-239	-526	-1,659	
Estimated outlays	0	-17	-73	-113	-167	-210	-215	-222	-228	-235	-370	-1,480	
Allow eligible institutions to provide Pell grants to incarcerated students													
Estimated authorization	0	91	136	163	182	182	182	182	182	183	572	1,483	
Estimated outlays	0	24	101	143	168	182	182	182	182	183	436	1,346	

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Allow certain Pell eligible students to fill out only one FAFSA												
Estimated authorization	0	0	33	71	113	160	213	272	362	384	217	1,608
Estimated outlays	0	0	9	43	81	125	173	228	295	367	133	1,320
Permit certain short-term programs to participate in the Pell grant program												
Estimated authorization	0	93	101	110	118	125	133	136	141	144	422	1,101
Estimated outlays	0	24	94	103	112	119	127	134	137	141	334	993
Require the Secretary of Education to measure the gainful employment of certain programs' graduates												
Estimated authorization	0	-25	-33	-67	-69	-71	-74	-76	-78	-81	-194	-575
Estimated outlays	0	-7	-27	-41	-67	-70	-72	-74	-77	-79	-142	-514
Eliminate the requirement that Pell recipients are registered with the Selective Service												
Estimated authorization	0	37	38	39	40	41	42	44	45	46	155	373
Estimated outlays	0	10	37	39	40	40	41	43	44	45	125	338
Amend provisions related to the ability to benefit from Pell grants for students without a high school diploma or equivalent												
Estimated authorization	0	8	17	26	35	36	37	38	39	40	85	273
Estimated outlays	0	2	10	19	28	35	36	37	38	39	59	243
Amend the calculation of the cohort default rate												
Estimated authorization	0	-2	-5	-7	-25	-25	-25	-25	-71	-71	-39	-255
Estimated outlays	0	*	-3	-6	-12	-24	-25	-25	-37	-70	-20	-201
Create a loan repayment metric that schools must meet to be eligible for student aid												
Estimated authorization	0	-4	-4	-4	-4	-39	-39	-39	-39	-39	-15	-211
Estimated outlays	0	*	-4	-4	-4	-13	-38	-39	-39	-39	-11	-180
Create a competency-based demonstration program												
Estimated authorization	0	21	34	38	41	44	0	0	0	0	135	179
Estimated outlays	0	6	25	35	39	42	33	*	0	0	104	178
Amend the rules relating to proprietary schools' conversion to nonprofit status												
Estimated authorization	0	0	-2	-9	-17	-24	-28	-32	-35	-37	-29	-184
Estimated outlays	0	0	-1	-4	-11	-19	-25	-29	-32	-35	-16	-156
Set the simplified needs test threshold to \$60,000												
Estimated authorization	0	12	15	17	18	19	19	20	21	21	62	161
Estimated outlays	0	3	13	16	17	18	19	19	20	21	49	146

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Appropriate funds for grants to HBCUs, tribal colleges and universities, and MSIs												
Estimated authorization	0	13	16	17	17	18	19	19	20	21	63	160
Estimated outlays	0	3	14	16	17	17	18	19	19	20	50	143
Set benchmarks for spending on marketing and instruction that schools must meet to be eligible for student aid												
Estimated authorization	0	-12	-12	-12	-12	-12	-12	-12	-12	-12	-48	-109
Estimated outlays	0	*	-12	-12	-12	-12	-12	-12	-12	-12	-36	-97
Amend verification of FAFSA process for homeless students												
Estimated authorization	0	4	4	4	4	4	4	4	4	4	16	36
Estimated outlays	0	1	4	4	4	4	4	4	4	4	13	33
Eliminate the prohibition on federal aid for students convicted of certain drug crimes												
Estimated authorization	0	1	1	1	1	1	1	1	1	2	5	12
Estimated outlays	0	*	1	1	1	1	1	1	1	2	4	11
Interactions												
Estimated authorization	0	4	105	73	45	64	109	139	109	134	226	781
Estimated outlays	0	1	30	96	66	50	76	116	131	116	192	682
Subtotal, Pell Grant Policies (excluding reauthorization)												
Estimated authorization	0	3,364	4,293	4,494	4,442	4,449	4,509	4,810	4,485	4,658	16,593	39,505
Estimated outlays	0	878	3,572	4,336	4,476	4,441	4,460	4,581	4,717	4,527	13,263	35,988
Total^a												
Estimated authorization	0	19,660	28,626	29,592	30,121	30,750	31,589	32,712	33,305	34,246	108,000	270,601
Estimated outlays	0	5,115	21,795	28,787	29,718	30,276	30,958	31,867	32,849	33,537	85,415	244,902

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 discretionary 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.

a. Estimated budget authority needed to support a maximum award of \$5,135 under the Pell scoring rule in section 406 of the 2006 Budget Resolution (H. Con. Res. 95), including the effects of the proposed changes. This amount assumes the use of previously appropriated funds, including mandatory budget authority provided in section 401(b)7(A)(iv) of the Higher Education Act of 1965 (prior to the passage of H.R. 5363).