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(Original Signature of Member)

119TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To index the maximum value of Federal Pell Grants to inflation.

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IN THE HOUSE OF REPRESENTATIVES

Mr. CASTEN introduced the following bill; which was referred to the  
Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To index the maximum value of Federal Pell Grants to  
inflation.

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 “Pell Grant Sustain-  
5 ability Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) The purchasing power of the Federal Pell  
9 Grant has declined rapidly since the 1970s. In aca-

1       demic year 1974–1975, the total maximum Federal  
2       Pell Grant covered 80 percent of base educational  
3       costs at public 4-year institutions of higher edu-  
4       cation. By academic year 2022-2023, the maximum  
5       Federal Pell Grant covered just 31 percent of those  
6       base costs.

7               (2) The value of Federal Pell Grants must keep  
8       pace with students’ costs in order to fulfill their mis-  
9       sion of enabling lower-income students to attend col-  
10      lege.

11 **SEC. 3. INDEXING FEDERAL PELL GRANTS TO INFLATION.**

12       Section 401(b) of the Higher Education Act of 1965  
13 (20 U.S.C. 1070a(b)) is amended—

14               (1) by amending paragraph (5) to read as fol-  
15      lows:

16               “(5)   TOTAL   MAXIMUM   FEDERAL   PELL  
17      GRANT.—

18               “(A) IN GENERAL.—For award year 2024–  
19      2025 and each subsequent award year, the total  
20      maximum Federal Pell Grant award per stu-  
21      dent shall be equal to the sum of—

22                       “(i)(I) for award year 2024–2025,  
23                       \$1,060; or

24                       “(II) for award year 2025–2026 and  
25                       each subsequent award year, the amount

1           determined under this clause for the pre-  
2           ceding award year, increased by a percent-  
3           age equal to the annual adjustment per-  
4           centage for the award year for which the  
5           amount under this clause is being deter-  
6           mined; and

7           “(ii) the amount specified as the max-  
8           imum Federal Pell Grant in the last en-  
9           acted appropriation Act applicable to that  
10          award year.

11          “(B) ROUNDING.—The total maximum  
12          Federal Pell Grant for any award year shall be  
13          rounded to the nearest \$5.

14          “(C) ANNUAL ADJUSTMENT PERCENTAGE  
15          DEFINED.—In this paragraph, the term ‘annual  
16          adjustment percentage’, as applied to an award  
17          year, is equal to the estimated percentage  
18          change in the Consumer Price Index (as deter-  
19          mined by the Secretary, using the definition in  
20          section 478(f)) for the most recent calendar  
21          year ending prior to the beginning of that  
22          award year.”;

23          (2) in paragraph (6)(A)(ii)—

24                 (A) by striking “each of the fiscal years”  
25                 and inserting “fiscal year”; and

1                   (B) by striking “through 2034” and in-  
2                   serting “and each subsequent fiscal year”; and  
3                   (3) in paragraph (8)(A), by striking “through  
4                   fiscal year 2034”.