

109TH CONGRESS  
1ST SESSION

# S. 1228

To amend the Higher Education Act of 1965 to modify the computation of eligibility for certain Federal Pell Grants, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JUNE 13, 2005

Ms. CANTWELL introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To amend the Higher Education Act of 1965 to modify the computation of eligibility for certain Federal Pell Grants, and for other purposes.

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 “Federal Pell Grant  
5 Eligibility Clarification Act of 2005”.

6 **SEC. 2. CONSIDERATION OF CURRENT YEAR CIR-**  
7 **CUMSTANCES.**

8 Section 480(a) of the Higher Education Act of 1965  
9 (20 U.S.C. 1087vv(a)) is amended—

1 (1) in paragraph (1), by striking “paragraph  
2 (2)” and inserting “paragraphs (2) and (3)”; and

3 (2) by adding at the end the following:

4 “(3) CONSIDERATION OF CURRENT YEAR CIR-  
5 CUMSTANCES FOR CERTAIN PELL GRANT AWARDS.—

6 “(A) IN GENERAL.—If a student is a resi-  
7 dent of a State that is in an extended benefit  
8 period (as determined under subparagraph (C)),  
9 then for purposes of calculating total income  
10 under paragraph (1) for a student seeking as-  
11 sistance under subpart 1 of part A, the Sec-  
12 retary shall reduce the student’s total income  
13 by an amount by which—

14 “(i) the adjusted gross income plus  
15 untaxed income and benefits for the pre-  
16 ceding tax year minus excludable income  
17 (as defined in subsection (e)), exceeds

18 “(ii) the projected gross income plus  
19 untaxed income and benefits for the cur-  
20 rent tax year minus the projected exclud-  
21 able income (as defined in subsection (e)).

22 “(B) ANTI-FRAUD PROCEDURES.—The  
23 Secretary shall establish procedures to ensure  
24 that computations made pursuant to subpara-  
25 graph (A) are not fraudulent.

1           “(C) EXTENDED BENEFIT PERIOD.—For  
2 purposes of subparagraph (A), a State shall be  
3 considered to be in an extended benefit period  
4 if—

5           “(i) such a period is then in effect for  
6 such State under the Federal-State Ex-  
7 tended Unemployment Compensation Act  
8 of 1970; or

9           “(ii) such a period would then be in  
10 effect for such State under such Act if sec-  
11 tion 203(d) of such Act were applied as if  
12 it had been amended by striking ‘5’ each  
13 place it appears and inserting ‘4’.”.

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