To improve the structure of the Federal Pell Grant program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Ms. HIRONO (for herself, Mrs. MURRAY, ) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To improve the structure of the Federal Pell Grant program, and for other purposes.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Pell Grant Preservation and Expansion Act”.

SEC. 2. FINDINGS.

Congress finds the following:

(1) The United States needs individuals with the knowledge, skills, and abilities that enable them
to thrive as educated citizens in society and successfully participate in an interconnected economy.

(2) Investments in higher education through student aid such as the Federal Pell Grant program under section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a) help students and families reach, afford, and complete education and training opportunities beyond high school.

(3) The Federal Pell Grant program is the largest source of Federally-funded grant aid for postsecondary education.

(4) The Federal Pell Grant program allows millions of people of the United States to attend college and is especially vital to students of color. Three in five African American undergraduate students, and one-half of all Latino undergraduate students, rely on the Federal Pell Grant program.

(5) The Federal Pell Grant program should continue to be a reliable source of funding for aspiring students, their families, and future generations that they can count on to be there for them when they seek higher education.

(6) To stabilize Federal Pell Grant funding and ensure the grant will continue to serve millions of students now and in the future, the program should
become a fully mandatory program that grows with inflation.

(7) Protecting surplus funds, restoring prior eligibility cuts, and expanding access to underserved students will give millions of students and families the critical student aid support they need and deserve.

SEC. 3. TABLE OF CONTENTS; REFERENCES.

(a) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Findings.
Sec. 3. Table of contents; references.
Sec. 4. Funding Federal Pell Grants through mandatory funding.
Sec. 5. Restoring Federal Pell Grant eligibility for borrower defense.
Sec. 6. Federal Pell Grant eligibility for DREAMer students.
Sec. 7. Repeal of suspension of eligibility under the Higher Education Act of 1965 for grants, loans, and work assistance for drug-related offenses.
Sec. 8. Extending Federal Pell Grant eligibility of certain short-term programs.
Sec. 9. Providing Federal Pell grants for Iraq and Afghanistan veteran’s dependents.
Sec. 10. Increasing support for working students by 35 percent.
Sec. 11. Increasing the Federal Pell Grant auto-zero threshold.
Sec. 12. Raising the total semesters of Federal Pell Grant eligibility.
Sec. 13. Conforming amendments.
Sec. 14. Effective date.

(b) References.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).
SEC. 4. FUNDING FEDERAL PELL GRANTS THROUGH MANDATORY FUNDING.

(a) MANDATORY FUNDING; REINSTATING ELIGIBILITY FOR INCARCERATED INDIVIDUALS.—Section 401 (20 U.S.C. 1070a) is amended—

(1) in subsection (a)(1), by striking “through fiscal year 2017”;

(2) in subsection (b)—

(A) by striking paragraphs (1), (6), and (7);

(B) by redesignating paragraph (8) as paragraph (7);

(C) by striking subparagraph (A) of paragraph (2);

(D) by redesignating subparagraph (B) of paragraph (2) as paragraph (2);

(E) by inserting before paragraph (2) (as redesignated by subparagraph (D)) the following:

“(1) AMOUNT.—The amount of the Federal Pell Grant for a student eligible under this subpart shall be—

“(A) the maximum Federal Pell Grant described in paragraph (6); less

“(B) the amount equal to the amount determined to be the expected family contribution with respect to such student for such year.”;
(F) in paragraph (4), by striking “maximum amount of a Federal Pell Grant award determined under paragraph (2)(A)” and inserting “maximum Federal Pell Grant described in paragraph (6)”;

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

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

“(6) MAXIMUM FEDERAL PELL GRANT.—

“(A) AWARD YEAR 2018–2019.—For award year 2018–2019, the maximum Federal Pell Grant shall be $6,420.

“(B) SUBSEQUENT AWARD YEARS.—For award year 2019–2020 and each subsequent award year, the maximum Federal Pell Grant shall be equal to the total maximum Federal Pell Grant for the preceding award year under this paragraph—

“(i) increased by the annual adjustment percentage for the award year for
which the amount under this subparagraph is being determined; and

“(ii) rounded to the nearest $5.

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

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

(3) in subsection (f)—

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

(B) in paragraph (3)—

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

(ii) in paragraph (3), by striking “the Committee on Appropriations of the Senate, the Committee on Appropriations of the House of Representatives, and”;

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

(5) by redesignating subsections (i) and (j) as subsections (g) and (h), respectively; and

(6) by adding at the end the following:

“(k) APPROPRIATION OF FUNDS.—There are authorized to be appropriated, and there are appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for fiscal year 2017 and each subsequent fiscal year to provide the maximum Federal Pell Grant for which a student shall be eligible under this section during an award year.”.
(b) **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.**—Upon'' and inserting the following: ``Upon''.

SEC. 5. **RESTORING FEDERAL PELL GRANT ELIGIBILITY FOR BORROWER DEFENSE.**

Section 401(c)(5) (20 U.S.C. 1070a(c)(5)) is amended—

(1) by striking ``(5) The period'' and inserting the following: ``(5) **MAXIMUM PERIOD.**—

``(A) **IN GENERAL.**—Except as provided in subparagraph (B), the period''; and

(2) by adding at the end the following:

``(B) **EXCEPTION.**—

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

``(ii) **APPLICABLE PERIODS.**—Clause (i) shall apply with respect to any Federal Pell Grant awarded to a student to attend an institution—


“(I) during a period—

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

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

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

“(BB) section 455(h) due to the student’s successful assertion of a defense to repayment of the loan; or

“(CC) section 432(a)(6), section 685.215 of title 34, Code of Federal Regulations (or a successor regulation), or any other loan forgiveness provision or regulation under this Act, as a result of a determination by the Secretary or a court that the institution com-
mitted fraud or other mis-
conduct; or

“(II) during a period for which
the student did not receive a loan
under this title but for which, if the
student had received such a loan, the
student would have qualified for loan
forgiveness under subclause (I)(bb).”.

SEC. 6. FEDERAL PELL GRANT ELIGIBILITY FOR DREAMER
STUDENTS.

Section 484 (20 U.S.C. 1091) is amended—

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

(2) by adding at the end the following:

“(u) DREAMER STUDENTS.—

“(1) IN GENERAL.—In this section, the term
‘Dreamer student’ means an individual who—

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

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

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

“(iii) at any time was eligible for a grant of deferred action under——

“(I) the June 15, 2012, memorandum from the Secretary of Homeland Security entitled ‘Exercising Prosecutorial Discretion with Respect to Individuals Who Came to the United States as Children’; or

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

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

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

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

“(B) satisfies the requirement of paragraph (1)(C).”
SEC. 7. REPEAL OF SUSPENSION OF ELIGIBILITY UNDER THE HIGHER EDUCATION ACT OF 1965 FOR GRANTS, LOANS, AND WORK ASSISTANCE FOR DRUG-RELATED OFFENSES.

(a) REPEAL.—Subsection (r) of section 484 (20 U.S.C. 1091(r)) is repealed.

(b) REVISION OF FAFSA FORM.—Section 483 of the Higher Education Act of 1965 (20 U.S.C. 1090) is amended by adding at the end the following:

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

(e) CONFORMING AMENDMENTS.—The Act (20 U.S.C. 1001 et seq.) is amended—

(1) in section 428(b)(3) (20 U.S.C. 1078(b)(3))—

(A) in subparagraph (C), by striking “485(l)” and inserting “485(k)”;

(B) in subparagraph (D), by striking “485(l)” and inserting “485(k)”;

(2) in section 435(d)(5) (20 U.S.C. 1085(d)(5))—

(A) in subparagraph (E), by striking “485(l)” and inserting “485(k)”;

and
(B) in subparagraph (F), by striking “485(l)” and inserting “485(k)”;

(3) in section 484 (20 U.S.C. 1091), as amended by section 6, by redesignating subsections (s),(t), and (u) as subsections (r), (s), and (t), respectively;

(4) in section 485 (20 U.S.C. 1092)—

(A) by striking subsection (k); and

(B) by redesignating subsections (l) and (m) as subsections (k) and (l), respectively; and


SEC. 8. EXTENDING FEDERAL PELL GRANT ELIGIBILITY OF CERTAIN SHORT-TERM PROGRAMS.

(a) In General.—Section 401 (20 U.S.C. 1070a), as amended by section 4, is further amended by inserting after subsection (h) the following:

“(i) Job Training Federal Pell Grant Program.—

“(1) Definitions.—In this subsection:

“(A) Eligible career pathway program.—The term ‘eligible career pathway program’ means a program that—

“(i) meets the requirements of section 484(d)(2);
“(ii) is a program of training services listed under section 122(d) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3152(d)); and

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

“(B) Job Training Program.—The term ‘job training program’ means a career and technical education program at an institution of higher education that—

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

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

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

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

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

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

“(II) satisfy any applicable educational prerequisite requirement for professional licensure or certification, so that the student who completes the program and seeks employment qualifies to take any licensure or certification examination needed to practice
or find employment in an occupation
that the program prepares students to
enter;
“(vi) may include integrated or basic
skills courses; and
“(vii) may be offered as part of an eli-
gible career pathway program.
“(2) IN GENERAL.—For the award year begin-
ing on July 1, 2018, and each subsequent award
year, the Secretary shall carry out a program
through which the Secretary shall award job training
Federal Pell Grants to students in job training pro-
grams. Each job training Federal Pell Grant award-
ed under this subsection shall have the same terms
and conditions, and be awarded in the same manner,
as a Federal Pell Grant awarded under subsection
(a), except as follows:
“(A) A student who is eligible to receive a
job training Federal Pell Grant under this sub-
section is a student who—
“(i) has not yet attained a baccalaureate degree or postbaccalaureate de-
gree;
“(ii) attends an institution of higher
education;
“(iii) is enrolled, or accepted for enrollment, in a job training program at such institution of higher education; and

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

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

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

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

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

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

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

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

(3) by adding at the end the following:

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

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

“(I) has identified each recognized postsecondary credential offered and the corresponding industry or sector partnership that actively recognizes each credential in the relevant industry in the State or local area where the industry is located; and

“(II) provides the academic content and amount of instructional time that is sufficient to—

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

“(bb) satisfy any applicable educational prerequisites for professional licensure or certification requirements so that the student who completes the program and seeks employment qualifies to take any licensure or certification examination that is needed to practice or find employment in
an occupation that the program prepares students to enter;”.

SEC. 9. PROVIDING FEDERAL PELL GRANTS FOR IRAQ AND AFGHANISTAN VETERAN’S DEPENDENTS.

(a) Amendments.—Part A of title IV (20 U.S.C. 1070a et seq.) is amended—

(1) in section 401, as amended by section 8, by inserting after subsection (i) the following:

“(j) Scholarships for Veteran’s Dependent.—

“(1) Definition of eligible veteran’s dependent.—In this subsection, the term ‘eligible veteran’s dependent’ means a dependent or an independent student—

“(A) whose parent or guardian was a member of the Armed Forces of the United States and died as a result of performing military service in Iraq or Afghanistan after September 11, 2001; and

“(B) who, at the time of the parent or guardian’s death, was—

“(i) less than 24 years of age; or

“(ii) enrolled at an institution of higher education on a part-time or full-time basis.
“(2) Grants.—

“(A) In General.—The Secretary shall award a Federal Pell Grant, as modified in accordance with the requirements of this subsection, to each eligible veteran’s dependent to assist in paying the eligible veteran’s dependent’s cost of attendance at an institution of higher education.

“(B) Designation.—Federal Pell Grants made under this subsection may be known as ‘Iraq and Afghanistan Service Grants’.

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

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

“(A) the award rules and determination of need applicable to the calculation of Federal Pell Grants under subsection (a) shall not apply to Iraq and Afghanistan Service Grants;
“(B) the provisions of paragraph (1)(B) and (3) of subsection (b), and subsection (f), shall not apply;

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

“(D) an Iraq and Afghanistan Service Grant to an eligible veteran’s dependent for any award year shall equal the maximum Federal Pell Grant available under subsection (b)(5) for that award year, except that an Iraq and Afghanistan Service Grant—

“(i) shall not exceed the cost of attendance of the eligible veteran’s dependent for that award year; and

“(ii) shall be adjusted to reflect the attendance by the eligible veteran’s dependent on a less than full-time basis in the same manner as such adjustments are made for a Federal Pell Grant under subsection (a).
“(5) Estimated Financial Assistance.—For purposes of determinations of need under part F, an Iraq and Afghanistan Service Grant shall not be treated as estimated financial assistance as described in sections 471(3) and 480(j).”; and

(2) by striking subpart 10 of part A (20 U.S.C. 1070h).

(b) Effective Date; Transition.—

(1) Effective date.—The amendments made by this section shall take effect with respect to the award year immediately following the date of enactment of this Act.

(2) Transition.—The Secretary shall take such steps as are necessary to transition from the Iraq and Afghanistan Service Grants program under subpart 10 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070h), as in effect on the day before the effective date of this section, and the Iraq and Afghanistan Service Grants program under section 401(j) of the Higher Education Act of 1965 (20 U.S.C. 1070a(j)), as amended by this section.
SEC. 10. INCREASING SUPPORT FOR WORKING STUDENTS

BY 35 PERCENT.

(a) DEPENDENT STUDENTS.—Section 475(g)(2)(D) (20 U.S.C. 1087oo(g)(2)(D)) is amended to read as follows:

“(D) an income protection allowance (or a successor amount prescribed by the Secretary under section 478) of $9,010 for academic year 2018–2019;”.

(b) INDEPENDENT STUDENTS WITHOUT DEPENDENTS OTHER THAN A SPOUSE.—Section 476(b)(1)(A)(iv) (20 U.S.C. 1087pp(b)(1)(A)(iv)) is amended to read as follows:

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

“(I) for single or separated students, or married students where both are enrolled pursuant to subsection (a)(2), of $14,010 for academic year 2018–2019; and

“(II) for married students where 1 is enrolled pursuant to subsection (a)(2), of $22,460 for academic year 2018–2019;”.
(c) **INDEPENDENT STUDENTS WITH DEPENDENTS**

**OTHER THAN A SPOUSE.**—Section 477(b)(4) (20 U.S.C. 1087qq(b)(4)) is amended to read as follows:

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“(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478), for academic year 2018–2019:

**Income Protection Allowance**

<table>
<thead>
<tr>
<th>Family Size (including student)</th>
<th>Number in College</th>
<th>For each additional subtract:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>$29,410</td>
<td>$29,410</td>
</tr>
<tr>
<td>3</td>
<td>$38,130</td>
<td>$38,130</td>
</tr>
<tr>
<td>4</td>
<td>$42,450</td>
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<tr>
<td>5</td>
<td>$52,240</td>
<td>$52,240</td>
</tr>
<tr>
<td>6</td>
<td>$57,090</td>
<td>$57,090</td>
</tr>
</tbody>
</table>

For each additional add: 8,500 $`
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(d) **UPDATED TABLES AND AMOUNTS.**—Section 478(b) (20 U.S.C. 1087rr(b)) is amended—

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

```
“(A) IN GENERAL.—For each academic year after academic year 2018–2019, the Secretary shall publish in the Federal Register a revised table of income protection allowances for the purpose of sections 475(e)(4) and 477(b)(4), subject to subparagraphs (B) and (C).
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“(B) TABLE FOR INDEPENDENT STUDENTS.—For each academic year after academic year 2018–2019, the Secretary shall develop the revised table of income protection allowances by increasing each of the dollar amounts contained in the table of income protection allowances under section 477(b)(4) by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary for the most recent calendar year ending prior to the beginning of the academic year for which the determination is being made), and rounding the result to the nearest $10.”; and

(2) in paragraph (2), by striking “shall be developed” and all that follows through the period at the end and inserting “shall be developed for each academic year after academic year 2018–2019, by increasing each of the dollar amounts contained in such section for academic year 2018–2019 by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary for the most recent calendar year ending prior to the beginning of the academic year for
which the determination is being made), and rounding the result to the nearest $10.”

SEC. 11. INCREASING THE FEDERAL PELL GRANT AUTO-
ZERO THRESHOLD.

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

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

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

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

SEC. 12. RAISING THE TOTAL SEMESTERS OF FEDERAL
PELL GRANT ELIGIBILITY.

Section 401(c)(5)(A) (20 U.S.C. 1070a(c)(5)(A)), as
amended by section 5, is further amended by striking
“12” each place the term appears and inserting “14”.

SEC. 13. CONFORMING AMENDMENTS.

The Act (20 U.S.C. 1001 et seq.) is amended—
(2) in section 402D(d)(1) (20 U.S.C. 1070a–14(d)(1)), by striking “section 401(b)(2)(A)” and inserting “section 401(b)(1)”;
(3) in section 420R(d)(2) (20 U.S.C. 1070h(d)(2)), by striking “subsection (b)(1), the matter following subsection (b)(2)(A)(v),”;
(4) in section 435(a)(5)(A)(i)(I) (20 U.S.C. 1085(a)(5)(A)(i)(I)), by striking “under section 401(b)(2)(A)” and inserting “, as appropriate, under section 401(b)(2)(A) (as in effect on the day before the effective date of the Pell Grant Preservation and Expansion Act) or section 401(b)(1)”;
SEC. 14. EFFECTIVE DATE.

Except as otherwise provided, this Act, and the amendments made by this Act, shall take effect beginning on July 1, 2018 and shall apply to grant and award determinations made under title IV of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) beginning with the 2018–2019 award year.