AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 4508
OFFERED BY MRS. DAVIS OF CALIFORNIA

Strike section 401(b) and insert the following:

(b) PURPOSE AND AMOUNT OF GRANTS.—Section
401(b) (20 U.S.C. 17 1070a(b)) is amended—
(1) by striking paragraphs (1), (6), and (7);
(2) by redesignating paragraph (8) as paragraph (7);
(3) by striking subparagraph (A) of paragraph (2);
(4) by redesignating subparagraph (B) of paragraph (2) as paragraph (2);
(5) by inserting before paragraph (2) (as redesignated by subparagraph (D)) the following:
“(1) AMOUNT.—The amount of the Federal Pell Grant for a student eligible under this subpart shall be—
“(A) the maximum Federal Pell Grant described in paragraph (6); less
“(B) the amount equal to the amount determined to be the expected family contribution with
respect to such student for such year.”;}
(6) in paragraph (4), by striking “maximum amount of a Federal Pell Grant award determined under paragraph (2)(A)” and inserting “maximum Federal Pell Grant described in paragraph (6)”;

(7) in paragraph (5), by striking “maximum amount of a Federal Pell Grant award determined under paragraph (2)(A)” and inserting “maximum amount of a Federal Pell Grant award described in paragraph (6)”;

(8) by inserting after paragraph (5) the following:

“(6) MAXIMUM FEDERAL PELL GRANT.—

“(A) AWARD YEAR 2019–2020.—For award year 2019–2020, the maximum Federal Pell Grant shall be $6,420.

“(B) SUBSEQUENT AWARD YEARS.—For award year 2020–2021 and each subsequent award year, the maximum Federal Pell Grant shall be equal to the total maximum Federal Pell Grant for the preceding award year under this paragraph—

“(i) increased by the annual adjustment percentage for the award year for which the amount under this subparagraph is being determined; and
“(ii) rounded to the nearest $5.

“(C) DEFINITION OF ANNUAL ADJUSTMENT PERCENTAGE.—In this paragraph, the term ‘annual adjustment percentage,’ as applied to an award year, is equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary, using the definition in section 478(f)) for the most recent calendar year ending prior to the beginning of that award year.”; and

(9) in paragraph (7), as redesignated by subparagraph (B), by striking “may exceed” and all that follows through the period and inserting “may exceed the maximum Federal Pell Grant available for an award year.”.

After section 401(b), insert the following:

(c) RESTORING FEDERAL PELL GRANT ELIGIBILITY FOR BORROWER DEFENSE.—Section 401(e)(5) (20 U.S.C. 1070a(e)(5)) is amended—

(1) by striking “12” each place such term appears and inserting “14”;

(2) by striking “(5) The period” and inserting the following: “(5) MAXIMUM PERIOD.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), the period”; and
(3) by adding at the end the following:

"(B) Exception.—

"(i) In general.—Any Federal Pell Grant that a student received during a period described in subclause (I) or (II) of clause (ii) shall not count towards the student’s duration limits under this paragraph.

"(ii) Applicable periods.—Clause (i) shall apply with respect to any Federal Pell Grant awarded to a student to attend an institution—

"(I) during a period—

"(aa) for which the student received a loan under this title; and

"(bb) for which the loan described in item (aa) is forgiven under—

"(AA) section 437(c)(1) or 464(g)(1) due to the closing of the institution;

"(BB) section 455(h) due to the student’s success-
ful assertion of a defense to
repayment of the loan; or
“(CC) section
432(a)(6), section 685.215
of title 34, Code of Federal
Regulations (or a successor
regulation), or any other
loan forgiveness provision or
regulation under this Act, as
a result of a determination
by the Secretary or a court
that the institution com-
mitted fraud or other mis-
conduct; or
“(II) during a period for which
the student did not receive a loan
under this title but for which, if the
student had received such a loan, the
student would have qualified for loan
forgiveness under subclause (I)(bb).”.

Strike subsections (d) and (e) of section 401 and in-
sert the following:

(d) CALCULATION OF ELIGIBILITY.—Section 401(f)
(20 U.S.C. 1070a(f)) is amended—
(1) in paragraph (1), by striking the matter preceding subparagraph (A) and inserting the following: “After receiving an application for a Federal Pell Grant under this subpart, the Secretary (including any contractor of the Secretary processing applications for Federal Pell Grants under this subpart) shall, in a timely manner, furnish to the student financial aid administrator at each institution of higher education that a student awarded a Federal Pell Grant under this subpart is attending, the expected family contribution for each such student. Each such student financial administrator shall—”; and

(2) in paragraph (3)—

(A) by striking “after academic year 1986–1987”; and

(B) by striking “the Committee on Appropriations of the Senate, the Committee on Appropriations of the House of Representatives, and”.

(e) Repeals.—Subsections (g) and (h) of section 401 (20 U.S.C. 1070a) are repealed, and subsections (i) and (j) are redesignated as subsections (g) and (h), respectively.
Strike section 401(k) of the Higher Education Act of 1965, as proposed to be added by section 401(f) of the amendment, and insert the following:

“(i) PREVENTION OF FRAUD.—

“(1) REPORT.—Not later than December 31 of each year, the Secretary shall prepare and submit a report to the authorizing committees that includes the following information with respect to unusual enrollment history:

“(A) The number and percentage of total applicants who were flagged for an unusual enrollment history in the preceding award year.

“(B) The number and percentage of institutions that have had fewer than 2 percent of applicants flagged for an unusual enrollment history in the preceding award year.

“(C) The name of every institution that has had more than 3 percent of total applicants flagged for an unusual enrollment history in the preceding award year.

“(D) If the percentage of total applicants in subparagraph (A) is greater than 2 percent, a detailed plan from the Secretary as to how to reduce that percentage below 2 percent by the following award year.
“(2) DEFINITION.— For the purposes of this subsection the term ‘unusual enrollment history’ means, with respect to the application for federal student aid—

“(A) a pattern in which a student attends an institution long enough to receive a disbursement of credit balance funds authorized by this title, does not complete the enrollment period, enrolls at another institution and repeats this pattern to collect an additional credit balance of funds authorized by this title without earning academic credit; or

“(B) any other enrollment pattern that the Department of Education believes may signal an attempt by a student to receive funds authorized under this title in a fraudulent manner.”.

At the end of section 401, add the following:

(h) NEW PROVISIONS.—Section 401 (20 U.S.C. 1070a), as amended by the preceding provisions of this section, is further amended, as amended by adding at the end the following:

“(k) APPROPRIATION OF FUNDS.—There are authorized to be appropriated, and there are appropriated, out of any money in the Treasury not otherwise appropriated,
such sums as may be necessary for fiscal year 2019 and
each subsequent fiscal year to provide the maximum Fed-
eral Pell Grant for which a student shall be eligible under
this section during an award year.

“(l) JOB TRAINING FEDERAL PELL GRANT PRO-
GRAM.—

“(1) DEFINITIONS.—In this subsection:

“(A) ELIGIBLE CAREER PATHWAY PRO-
GRAM.—The term ‘eligible career pathway pro-
gram’ means a program that—

“(i) meets the requirements of section
484(d)(2);

“(ii) is a program of training services
listed under section 122(d) of the Work-
force Innovation and Opportunity Act (29
U.S.C. 3152(d)); and

“(iii) is part of a career pathway, as
defined in section 3 of such Act (29 U.S.C.
3102).

“(B) JOB TRAINING PROGRAM.—The term
‘job training program’ means a career and tech-
ical education program at an institution of
higher education that—

“(i) provides not less than 150, and
not more than 600, clock hours of instruc-
tional time over a period of not less than 8, and not more than 15, weeks;

“(ii) provides training aligned with the requirements of employers in the State or local area, which may include in-demand industry sectors or occupations, as defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102), in the State or local area (as defined in such section);

“(iii) is a program of training services, and provided through an eligible provider of training services, listed under section 122(d) of such Act (29 U.S.C. 3152(d));

“(iv) provides a student, upon completion of the program, with a recognized postsecondary credential, as defined in section 3 of such Act, that is recognized by employers in the relevant industry, including credentials recognized by industry or sector partnerships in the State or local area where the industry is located;

“(v) has been determined, by the institution of higher education, to provide
academic content, an amount of instructional time, and a recognized postsecondary credential that are sufficient to—

“(I) meet the hiring requirements of potential employers; and

“(II) satisfy any applicable educational prerequisite requirement for professional licensure or certification, so that the student who completes the program and seeks employment qualifies to take any licensure or certification examination needed to practice or find employment in an occupation that the program prepares students to enter;

“(vi) may include integrated or basic skills courses; and

“(vii) may be offered as part of an eligible career pathway program.

“(2) IN GENERAL.—For the award year beginning on July 1, 2019, and each subsequent award year, the Secretary shall carry out a program through which the Secretary shall award job training Federal Pell Grants to students in job training programs. Each job training Federal Pell Grant award—
ed under this subsection shall have the same terms and conditions, and be awarded in the same manner, as a Federal Pell Grant awarded under subsection (a), except as follows:

“(A) A student who is eligible to receive a job training Federal Pell Grant under this subsection is a student who—

“(i) has not yet attained a baccalaureate degree or postbaccalaureate degree;

“(ii) attends an institution of higher education;

“(iii) is enrolled, or accepted for enrollment, in a job training program at such institution of higher education; and

“(iv) meets all other eligibility requirements for a Federal Pell Grant (except with respect to the type of program of study, as provided in clause (iii)).

“(B) The amount of a job training Federal Pell Grant for an eligible student shall be determined under subsection (b)(1), except that—

“(i) the maximum Federal Pell Grant awarded under this subsection for an award year shall be 50 percent of the max-
imum Federal Pell Grant awarded under subsection (b)(5) applicable to that award year; and

“(ii) subsection (b)(4) shall not apply.

“(3) INCLUSION IN TOTAL ELIGIBILITY PERIOD.—Any period during which a student receives a job training Federal Pell Grant under this subsection shall be included in calculating the student’s period of eligibility for Federal Pell Grants under subsection (c), and any regulations under such subsection regarding students who are enrolled in an undergraduate program on less than a full-time basis shall similarly apply to students who are enrolled in a job training program at an eligible institution on less than a full-time basis.

“(m) SCHOLARSHIPS FOR VETERAN’S DEPENDENTS.—

“(1) DEFINITION OF ELIGIBLE VETERAN’S DEPENDENT.—In this subsection, the term ‘eligible veteran’s dependent’ means a dependent or an independent student—

“(A) whose parent or guardian was a member of the Armed Forces of the United States and died as a result of performing mili-
tary service in Iraq or Afghanistan after Sep-

tember 11, 2001; and

“(B) who, at the time of the parent or

guardian’s death, was—

“(i) less than 24 years of age; or

“(ii) enrolled at an institution of high-
er education on a part-time or full-time

basis.

“(2) GRANTS.—

“(A) In general.—The Secretary shall

award a Federal Pell Grant, as modified in ac-
cordance with the requirements of this sub-
section, to each eligible veteran’s dependent to
assist in paying the eligible veteran’s depend-
ent’s cost of attendance at an institution of
higher education.

“(B) Designation.—Federal Pell Grants

made under this subsection may be known as
Iraq and Afghanistan Service Grants’.

“(3) Prevention of double benefits.—No
eligible veteran’s dependent may receive a grant
under both this subsection and subsection (a).

“(4) Terms and conditions.—The Secretary
shall award Iraq and Afghanistan Service Grants
under this subsection in the same manner and with
the same terms and conditions, including the length
of the period of eligibility, as the Secretary awards
Federal Pell Grants under subsection (a), except
that—

“(A) the award rules and determination of
need applicable to the calculation of Federal
Pell Grants under subsection (a) shall not apply
to Iraq and Afghanistan Service Grants;

“(B) the provisions of paragraph (1)(B)
and (3) of subsection (b), and subsection (f),
shall not apply;

“(C) the maximum period determined
under subsection (e)(5) shall be determined by
including all Iraq and Afghanistan Service
Grants received by the eligible veteran’s de-
pendent, including such Grants received under
subpart 10 before the effective date of this sub-
section; and

“(D) an Iraq and Afghanistan Service
Grant to an eligible veteran’s dependent for any
award year shall equal the maximum Federal
Pell Grant available under subsection (b)(5) for
that award year, except that an Iraq and Af-
ghanistan Service Grant—
“(i) shall not exceed the cost of attendance of the eligible veteran’s dependent for that award year; and

“(ii) shall be adjusted to reflect the attendance by the eligible veteran’s dependent on a less than full-time basis in the same manner as such adjustments are made for a Federal Pell Grant under subsection (a).

“(5) Estimated financial assistance. — For purposes of determinations of need under part F, an Iraq and Afghanistan Service Grant shall not be treated as estimated financial assistance as described in sections 471(3) and 480(j).”.

After section 407, insert the following:

SEC. 408. REPEAL.

Subpart 10 of part A (20 U.S.C. 1070h) is repealed.

After section 471, insert the following and redesignate sections 472 through 474 as sections 476 through 478, respectively:

SEC. 472. FAMILY CONTRIBUTION FOR DEPENDENT STUDENTS.

Section 475(g)(2)(D) (20 U.S.C. 1087oo(g)(2)(D)) is amended to read as follows:
“(D) an income protection allowance (or a successor amount prescribed by the Secretary under section 478) of $9,010 for award year 2019–2020;”.

SEC. 473. FAMILY CONTRIBUTION FOR INDEPENDENT STUDENTS WITHOUT DEPENDENTS OTHER THAN A SPOUSE.

Section 476 (20 U.S.C. 1087pp) is amended—

(1) in subsection (a)(2), by striking “award period” and inserting “award year”; and

(2) by amending subsection (b)(1)(A)(iv) to read as follows:

“(iv) an income protection allowance (or a successor amount prescribed by the Secretary under section 478)—

“(I) for single or separated students, or married students where both are enrolled pursuant to subsection (a)(2), of $14,010 for award year 2019–2020; and

“(II) for married students where 1 is enrolled pursuant to subsection (a)(2), of $22,460 for award year 2019–2020;”.

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1 SEC. 474. FAMILY CONTRIBUTION FOR INDEPENDENT STUDENTS WITH DEPENDENTS OTHER THAN A SPOUSE.

Section 477 (20 U.S.C. 1087qq) is amended—

(1) in subsection (a)(3), by striking “award period” and inserting “award year”; and

(2) by amending subsection (b)(4) to read as follows:

“(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478), for award year 2019–2020:

<table>
<thead>
<tr>
<th>Family Size (including student)</th>
<th>Number in College</th>
<th>For each additional subtract:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>1 2 3 4 5</td>
<td>8,500 $35,470 $29,410 $6,030</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>44,170 38,130 32,070</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>54,540 45,490 42,450 36,370</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>64,360 58,280 52,240 46,190 40,160</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>75,260 69,210 63,190 57,090 51,070</td>
<td></td>
</tr>
</tbody>
</table>

For each additional add: 8,500

1 SEC. 475. REGULATIONS; UPDATED TABLE.

Section 478 (20 U.S.C. 1087rr) is amended—

(1) in subsection (b)(1), by striking subparagraphs (A) and (B) and inserting the following:

“(A) IN GENERAL.—For each award year after award year 2019–2020, the Secretary shall publish in the Federal Register a revised
table of income protection allowances for the purpose of sections 475(c)(4) and 477(b)(4), subject to subparagraphs (B) and (C).

“(B) TABLE FOR INDEPENDENT STUDENTS.—For each award year after award year 2019–2020, the Secretary shall develop the revised table of income protection allowances by increasing each of the dollar amounts contained in the table of income protection allowances under section 477(b)(4) by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary for the most recent calendar year ending prior to the beginning of the award year for which the determination is being made), and rounding the result to the nearest $10.”;

(2) in subsection (b)(2)—

(A) in the first sentence, by striking “academic year after academic year 2007-2008” and inserting “award year after award year 2019-2020”; 

(B) by striking “shall be developed” and all that follows through the period at the end and inserting “shall be developed for each award year after award year 2019–2020, by in-
creasing each of the dollar amounts contained in such section for award year 2019–2020 by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary for the most recent calendar year ending prior to the beginning of the award year for which the determination is being made), and rounding the result to the nearest $10.”; and

(3) in subsection (e)(1), by striking “academic year” and inserting “award year”.

Strike section 476 (as so redesignated) and insert the following:

12 **SEC. 476. SIMPLIFIED NEEDS TEST.**

Section 479(c) (20 U.S.C. 1087ss(c)) is amended—

(1) in paragraph (1)(B), by striking “$23,000” and inserting “$34,000”;

(2) in paragraph (2)(B), by striking “$23,000” and inserting “$34,000”; and

(3) in the matter following paragraph (2)(B), by striking “adjusted according to increases in the Consumer Price Index, as defined in section 478(f)” and inserting “annually increased by the estimated percentage change in the Consumer Price Index, as defined in section 478(f), for the most recent cal-
endar year ending prior to the beginning of an
award year, and rounded to the nearest $1,000”.

Strike section 484, and insert the following:

3 **SEC. 484. FORMS AND REGULATIONS.**

Section 483 of the Higher Education Act of 1965 (20
U.S.C. 1090) is amended by adding at the end the fol-
lowing:

“(i) **CONVICTIONS.**—The Secretary shall not include
any question about the conviction of an applicant for the
possession or sale of illegal drugs on the FAFSA (or any
other form developed under subsection (a)).”.

Strike section 485 and insert the following:

11 **SEC. 485. STUDENT ELIGIBILITY.**

Section 484 (20 U.S.C. 1091) is amended—Sub-
section (r) of section 484 (20 U.S.C. 1091(r)) is repealed.

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

(2) by striking subsection (r) and redesignating
subsections (s) and (t) as subsections (r) and (s), re-
spectively; and

(3) by adding at the end the following:

“(t) **DREAMER STUDENTS.**—
'(1) IN GENERAL.—In this section, the term 'Dreamer student' means an individual who—

“(A) was younger than 16 years of age on the date on which the individual initially entered the United States;

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

“(C)(i) has earned a high school diploma, the recognized equivalent of such diploma from a secondary school, or a high school equivalency diploma in the United States or is scheduled to complete the requirements for such a diploma or equivalent before the next academic year begins;

“(ii) has acquired a degree from an institution of higher education or has completed not less than 2 years in a program for a baccalaureate degree or higher degree at an institution of higher education in the United States and has made satisfactory academic progress, as defined in subsection (c), during such time period;

“(iii) at any time was eligible for a grant of deferred action under—
“(I) the June 15, 2012, memorandum from the Secretary of Homeland Security entitled ‘Exercising Prosecutorial Discretion with Respect to Individuals Who Came to the United States as Children’; or

“(II) the November 20, 2014, memorandum from the Secretary of Homeland Security entitled ‘Exercising Prosecutorial Discretion with Respect to Individuals Who Came to the United States as Children and with Respect to Certain Individuals Who Are the Parents of U.S. Citizens or Permanent Residents’; or

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

“(2) HARDSHIP EXCEPTION.—The Secretary shall issue regulations that direct when the Department shall waive the requirement of subparagraph (A) or (B), or both, of paragraph (1) for an individual to qualify as a Dreamer student under such paragraph, if the individual—

“(A) demonstrates compelling circumstances for the inability to satisfy the re-
quirement of such subparagraph (A) or (B), or both; and

“(B) satisfies the requirement of paragraph (1)(C).”.

Strike section 496 and insert the following:

SEC. 496. RECOGNITION OF ACCREDITING AGENCY OR ASSOCIATION.

Section 496(a)(4) (20 U.S.C. 1099b(a)(4)) is amended—

(1) in subparagraph (A), by striking “and” after the semicolon;

(2) in subparagraph (B)(ii), by inserting “and” after the semicolon; and

(3) by adding at the end the following:

“(C) if such agency or association has or seeks to include within its scope of recognition the evaluation of the quality of institutions of higher education participating in the job training Federal Pell Grant program under section 401(l), such agency or association shall, in addition to meeting the other requirements of this subpart, demonstrate to the Secretary that, with respect to such job training programs—

“(i) the agency or association’s standards include a process for determining
whether the program provides training
aligned with the requirements of employers
in the State or local area served by the
program; and

“(ii) the agency or association re-
quires a demonstration that the program—

“(I) has identified each recog-

“(I) has identified each recog-

“(aa) meet the hiring re-

“(aa) meet the hiring re-

“(bb) satisfy any applicable

“(bb) satisfy any applicable

educational prerequisites for pro-

educational prerequisites for pro-

professional licensure or certification

professional licensure or certification

requirements so that the student

requirements so that the student

who completes the program and

who completes the program and

seeks employment qualifies to

seeks employment qualifies to
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take any licensure or certification examination that is needed to practice or find employment in an occupation that the program prepares students to enter;”.

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