

Pell Grant Eligibility: Side-by-Side

Provision	Current Law	House-Passed FY2013 Budget Resolution (H. Con. Res. 112)	Cost Savings FY2014 (billions)*
Part-time student	Less-than-half-time students are eligible	Students must attend at least half-time	\$0.110
Maximum income level to qualify for automatic zero expected family contribution (students with a \$0 EFC qualify for max grant)	Sum of adjusted gross income for dependent students' parents or independent students with dependents other than a spouse is \$23,000 or less for FY12 (subject to annual increase linked to Consumer Price Index)	Sum of adjusted gross income for dependent students' parents or independent students with dependents other than a spouse is \$20,000 or less (subject to annual increase linked to Consumer Price Index)	\$0.030
Income protection allowance	Income protection allowance as established by the College Cost Reduction and Access Act of 2007 (\$6,000 for dependent students in the 2012-13 school year).	Income protection allowance would revert to the levels established by Congress before the passage of the College Cost Reduction and Access Act of 2007.	\$1.701
Maximum income limit to be eligible for a grant	None. Grant awards are calculated based on a formula in law that includes income but does not establish an absolute income cap.	\$45,000** (estimate)	\$2.500
Administrative fee paid to campuses for distribution of Pell Grants	\$5 administrative fee paid to schools for distribution of Pell Grants	No administrative fee paid to schools for distribution of Pell Grants	\$0.180
Maximum grant award	Maximum Pell Grant for fiscal year 2013 is estimated at \$5,645; for fiscal year 2014, estimated at \$5,725	Holds maximum Pell Grant at fiscal year 2012 level of \$5,550	\$1.500
TOTAL SAVINGS, FISCAL YEAR 2014			\$6.021

Sources: New America Foundation, Congressional Budget Office

*Cost savings estimates for all reforms except income limit are based on Congressional Budget Office estimates. Estimate for income limit savings is based on information in the U.S. Department of Education fiscal year 2013 budget justifications.

**Assumes an income limit of \$30,000; the House-passed budget FY2013 budget resolution does not specify a dollar amount for the proposed limit.