

119TH CONGRESS  
1ST SESSION

# H. R. 3543

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

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## IN THE HOUSE OF REPRESENTATIVES

MAY 21, 2025

Ms. JAYAPAL (for herself, Ms. BALINT, Mr. CASAR, Mr. GARCÍA of Illinois, Ms. CLARKE of New York, Ms. DEAN of Pennsylvania, Mr. FIELDS, Mrs. FOUSHEE, Mr. FROST, Mr. GARAMENDI, Mr. KHANNA, Ms. LEE of Pennsylvania, Mr. MAGAZINER, Mr. MCGARVEY, Mr. NADLER, Ms. NORTON, Ms. OCASIO-CORTEZ, Mr. PALLONE, Ms. PINGREE, Mr. POCAN, Mrs. RAMIREZ, Mr. TORRES of New York, Mr. TAKANO, Mr. THANEDAR, Ms. TLAIB, Mr. VARGAS, and Ms. WILLIAMS of Georgia) introduced the following bill; which was referred to the Committee on Education and Workforce, and in addition to the Committees on Ways and Means, and the Budget, 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

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## A BILL

To amend the Higher Education Act of 1965 to ensure  
College for 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 2025”.

**1 SEC. 2. TABLE OF CONTENTS.**

**2** The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

**TITLE I—FEDERAL-STATE PARTNERSHIP TO FULLY ELIMINATE  
TUITION AND REQUIRED FEES**

Sec. 101. Federal-state partnership to fully eliminate tuition and required fees.

**TITLE II—GRANT PROGRAM TO ELIMINATE TUITION AND FEES  
FOR ELIGIBLE STUDENTS AT PRIVATE NONPROFIT HISTORI-  
CALLY BLACK COLLEGES AND UNIVERSITIES AND MINORITY-  
SERVING INSTITUTIONS**

Sec. 201. Grant program to eliminate tuition and fees for eligible students at  
private nonprofit historically Black colleges and universities  
and minority-serving institutions.

Sec. 202. Northern Mariana Islands, American Samoa, United States Virgin Is-  
lands, Guam, and Freely Associated States college access.

**TITLE III—FEDERAL PELL GRANT IMPROVEMENTS**

Sec. 301. Federal Pell Grant improvements.

**TITLE IV—INCLUSIVE STUDENT SUCCESS GRANTS**

Sec. 401. Inclusive student success grants.

**TITLE V—INCREASING SUPPORT FOR STUDENTS**

Sec. 501. Increasing success for low-income and first generation students.

**TITLE VI—INVESTMENTS IN HISTORICALLY BLACK COLLEGES  
AND UNIVERSITIES, TRIBAL COLLEGES OR UNIVERSITIES, AND  
OTHER MINORITY-SERVING INSTITUTIONS**

Sec. 601. Appropriations for historically Black colleges and universities, Tribal  
colleges and universities, and minority-serving institutions.

**TITLE VII—SNYDER ACT**

Sec. 701. Rule of construction regarding the Snyder Act.

1 **TITLE I—FEDERAL-STATE PART-**  
 2 **NERSHIP TO FULLY ELIMI-**  
 3 **NATE TUITION AND RE-**  
 4 **QUIRED FEES**

5 **SEC. 101. FEDERAL-STATE PARTNERSHIP TO FULLY ELIMI-**  
 6 **NATE TUITION AND REQUIRED FEES.**

7 Title VII of the Higher Education Act of 1965 (20  
 8 U.S.C. 1133 et seq.) is amended by adding at the end  
 9 the following:

10 **“PART F—COLLEGE FOR ALL**

11 **“Subpart 1—Grants for Tuition-Free Public College**

12 **“SEC. 783. PURPOSE.**

13 “The purpose of this subpart is to establish a Fed-  
 14 eral-State partnership with States and Tribal Colleges and  
 15 Universities to provide for the elimination of tuition and  
 16 required fees for eligible students.

17 **“SEC. 784. DEFINITIONS.**

18 “In this subpart:

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

21 “(2) COMMUNITY COLLEGE.—

22 “(A) IN GENERAL.—The term ‘community  
 23 college’ means—

24 “(i) a public institution of higher edu-  
 25 cation at which—

1 “(I) the highest degree awarded  
2 is an associate degree; or

3 “(II) an associate degree is the  
4 most frequently awarded degree;

5 “(ii) a public postsecondary vocational  
6 institution, as defined under section  
7 102(c); or

8 “(iii) at the designation of the Sec-  
9 retary, in the case of a State in which  
10 there is no community college operated or  
11 controlled by the State that meets a defini-  
12 tion under clause (i) or (ii), a college or  
13 similarly defined and structured academic  
14 entity—

15 “(I) that was in existence on  
16 July 1, 2025;

17 “(II) within a public 4-year insti-  
18 tution of higher education; and

19 “(III) at which—

20 “(aa) the highest degree  
21 awarded is an associate degree;  
22 or

23 “(bb) an associate degree is  
24 the most frequently awarded de-  
25 gree.

1           “(B) COMMUNITY COLLEGES OPERATED  
2           OR CONTROLLED BY A STATE TO INCLUDE COM-  
3           MUNITY COLLEGES OPERATED OR CONTROLLED  
4           BY LOCAL GOVERNMENTS WITHIN THE  
5           STATE.—The terms ‘community college oper-  
6           ated or controlled by a State’ and ‘community  
7           college operated or controlled by the State’ in-  
8           cludes a community college operated or con-  
9           trolled by a local government within such State.

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

13          “(4) DUAL OR CONCURRENT ENROLLMENT  
14          PROGRAM.—The term ‘dual or concurrent enrollment  
15          program’ has the meaning given the term in section  
16          8101 of the Elementary and Secondary Education  
17          Act of 1965.

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

22          “(6) ELIGIBLE STUDENT.—

23                 “(A) IN GENERAL.—The term ‘eligible stu-  
24                 dent’ means an individual, regardless of age or

1 immigration status, who has not obtained a  
2 baccalaureate degree or higher degree and—

3 “(i) in the case of a student enrolled  
4 in a community college or a 2-year Tribal  
5 College or University—

6 “(I) is enrolled, or plans to en-  
7 roll, as an undergraduate student in  
8 an eligible program (as defined in sec-  
9 tion 481(b)) at a community college in  
10 the State in which the individual is a  
11 resident or in a 2-year Tribal College  
12 or University;

13 “(II) and who is enrolled in a  
14 community college that charges dif-  
15 ferent tuition rates on the basis on  
16 residency, either—

17 “(aa) qualifies for in-State  
18 resident tuition at such commu-  
19 nity college; or

20 “(bb) would qualify for such  
21 in-State resident tuition at such  
22 community college, but for the  
23 student’s immigration status;

1 “(III) is not enrolled in a dual or  
2 concurrent enrollment program or an  
3 early college high school; and

4 “(IV) who is eligible to complete  
5 the Free Application for Federal Stu-  
6 dent Aid under section 483(a), has  
7 filed such application for the applica-  
8 ble award year for which the student  
9 is enrolled; or

10 “(ii) in the case of a student enrolled  
11 in an eligible 4-year institution of higher  
12 education—

13 “(I) is enrolled, or plans to en-  
14 roll, as an undergraduate student in  
15 an eligible program (as defined in sec-  
16 tion 481(b)) at a public 4-year institu-  
17 tion of higher education or in a 4-year  
18 Tribal College or University;

19 “(II) is a working class or middle  
20 class student, as described in section  
21 787(a)(3);

22 “(III) who is enrolled in a public  
23 4-year institution of higher education  
24 that charges different tuition rates  
25 based on residency, either—

1 “(aa) qualifies for in-State  
2 resident tuition at such institu-  
3 tion; or

4 “(bb) would qualify for such  
5 in-State resident tuition at such  
6 institution, but for the student’s  
7 immigration status;

8 “(IV) is not enrolled in a dual or  
9 concurrent enrollment program or an  
10 early college high school; and

11 “(V) who is eligible to complete  
12 the Free Application for Federal Stu-  
13 dent Aid under section 483(a), has  
14 filed such application for the applica-  
15 ble award year for which the student  
16 is enrolled.

17 “(B) RULE OF CONSTRUCTION.—For pur-  
18 poses of subparagraph (A), in-State resident  
19 tuition includes in-district tuition and out-of-  
20 district in-State tuition.

21 “(7) 4-YEAR TRIBAL COLLEGE OR UNIVER-  
22 SITY.—The term ‘4-year Tribal College or Univer-  
23 sity’ means a Tribal College or University that is not  
24 a 2-year Tribal College or University.



1           “(8) FULL-TIME EQUIVALENT STUDENTS.—The  
2           term ‘full-time equivalent students’ means the sum  
3           of the number of students enrolled full time at an  
4           institution, plus the full-time equivalent of the num-  
5           ber of students enrolled part time (determined on  
6           the basis of the quotient of the sum of the credit  
7           hours of all part-time students divided by 12) at  
8           such institution.

9           “(9) INSTITUTION OF HIGHER EDUCATION.—  
10          The term ‘institution of higher education’ has the  
11          meaning given the term in section 101(a).

12          “(10) NET PRICE.—The term ‘net price’ means  
13          the difference between cost of attendance and the  
14          sum of only grants and institutional and State schol-  
15          arships.

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

20          “(12) REVERSE TRANSFER POLICY.—The term  
21          ‘reverse transfer policy’ means a policy or program  
22          that allows an institution of higher education to—

23                 “(A) implement a process of retroactively  
24                 granting a certificate or associate degree to a  
25                 student who had not completed the require-

ments for such certificate or degree before the student transferred; or

“(B) allow academic credits for coursework completed at a 4-year institution of higher education to be applied to a previously attended community college for the purpose of obtaining an associate degree or a certificate.

“(13) STATE FISCAL SUPPORT FOR HIGHER EDUCATION.—

“(A) INCLUSIONS.—

“(i) IN GENERAL.—Except as provided in subparagraph (B), the term ‘State fiscal support for higher education’, used with respect to a State for such State’s fiscal year, means an amount that is equal to—

“(I) the amount of applicable State funds appropriated by the State, including funds from lottery receipts, in the fiscal year, that are used to support institutions of higher education and student financial aid for higher education in the State; and

“(II) any funds described in clause (ii), if applicable.

1           “(ii) LOCAL FUNDS.—In the case of a  
2           State that includes, as part of the State  
3           share under section 786(b)(2)(B) for an  
4           award year, funds provided to community  
5           colleges by local governments in such State  
6           for the purpose of carrying out this sub-  
7           part, local funds provided to community  
8           colleges operated or controlled by the State  
9           for operating expenses (excluding capital  
10          expenses, research and development costs,  
11          and local funds that are included in the  
12          State share under section 786(b)(2)(B))  
13          shall be included in the calculation of the  
14          State fiscal support for higher education  
15          under clause (i).

16          “(B) EXCLUSIONS.—State fiscal support  
17          for higher education for a State fiscal year does  
18          not include—

19               “(i) funds described in subparagraph  
20               (A) that are returned to the State;

21               “(ii) State-appropriated funds derived  
22               from Federal sources, including funds pro-  
23               vided under sections 786(a) and 801;

24               “(iii) funds that are included in the  
25               State share under section 786(b), except as

1 provided in subparagraph (A)(ii), including  
2 funds included in the State share in ac-  
3 cordance with paragraph (2)(A) of such  
4 section;

5 “(iv) amounts that are portions of  
6 multiyear appropriations to be distributed  
7 over multiple years that are not to be  
8 spent for the year for which the calculation  
9 under this paragraph is being made, sub-  
10 ject to subparagraph (C);

11 “(v) tuition, fees, or other educational  
12 charges paid directly by a student to an in-  
13 stitution of higher education or to the  
14 State;

15 “(vi) funds for—

16 “(I) financial aid to students at-  
17 tending, or operating expenses of—

18 “(aa) out-of-State institu-  
19 tions of higher education (includ-  
20 ing for the purpose of exclusive  
21 online enrollment at an out-of-  
22 State institution);

23 “(bb) proprietary institu-  
24 tions of higher education (as de-  
25 fined in section 102(b)); or

1                   “(cc) institutions of higher  
2                   education not accredited by an  
3                   agency or association recognized  
4                   by the Secretary pursuant to sec-  
5                   tion 496;

6                   “(II) financial aid to students  
7                   awarded predominantly or signifi-  
8                   cantly on the basis of merit;

9                   “(III) research and development;  
10                  or

11                  “(IV) hospitals, athletics, or  
12                  other auxiliary enterprises;

13                  “(vii) corporate or other private dona-  
14                  tions directed to 1 or more institutions of  
15                  higher education permitted to be expended  
16                  by the State; and

17                  “(viii) any other funds that the Sec-  
18                  retary determines shall not be included in  
19                  the calculation of State fiscal support for  
20                  higher education for such State.

21                  “(C) ADJUSTMENTS FOR BIENNIAL APPRO-  
22                  PRIATIONS.—The Secretary shall make adjust-  
23                  ments to the calculations under this paragraph  
24                  to accurately reflect State fiscal support for

1 higher education in States with 2-year appro-  
2 priation cycles.

3 “(14) STATE FISCAL SUPPORT FOR HIGHER  
4 EDUCATION PER FULL-TIME EQUIVALENT STU-  
5 DENT.—The term ‘State fiscal support for higher  
6 education per full-time equivalent student’, when  
7 used with respect to a State for a fiscal year, means  
8 the amount that is equal to—

9 “(A) the State fiscal support for higher  
10 education for the applicable fiscal year; divided  
11 by

12 “(B) the number of full-time equivalent  
13 students enrolled in public institutions of higher  
14 education in such State for such fiscal year.

15 “(15) TRIBAL COLLEGE OR UNIVERSITY.—The  
16 term ‘Tribal College or University’ has the meaning  
17 given the term in section 316(b)(3).

18 “(16) 2-YEAR TRIBAL COLLEGE OR UNIVER-  
19 SITY.—The term ‘2-year Tribal College or Univer-  
20 sity’ means—

21 “(A) a 2-year Tribal College or University;  
22 or

23 “(B) a degree-granting Tribal College or  
24 University—

1 “(i) at which the highest degree  
2 awarded is an associate degree; or

3 “(ii) at which an associate degree is  
4 the most frequently awarded degree.

5 **“SEC. 785. GRANT AWARDS.**

6 “Beginning with award year 2026–2027, from  
7 amounts appropriated under section 791 to carry out this  
8 subpart for any fiscal year, the Secretary shall award  
9 grants to States and Tribal College and Universities with  
10 applications approved under section 789, to enable the  
11 States and Tribal Colleges and Universities, through a  
12 Federal-State partnership, to fully eliminate tuition and  
13 required fees for all eligible students.

14 **“SEC. 786. FEDERAL SHARE; STATE SHARE.**

15 “(a) FEDERAL SHARE.—

16 “(1) IN GENERAL.—

17 “(A) AMOUNT.—Subject to paragraph (2),  
18 the amount of the Federal share of a grant  
19 under this subpart shall be based on a formula  
20 that provides, for each eligible student enrolled  
21 in a community college operated or controlled  
22 by a State, a Tribal College or University, or a  
23 public 4-year institution of higher education in  
24 a State, a per-student amount (based on full-  
25 time equivalent enrollment) that is equal to the

1 applicable percentage described in subpara-  
2 graph (B), or the percentage described in para-  
3 graph (2) with respect to a Tribal College or  
4 University, of—

5 “(i) for the 2026–2027 award year,  
6 not less than the sum of the product of  
7 \$5,110 multiplied by the number of eligible  
8 students enrolled at such a community col-  
9 lege or 2-year Tribal College or University  
10 and the product of \$11,610 multiplied by  
11 the number of eligible students enrolled at  
12 such a public 4-year institution of higher  
13 education or 4-year Tribal College or Uni-  
14 versity; and

15 “(ii) for each subsequent award year,  
16 the amount determined under this para-  
17 graph for the preceding award year, in-  
18 creased by the lesser of—

19 “(I) a percentage equal to the es-  
20 timated percentage increase in the  
21 Consumer Price Index (as determined  
22 by the Secretary) since the date of  
23 such determination; or

24 “(II) 3 percent.



1 “(B) APPLICABLE PERCENT.—The appli-  
2 cable percent for a State receiving a grant  
3 under this subpart shall be—

4 “(i) for the 2026–2027 award year,  
5 100 percent;

6 “(ii) for the 2027–2028 award year,  
7 95 percent;

8 “(iii) for the 2028–2029 award year,  
9 90 percent;

10 “(iv) for the 2029–2030 award year,  
11 85 percent; and

12 “(v) for the 2030–2031 award year  
13 and each subsequent award year, 80 per-  
14 cent.

15 “(2) TRIBAL COLLEGES AND UNIVERSITIES.—

16 The amount of the Federal share for a Tribal Col-  
17 lege or University receiving a grant under this sub-  
18 part shall be the greater of—

19 “(A) 100 percent of the amount deter-  
20 mined in accordance with clause (i) or (ii) of  
21 subparagraph (1)(A), as applicable, with re-  
22 spect to eligible students enrolled in such Tribal  
23 College or University; or

24 “(B) the amount that is 100 percent of the  
25 total amount needed to fully eliminate tuition

1 and fees for all eligible students enrolled in  
2 such Tribal College or University for the 2026–  
3 2027 award year, increased by the percentage  
4 increase in the Consumer Price Index (as deter-  
5 mined by the Secretary) between July 1, 2026,  
6 and the applicable award year, and adjusted to  
7 reflect the enrollment in such Tribal College or  
8 University for such applicable award year.

9 “(b) STATE SHARE.—

10 “(1) FORMULA.—

11 “(A) IN GENERAL.—The amount of the  
12 State share of a grant under this subpart for  
13 each award year shall be equal to the applicable  
14 percent described in subparagraph (B) of the  
15 total amount determined under subsection  
16 (a)(1)(A) with respect to the State for the  
17 award year.

18 “(B) APPLICABLE PERCENT.—The appli-  
19 cable percentage shall be—

20 “(i) for the 2026–2027 award year, 0  
21 percent;

22 “(ii) for the 2027–2028 award year, 5  
23 percent;

24 “(iii) for the 2028–2029 award year,  
25 10 percent;

1                   “(iv) for the 2029–2030 award year,  
2                   15 percent; and

3                   “(v) for the 2030–2031 award year  
4                   and each subsequent award year, 20 per-  
5                   cent.

6                   “(C) OBLIGATION TO PROVIDE SHARE.—  
7                   The State shall provide the State share even if  
8                   the State is able, without such State share, to  
9                   fully eliminate tuition and required fees charged  
10                  to eligible students attending community col-  
11                  leges operated or controlled by the State or  
12                  public 4-year institutions of higher education in  
13                  the State.

14                  “(D) NO DOUBLE COUNTING FUNDS.—  
15                  States shall not count any funds that count to-  
16                  ward the maintenance of effort requirement in  
17                  section 787(b) to also count toward the State  
18                  share under this subsection.

19                  “(E) SPECIAL RULE FOR OUTLYING AREAS  
20                  AND TERRITORIES.—

21                  “(i) IN GENERAL.—If the Secretary  
22                  determines that requiring an outlying area  
23                  or territory to provide a State share in ac-  
24                  cordance with this subsection would rep-  
25                  resent a substantial hardship for the out-

1           lying area or territory, the Secretary shall  
2           reduce or waive the State share for such  
3           area or territory. If the Secretary so re-  
4           duces or waives the amount of the State  
5           share of an outlying area or territory, the  
6           Secretary shall increase the applicable per-  
7           centage used to calculate the Federal share  
8           under subsection (a) for such area or terri-  
9           tory, in proportion to the reduction in the  
10          applicable percentage used to calculate  
11          such State share.

12                 “(ii) DEFINITION.—In this subpara-  
13          graph, the term ‘outlying area or territory’  
14          means the Commonwealth of Puerto Rico,  
15          the District of Columbia, Guam, American  
16          Samoa, the United States Virgin Islands,  
17          the Commonwealth of the Northern Mar-  
18          iana Islands, and the Freely Associated  
19          States.

20                 “(2) INCLUSION OF STATE FINANCIAL AID AND  
21          LOCAL FUNDS.—In the case of a State that dem-  
22          onstrates to the satisfaction of the Secretary that  
23          community colleges operated or controlled by the  
24          State and 4-year public institutions of higher edu-  
25          cation in the State will not experience a net reduc-

1       tion in total per-student revenue (including revenue  
2       derived from tuition and fees) as compared to that  
3       revenue for the preceding State fiscal year in such  
4       State, a State may include, as part of the State  
5       share—

6               “(A) any financial aid that is provided  
7       from State funds to eligible students for such  
8       students’ cost of attendance at community col-  
9       leges operated or controlled by the State and 4-  
10      year public institutions of higher education in  
11      the State that is not awarded predominantly on  
12      the basis of merit; and

13              “(B) any funds provided to community col-  
14      leges operated or controlled by the State and 4-  
15      year public institutions of higher education in  
16      the State by local governments in such State  
17      for the purpose of carrying out this subpart, in-  
18      cluding for the purpose of eliminating tuition  
19      and fees for eligible students.

20              “(3) NO IN-KIND CONTRIBUTIONS.—A State  
21      shall not include in-kind contributions for purposes  
22      of the State share described in paragraph (1).

23              “(c) DETERMINATION OF NUMBER OF ELIGIBLE  
24      STUDENTS.—

25              “(1) IN GENERAL.—

1           “(A) DETERMINATION.—For purposes of  
2           subsections (a) and (b), the Secretary shall, in  
3           consultation with the State or Tribal College or  
4           University concerned, determine the estimated  
5           number of eligible students enrolled in the com-  
6           munity colleges operated or controlled by the  
7           State and in the public 4-year institutions of  
8           higher education in the State or in such Tribal  
9           College or University for the applicable award  
10          year.

11          “(B) PROJECTED ENROLLMENT.—If the  
12          estimated number of eligible students figure of  
13          a State or Tribal College or University under  
14          subparagraph (A) is more than 25 percent larg-  
15          er than the eligible students figure for the pre-  
16          ceding year, the Secretary shall use an alter-  
17          native enrollment estimate which shall be used  
18          in the formula under subsection (a) for deter-  
19          mining the allotment.

20          “(2) ADJUSTMENT OF GRANT AMOUNT.—For  
21          each year for which a State or Tribal College or  
22          University receives a grant under this subpart, the  
23          Secretary shall, once final enrollment data for such  
24          year are available—

1           “(A) in consultation with the State or  
2           Tribal College or University concerned, deter-  
3           mine the actual number of eligible students en-  
4           rolled in the community colleges operated or  
5           controlled by the State and the public 4-year in-  
6           stitutions of higher education in the State or in  
7           such Tribal College or University for the year  
8           covered by the grant; and

9           “(B) adjust the Federal share of the grant  
10          amount received by the State or Tribal College  
11          or University and the State share under sub-  
12          section (b) to reflect the actual number of eligi-  
13          ble students by applying the relevant adjust-  
14          ment to such Federal share or the State share,  
15          or both, in the subsequent award year.

16          “(3) ADDITIONAL FUNDS.—If a State or Tribal  
17          College or University provides additional funds to-  
18          ward reducing the cost of attendance and improving  
19          instruction beyond the cost of eliminating tuition  
20          and required fees as described in paragraphs (2) and  
21          (3) of section 787(a) for any award year, and, with  
22          respect to a State, such funds amount to more than  
23          the State share requirement under subsection (b)  
24          and the maintenance of effort requirements in sec-  
25          tion 787, the Secretary shall provide the State or

1 Tribal College or University an amount equal to  
2 such additional funds provided by the State or Trib-  
3 al College or University, which amount provided by  
4 the Secretary may be used for the activities de-  
5 scribed in section 790.

6 **“SEC. 787. PROGRAM REQUIREMENTS.**

7 “(a) GENERAL REQUIREMENTS.—In order to receive  
8 a grant under this subpart in each award year, a State  
9 or Tribal College or University shall comply with the fol-  
10 lowing:

11 “(1) With respect to a State, ensure that public  
12 institutions of higher education in the State main-  
13 tain expenditures on instruction per full-time equiva-  
14 lent student at levels that are equal to or exceed the  
15 expenditures on instruction per full-time equivalent  
16 student provided for the 3 most recent consecutive  
17 State fiscal years for which data are available.

18 “(2) Ensure that the total amount of tuition  
19 and required fees charged to an eligible student—

20 “(A) at community colleges in the State  
21 are fully eliminated; or

22 “(B) if the Tribal College or University is  
23 a 2-year Tribal College or University, at such  
24 Tribal College or University are fully elimi-  
25 nated.



1           “(3) Ensure that the total amount of tuition  
2           and required fees charged to an eligible student at  
3           public 4-year institutions of higher education in the  
4           State, or, if the Tribal College or University is a 4-  
5           year Tribal College or University, at such Tribal  
6           College or University, are fully eliminated as follows:

7                   “(A) For award year 2026–2027, the State  
8                   or Tribal College or University shall fully elimi-  
9                   nate tuition and required fees for such stu-  
10                  dents—

11                           “(i) who are dependent students—

12                                   “(I) in a single parent household,  
13                                   whose parent’s adjusted gross income  
14                                   for the taxable year that is 1 year  
15                                   prior to the taxable year that ends im-  
16                                   mediately prior to the beginning of  
17                                   the award year is equal to or less than  
18                                   \$150,000; or

19                                   “(II) with married parents,  
20                                   whose parents’ adjusted gross income  
21                                   for the taxable year that is 1 year  
22                                   prior to the taxable year that ends im-  
23                                   mediately prior to the beginning of  
24                                   the award year is equal to or less than  
25                                   \$300,000; and

1 “(ii) who are—

2 “(I) single independent students,  
3 whose adjusted gross income for the  
4 taxable year that is 1 year prior to  
5 the taxable year that ends imme-  
6 diately prior to the beginning of the  
7 award year is equal to or less than  
8 \$150,000; or

9 “(II) married independent stu-  
10 dents, whose adjusted gross income  
11 for the taxable year that is 1 year  
12 prior to the taxable year that ends im-  
13 mediately prior to the beginning of  
14 the award year is equal to or less than  
15 \$300,000.

16 “(B) For each award year after award  
17 year 2026–2027, the State or a 4-year Tribal  
18 College or University shall fully eliminate tui-  
19 tion and required fees for such students in ac-  
20 cordance with clauses (i) and (ii) of subpara-  
21 graph (A), except the gross income amount  
22 shall be adjusted for each subsequent year in  
23 the same manner as income is adjusted under  
24 section 478(b).

1           “(4) Not apply financial assistance for which an  
2           eligible student qualifies to tuition or required fees.

3           “(5) Not use any funds provided under this  
4           subpart for administrative purposes.

5           “(b) STATE MAINTENANCE OF EFFORT.—In order to  
6           receive a grant under this subpart in each award year,  
7           a State shall—

8           “(1) provide State fiscal support for higher edu-  
9           cation per full-time equivalent student at a level  
10          equal to or exceeding the average amount of State  
11          fiscal support for higher education per full-time  
12          equivalent student provided for the 3 most recent  
13          consecutive State fiscal years for which data are  
14          available;

15          “(2) maintain State operating expenditures per  
16          full-time equivalent student for public 2- and 4-year  
17          institutions of higher education in the State, exclud-  
18          ing capital expenses and research and development  
19          costs, at a level equal to or greater than the average  
20          amount provided for the 3 most recent consecutive  
21          State fiscal years for which data are available; and

22          “(3) maintain State expenditures for need-  
23          based financial aid programs for enrollment in insti-  
24          tutions of higher education (as defined in section  
25          101) in the State at a level that is equal to or great-

1 er than the average amount provided for the 3 most  
2 recent consecutive State fiscal years for which data  
3 are available.

4 “(c) REQUIREMENTS OF STATES AND SOME TRIBAL  
5 COLLEGES AND UNIVERSITIES.—In order to receive a  
6 grant under this subpart in each award year, a State or  
7 (when applicable) a Tribal College or University shall—

8 “(1) provide an assurance that not later than 5  
9 years after the first award year for which the grant  
10 is awarded, not less than 75 percent of instruction  
11 at public institutions of higher education in the  
12 State is provided by tenure-track or tenured faculty;

13 “(2) provide an assurance that public institu-  
14 tions of higher education in the State make it a pri-  
15 ority to hire from the existing adjunct, contract, con-  
16 tingent, and non-tenure track or tenured faculty  
17 pool for tenure-track or tenured faculty positions or  
18 other full-time non-contingent instructional posi-  
19 tions;

20 “(3) require that public institutions of higher  
21 education in the State provide, for each student en-  
22 rolled at the institution who receives the maximum  
23 Federal Pell Grant award under subpart 1 of part  
24 A of title IV, institutional student financial aid (ex-

1 including student loans) in an amount equal to the net  
2 price owed by such student;

3 “(4) ensure that public institutions of higher  
4 education in the State or the Tribal College or Uni-  
5 versity not adopt policies to reduce enrollment;

6 “(5) provide an assurance that public institu-  
7 tions of higher education in the State will not charge  
8 out-of-State students an amount that exceeds the  
9 marginal cost (as determined by the Secretary) of  
10 attending institutions of higher education in the  
11 State;

12 “(6) provide an assurance that public institu-  
13 tions of higher education in the State that charge  
14 non-eligible in-State students tuition and required  
15 fees, will not charge such students a rate that is nec-  
16 essary to continue to fully eliminate tuition and re-  
17 quired fees for eligible students; and

18 “(7) provide an assurance that public institu-  
19 tions of higher education in the State maintain a  
20 ratio of 1 to 150 of disability services full-time em-  
21 ployees to registered students with disabilities, and  
22 that such employees be specifically dedicated to serv-  
23 ing students with disabilities.

1       “(d) ALIGNMENT OF SECONDARY AND HIGHER EDU-  
2   CATION.—In order to receive a grant under this subpart,  
3   a State shall—

4           “(1) submit and implement a plan to align the  
5       requirements for receiving a regular high school di-  
6       ploma from public schools in the State with the re-  
7       quirements for entering credit-bearing coursework at  
8       community colleges in such State; and

9           “(2) not later than 3 years after the date on  
10      which the State first receives a grant under this sub-  
11      part, certify to the Secretary that such alignment  
12      has been achieved.

13       “(e) TRANSFER PATHWAYS.—In order to receive a  
14   grant under this subpart, a State shall—

15           “(1) submit a plan to improve transfer path-  
16      ways among public institutions of higher education  
17      in the State, including by—

18           “(A) ensuring that associate degrees  
19      awarded by community colleges in the State are  
20      fully transferable to, and credited as, the first  
21      2 years of related baccalaureate programs at  
22      public institutions of higher education in such  
23      State; and

24           “(B) increasing the transferability of indi-  
25      vidual courses within the certificate or associate

1 programs offered by community colleges in the  
2 State to related baccalaureate programs offered  
3 by public institutions of higher education in  
4 such State to maximize the transferability of  
5 credits for students who transfer before com-  
6 pleting an associate degree and facilitate re-  
7 verse transfer policies; and

8 “(2) not later than 3 years after the date on  
9 which the State first receives a grant under this sub-  
10 part, certify to the Secretary that the State is car-  
11 rying out the plan submitted in accordance with  
12 paragraph (1) and is meeting the requirements of  
13 subparagraphs (A) and (B) of such paragraph.

14 “(f) NO ADDITIONAL ELIGIBILITY REQUIRE-  
15 MENTS.—No individual shall be determined by a State, a  
16 Tribal College or University, or the Secretary, to be ineli-  
17 gible for benefits provided under this subpart (including  
18 eliminating tuition and fees, and other aid provided under  
19 this subpart), except on the basis of eligibility require-  
20 ments under this subpart.

21 **“SEC. 788. AUTOMATIC STABILIZER.**

22 “(a) MAINTENANCE OF EFFORT RELIEF.—A State  
23 that receives a grant under this subpart may request a  
24 waiver of the requirements under section 787(b). Upon re-

1 quest by such a State, the Secretary shall waive the re-  
 2 quirements of section 787(b) for the State as follows:

3 “(1) TIER I.—With respect to each State eligi-  
 4 ble for relief under tier I, such requirements shall be  
 5 waived for the fiscal year succeeding the fiscal year  
 6 for which the determination of the State’s eligibility  
 7 for such relief is made.

8 “(2) TIERS II THROUGH V.—With respect to  
 9 each State eligible for relief under tier II, III, IV,  
 10 or V, such requirements shall be waived, in accord-  
 11 ance with subsection (c), for—

12 “(A) the fiscal year for which the deter-  
 13 mination of the State’s eligibility for such relief  
 14 is made;

15 “(B) the fiscal year succeeding the fiscal  
 16 year described in subparagraph (A); or

17 “(C) both such fiscal years.

18 “(b) STATE SHARE RELIEF.—

19 “(1) STATE SHARE RELIEF.—A State that  
 20 meets the qualifying spending requirement and is el-  
 21 igible for relief under tier II, III, IV, or V may re-  
 22 quest relief with respect to the requirement of sec-  
 23 tion 786(b)(1)(B). Upon request by such a State,  
 24 the Secretary shall provide relief from the require-



1       ments of section 786(b)(1)(B), for the applicable  
2       award year or years, for the State as follows:

3               “(A) TIER II.—With respect to a State  
4       that is eligible for relief under tier II, the Sec-  
5       retary shall apply—

6               “(i) section 786(a)(1)(B)(v), by sub-  
7       stituting ‘85 percent’ for ‘80 percent’; and

8               “(ii) section 786(b)(1)(B)(v), by sub-  
9       stituting ‘15 percent’ for ‘20 percent’.

10              “(B) TIER III.—With respect to a State  
11       that is eligible for relief under tier III, the Sec-  
12       retary shall apply—

13              “(i) section 786(a)(1)(B)(iv), by sub-  
14       stituting ‘90 percent’ for ‘85 percent’;

15              “(ii) section 786(a)(1)(B)(v), by sub-  
16       stituting ‘90 percent’ for ‘80 percent’;

17              “(iii) section 786(b)(1)(B)(iv), by sub-  
18       stituting ‘10 percent’ for ‘15 percent’; and

19              “(iv) section 786(b)(1)(B)(v), by sub-  
20       stituting ‘10 percent’ for ‘20 percent’.

21              “(C) TIER IV.—With respect to a State  
22       that is eligible for relief under tier IV, the Sec-  
23       retary shall apply—

24              “(i) section 786(a)(1)(B)(iii), by sub-  
25       stituting ‘95 percent’ for ‘90 percent’;

1 “(ii) section 786(a)(1)(B)(iv), by sub-  
2 stituting ‘95 percent’ for ‘85 percent’;

3 “(iii) section 786(a)(1)(B)(v), by sub-  
4 stituting ‘95 percent’ for ‘80 percent’;

5 “(iv) section 786(b)(1)(B)(iii), by sub-  
6 stituting ‘5 percent’ for ‘10 percent’;

7 “(v) section 786(b)(1)(B)(iv), by sub-  
8 stituting ‘5 percent’ for ‘15 percent’; and

9 “(vi) section 786(b)(1)(B)(v), by sub-  
10 stituting ‘5 percent’ for ‘20 percent’.

11 “(D) TIER V.—With respect to a State  
12 that is eligible for relief under tier V, the Sec-  
13 retary shall apply—

14 “(i) section 786(a)(1)(B)(ii), by sub-  
15 stituting ‘100 percent’ for ‘95 percent’;

16 “(ii) section 786(a)(1)(B)(iii), by sub-  
17 stituting ‘100 percent’ for ‘90 percent’;

18 “(iii) section 786(a)(1)(B)(iv), by sub-  
19 stituting ‘100 percent’ for ‘85 percent’;

20 “(iv) section 786(a)(1)(B)(v), by sub-  
21 stituting ‘100 percent’ for ‘80 percent’;

22 “(v) section 786(b)(1)(B)(ii), by sub-  
23 stituting ‘0 percent’ for ‘5 percent’;

24 “(vi) section 786(b)(1)(B)(iii), by sub-  
25 stituting ‘0 percent’ for ‘10 percent’;

1 “(vii) section 786(b)(1)(B)(iv), by  
 2 substituting ‘0 percent’ for ‘15 percent’;  
 3 and

4 “(viii) section 786(b)(1)(B)(v), by  
 5 substituting ‘0 percent’ for ‘20 percent’.

6 “(2) APPLICABLE AWARD YEARS.—With respect  
 7 to each State eligible for relief under tier II, III, IV,  
 8 or V, the Secretary shall provide the relief under  
 9 paragraph (1) in accordance with subsection (c)  
 10 for—

11 “(A) the award year for which the deter-  
 12 mination of the State’s eligibility for such relief  
 13 is made;

14 “(B) the award year succeeding the award  
 15 year described in subparagraph (A); or

16 “(C) both such award years.

17 “(3) STATE ELIGIBILITY.—A State’s eligibility  
 18 for relief under this section shall be determined as  
 19 follows:

20 “(A) TIER I.—A State shall be eligible for  
 21 relief under tier I for a fiscal year for which—

22 “(i) the State is in an elevated unem-  
 23 ployment period at any point in the fiscal  
 24 year; and

1 “(ii) the State is not eligible for relief  
2 under any other tier.

3 “(B) TIER II.—A State shall be eligible for  
4 relief under tier II for a fiscal or award year,  
5 as applicable, for which—

6 “(i)(I) the State average unemploy-  
7 ment rate is equal to or greater than 6.5  
8 percent, but less than 7.5 percent, at any  
9 point in the fiscal or award year; or

10 “(II) the national average unemploy-  
11 ment rate is equal to or greater than 6.5  
12 percent, but less than 7.5 percent, at any  
13 point in the fiscal or award year; and

14 “(ii) the State is not eligible for relief  
15 under tier III, IV, or V.

16 “(C) TIER III.—A State shall be eligible  
17 for relief under tier III for a fiscal or award  
18 year, as applicable, for which—

19 “(i)(I) the State average unemploy-  
20 ment rate is equal to or greater than 7.5  
21 percent, but less than 8.5 percent, at any  
22 point in the fiscal or award year; or

23 “(II) the national average unemploy-  
24 ment rate is equal to or greater than 7.5

1 percent, but less than 8.5 percent, at any  
2 point in the fiscal or award year; and

3 “(ii) the State is not eligible for relief  
4 under tier IV or V.

5 “(D) TIER IV.—A State shall be eligible  
6 for relief under tier IV for a fiscal or award  
7 year, as applicable, for which—

8 “(i)(I) the State average unemploy-  
9 ment rate is equal to or greater than 8.5  
10 percent, but less than 9.5 percent, at any  
11 point in the fiscal or award year; or

12 “(II) the national average unemploy-  
13 ment rate is equal to or greater than 8.5  
14 percent, but less than 9.5 percent, at any  
15 point in the fiscal or award year; and

16 “(ii) the State is not eligible for relief  
17 under tier V.

18 “(E) TIER V.—A State shall be eligible for  
19 relief under tier V for a fiscal or award year,  
20 as applicable, for which—

21 “(i) the State average unemployment  
22 rate is equal to or greater than 9.5 percent  
23 at any point in the fiscal or award year; or

24 “(ii) the national average unemploy-  
25 ment rate is equal to or greater than 9.5

1                   percent at any point in the fiscal or award  
2                   year.

3           “(c) DISCRETION IN THE PROVISION OF RELIEF.—

4 In determining the fiscal years for which to provide relief  
5 in accordance with subsection (a)(2), or the award years  
6 for which to provide relief in accordance with subsection  
7 (b), to a State that is eligible under tier II, III, IV or  
8 V, the Secretary shall take into account the following:

9           “(1) In the case of a State that requests relief  
10          under subsection (a)(2), the fiscal years for which  
11          the State requests such relief, including—

12               “(A) if the State requests such relief for  
13               the fiscal year for which the determination of  
14               the State’s eligibility for such relief is made, the  
15               amount by which the State is unable to meet  
16               the requirements of section 787(b) for such fis-  
17               cal year; and

18               “(B) if the State requests such relief for  
19               the fiscal year succeeding the year described in  
20               subparagraph (A), the amount by which the  
21               State anticipates being unable to meet such re-  
22               quirements for such succeeding fiscal year.

23           “(2) In the case of a State that requests relief  
24          under subsection (b), the award years for which the  
25          State requests such relief, including—

1           “(A) if the State requests such relief for  
2           the award year for which the determination of  
3           the State’s eligibility for such relief is made, the  
4           extent to which the State is unable to meet the  
5           requirements of section 786(b)(1)(B) for such  
6           award year; and

7           “(B) if the State requests such relief for  
8           the award year succeeding the year described in  
9           subparagraph (A), the extent to which the State  
10          anticipates being unable to meet such require-  
11          ments for such succeeding award year.

12          “(3) The actual or anticipated timing, severity,  
13          and duration of the unemployment rate increase  
14          during—

15               “(A) the fiscal or award year, as applica-  
16               ble, for which the determination of the State’s  
17               eligibility for such relief is made;

18               “(B) the fiscal or award year, as applica-  
19               ble, succeeding the fiscal or award year de-  
20               scribed in subparagraph (A); and

21               “(C) the fiscal or award year, as applica-  
22               ble, preceding the fiscal or award year described  
23               in subparagraph (A).

24          “(4) Other factors determined to be relevant by  
25          the Secretary.

1       “(d) CONTINUED PAYMENT TO EMPLOYEES.—A  
2 State that receives relief under subsection (a) or sub-  
3 section (b) shall, to the greatest extent practicable, con-  
4 tinue to pay its employees of, and contractors with, public  
5 institutions of higher education in the State during the  
6 period in which the State is receiving such relief.

7       “(e) DEFINITIONS.—In this section:

8           “(1) ELEVATED UNEMPLOYMENT PERIOD.—  
9 The term ‘elevated unemployment period’ means a  
10 consecutive 3-month period in a fiscal year in which  
11 the State average unemployment rate is not less  
12 than 0.5 percentage points above the lowest State  
13 average unemployment rate for the 12-month period  
14 preceding such 3-month period.

15           “(2) NATIONAL AVERAGE UNEMPLOYMENT  
16 RATE.—The term ‘national average unemployment  
17 rate’ means the average (seasonally adjusted) rate of  
18 total unemployment in all States for a consecutive 3-  
19 month period in a fiscal year, based on data from  
20 the Bureau of Labor Statistics of the Department of  
21 Labor.

22           “(3) QUALIFYING SPENDING REQUIREMENT.—  
23 The term ‘qualifying spending requirement’ means  
24 the requirement that a State not disproportionately  
25 decrease spending for any of the categories described



1 in subparagraphs (1) through (3) of section 787(b)  
2 relative to such State's overall, average decrease in  
3 spending for the 3 consecutive preceding fiscal years.

4 “(4) STATE AVERAGE UNEMPLOYMENT RATE.—

5 The term ‘State average unemployment rate’ means  
6 the average (seasonally adjusted) rate of total unem-  
7 ployment in a State for a consecutive 3-month pe-  
8 riod in a fiscal year.

9 **“SEC. 789. APPLICATIONS.**

10 “In order to receive a grant under this subpart, a  
11 State or Tribal College or University shall submit an ap-  
12 plication to the Secretary at such time, in such manner,  
13 and containing such information as the Secretary may re-  
14 quire. In the case of a State, such application shall be  
15 submitted by the State agency with jurisdiction over high-  
16 er education or another agency designated by the Gov-  
17 ernor or chief executive of the State to administer the pro-  
18 gram under this subpart.

19 **“SEC. 790. USE OF FUNDS.**

20 “(a) IN GENERAL.—A State or Tribal College or Uni-  
21 versity that receives a grant under this subpart shall use  
22 the grant funds and the State share funds required under  
23 this subpart—

24 “(1) to fully eliminate tuition and required fees  
25 for all eligible students at community colleges in the

1 State or at the Tribal College or University, if the  
2 Tribal College or University is a 2-year Tribal Col-  
3 lege or University; and

4 “(2) to fully eliminate tuition and required fees  
5 for eligible students, as described in section  
6 787(a)(3), at public 4-year institutions of higher  
7 education in the State or at the Tribal College or  
8 University, if the Tribal College or University is a  
9 4-year Tribal College or University.

10 “(b) REMAINING FUNDS.—Once tuition and required  
11 fees have been fully eliminated pursuant to subsection (a),  
12 a State or Tribal College or University that receives a  
13 grant under this subpart shall use any remaining grant  
14 funds to reduce the cost of attendance and increase the  
15 quality of instruction and student support services at pub-  
16 lic institutions of higher education in the State or at the  
17 Tribal College or University by carrying out any of the  
18 following:

19 “(1) Providing additional non-loan financial aid  
20 to students to help reduce unmet need, which may  
21 include need-based student financial aid or emer-  
22 gency financial aid grants to students attending a  
23 public institution of higher education in such State,  
24 or such Tribal College or University, for any compo-  
25 nent of such students’ cost of attendance.

1           “(2) Implementing evidence-based reforms or  
2           practices at public institutions of higher education in  
3           such State or at such Tribal College or University  
4           that are described in section 804 or that meet evi-  
5           dence tier 1 or evidence tier 2 (as defined in section  
6           800) to improve the enrollment, retention, transfer,  
7           or completion rates or labor market outcomes among  
8           the students described in section 802(b).

9           “(3) Expanding academic course offerings and  
10          providing high-quality occupational skills training  
11          programs to students.

12          “(4) Increasing the number and percentage of  
13          tenure or tenure-track faculty.

14          “(5) Providing all faculty with professional sup-  
15          ports to help students succeed, such as professional  
16          development opportunities, including providing—

17               “(A) culturally inclusive and identity-safe  
18               learning environments;

19               “(B) work spaces; and

20               “(C) shared governance in the institution.

21          “(6) Compensating part-time faculty for work  
22          done outside of the classroom relating to supporting  
23          student success, such as holding office hours.

1           “(7) Strengthening, and ensuring all students  
2           have access to, student support services, such as  
3           academic advising, counseling, and tutoring.

4           “(8) Expanding access to dual or concurrent  
5           enrollment programs and early college high school  
6           programs.

7           “(9) Establishing prison education programs in  
8           partnership with local or State correctional facilities.

9           “(10) Carrying out any other additional activi-  
10          ties that improve instructional quality and academic  
11          outcomes for students as approved by the Secretary  
12          through a peer review process.

13          “(c) PROHIBITION.—A State or Tribal College or  
14          University that receives a grant under this subpart may  
15          not use grant funds or State share funds required under  
16          this subpart—

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

19               “(2) for merit-based student financial aid;

20               “(3) for need-based student financial aid (ex-  
21               cept to the extent funds are available under section  
22               786(c)(3));

23               “(4) to pay the salaries or benefits of school ad-  
24               ministrators;

1           “(5) for capital outlays or deferred mainte-  
2 nance; or

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

6           “(d) SUPPLEMENT, NOT SUPPLANT.—Except as pro-  
7 vided in section 786(b)(2)(A), funds made available under  
8 this subpart shall be used to supplement, and not sup-  
9 plant, other Federal, State, Tribal, local, and institutional  
10 funds that would otherwise be expended to carry out ac-  
11 tivities described in this subpart.

12          “(e) CONTINUATION OF FUNDING.—

13           “(1) IN GENERAL.—Except as provided in para-  
14 graph (2), a State or a Tribal College or University  
15 receiving a grant under this subpart for an award  
16 year may continue to receive funding under this sub-  
17 part for subsequent award years conditioned on  
18 meeting the requirements of the grant, as deter-  
19 mined by the Secretary.

20           “(2) DISCONTINUATION.—The Secretary shall  
21 discontinue or reduce funding of the Federal share  
22 of a grant under this subpart if the State or Tribal  
23 College or University has violated the terms of the  
24 grant.

1       “(f) RULE OF CONSTRUCTION REGARDING BIE  
2 FUNDS.—Nothing in this subpart shall be construed to  
3 impact the availability of funds from, or uses of funds pro-  
4 vided by, the Bureau of Indian Education for Tribal Col-  
5 leges and Universities.

6       **“SEC. 791. AUTHORIZATION OF APPROPRIATIONS.**

7       “(a) IN GENERAL.—There are authorized to be ap-  
8 propriated, and there are appropriated, to carry out this  
9 subpart—

10           “(1) such sums as may be necessary for the  
11 fourth quarter of fiscal year 2026; and

12           “(2) such sums as may be necessary for each  
13 of the fiscal years 2027 through 2035.

14       “(b) SUPPLEMENTAL FUNDS.—

15           “(1) IN GENERAL.—In addition to amounts  
16 otherwise available, there is appropriated for fiscal  
17 year 2026, out of any money in the Treasury not  
18 otherwise appropriated, not more than \$9,844 per  
19 student enrolled at 4-year public institutions of high-  
20 er education and not more than \$6,073 per student  
21 enrolled at community colleges, to remain available  
22 until September 30, 2031, for the Secretary to  
23 award grants to all States that have resident tuition  
24 and fees at community colleges or public 4-year in-  
25 stitutions of higher education that are higher than

1 the national average tuition and fees at community  
2 colleges or public 4-year institutions of higher edu-  
3 cation in award year 2026–2027, for the purpose of  
4 supporting such States’ ability to participate in the  
5 program under this subpart.

6 “(2) STATE SHARE.—Notwithstanding any  
7 other provision of this subpart, a State receiving  
8 grant funds under paragraph (1) shall use such  
9 funds to meet the State share requirement under  
10 section 786(b) and to fully eliminate tuition and fees  
11 for eligible students as required under paragraphs  
12 (2) and (3) of section 787(a).”.

1 **TITLE II—GRANT PROGRAM TO**  
 2 **ELIMINATE TUITION AND**  
 3 **FEES FOR ELIGIBLE STU-**  
 4 **DENTS AT PRIVATE NON-**  
 5 **PROFIT HISTORICALLY**  
 6 **BLACK COLLEGES AND UNI-**  
 7 **VERSITIES AND MINORITY-**  
 8 **SERVING INSTITUTIONS**

9 **SEC. 201. GRANT PROGRAM TO ELIMINATE TUITION AND**  
 10 **FEES FOR ELIGIBLE STUDENTS AT PRIVATE**  
 11 **NONPROFIT HISTORICALLY BLACK COL-**  
 12 **LEGES AND UNIVERSITIES AND MINORITY-**  
 13 **SERVING INSTITUTIONS.**

14 Part F of title VII of the Higher Education Act of  
 15 1965, as added by section 101, is further amended by add-  
 16 ing at the end the following:

17 **“Subpart 2—Grant Program To Eliminate Tuition**  
 18 **and Fees for Eligible Students at Private Non-**  
 19 **profit Historically Black Colleges and Univer-**  
 20 **sities and Minority-Serving Institutions**

21 **“SEC. 795. DEFINITIONS.**

22 “In this subpart:

23 “(1) **ELIGIBLE INSTITUTION.**—

24 “(A) **IN GENERAL.**—Except as provided in  
 25 subparagraph (E), the term ‘eligible institution’



means a private nonprofit 2-year institution or  
4-year institution that—

“(i) is—

“(I) a part B institution (as defined in section 322);

“(II) a Hispanic-serving institution (as defined in section 502);

“(III) an Alaska Native-serving institution (as defined in section 317(b));

“(IV) a Native Hawaiian-serving institution (as defined in section 317(b));

“(V) a Predominantly Black institution (as defined in section 371(c));

“(VI) an Asian American and Native American Pacific Islander-serving institution (as defined in section 371(c)); or

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

“(ii) has not received funds under subpart 1.

1           “(B) CONTINUING ELIGIBILITY.—The Sec-  
2           retary shall determine whether an institution is  
3           an ‘eligible institution’ under subparagraph (A)  
4           based on the most recent data available, and  
5           shall review such determination annually to en-  
6           sure that the institution continues to meet the  
7           requirements for participation under this sub-  
8           part.

9           “(C) 2-YEAR INSTITUTION.—The term ‘2-  
10          year institution’ means an institution at which  
11          an associate degree is the most frequently  
12          awarded degree.

13          “(D) 4-YEAR INSTITUTION.—The term ‘4-  
14          year institution’ means an institution of higher  
15          education (as defined under section 101(a))  
16          that is not a 2-year institution.

17          “(E) EXCEPTION.—

18                 “(i) IN GENERAL.—An eligible institu-  
19                 tion as described in subparagraph (A) shall  
20                 not be an eligible institution for purposes  
21                 of this section for the period described in  
22                 clause (ii) if such institution was a for-  
23                 profit institution at any time that con-  
24                 verted to a nonprofit institution.

1                   “(ii) PERIOD OF INELIGIBILITY.—An  
2                   institution described under clause (i) shall  
3                   not be an eligible institution for purposes  
4                   of this section for a period of 25 years  
5                   from the date the institution converted  
6                   from being a for-profit institution to a  
7                   nonprofit institution or 25 years after the  
8                   date of enactment of this subpart, which-  
9                   ever period is longer.

10                  “(2) ELIGIBLE STUDENT.—

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

15                   “(i) for the first award year of the  
16                   program under this subpart, if the stu-  
17                   dent—

18                   “(I) is a dependent student—

19                   “(aa) in a single parent  
20                   household, the student’s parent’s  
21                   adjusted gross income for the  
22                   taxable year that is 1 year prior  
23                   to the taxable year that ends im-  
24                   mediately prior to the beginning

1 of the award year is equal to or  
2 less than \$150,000; or

3 “(bb) with married parents,  
4 the student’s parents’ adjusted  
5 gross income for the taxable year  
6 that is 1 year prior to the taxable  
7 year that ends immediately prior  
8 to the beginning of the award  
9 year is equal to or less than  
10 \$300,000; and

11 “(II) is a—

12 “(aa) single independent  
13 student, the student’s adjusted  
14 gross income for the taxable year  
15 that is 1 year prior to the taxable  
16 year that ends immediately prior  
17 to the beginning of the award  
18 year is equal to or less than  
19 \$150,000; or

20 “(bb) married independent  
21 student, the student’s adjusted  
22 gross income for the taxable year  
23 that is 1 year prior to the taxable  
24 year that ends immediately prior  
25 to the beginning of the award

1 year is equal to or less than  
2 \$300,000; and

3 “(ii) for each award year after the  
4 first award year of the program under this  
5 subpart, if the student—

6 “(I) is a dependent student, the  
7 student’s parents’ adjusted gross in-  
8 come for the taxable year that is 1  
9 year prior to the taxable year that  
10 ends immediately prior to the begin-  
11 ning of the award year is equal to or  
12 less than the applicable amount; and

13 “(II) is an independent student,  
14 the student’s adjusted gross income  
15 for the taxable year that is 1 year  
16 prior to the taxable year that ends im-  
17 mediately prior to the beginning of  
18 the award year is equal to or less than  
19 the applicable amount.

20 “(B) APPLICABLE AMOUNT.—In this para-  
21 graph, the term ‘applicable amount’ means an  
22 amount equal to, for any award year beginning  
23 after the first award year of the program under  
24 this subpart, the income amount determined  
25 under this paragraph for the preceding award

1           year adjusted in the same manner as income is  
2           adjusted under section 478(b).

3           “(3) FULL-TIME EQUIVALENT ELIGIBLE STU-  
4           DENTS.—The term ‘full-time equivalent eligible stu-  
5           dents’ means the sum of the number of eligible stu-  
6           dents projected to enroll full time at an institution  
7           for an award year, plus the full-time equivalent of  
8           the number of eligible students projected to be en-  
9           rolled part time (determined on the basis of the  
10          quotient of the sum of the credit hours of all part-  
11          time eligible students divided by 12) at such institu-  
12          tion, for such award year.

13   **“SEC. 796. AUTHORIZATION OF GRANT PROGRAM.**

14          “Beginning with award year 2026–2027, from  
15   amounts appropriated to carry out this subpart for any  
16   fiscal year, the Secretary shall award grants to eligible in-  
17   stitutions to enable the eligible institutions to eliminate  
18   tuition and required fees for eligible students.

19   **“SEC. 797. GRANT TERMS.**

20          “(a) GRANT AMOUNT.—

21               “(1) IN GENERAL.—For each year for which an  
22   eligible institution participates in the grant program  
23   under this subpart, such eligible institution shall re-  
24   ceive a grant in an amount equal to—

1           “(A) in the case of an eligible institution  
2           that is a 2-year institution, the product of the  
3           number of eligible students enrolled in such in-  
4           stitution multiplied by—

5                   “(i) for the 2026–2027 award year,  
6                   \$5,110; and

7                   “(ii) for each subsequent award year,  
8                   the amount determined under this sub-  
9                   paragraph for the preceding award year,  
10                  increased by the lesser of—

11                           “(I) a percentage equal to the es-  
12                           timated percentage increase in the  
13                           Consumer Price Index (as determined  
14                           by the Secretary) since the date of  
15                           such determination; or

16                           “(II) 3 percent; or

17           “(B) in the case of an eligible institution  
18           that is a 4-year institution, the product of the  
19           number of eligible students enrolled in such in-  
20           stitution multiplied by—

21                   “(i) for the 2026–2027 award year,  
22                   \$11,610; and

23                   “(ii) for each subsequent award year,  
24                   the amount determined under this sub-

1 paragraph for the preceding award year,  
2 increased by the lesser of—

3 “(I) a percentage equal to the es-  
4 timated percentage increase in the  
5 Consumer Price Index (as determined  
6 by the Secretary) since the date of  
7 such determination; or

8 “(II) 3 percent.

9 “(2) LIMITATIONS ON TUITION HIKES.—

10 “(A) FIRST AWARD YEAR.—For the first  
11 award year for which an eligible institution ap-  
12 plies for a grant under this subpart, such eligi-  
13 ble institution shall not increase tuition and re-  
14 quired fees at a rate that is greater than any  
15 annual increase in tuition and required fees at  
16 the eligible institution for the 5 years preceding  
17 such first award year.

18 “(B) SUCCEEDING AWARD YEARS.—

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



1           crease in the Employment Cost Index for  
2           the award year for which the grant is re-  
3           ceived, as compared to the Employment  
4           Cost Index for the award year preceding  
5           the award year for which the grant is re-  
6           ceived.

7           “(ii) EMPLOYMENT COST INDEX.—In  
8           this subparagraph, the term ‘Employment  
9           Cost Index’, when used with respect to an  
10          award year, means the Employment Cost  
11          Index for total compensation for private in-  
12          dustry workers by bargaining status and  
13          census region and division (not seasonally  
14          adjusted) of the division in which the eligi-  
15          ble institution is located, as provided by  
16          the Bureau of Labor Statistics of the De-  
17          partment of Labor, that is provided for the  
18          December that immediately precedes the  
19          start of the award year.

20          “(3) DATA ADJUSTMENTS.—

21                 “(A) IN GENERAL.—The Secretary shall  
22                 establish a process through which each eligible  
23                 institution that participates in the program  
24                 under this subpart—

1 “(i) provides the necessary eligible  
2 student enrollment data at the start of the  
3 award year; and

4 “(ii) initially receives grant funds, as  
5 calculated under this subsection, based on  
6 such data.

7 “(B) ADJUSTMENT OF GRANT AMOUNT.—  
8 For each year for which an eligible institution  
9 receives a grant under this subpart, the Sec-  
10 retary shall, once final enrollment data for such  
11 year are available—

12 “(i) in consultation with the eligible  
13 institution concerned, determine the actual  
14 number of full-time equivalent eligible stu-  
15 dents for the year covered by the grant;  
16 and

17 “(ii) adjust the grant amount received  
18 by the eligible institution to reflect the ac-  
19 tual number of full-time equivalent eligible  
20 students by applying the relevant adjust-  
21 ment to such grant amount in the subse-  
22 quent award year in accordance with sub-  
23 paragraph (C).

24 “(C) CALCULATION OF ADJUSTMENTS.—If  
25 the actual full-time equivalent eligible students

1 figure for the preceding award year reported  
2 under subparagraph (B)—

3 “(i) exceeds the projected enrollment  
4 that was used for determining the allot-  
5 ment under paragraph (1) for the pre-  
6 ceding award year, notwithstanding any  
7 other provision of this Act, the grant  
8 amount for the subsequent award year for  
9 the eligible institution shall be increased to  
10 reflect such actual enrollment, which figure  
11 shall be increased by the Gross Domestic  
12 Product Price Index of the State in which  
13 the eligible institution is located; or

14 “(ii) is below the projected enrollment  
15 that was used for determining the allot-  
16 ment under paragraph (1) for the pre-  
17 ceding award year, notwithstanding any  
18 other provision of this Act, the grant  
19 amount for the subsequent award year for  
20 the eligible institution shall be decreased to  
21 reflect such actual enrollment, which figure  
22 shall be increased by the average interest  
23 rate on 5-year United States Treasury se-  
24 curities issued during the preceding award  
25 year.

1       “(b) APPLICATION.—An eligible institution that de-  
2 sires to receive a grant under this subpart shall submit  
3 to the Secretary an application at such time, in such man-  
4 ner, and containing such information as the Secretary may  
5 require.

6       “(c) TRANSFER REQUIREMENT.—In the case of an  
7 eligible institution that is a 4-year institution that receives  
8 a grant under this subpart and enrolls students who trans-  
9 fer from another institution, the institution shall—

10           “(1) commit to increasing the transferability of  
11 individual courses within certificate or associate pro-  
12 grams offered by community colleges in the State to  
13 related baccalaureate programs offered by such insti-  
14 tution to maximize the transferability of credits for  
15 students who transfer before completing an associate  
16 degree; and

17           “(2) maintain a formal, statewide articulation  
18 agreement with community colleges in the State in  
19 which such institution operates that, at a minimum,  
20 ensures that associate degrees awarded by commu-  
21 nity colleges in the State are fully transferable to,  
22 and credited as the first 2 years of related bacca-  
23 laureate programs at, such institution.

24       “(d) USE OF FUNDS.—

1           “(1) IN GENERAL.—An eligible institution that  
2       receives a grant under this subpart shall use the  
3       grant funds to—

4           “(A) except as provided in paragraph (3),  
5       eliminate tuition and required fees for eligible  
6       students enrolled in the eligible institution dur-  
7       ing any period for which the institution receives  
8       a grant under this subpart;

9           “(B) maintain expenditures on instruction  
10      per a full-time equivalent eligible student at lev-  
11      els that meet or exceed the expenditures on in-  
12      struction per a full-time equivalent eligible stu-  
13      dent for award year 2025–2026; and

14          “(C) maintain expenditures on need-based  
15      financial aid programs for students enrolled in  
16      the institution at a level that meets or exceeds  
17      the level of such support for award year 2025–  
18      2026.

19          “(2) PROHIBITIONS.—An eligible institution  
20      that receives a grant under this subpart may not use  
21      grant funds—

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

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

1           “(C) to pay the salaries or benefits of  
2           school administrators;

3           “(D) for capital outlays or deferred main-  
4           tenance; or

5           “(E) for expenditures on athletics other  
6           than activities open to all members of the cam-  
7           pus community.

8           “(3) EXCEPTION.—An eligible institution that  
9           receives a grant under this subpart and that does  
10          not have authority to set the tuition and required  
11          fees for eligible students enrolled in the eligible insti-  
12          tution shall provide tuition assistance to eligible stu-  
13          dents enrolled in the eligible institution during any  
14          period for which the institution receives a grant  
15          under this subpart in an amount equal to the grant  
16          amount determined under subsection (a)(1).

17          “(e) ASSURANCES.—An eligible institution that re-  
18          ceives a grant under this subpart shall provide an assur-  
19          ance to the Secretary that the institution will—

20                 “(1) increase, to the extent practicable, the  
21                 amount of instruction provided by tenured or tenure-  
22                 track faculty; and

23                 “(2) not adopt policies to reduce enrollment.

24          “(f) SUPPLEMENT, NOT SUPPLANT.—Funds made  
25          available to carry out this subpart shall be used to supple-

1 ment, and not supplant, other Federal, State, Tribal,  
 2 local, and institutional funds that would otherwise be ex-  
 3 pended to carry out activities under this subpart.

4 “(g) NO ADDITIONAL ELIGIBILITY REQUIRE-  
 5 MENTS.—No individual shall be determined, by an eligible  
 6 institution or the Secretary, to be ineligible for benefits  
 7 provided under this subpart except on the basis of eligi-  
 8 bility requirements under this subpart.

9 **“SEC. 798. AUTHORIZATION OF APPROPRIATIONS.**

10 “There are authorized to be appropriated, and there  
 11 are appropriated, to carry out this subpart—

12 “(1) such sums as may be necessary for the  
 13 fourth quarter of fiscal year 2026; and

14 “(2) such sums as may be necessary for each  
 15 of the fiscal years 2027 through 2035.”.

16 **SEC. 202. NORTHERN MARIANA ISLANDS, AMERICAN**  
 17 **SAMOA, UNITED STATES VIRGIN ISLANDS,**  
 18 **GUAM, AND FREELY ASSOCIATED STATES**  
 19 **COLLEGE ACCESS.**

20 Part F of title VII of the Higher Education Act of  
 21 1965, as added by section 101 and amended by section  
 22 201, is further amended by adding at the end the fol-  
 23 lowing:

1   **“Subpart 3—College Access for Students in Outlying**  
2                                   **Areas**

3   **“SEC. 799. NORTHERN MARIANA ISLANDS, AMERICAN**  
4                                   **SAMOA, UNITED STATES VIRGIN ISLANDS,**  
5                                   **GUAM, AND FREELY ASSOCIATED STATES**  
6                                   **COLLEGE ACCESS.**

7       “(a) GRANTS.—

8               “(1) GRANT AMOUNTS.—

9                       “(A) IN GENERAL.—Beginning with award  
10                      year 2026–2027, from amounts appropriated to  
11                      carry out this section, the Secretary shall award  
12                      grants to the Governors of each outlying area  
13                      for such Governors to award grants to eligible  
14                      institutions that enroll eligible students to pay  
15                      the difference between the tuition and fees  
16                      charged for in-State students and the tuition  
17                      and fees charged for out-of-State students on  
18                      behalf of each eligible student enrolled in the el-  
19                      igible institution.

20                      “(B) MAXIMUM STUDENT AMOUNTS.—The  
21                      amount paid on behalf of an eligible student  
22                      under this section shall be—

23                               “(i) not more than \$15,950 for any  
24                               one award year (as defined in section  
25                               481(a)(1)); and



1                   “(ii) not more than \$79,750 in the  
2                   aggregate.

3                   “(C) PRORATION.—The Governor shall  
4                   prorate payments under this section with re-  
5                   spect to eligible students who attend an eligible  
6                   institution on less than a full-time basis.

7                   “(2) AGREEMENT.—Each Governor desiring a  
8                   grant under this section shall enter into an agree-  
9                   ment with the Secretary for the purposes of admin-  
10                  istering the grant program.

11                  “(b) NO ADDITIONAL ELIGIBILITY REQUIRE-  
12                  MENTS.—No individual shall be determined, by a Gov-  
13                  ernor, an eligible institution, or the Secretary, to be ineli-  
14                  gible for benefits provided under this section except on the  
15                  basis of eligibility requirements under this section.

16                  “(c) DEFINITIONS.—In this section:

17                   “(1) ELIGIBLE INSTITUTION.—The term ‘eligi-  
18                   ble institution’ means an institution that—

19                   “(A) is a public 4-year institution of higher  
20                   education located in 1 of the several States of  
21                   the United States, the District of Columbia, the  
22                   Commonwealth of Puerto Rico, or an outlying  
23                   area;

24                   “(B) enters into an agreement with the  
25                   Governor of an outlying area, or with 2 or more

1 of such Governors (except that such institution  
2 may not enter into an agreement with the Gov-  
3 ernor of the outlying area in which such institu-  
4 tion is located), to carry out the grant program  
5 under this section; and

6 “(C) submits an assurance to the Governor  
7 and to the Secretary that the institution shall  
8 use funds made available under this section to  
9 supplement, and not supplant, assistance that  
10 otherwise would be provided to eligible students  
11 from outlying areas.

12 “(2) ELIGIBLE STUDENT.—The term ‘eligible  
13 student’ means a student who—

14 “(A) was domiciled in an outlying area for  
15 not less than 12 consecutive months preceding  
16 the commencement of the freshman year at an  
17 institution of higher education;

18 “(B) has not completed an undergraduate  
19 baccalaureate course of study; and

20 “(C) is enrolled as an undergraduate stu-  
21 dent in an eligible program (as defined in sec-  
22 tion 481(b)) on at least a half-time basis.

23 “(3) GOVERNOR.—The term ‘Governor’ means  
24 the chief executive of an outlying area.

“(4) OUTLYING AREA.—The term ‘outlying area’ means the Northern Mariana Islands, American Samoa, the United States Virgin Islands, Guam, and the Freely Associated States.”.

## **TITLE III—FEDERAL PELL GRANT IMPROVEMENTS**

### **SEC. 301. FEDERAL PELL GRANT IMPROVEMENTS.**

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

(1) by striking subsection (b); and

(2) by striking “(A) IN GENERAL” and inserting the following: “Upon”.

(b) AMENDMENT TO FEDERAL PELL GRANTS.—Section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a) is amended—

(1) in subsection (b), by striking paragraphs (5), (6), and (7) and inserting the following:

“(5) MAXIMUM FEDERAL PELL GRANT.—

“(A) AWARD YEAR 2026–2027.—For award year 2026–2027, the total maximum Federal Pell Grant shall be—

“(i) in the case of an eligible student who is in attendance at an institution of higher education described in section 101

1 or a Tribal College or University described  
2 in section 316(b)(3), \$14,790; or

3 “(ii) in the case of an eligible student  
4 who is in attendance at an institution of  
5 higher education not described in clause  
6 (i), \$7,395.

7 “(B) SUBSEQUENT AWARD YEARS.—For  
8 award year 2027–2028, and each subsequent  
9 award year, the total maximum Federal Pell  
10 Grant shall be equal to the total maximum Fed-  
11 eral Pell Grant for the preceding award year  
12 (applicable to the institution at which the eligi-  
13 ble student is in attendance)—

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 “(C) 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 2026 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, 2022, 2023, 2024, or 2025  
18                 as of the day before the effective date of such  
19                 Act; or

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

23          (2) in subsection (d)(5)(A), by striking “shall  
24          not exceed 12 semesters, or the equivalent of 12 se-  
25          mesters, as determined by the Secretary by regula-

1       tion” and inserting “shall not exceed 7 years and 6  
2       months”;

3               (3) in subsection (f), by striking “Any disburse-  
4       ment allowed to be made by crediting the student’s  
5       account shall be limited to tuition and fees, and food  
6       and housing if that food and housing is institution-  
7       ally owned or operated. The student may elect to  
8       have the institution provide other such goods and  
9       services by crediting the student’s account.” and in-  
10      serting “Payments under this section may be used  
11      by the student for living and nontuition expenses.”;

12              (4) by striking subsections (g) and (h); and

13              (5) by redesignating subsections (i) and (j) as  
14      subsections (g) and (h), respectively.

15      (c) ELIGIBILITY FOR DREAMER STUDENTS AND STU-  
16      DENTS WITH OTHER IMMIGRATIONS STATUSES.—Section  
17      484 of the Higher Education Act of 1965 (20 U.S.C.  
18      1091) is amended—

19              (1) by striking subsection (a)(5) and inserting  
20      the following:

21              “(5) be—

22                      “(A) a citizen or national of the United  
23                      States, a permanent resident of the United  
24                      States, or able to provide evidence from the Im-  
25                      migration and Naturalization Service that he or

1 she is in the United States for other than a  
2 temporary purpose with the intention of becom-  
3 ing a citizen or permanent resident, or be a  
4 Dreamer student, as defined in subsection (u);  
5 or

6 “(B) in the case of eligibility to receive a  
7 Federal Pell Grant, a citizen or national of the  
8 United States, a permanent resident of the  
9 United States, able to provide evidence from the  
10 Immigration and Naturalization Service that he  
11 or she is in the United States for other than a  
12 temporary purpose with the intention of becom-  
13 ing a citizen or permanent resident, a Dreamer  
14 student (as defined in subsection (u)), or sub-  
15 ject to a grant of deferred enforced departure,  
16 a grant of deferred action pursuant to the De-  
17 ferred Action for Childhood Arrivals policy an-  
18 nounced by the Secretary of Homeland Security  
19 on June 15, 2012, or temporary protected sta-  
20 tus under section 244 of the Immigration and  
21 Nationality Act (8 U.S.C. 1254a); and”;

22 (2) by adding at the end the 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 individual attended in the  
6           United 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 earned 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 (d) FULL EXCLUSION FROM GROSS INCOME FOR  
4 PELL GRANTS.—

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

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

15 (2) EFFECTIVE DATE.—The amendment made  
16 by this subsection shall apply to amounts received in  
17 taxable years beginning after the date of the enact-  
18 ment of this Act.

## 19 **TITLE IV—INCLUSIVE STUDENT** 20 **SUCCESS GRANTS**

### 21 **SEC. 401. INCLUSIVE STUDENT SUCCESS GRANTS.**

22 Part F of title VII of the Higher Education Act of  
23 1965, as added by section 101 and amended by sections  
24 201 and 202, is further amended by adding at the end  
25 the following:

1       **“Subpart 4—Inclusive Student Success Grants**

2       **“SEC. 800. DEFINITIONS.**

3       “In this subpart:

4               “(1) ELIGIBLE STATE.—The term ‘eligible  
5       State’ means a State that is a recipient of a grant  
6       under subpart 1.

7               “(2) EVIDENCE TIERS.—

8                       “(A) EVIDENCE TIER 1.—The term ‘evi-  
9       dence tier 1’, when used with respect to a re-  
10      form or practice, means a reform or practice  
11      that meets the criteria for receiving an expan-  
12      sion grant from the education innovation and  
13      research program under section 4611(a)(2) of  
14      the Elementary and Secondary Education Act  
15      of 1965, as determined by the Secretary in ac-  
16      cordance with such section.

17                      “(B) EVIDENCE TIER 2.—The term ‘evi-  
18      dence tier 2’, when used with respect to a re-  
19      form or practice, means a reform or practice  
20      that meets the criteria for receiving a mid-  
21      phase grant from the education innovation and  
22      research program under section 4611(a)(2) of  
23      the Elementary and Secondary Education Act  
24      of 1965, as determined by the Secretary in ac-  
25      cordance with such section.

1           “(3) FIRST GENERATION COLLEGE STUDENT.—

2           The term ‘first generation college student’ has the  
3           meaning given the term in section 402A(h)(3).

4           “(4) ELIGIBLE INSTITUTION.—The term ‘eligi-  
5           ble institution’ means—

6                   “(A) an underfunded institution; or

7                   “(B) an institution that is—

8                           “(i) a part B institution (as defined in  
9                           section 322);

10                           “(ii) a Hispanic-serving institution (as  
11                           defined in section 502(a));

12                           “(iii) an Alaska Native-serving insti-  
13                           tution (as defined in section 317(b));

14                           “(iv) a Native Hawaiian-serving insti-  
15                           tution (as defined in section 317(b));

16                           “(v) a Predominantly Black Institu-  
17                           tion (as defined in section 318(b));

18                           “(vi) an Asian American and Native  
19                           American Pacific Islander-serving institu-  
20                           tion (as defined in section 320(b)); or

21                           “(vii) a Native American-serving, non-  
22                           tribal institution (as defined in section  
23                           319(b)).

1           “(5) TRIBAL COLLEGE OR UNIVERSITY.—The  
2           term ‘Tribal College or University’ has the meaning  
3           given the term in section 316.

4           “(6) UNDERFUNDED INSTITUTION.—The term  
5           ‘underfunded institution’ means a public 2-year in-  
6           stitution of higher education or public 4-year institu-  
7           tion of higher education that receives less than the  
8           national average of State appropriations per full-  
9           time equivalent student.

10   **“SEC. 801. INCLUSIVE STUDENT SUCCESS GRANTS.**

11           “(a) IN GENERAL.—The Secretary shall award  
12           grants to eligible States and Tribal Colleges and Univer-  
13           sities to improve student outcomes by carrying out or scal-  
14           ing the activities described in section 804.

15           “(b) DISTRIBUTION OF FUNDS.—From amounts ap-  
16           propriated to carry out this subpart, the Secretary shall—

17                   “(1) distribute 10 percent of the appropriated  
18           amount in any fiscal year for grants to Tribal Col-  
19           leges or Universities, which shall be distributed ac-  
20           cording to the formula in section 316(d)(3)(B), to  
21           carry out the activities described in section 804 to  
22           implement reforms or practices that meet evidence  
23           tier 1 or evidence tier 2;

1           “(2) use 2 percent of the appropriated amount  
2           in any fiscal year to evaluate the effectiveness of the  
3           activities carried out under this subpart;

4           “(3) distribute 60 percent of the appropriated  
5           amount in any fiscal year to award competitive  
6           grants to eligible States to carry out activities de-  
7           scribed in section 804;

8           “(4) distribute 18 percent of the appropriated  
9           amount in any fiscal year to supplement the com-  
10          petitive grant amounts awarded to eligible States  
11          under paragraph (3) to implement reforms or prac-  
12          tices that meet evidence tier 1; and

13          “(5) distribute 10 percent of the appropriated  
14          amount in any fiscal year to supplement the com-  
15          petitive grant amounts awarded to eligible States  
16          under paragraph (3) to implement reforms or prac-  
17          tices that meet evidence tier 1 or evidence tier 2, or  
18          a combination of such reforms or practices.

19   **“SEC. 802. APPLICATION.**

20          “(a) IN GENERAL.—An eligible State or Tribal Col-  
21          lege or University that desires to receive a grant under  
22          this subpart shall submit an application to the Secretary  
23          at such time, in such manner, and accompanied by such  
24          information as the Secretary may require. The application  
25          shall include, at a minimum, a description of—

1 “(1) in the case of an eligible State, how the el-  
2 igible State will—

3 “(A) prioritize spending for underfunded  
4 institutions in the State and close gaps in State  
5 appropriations per full-time equivalent student  
6 with respect to institutions in the State de-  
7 scribed in section 800(4)(B); and

8 “(B) sustain such reforms or practices;  
9 and

10 “(2) in the case of an eligible State or Tribal  
11 College or University, how the eligible State or Trib-  
12 al College or University will use the funds to imple-  
13 ment or expand evidence-based reforms or practices  
14 funded by a grant under this subpart to improve  
15 student outcomes at eligible institutions in such  
16 State or the Tribal College or University.

17 “(b) PRIORITY.—In awarding grants under this sub-  
18 part, the Secretary shall give priority to eligible States  
19 that propose to use a significant share of grant funds to  
20 improve enrollment, retention, transfer, or completion  
21 rates or labor market outcomes among students with dis-  
22 parate outcomes, such as students of color, low-income  
23 students, students with disabilities, students in need of re-  
24 mediation, first generation college students, student par-

1 ents, and other underserved student populations in such  
2 State.

3 **“SEC. 803. GRANT AMOUNTS.**

4 “In awarding grants under this subpart to eligible  
5 States, the Secretary shall determine grant amounts based  
6 on the number of students enrolled at eligible institutions  
7 in the State who receive a Federal Pell Grant.

8 **“SEC. 804. USE OF GRANT FUNDS.**

9 “An eligible State or Tribal College or University that  
10 receives a grant under this subpart shall, directly or in  
11 collaboration with institutions of higher education and  
12 other nonprofit organizations, use the grant funds to im-  
13 plement evidence-based reforms or practices, which may  
14 include one or more of the following:

15 “(1) Providing comprehensive academic, career,  
16 and student support services, including mentoring,  
17 advising, or case management services.

18 “(2) Providing assistance in applying for and  
19 accessing direct support services, financial assist-  
20 ance, or means-tested benefit programs to meet the  
21 basic needs of students.

22 “(3) Providing accelerated learning opportuni-  
23 ties, including dual or concurrent enrollment pro-  
24 grams and early college high school programs.



1           “(4) Reforming remedial or developmental edu-  
2           cation, course scheduling, or credit awarding poli-  
3           cies.

4           “(5) Improving transfer pathways between com-  
5           munity colleges and 4-year institutions of higher  
6           education in the eligible State, or, in the case of a  
7           Tribal College or University, between the Tribal Col-  
8           lege or University and other institutions of higher  
9           education.

10          “(6) Making investments in academic advisors,  
11          mental health counselors, trauma-informed care, and  
12          tutors.

13          “(7) Reducing class sizes.

14   **“SEC. 805. PROGRAM REQUIREMENTS.**

15          “(a) GOALS.—The Secretary shall require eligible  
16          States or Tribal Colleges or Universities that receive funds  
17          under this subpart to set goals regarding student out-  
18          comes.

19          “(b) PROGRESS.—

20               “(1) NATIONAL PROGRESS.—The Secretary  
21               shall track progress in improving student outcomes  
22               for eligible States that receive grants under this sub-  
23               part, including conducting independent evaluations  
24               of support programs funded under this subpart.

1           “(2) STATE PROGRESS.—As a condition of con-  
2           tinuing to receive funds under this subpart, for each  
3           year in which an eligible State participates in the  
4           program under this subpart, the eligible State shall  
5           demonstrate to the satisfaction of the Secretary that  
6           the eligible State has made adequate progress in im-  
7           plementing or expanding evidence-based reforms or  
8           practices, and improving enrollment, retention,  
9           transfer, or completion rates or labor market out-  
10          comes among students with disparate outcomes,  
11          such as students of color, low-income students, stu-  
12          dents with disabilities, students in need of remedi-  
13          ation, first generation college students, student par-  
14          ents, and other underserved student populations in  
15          such State.

16          “(c) SUPPLEMENT, NOT SUPPLANT.—Grant funds  
17          awarded under this subpart shall be used to supplement,  
18          and not supplant, other Federal, State, Tribal, local, and  
19          institutional funds that would otherwise be expended to  
20          carry out activities assisted under this subpart.

21          **“SEC. 806. AUTHORIZATION OF APPROPRIATIONS.**

22          ““There are authorized to be appropriated to carry out  
23          this subpart—

24                  “(1) such sums as may be necessary for the  
25          fourth quarter of fiscal year 2025;

1           “(2) \$10,000,000,000 for fiscal year 2026; and  
2           “(3) such sums as may be necessary for each  
3           of the following fiscal years.”.

4       **TITLE V—INCREASING SUPPORT**  
5       **FOR STUDENTS**

6       **SEC. 501. INCREASING SUCCESS FOR LOW-INCOME AND**  
7       **FIRST GENERATION STUDENTS.**

8           (a) AUTHORIZATION OF APPROPRIATIONS FOR FED-  
9       ERAL TRIO PROGRAMS.—Section 402A(g) of the Higher  
10      Education Act of 1965 (20 U.S.C. 1070a–11(g)) is  
11      amended by striking “\$900,000,000 for fiscal year 2009  
12      and such sums as may be necessary for each of the five  
13      succeeding fiscal years” and inserting “\$3,000,000,000  
14      for fiscal year 2026, and such sums as may be necessary  
15      for each of fiscal years 2027 through 2035”.

16          (b) AUTHORIZATION OF APPROPRIATIONS FOR GEAR  
17      UP PROGRAMS.—Section 404H of the Higher Education  
18      Act of 1965 (20 U.S.C. 1070a–28) is amended by striking  
19      “\$400,000,000” and all that follows through the period  
20      and inserting “\$736,000,000 for fiscal year 2026, and  
21      such sums as may be necessary for each of fiscal years  
22      2027 through 2029.”.

1 **TITLE VI—INVESTMENTS IN HIS-**  
2 **TORICALLY BLACK COLLEGES**  
3 **AND UNIVERSITIES, TRIBAL**  
4 **COLLEGES OR UNIVERSITIES,**  
5 **AND OTHER MINORITY-SERV-**  
6 **ING INSTITUTIONS**

7 **SEC. 601. APPROPRIATIONS FOR HISTORICALLY BLACK**  
8 **COLLEGES AND UNIVERSITIES, TRIBAL COL-**  
9 **LEGES AND UNIVERSITIES, AND MINORITY-**  
10 **SERVING INSTITUTIONS.**

11 (a) IN GENERAL.—Section 371(b)(1)(A) of the High-  
12 er Education Act of 1965 (20 U.S.C. 1067q(b)(1)(A)) is  
13 amended by striking “\$255,000,000” and all that follows  
14 through the period and inserting “\$510,000,000 for fiscal  
15 year 2026 and each fiscal year thereafter.”.

16 (b) ALLOCATION AND ALLOTMENT.—Section  
17 371(b)(2)(A) of the Higher Education Act of 1965 (20  
18 U.S.C. 1067q(b)(2)(A)) is amended—

19 (1) in clause (i), by striking “100,000,000” and  
20 inserting “200,000,000”;

21 (2) in clause (ii), by striking “100,000,000”  
22 and inserting “200,000,000”; and

23 (3) in clause (iii), by striking “55,000,000” and  
24 inserting “110,000,000”.

1           **TITLE VII—SNYDER ACT**  
2   **SEC. 701. RULE OF CONSTRUCTION REGARDING THE SNY-**  
3           **DER ACT.**

4           Nothing in this Act, or an amendment made by this  
5   Act, shall be construed to change or abrogate the Federal  
6   Government’s responsibilities under the Act of November  
7   2, 1921 (25 U.S.C. 13), (commonly known as the “Snyder  
8   Act”).

○