



Congressional Budget Office

Supplemental Data for *The Budget and Economic Outlook: 2021 to 2031*

Baseline Projections

Pell Grant Program

The Federal Pell Grant Program provides low-income students with access to funding for postsecondary education at four-year colleges and universities, for-profit schools, two-year colleges, and institutions that specialize in occupational training. Grants are awarded on the basis of financial need and academic course load. The program has three sources of funding: discretionary budget authority, which provides the largest portion and supports a maximum award set in the annual appropriation act; mandatory budget authority, which is specified in the Higher Education Act; and a “mandatory add-on,” which is automatically added, on the basis of a formula, to the discretionary portion of each award.



Baseline Projections
Pell Grant Program

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|
| BUDGET INFORMATION | | | | | | | | | | | | | |
| Historical Pell Grant Funding and Program Costs (2011 to 2021) | | | | | | | | | | | | | |
| Budget authority in millions of dollars, by fiscal year | | | | | | | | | | | | | |
| Regular Discretionary Appropriation^a | 22,956 | 22,824 | 22,778 | 22,778 | 22,475 | 22,475 | 21,165 | 22,475 | 21,875 | 21,975 | 21,975 | | |
| Amount and Source of Additional Funding^b | | | | | | | | | | | | | |
| Healthcare and Education Reconciliation Act of 2010 | 13,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| DoD and Full-Year Continuing Resolution Appropriations Act of 2011 | 0 | 3,183 | 0 | 0 | 0 | 0 | 1,060 | 1,125 | 1,125 | 1,140 | 1,145 | | |
| Budget Control Act of 2011 | 0 | 10,000 | 7,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| Consolidated Appropriations Act, 2012 | 0 | 612 | 587 | 588 | 0 | 0 | 514 | 257 | 284 | 290 | 0 | | |
| Consolidated Appropriations Act, 2017 | 0 | 0 | 0 | 0 | 0 | 0 | -254 | 0 | 0 | 0 | 0 | | |
| Consolidated Appropriations Act, 2019 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -48 | 0 | 0 | 0 | | |
| Labor, HHS, Education Appropriations Act, 2019 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -39 | 0 | 0 | | |
| FUTURE Act, 2019 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 25 | 25 | | |
| Further Consolidated Appropriations Act, 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -50 | 0 | | |
| Consolidated Appropriations Act, 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -28 | | |
| Total Budget Authority for Discretionary Program | 36,456 | 36,619 | 30,365 | 23,366 | 22,475 | 22,475 | 22,485 | 23,809 | 23,245 | 23,380 | 23,118 | | |
| Previous Year Shortfall (-) or Surplus | <u>-9,569</u> | <u>-1,781</u> | <u>7,701</u> | <u>11,696</u> | <u>9,482</u> | <u>8,605</u> | <u>9,295</u> | <u>9,007</u> | <u>10,124</u> | <u>10,623</u> | <u>12,520</u> | | |
| Total Available Budget Authority | 26,887 | 34,838 | 38,066 | 35,062 | 31,957 | 31,080 | 31,780 | 32,816 | 33,369 | 34,003 | 35,638 | | |
| Estimated Program Costs | <u>28,668</u> | <u>27,137</u> | <u>26,370</u> | <u>25,580</u> | <u>23,352</u> | <u>21,785</u> | <u>22,773</u> | <u>22,692</u> | <u>22,746</u> | <u>21,483</u> | <u>23,654</u> | | |
| Cumulative Shortfall (-) or Surplus ^c | -1,781 | 7,701 | 11,696 | 9,482 | 8,605 | 9,295 | 9,007 | 10,124 | 10,623 | 12,520 | 11,983 | | |
| Estimated Surplus Entering Fiscal Year 2022 | 11,983 | | | | | | | | | | | | |
| | | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2022- | 2022- |
| | | | | | | | | | | | | 2026 | 2031 |
| Budget Authority Needed to Support a Maximum Award of \$5,435 and Other Available Funding | | | | | | | | | | | | | |
| Estimated Program Cost for \$5,435 Maximum Award ^d | 24,534 | 27,924 | 28,360 | 28,779 | 29,209 | 29,769 | 30,341 | 30,952 | 31,632 | 32,327 | | 138,806 | 293,827 |
| Estimated Cumulative Surplus, 2006 to 2021 ^e | 11,983 | - | - | - | - | - | - | - | - | - | | 11,983 | 11,983 |
| Mandatory-for-Discretionary Budget Authority ^f | <u>1,170</u> | | 5,850 | 11,700 |
| Total Additional Budget Authority Needed^g | 11,381 | 26,754 | 27,190 | 27,609 | 28,039 | 28,599 | 29,171 | 29,782 | 30,462 | 31,157 | | 120,973 | 270,144 |



Baseline Projections
Pell Grant Program

| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2021- 2026 | 2021- 2031 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------------|---------------|
| Discretionary, Mandatory, and Total Program Costs | | | | | | | | | | | | | |
| Millions of dollars | | | | | | | | | | | | | |
| Discretionary Pell Grant Program Costs | | | | | | | | | | | | | |
| Assumed Discretionary Maximum Award (Dollars) ^d | 5,435 | 5,435 | 5,435 | 5,435 | 5,435 | 5,435 | 5,435 | 5,435 | 5,435 | 5,435 | 5,435 | n.a. | n.a. |
| Total for Discretionary Pell Grants | | | | | | | | | | | | | |
| Estimated Program Costs | 23,654 | 24,534 | 27,924 | 28,360 | 28,779 | 29,209 | 29,769 | 30,341 | 30,952 | 31,632 | 32,327 | 162,460 | 317,481 |
| Estimated Outlays | 22,057 | 23,861 | 25,407 | 28,004 | 28,465 | 28,887 | 29,350 | 29,912 | 30,494 | 31,123 | 31,806 | 156,681 | 309,366 |
| Mandatory Pell Grant Program Costs | | | | | | | | | | | | | |
| Mandatory Add-On Award (Dollars) ^h | 1,060 | 1,060 | 1,060 | 1,060 | 1,060 | 1,060 | 1,060 | 1,060 | 1,060 | 1,060 | 1,060 | n.a. | n.a. |
| Total for Mandatory Pell Grant Add-On | | | | | | | | | | | | | |
| Estimated Program Costs | 5,584 | 5,937 | 6,319 | 6,410 | 6,502 | 6,603 | 6,704 | 6,835 | 6,950 | 7,073 | 7,221 | 37,355 | 72,138 |
| Estimated Outlays | 5,333 | 5,672 | 6,033 | 6,339 | 6,433 | 6,527 | 6,628 | 6,737 | 6,864 | 6,981 | 7,110 | 36,337 | 70,657 |
| Total Pell Grant Program | | | | | | | | | | | | | |
| Total Maximum Award (Dollars) | 6,495 | 6,495 | 6,495 | 6,495 | 6,495 | 6,495 | 6,495 | 6,495 | 6,495 | 6,495 | 6,495 | n.a. | n.a. |
| Total Spending for Pell Grants | | | | | | | | | | | | | |
| Estimated Program Costs | 29,238 | 30,471 | 34,244 | 34,770 | 35,281 | 35,812 | 36,473 | 37,176 | 37,903 | 38,705 | 39,548 | 199,816 | 389,621 |
| Estimated Outlays | 27,389 | 29,534 | 31,440 | 34,343 | 34,898 | 35,414 | 35,978 | 36,649 | 37,358 | 38,104 | 38,916 | 193,018 | 380,023 |
| Total Projected Recipients (Thousands of people) | 6,650 | 6,940 | 7,630 | 7,750 | 7,870 | 8,000 | 8,130 | 8,250 | 8,400 | 8,580 | 8,750 | n.a. | n.a. |

Components may not sum to totals because of rounding; n.a. = not applicable; DoD = Department of Defense; HHS = Department of Health and Human Services.

Program costs include changes to student aid eligibility in PL116-260, the Consolidated Appropriations Act of 2021, most of which will take effect in 2023.

- a. Includes rescissions. For fiscal year 2021, the Congress appropriated \$22.5 billion and rescinded \$500 million.
- b. Most of the additional budget authority provided to support the discretionary program is classified as mandatory. Beginning in 2011, the total amount of additional funding can be found in section 401(b)7(A)(iv) of the Higher Education Act of 1965. That budget authority is used to augment the funding provided in annual appropriations for the discretionary Pell grant program.
- c. The cumulative shortfall or surplus in budget authority is calculated under the Pell scoring rule, as specified in section 406 of the 2006 budget resolution (H. Con. Res. 95).
- d. The Pell grant program is primarily a discretionary program, with an annual appropriation supporting a maximum award set in the annual appropriation act. In the most recently enacted appropriation act, the maximum award was set at \$5,435. Estimated discretionary program costs assume a \$5,435 award through 2031.
- e. The cumulative shortfall or surplus in budget authority is calculated under the Pell scoring rule, as specified in section 406 of the 2006 budget resolution (H. Con. Res. 95).
- f. Mandatory budget authority available to supplement funding for the discretionary portion of the Pell grant program, as provided in section 401(b)7(A)(iv) of the Higher Education Act of 1965.
- g. Estimated budget authority needed to support a maximum award of \$5,435 under the Pell scoring rule, as specified in section 406 of the 2006 budget resolution (H. Con. Res. 95).
- h. Under current law, the amount of the mandatory add-on for each year over the 2021-2031 period is the same as the amount in award year 2017-2018, which was published by the Department of Education in a Dear Colleague Letter on October 18, 2016.