To amend the Higher Education Act of 1965 to establish a Job Training Federal Pell Grants demonstration program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. BRAUN introduced the following bill; which was read twice and referred to the Committee on ____________

A BILL

To amend the Higher Education Act of 1965 to establish a Job Training Federal Pell Grants demonstration program, and for other purposes.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Pell Flexibility Act of 2019”.

SEC. 2. JOB TRAINING FEDERAL PELL GRANTS DEM-
ONSTRATION PROGRAM.

Section 401A of the Higher Education Act of 1965 (20 U.S.C.1070a–1) is amended to read as follows:
“SEC. 401A. JOB TRAINING FEDERAL PELL GRANTS DEMONSTRATION PROGRAM.

“(a) DEFINITIONS.—In this section:

“(1) JOB TRAINING FEDERAL PELL GRANT.—The term ‘Job Training Federal Pell Grant’ means a short-term Federal Pell Grant provided through the demonstration program under subsection (e).

“(2) LOCAL WORKFORCE DEVELOPMENT BOARD.—The term ‘local workforce development board’ means a local board as defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

“(3) SHORT-TERM CAREER AND TECHNICAL EDUCATION PROGRAM.—The term ‘short-term career and technical education program’ means a career and technical education program, as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302), that provides more than 320 clock hours and less than 600 clock hours of instruction.

“(b) PURPOSES.—The purposes of this section are—

“(1) to allow a demonstration program that is strictly monitored by the Department to test the viability of expanding Federal Pell Grant eligibility to short-term career and technical education programs at institutions of higher education;
“(2) to help determine the appropriate amount of a Federal Pell Grant provided to an eligible student for a short-term career and technical education program; and

“(3) to ensure that short-term career and technical education programs eligible for a Job Training Federal Pell Grant provide rigorous and high-quality instruction or training that prepares students to enter or advance within a specific occupation or occupational cluster.

“(c) DEMONSTRATION PROGRAM AUTHORIZED.—

“(1) IN GENERAL.—The Secretary shall select, in accordance with subsections (e) and (f), institutions of higher education to participate in a Job Training Federal Pell Grant demonstration program by providing the selected institutions with authority to award Job Training Federal Pell Grants to eligible students for approved short-term career and technical education programs at the selected institutions.

“(2) DURATION.—An institution of higher education selected under paragraph (1) shall have the authority to provide Job Training Federal Pell Grants for a period of 5 award years.

“(d) TERMS AND CONDITIONS; MODIFICATIONS.—
“(1) IN GENERAL.—A Job Training Federal Pell Grant shall have the same terms and conditions as a Federal Pell Grant under section 401, except that the Secretary—

“(A) shall define the terms ‘award year’, ‘academic year’, and ‘eligible program’ differently than otherwise defined in section 481, in order to enable short-term career and technical education programs to be eligible programs for Job Training Federal Pell Grants; and

“(B) may modify or remove any other statutory or regulatory requirement that the Secretary determines would otherwise inhibit the operation of the demonstration program.

“(2) CONTINUED ELIGIBILITY.—

“(A) IN GENERAL.—Any eligible student awarded a Job Training Federal Pell Grant shall receive the Job Training Federal Pell Grant for the period that the eligible student is enrolled and making satisfactory academic progress in the short-term career and technical education program.

“(B) EFFECT ON DISCONTINUED PARTICIPATION.—In any case where the institution of
higher education attended by an eligible student receiving a Job Training Federal Pell Grant ceases participation in the demonstration program under this subsection, the Secretary shall ensure that the eligible student continues to receive the Job Training Federal Pell Grant for the student’s short-term career and technical education program during the period described in subparagraph (A).

“(e) APPLICATION.—

“(1) IN GENERAL.—Each institution of higher education desiring to participate in the demonstration program under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

“(2) CONTENTS.—Each application shall include—

“(A) a description of not more than 8 short-term career and technical education programs offered by the institution that would be eligible for the use of Job Training Federal Pell Grant funds;

“(B) an explanation of how each short-term career and technical education program provides training aligned with the requirements
and needs of employers and industries in the State or region involved, based on—

“(i) the most recent needs assessments under section 133(c) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2353(c)) for the region or State involved;

“(ii) the employment projections of the Office of Employment and Unemployment Statistics of the Bureau of Labor and Statistics for the region or State involved; or

“(iii) the recommendations of local workforce investment boards and State agencies involved in career and technical education representing the region or State involved;

“(C) a description of the students to whom these programs will be offered;

“(D) a description of the activities that the institution will carry out to place students of the institution who complete a short-term career and technical education program in jobs related to the training provided in the program;
“(E) a description of the self-evaluation criteria the institution will use to measure the outcomes of students using Job Training Federal Pell Grants under this section at the short-term career and technical education programs of the institution;

“(F) a certification that the institution of higher education will fully cooperate with any evaluations of the demonstration program required under this section; and

“(G) such other information as the Secretary may require.

“(f) SELECTION.—

“(1) IN GENERAL.—Not later than 24 months after the date of enactment of the Pell Flexibility Act of 2019, the Secretary shall—

“(A) select not more than 100 institutions of higher education to carry out the demonstration program; and

“(B) approve, from the programs proposed under subsection (e)(2)(A), the short-term career and technical education programs at each institution for which Job Training Federal Pell Grants may be used.
“(2) Considerations for initial applications.—In selecting institutions of higher education and short-term career and technical education programs under this section to participate in the demonstration program, the Secretary shall take into account—

“(A) the number of quality applications received;

“(B) the Department’s capacity to oversee, monitor, and implement non-standard aid disbursement through the program; and

“(C) with respect to each applying institution of higher education, and each short-term career and technical education program for which a Job Training Federal Pell Grant may be used—

“(i) the financial responsibility and administrative capacity for the institution and program;

“(ii) the job placement rates in the region and State in the fields of study relevant to each short-term career and technical education program;

“(iii) the needs of the region and State; and
“(iv) the support of faculty and institutional leadership.

“(3) VARIETY OF SHORT-TERM PROGRAMS.—In selecting institutions of higher education for the demonstration program under this section, the Secretary shall, to the extent practicable based on the quality of the applications, select institutions of higher education that, in the aggregate, offer a wide array of short-term career and technical education programs, including programs that—

“(A) are career pathways, as defined by section 3(7) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102(7)); and

“(B) lead to other recognized postsecondary credentials that are of sufficient quality, as determined by the Secretary.

“(g) NOTIFICATION.—The Secretary shall make available to the public and to the authorizing committees a list of the short-term career and technical education programs selected to participate in the demonstration program under this section.

“(h) EVALUATION, REPORTS, AND CONVENINGS.—

“(1) EVALUATION.—The Secretary and the Director of the Institute of Education Sciences shall evaluate the demonstration programs authorized
under this section on an annual basis. Each such evaluation shall—

“(A) review the extent to which the participating eligible institution has successfully met its targets set forth in the application to the Secretary; and

“(B) include, if possible, both qualitative and quantitative evidence of—

“(i) the program’s alignment with workforce needs, including placement and retention in jobs related to the training provided by the program;

“(ii) job placement and retention rates of participating students within 6, 12, and 24 months after the completion of the program;

“(iii) the effect, if any, this program has on students attending 4-year institutions, such as student diversion for four-year institutions to short-term career and technical education programs;

“(iv) the extent to which students have sought a higher credential or degree or military service; and

“(v) program completion.
“(2) POLICY ANALYSIS; REPORTS.—By not later than 3 years after the date that the first Job Training Federal Pell Grants are awarded under this section, the Secretary shall review the demonstration program under this section and its outcomes and report those findings to the authorizing committees.

“(3) CONVENINGS.—The Secretary shall convene the institutions of higher education participating in the demonstration program at least once every 2 years, in person or by webinar or other electronic means.

“(i) OVERSIGHT.—

“(1) IN GENERAL.—In conducting the demonstration program authorized under this section, the Secretary shall, on a continuing basis—

“(A) ensure compliance of the institutions of higher education participating in the demonstration program with all applicable requirements of this title;

“(B) provide technical assistance;

“(C) monitor fluctuations in the student population enrolled in the short-term career and technical education programs participating in the demonstration program;
“(D) direct the office of Federal Student Aid and the operations support division of such office to develop a risk analysis model to monitor the integrity of the demonstration program; and

“(E) consult with appropriate State regulatory authorities, as appropriate.

“(2) REMOVAL ABILITY.—The Secretary has the authority to remove an institution of higher education or a short-term career and technical education program from the demonstration program based on performance, after notice and an opportunity for a hearing.

“(j) SUNSET.—This section shall cease to have effect on the date that is 7 years after the date of enactment of the Pell Flexibility Act of 2019.”.