



Pell Grant Program

The Federal Pell Grant Program provides low-income students with access to funding for postsecondary education at four-year colleges and universities, for-profit schools, two-year colleges, and institutions that specialize in occupational training. Grants are awarded on the basis of financial need and academic course load. The program has three sources of funding: discretionary budget authority, which provides the largest portion and supports a maximum award set in the annual appropriation act; mandatory budget authority, which is specified in the Higher Education Act; and a “mandatory add-on,” which is automatically added, on the basis of a formula, to the discretionary portion of each award.

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	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024- 2028	2024- 2033
BUDGET INFORMATION													
Historical Pell Grant Funding and Program Costs, 2013 to 2023													
By fiscal year, budget authority in millions of dollars													
Regular Discretionary Appropriation^a	22,778	22,778	22,475	22,475	21,165	22,475	21,875	21,975	21,975	21,425	22,115		
Amount and Source of Funding Increase or Reduction (-)^b													
Appropriations Act of 2011	0	0	0	0	1,060	1,125	1,125	1,140	1,145	1,145	1,145		
Budget Control Act of 2011	7,000	0	0	0	0	0	0	0	0	0	0		
Consolidated Appropriations Act, 2012	587	588	0	0	514	257	284	290	0	0	0		
Consolidated Appropriations Act, 2017	0	0	0	0	-254	0	0	0	0	0	0		
Consolidated Appropriations Act, 2019	0	0	0	0	0	-48	0	0	0	0	0		
Labor, HHS, Education Appropriations Act, 2019	0	0	0	0	0	0	-39	0	0	0	0		
FUTURE Act, 2019	0	0	0	0	0	0	0	25	25	25	25		
Further Consolidated Appropriations Act, 2020	0	0	0	0	0	0	0	-50	0	0	0		
Consolidated Appropriations Act, 2021	0	0	0	0	0	0	0	0	-28	0	0		
Consolidated Appropriations Act, 2022	0	0	0	0	0	0	0	0	0	-85	0		
Consolidated Appropriations Act, 2023	0	0	0	0	0	0	0	0	0	0	-75		
Total Budget Authority for Discretionary Program	30,365	23,366	22,475	22,475	22,485	23,809	23,245	23,380	23,117	22,510	23,210		
Previous Year Shortfall (-) or Surplus^c	<u>7,701</u>	<u>11,696</u>	<u>9,482</u>	<u>8,110</u>	<u>8,802</u>	<u>8,518</u>	<u>9,637</u>	<u>10,110</u>	<u>12,170</u>	<u>14,358</u>	<u>14,325</u>		
Total Available Budget Authority	38,066	35,062	31,957	30,585	31,287	32,327	32,882	33,490	35,287	36,868	37,535		
Estimated Program Costs[*]	<u>26,370</u>	<u>25,580</u>	<u>23,847</u>	<u>21,783</u>	<u>22,769</u>	<u>22,690</u>	<u>22,772</u>	<u>21,320</u>	<u>20,929</u>	<u>22,543</u>	<u>25,284</u>		
Cumulative Surplus ^c	11,696	9,482	8,110	8,802	8,518	9,637	10,110	12,170	14,358	14,325	12,250		
Estimated Surplus Entering Fiscal Year 2024[*]	12,250												
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2024- 2028	2024- 2033
Budget Authority Needed to Support a Maximum Award of \$6,335 and Other Available Funding													
Estimated Program Cost for \$6,335 Maximum Award ^d		27,520	27,627	27,714	27,857	28,005	28,148	28,325	28,502	28,717	28,935	138,723	281,350
Estimated Cumulative Surplus, 2007 to 2023 ^c		12,250										12,250	12,250
Mandatory-for-Discretionary Budget Authority ^e		<u>1,170</u>	<u>1,170</u>	<u>1,170</u>	<u>1,170</u>	<u>1,170</u>	<u>1,170</u>	<u>1,170</u>	<u>1,170</u>	<u>1,170</u>	<u>1,170</u>	5,850	11,700
Total Additional Budget Authority Needed^f		14,100	26,457	26,544	26,687	26,835	26,978	27,155	27,332	27,547	27,765	120,623	257,400

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	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
PROGRAM COSTS											
By Fiscal Year, Millions of Dollars											
Discretionary Pell Grant Program Costs											
Assumed Discretionary Maximum Award (Dollars) ^d	6,335	6,335	6,335	6,335	6,335	6,335	6,335	6,335	6,335	6,335	6,335
Total for Discretionary Pell Grants											
Estimated Program Costs	25,284	27,520	27,627	27,714	27,857	28,005	28,148	28,325	28,502	28,717	28,935
Estimated Outlays	23,240	25,838	27,525	27,648	27,751	27,894	28,041	28,193	28,369	28,556	28,772
Mandatory Add-On Award (Dollars) ^e	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060
Total for Mandatory Pell Grant Add-On											
Estimated Program Costs	5,136	5,347	5,370	5,406	5,427	5,478	5,510	5,546	5,583	5,550	5,382
Estimated Outlays	4,971	5,189	5,351	5,379	5,411	5,440	5,486	5,519	5,555	5,574	5,507
Total Pell Grant Program											
Total Maximum Award (Dollars)	7,395	7,395	7,395	7,395	7,395	7,395	7,395	7,395	7,395	7,395	7,395
Total Spending for Pell Grants											
Estimated Program Costs	30,421	32,866	32,997	33,120	33,284	33,483	33,658	33,871	34,084	34,268	34,317
Estimated Outlays	28,211	31,027	32,876	33,028	33,161	33,334	33,527	33,712	33,924	34,130	34,279
Total Projected Recipients (Thousands of people)	6,030	6,430	6,460	6,490	6,530	6,560	6,600	6,630	6,670	6,700	6,720

Components may not sum to totals because of rounding; DoD = Department of Defense; HHS = Health and Human Services; n.a. = not applicable.

- a. Includes rescissions. For fiscal year 2023, the Congress appropriated \$22.5 billion and rescinded \$360 million.
- b. Most of the additional budget authority provided to support the discretionary program is classified as mandatory. Beginning in 2011, the total amount of additional funding can be found in section 401(b)7(A)(iv) of the Higher Education Act of 1965. That budget authority is used to augment the funding provided in annual appropriations for the discretionary Pell grant program.
- c. The cumulative shortfall or surplus in budget authority is calculated under the Pell scoring rule, as specified in section 406 of the 2006 budget resolution (H. Con. Res. 95).
- d. The Pell grant program is primarily a discretionary program, with an annual appropriation supporting a maximum award set in the annual appropriation act. In the most recently enacted appropriation act, the maximum award was set at \$6,335. Estimated discretionary program costs assume a \$6,335 award through 2033.
- e. Mandatory budget authority available to supplement funding for the discretionary portion of the Pell grant program, as provided in section 401(b)7(A)(iv) of the Higher Education Act of 1965.
- f. Estimated budget authority needed to support a maximum award of \$6,335 under the Pell scoring rule, as specified in section 406 of the 2006 budget resolution (H. Con. Res. 95).
- g. The FAFSA Simplification Act sets the mandatory add-on award amount at \$1,060 for each year.

* On May 18, 2023, CBO updated amounts for "Estimated Program Costs" and "Estimated Surplus Entering Fiscal Year 2024."