



April 8, 2026

U.S. Department of Education  
Office of Postsecondary Education  
400 Maryland Avenue, SW  
Washington, DC 20202

Re: [Docket ID ED-2026-OPE-0133](#) — AHEAD NPRM: Pell Grant Exclusion Relating to Other Grant Aid; and Workforce Pell Grants

Dear Under Secretary Kent:

The Hope Center for Student Basic Needs at Temple University (“The Hope Center”) appreciates the opportunity to comment on the U.S. Department of Education’s (“ED” or “The Department”) proposed rule implementing changes to Federal Pell Grant eligibility and establishing the new Workforce Pell Grant program under the *One Big Beautiful Bill Act* (OBBBA).

The Hope Center is a national action research center dedicated to ensuring that all students in higher education can afford the full cost of college and can access all resources for which they are eligible to finance their education. National survey data from several independent organizations, as well as our own, show that 3-in-5 students in higher education struggle to meet basic needs such as food and housing while enrolled in their degree programs, while millions more struggle with costs related to child care, transportation, technology, and more.<sup>1</sup> More than half of students say they would struggle to access \$500 even in an emergency, and more than two-thirds have run out of money at least once in the last year.<sup>2</sup>

Costs of living, or “indirect costs,” often account for the bulk of students’ total cost of attendance (COA) and represent a major impediment to student success. These costs also continue to rise at an alarming rate amid sustained inflation. Reversing the crisis of spiraling costs and basic needs insecurity will require institutions and policymakers to ensure students can access the supports for which they are eligible, that their costs are accurately, consistently, and transparently communicated, and that students are not unfairly penalized when they receive financial aid that helps lower the price of attendance.

We urge the Department to strengthen the proposed regulations related to Pell Grant eligibility and the Workforce Pell Grant program in ways that help students understand and access resources to reduce costs and finance their degrees and credentials.

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<sup>1</sup> The Hope Center for Student Basic Needs. (2025, February). *The Hope Center 2023-2024 Student Basic Needs Survey Report*.

<sup>2</sup> Trellis Strategies. (2026, April). *Student Financial Wellness Survey – Fall 2025 Results*.

## Protecting Pell Grant Recipients When Non-Federal Aid Equals or Exceeds COA

Section 401(d)(6) of the HEA, as amended by Section 83004 of the OBBBA, bars students from receiving a Pell Grant when their non-Federal grant and scholarship aid equals or exceeds COA. Proposed § 690.5 implements this provision and requires institutions either to reduce non-Federal aid within their control or return Pell funds. While we recognize that the Department is required to implement this statutory change, we urge caution and clarity, given its reliance on underlying COA figures that research has shown are frequently inaccurate. For example, one foundational analysis found that nearly half of colleges' estimated living costs deviate by at least 20 percent from actual local living costs, often significantly underestimating them.<sup>3</sup>

The new OBBBA policy risks amplifying the consequences of those COA inaccuracies: students at institutions that undercount living costs may receive outside aid that forces them to also lose Pell eligibility despite still having considerable unmet need. Fortunately, under the *FAFSA Simplification Act*,<sup>4</sup> the Department now has the power under the HEA to regulate non-tuition components of COA to ensure accuracy, transparency, and standardization in the ways that institutions calculate and communicate costs to students.

We urge the Department to **add language to the proposed rule to ensure that COA calculations are data-driven and updated at least annually**, so that students' budgets better reflect the actual costs they face. Such a provision will help ensure that students are not unfairly hurt by losing Pell Grant aid because they both received outside resources to help with their COA, and their institution inaccurately estimated their costs.

We also share concerns raised by others, including financial aid administrators<sup>5</sup>, regarding the interaction between § 690.5 and state grants, "Promise," and other last-dollar scholarship programs that are designed to fill students' remaining need after the Pell Grant has been applied.

Without clear guidance, a student receiving a Promise grant or scholarship—intended to supplement and interact with federal aid—could trigger Pell ineligibility under this policy, undermining the very intention of last-dollar programs. We echo others' concerns that this policy may produce inequitable outcomes: institutions can adjust their *own* awards to preserve students' Pell eligibility, but cannot modify *external* private scholarships, potentially penalizing students for seeking outside support from the community or other scholarship foundations. Even though the OBBBA limitation does not directly prevent last-dollar programs that only meet tuition and fees, or another subset of COA costs, we urge the Department to explicitly confirm in the final

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<sup>3</sup> Kelchen, R., Goldrick-Rab, S., and Hosch, B. (2017, March). The costs of college attendance: Examining variation and consistency in institutional cost allowances. *The Journal of Higher Education*

<sup>4</sup> 20 U.S.C. 108711

<sup>5</sup> National Association of Student Financial Aid Administrators. (2026). *Comments on AHEAD Notice of Proposed Rulemaking: Pell Grant provisions (Docket ID ED-2026-OPE-0133)* [Public comment].

[https://www.nasfaa.org/uploads/documents/preview\\_comments\\_Pell\\_Grant\\_Provisions\\_OBBBA\\_March31.pdf](https://www.nasfaa.org/uploads/documents/preview_comments_Pell_Grant_Provisions_OBBBA_March31.pdf)

rule that last-dollar programs can continue to operate without jeopardizing Pell eligibility, so long as a student’s total non-Federal aid remains below the COA.

We additionally urge the Department to clarify that when students have Pell Grant funds returned in circumstances when outside aid covers COA, students’ Pell Lifetime Eligibility Used (LEU) is restored and their future Pell Grant eligibility reflects that they did not receive a grant award during the period of enrollment in question, and that this is clearly communicated to students in the event that Pell Grants are clawed back during any period.

Lastly, we understand that ED seeks feedback on how to prevent so-called “gaming” or manipulation of the Pell COA rule. We strongly urge the Department to **refrain from adopting any additional regulatory limitations** or reporting burdens beyond those in the proposed rule. While the Department is interested in safeguarding program integrity, this OBBBA policy already has an extremely small budgetary impact and affects very few students while creating substantial compliance burdens and packaging implications.

Additional requirements would not only exceed the Department’s statutory authority but, more importantly, create unintended barriers for students the Pell Grant is designed to serve. Congress established a clear eligibility threshold tied to the total COA and did not authorize supplemental verification regimes or compliance structures to police marginal variations around that threshold—even if students receive total aid that is just \$1 under their COA. Further, OBBBA did not modify or restrict financial aid administrators’ exercise of professional judgment to modify COA, which already remains underutilized for many students. Students need all of the financial aid they can get – as evidenced by high rates of basic needs insecurity – and more flexible COA adjustment policies, not additional barriers.

Layering on new requirements, whether through enhanced reporting, documentation, or institutional liability, would increase administrative burden on institutions and financial aid administrators, potentially leading to more restrictive awarding practices or delays in disbursements. In practice, this could result in eligible students losing access to Pell Grant funds to which they are entitled under law, particularly those with complex aid packages or who require additional steps to receive their aid, such as provisionally independent students, students experiencing or at risk of homelessness, or former foster youth. The Department should prioritize implementing the statute as written and avoid policy choices that inadvertently restrict aid to students with the greatest financial need.

### **Ensuring Workforce Pell Grant Students are Notified of Financial Resources**

The creation of Workforce Pell Grant grants represents an opportunity—when combined with clear guardrails and robust oversight—to provide students with additional low-cost pathways toward a meaningful credential. Yet despite the short-term nature of these programs, Workforce Pell students (who, by definition, are low-income) will still face substantial non-tuition costs.

In fact, because Workforce Pell awards are prorated based on program length and will therefore be substantially smaller than “full” Pell awards, and because non-tuition expenses such as food,

housing, transportation, and child care make up the majority of total costs at public institutions,<sup>6</sup> students in short-term programs are disproportionately *more* likely to run out of financial aid, experience basic needs insecurity, and be at risk for not completing their programs, than students in longer certificate and degree programs. At the same time, these students will struggle to find financial support for basic expenses, since they are not eligible for any other aid under Title IV.

Workforce Pell students are likely eligible for a wide array of public benefits and other supports that could help them complete their programs. For example, students enrolled in Workforce Pell programs may qualify for the Supplemental Nutrition Assistance Program (SNAP) under standard eligibility criteria *or* the student eligibility criteria, which requires recipients to meet one of a series of exemptions if enrolled in higher education more than half-time, most commonly by working 20 hours a week or more. Yet research from the U.S. Government Accountability Office shows that two-thirds of students in higher education who are likely eligible for SNAP do not report receiving benefits, a function of the program's many bureaucratic hurdles and insufficient outreach by institutions, states, and the federal government.

We urge the Department to **require institutions participating in Workforce Pell to provide enrolled and prospective students with clear notification of all benefits for which they may be eligible** to help them meet their indirect costs. Institutions should be required to provide outreach on, at a minimum the public and tax benefits already named on the Free Application for Federal Student Aid (FAFSA), which includes but is not limited to SNAP, Medicaid, the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), and Temporary Assistance for Needy Families (TANF), Earned Income Tax Credit (EITC), and American Opportunity and Lifetime Learning Credits (AOTC and LLC). Institutions should also include the Child Tax Credit (CTC) and applicable state and local benefits in their outreach. Benefits outreach requirements would cost little to implement. The Department could model the outreach on existing Federal Student Aid guidance<sup>7</sup> and meaningfully improve completion rates for students who have no other financial aid to lean on.

### **Reconsidering Exclusion of Workforce Pell Students from Other Aid**

As proposed, Workforce Pell recipients will not be eligible for other Title IV federal financial aid<sup>8</sup> to support the additional costs they may face in their programs. In order to ensure that these programs provide a low-debt (or debt-free) pathway toward a credential, we believe the Department should **reconsider the blanket exclusion of Workforce Pell students from the Federal Supplemental Educational Opportunity Grant (FSEOG) and Federal Work-Study (FWS) programs.**

FSEOG was designed to provide additional grant aid to students with exceptional need, with a statutory priority for Pell Grant recipients. Workforce Pell students are, by definition, Pell-eligible, and excluding them from the supplemental grant designed for the neediest Pell recipients is incongruous. Even a modest FSEOG award could help cover required tools, course

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<sup>6</sup> College Board. (2025). *Trends in College Pricing and Student Aid 2025*.

<sup>7</sup> [\(GENERAL-24-93\) Guidance on Means-Tested Benefits Outreach for Institutions and State Grant Agencies](#)

<sup>8</sup> See proposed § 690.90

supplies, licensing fees, transportation, and other expenses common in short-term workforce programs that prorated Pell awards may not fully address. Previously, federal law also permitted institutions to hold a portion of FSEOG funding to be used as emergency aid for students,<sup>9</sup> a flexibility which, if revived by Congress, would allow institutions operating Workforce Pell programs to fund emergency grants to those students who face an unexpected or short-term expense—such as a car repair or medical bill—that would otherwise force them to drop out.

FWS also has the potential to supplement Workforce Pell in relevant and meaningful ways. Since work-study provides part-time employment to defray educational expenses, it could simultaneously offer work experience aligned with students’ fields of training while covering the cost of their program, thereby advancing Workforce Pell’s emphasis on connecting training to relevant employment. Many Workforce Pell students will likely enroll in consecutive short-term programs, which could allow them to complete longer periods of FWS employment during their enrollment at an institution.

To the extent the Department determines that a statutory clarification is needed to allow Workforce Pell recipients to receive SEOG and FWS, we urge it to recommend that Congress extend such eligibility to Workforce Pell students and, in the interim, issue guidance permitting institutions to serve these students where the law does not expressly prohibit it.

Lastly, even if the Department does not reconsider the SEOG and FWS exclusions, we recommend the Department specifically **add language to § 690.11(b) to clarify that students receiving Workforce Pell may still receive other financial assistance**, such as public benefits, workforce funding under the *Workforce Innovation and Opportunity Act* (WIOA), institutional or state-based emergency financial assistance, and private or state grants and scholarships.

### **Timely Financial Aid Actions**

Students who are unaccompanied and experiencing homelessness—or who are unaccompanied, self-supporting, and at risk of homelessness—as well as students with “unusual circumstances” (such as parental abuse, abandonment, or estrangement) who are unable to provide parental information at the time they fill out the FAFSA, often must submit documentation to a financial aid office to establish their status as independent students and qualify for the full amount of financial aid. Delays in reviewing and resolving these determinations can interrupt or delay access to financial aid, creating significant barriers to enrollment and persistence for students facing the most acute instability.

This issue is particularly salient given the short nature of Workforce Pell programs. Section 479D(c) of the Higher Education Act of 1965 requires financial aid administrators to make these determinations as expeditiously as practicable, and no later than **60 days** after a student’s enrollment in the applicable award year. However, this statutory timeframe does not align well with the structure of shorter-term workforce Pell programs, where **students may complete a substantial portion—or even the entirety—of their program within that 60-day window.**

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<sup>9</sup> McKibben, B. (2023, August 16). *Continuing the federal investment in emergency aid grants*. The Hope Center for Student Basic Needs, Temple University. <https://hope.temple.edu/federal-investment-in-emergency-aid>

For students in short-term programs, delays in confirming independent status can mean delayed aid, heightened uncertainty, and an increased likelihood of stopping out before they can complete their programs. These risks are especially pronounced for homeless youth, former foster youth, and provisionally independent students navigating complex personal circumstances without parental support.

We encourage the Department to **include new language emphasizing the importance of making these financial determinations as early as possible for students in Pell-eligible workforce programs, and ideally within 30 days of enrollment in a Workforce Pell program.** Accelerating these timelines would help ensure that students can access financial resources when they are most needed.

Prompt determinations are essential to supporting enrollment, persistence, and completion for students experiencing homelessness or other serious disruptions to family support—especially in compressed program formats where even short delays can have outsized consequences.

### **Conclusion**

The Hope Center appreciates the opportunity to comment on the proposed changes to the Pell Grant program and the Workforce Pell provisions of the OBBBA. We urge the Department to ensure that the implementation of federal financial aid programs accounts for the realities facing students today and works to reverse many of the threats to student access, affordability, and persistence.

We also urge the Department to ensure that these regulations protect students' access to resources that can help meet their essential needs, that students are not penalized for seeking support to cover the true cost of attendance, and that new pathways like Workforce Pell are accompanied by available financial and wraparound supports needed to make the program successful. If you have any questions about these comments, please contact me at [bryce.mckibben@temple.edu](mailto:bryce.mckibben@temple.edu).

Sincerely,



Bryce McKibben  
Senior Director of Policy & Advocacy  
The Hope Center for Student Basic Needs