Purpose: In the nature of a substitute.


S. 161

To extend Federal Pell Grant eligibility of certain short-term programs.

Referred to the Committee on ______________________ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended to be proposed by ____________

Viz:

1 Strike all after the enacting clause and insert the following:

2 SECTION 1. SHORT TITLE.

3 This Act may be cited as the “Jumpstart Our Businesses by Supporting Students Act of 2023” or the “JOBS Act of 2023”.

4 SEC. 2. EXTENDING FEDERAL PELL GRANT ELIGIBILITY OF CERTAIN SHORT-TERM PROGRAMS.

5 (a) IN GENERAL.—

6 (1) AMENDMENT.—Section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a), as amended by section 703 of the FAFSA Simplifica-
tion Act (title VII of division FF of Public Law 116–260) and the FAFSA Simplification Act Technical Corrections Act (Public Law 117–103), is further amended by adding at the end the following:

“(k) 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 listed on the provider list under section 122(d) of the Workforce Innovation and Opportunity Act;

“(iii) is part of a career pathway, as defined in section 3 of that Act; and

“(iv) is aligned to a program of study, as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006.

“(B) ELIGIBLE JOB TRAINING PROGRAM.—

“(i) IN GENERAL.—The term ‘eligible 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 weeks and not more than 15 weeks;

“(II) provides training aligned with the requirements of high-skill, high-wage, and in-demand industry sectors or occupations in the State or local area, as determined by an industry or sector partnership;

“(III) is a program of training services and provided through an eligible training provider, as described under section 122(d) of the Workforce Innovation and Opportunity Act, or by the institution;

“(IV) provides a student, upon completion of the program, with a recognized postsecondary credential that is recognized by employers in the relevant industry, including credentials recognized by industry or sector part-
nships in the relevant industry in
the State or local area where the in-
dustry is located and the job training
program is provided;

“(V) is accredited by an accred-
iting agency or association recognized
under subpart 2 of part H whose
scope of recognition includes job
training programs in accordance with
section 496(a)(4)(C), and such agency
or association determines, after vali-
dation of the determination by an in-
dustry or sector partnership, that the
program provides academic content,
an amount of instructional time, and
a recognized postsecondary credential
that are sufficient to—

“(aa) meet the hiring re-
quirements of potential employ-
ers; and

“(bb) satisfy any applicable
educational prerequisite require-
ment 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) when applicable, meets the requirements of paragraph (3);

“(VII) may include integrated education and training;

“(VIII) may be offered as part of an eligible career pathway program;

“(IX) does not exceed by more than 50 percent the minimum number of clock hours required for training if the State has established such a requirement; and

“(X) shall include institutional credit articulation for a student enrolled in a noncredit job training program, which shall be monitored by the accrediting agency or association of the institution.

“(ii) APPROVAL BY THE SECRETARY.—In the case of a program that is
seeking to establish eligibility as an eligible job training program under this subparagraph, the Secretary shall make a determination about whether the program meets the requirements of this subparagraph not more than 60 days after the date on which such program is submitted for consideration as an eligible job training program.

“(iii) ADDITIONAL ASSURANCE.—The Secretary shall not determine that a program is an eligible job training program in accordance with clause (ii) unless the Secretary receives a certification from the appropriate State board containing an assurance that the program meets the requirements of clause (i).

“(C) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ means—

“(i) an institution of higher education, as defined in section 101; or

“(ii) a postsecondary vocational institution, as defined in section 102(c).

“(D) INSTITUTIONAL CREDIT ARTICULATION.—The term ‘institutional credit articula-
tion' means an institution of higher education provides a student who has completed a non-credit program with the equivalent academic credit that may be applied to a subsequent credit-bearing certificate or degree program upon enrollment in such program at such institution.

“(E) TOTAL EARNINGS.—The term ‘total earnings’ means median annual earnings.

“(F) WIOA DEFINITIONS.—The terms ‘in-demand industry sector or occupation’, ‘industry or sector partnership’, ‘recognized postsecondary credential’, and ‘State board’ have the meanings given such terms in section 3 of the Workforce Innovation and Opportunity Act.

“(2) IN GENERAL.—For award year 2026–2027 and each subsequent award year through award year 2030–2031, the Secretary shall carry out a program through which the Secretary shall award Federal Pell Grants to students in eligible job training programs (referred to as a ‘job training Federal Pell Grant’). Each job training Federal Pell Grant awarded under this subsection shall have the same terms and conditions, and be awarded in the same
manner, as other Federal Pell Grants awarded under subsection (b), except as follows:

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

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

“(ii) attends an institution of higher education;

“(iii) is enrolled, or accepted for enrollment, in an eligible 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), except that notwithstanding subsection (b)(1)(B), a student who is eligible for less than the minimum Federal Pell Grant for an academic year in which the student is enrolled in an eligible program
full time may still be eligible for a job training Federal Pell Grant.

“(3) **TOTAL EARNINGS INCREASE REQUIREMENT.**—

“(A) **IN GENERAL.**—Beginning on the date described in subparagraph (E) and as a condition of continued participation in the job training Federal Pell Grant program under this subsection, an eligible job training program shall demonstrate, on a quarterly basis, that the median increase of total earnings for students who complete the eligible job training program exceeds 20 percent, in accordance with subparagraphs (B) through (D).

“(B) **METHOD OF CALCULATION.**—In order to determine compliance with subparagraph (A) for an eligible job training program, the Secretary shall, using the data from the primary data source described in subparagraph (F) and such other information as the Secretary may require (which may include disaggregated data by student subgroup), continuously monitor and determine whether students who complete the eligible job training program receive a median increase of such stu-
students’ total earnings that exceeds 20 percent. For the purposes of this paragraph, the Secretary shall determine such percentage of change by calculating the difference between—

“(i) the total earnings of students who enroll in such program, calculated based on earnings in the year prior to enrollment; and

“(ii) the total earnings of students who complete such program, calculated based on earnings in the year after completing such program, subject to subparagraph (C).

“(C) STUDENTS.—The percentage change calculated in accordance with subparagraph (B) shall include students—

“(i) who, in the year prior to enrollment in the eligible job training program, met a minimum earnings level, as established by the Secretary; and

“(ii) whose annual earnings data for such year shall be drawn from the primary data source described in subparagraph (F).

“(D) EXCLUSION.—An institution of higher education offering an eligible job training
program for which the Secretary awards job
training Federal Pell Grants under this sub-
section may exclude from the calculation under
subparagraph (B) any students who are en-
rolled in an eligible program, as defined in sec-
tion 481, at the time that earnings are evalu-
ated under such subparagraph.

“(E) APPLICABILITY.—The requirements
of this paragraph shall apply to an eligible job
training program beginning on the date that is
18 months after the program’s date of approval
as an eligible job training program under this
subsection.

“(F) PRIMARY DATA SOURCE.—The Sec-
retary shall use data from the National Student
Loan Data System matched with Internal Rev-
enue Service income data to calculate the total
earnings change described in subparagraph (B).
The Secretary shall coordinate and enter into a
data sharing agreement to fulfill such purpose.

“(4) INCLUSION IN TOTAL ELIGIBILITY PE-
RIOD.—Any period during which a student receives
a job training Federal Pell Grant under this sub-
section shall be included in calculating the student’s
period of eligibility for Federal Pell Grants under
subsection (d), and the eligibility requirements re-
garding students who are enrolled in an under-
graduate program on less than a full-time basis shall
similarly apply to students who are enrolled in an el-
igible job training program at an institution of high-
er education on less than a full-time basis.”.

(2) EFFECTIVE DATE.—The amendment made
by paragraph (1) shall take effect as if included in
section 703 of the FAFSA Simplification Act (title
VII of division FF of Public Law 116–260), as
amended by the FAFSA Simplification Act Tech-
ical Corrections Act (Public Law 117–103), and
subject to the effective date of section 701(b) of the
FAFSA Simplification Act.

(b) ACCREDITING AGENCY RECOGNITION OF ELIGI-
BLE JOB TRAINING PROGRAMS.—Section 496(a)(4) of the
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) For award years 2026–2027 through
2029–2031, 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(k), such agency or association shall, in addition to meeting the other requirements of this subpart, demonstrate to the Secretary that, with respect to such eligible job training programs (as defined in that section)—

“(i) the agency or association’s standards include a process for determining if the institution has the capability to effectively offer an eligible job training 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.”.

(c) INTERAGENCY DATA SHARING.—The Secretary of Education shall coordinate and enter into a data sharing agreement with the Secretary of Labor to ensure access to data related to indicators of performance collected under section 116 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3141). Under such data sharing agreement, the Commissioner of the National Center for Education Statistics shall collect and review the contents
of performance reports for eligible providers of training services described in section 116(d)(4) of that Act not less frequently than once each year.

(d) Effective Date; Sunset.—

(1) In general.—Unless otherwise specified, this section, and the amendments made by this section, shall take effect on July 1, 2026.

(2) Sunset.—The authority of the Secretary of Education to provide job training Federal Pell Grants under section 401(k) of the Higher Education Act of 1965 (20 U.S.C. 1070a(k)), as amended by this section, shall expire on June 30, 2031, and shall not be subject to any extension under section 422 of the General Education Provisions Act (20 U.S.C. 1226a).