

The edits below clarify the definition of non-Federal aid that counts towards Cost of Attendance.

**Background:**

Foster youth and homeless youth who enroll in college frequently receive non-Federal aid in excess of COA. ED's language appears to remove Pell for these students. College-going foster youth and college-going homeless youth frequently face costs that are above and beyond a listed Cost of Attendance. For example, they may need assistance with 12-month (not 9-month, academic year) housing. Foster youth may find that their foster homes are unable to take them back during, eg, winter or summer holidays.

The majority of states have a grants or tuition and fee waivers for foster youth. Eg, the statute that establishes [Ohio's Opportunity Grant](#) states that for certain foster youth, "the amount of a grant awarded under this section may exceed the total state cost of attendance to additionally cover housing costs." On top of this, there are local and national private programs like Foster Love that give housing assistance to foster college students. Further, there are numerous "emergency aid" programs at institutions across the nation. ED's proposed language creates confusion as to whether accepting funds from any of these programs could cause students to lose Pell eligibility. The suggested clarifications below will help avoid this confusion.

**Legislative intent:**

Section 480(i)(4) of the Higher Education Act establishes that certain aid for foster youth (e.g., Chafee Act programs) does not count against the student when calculating student need. Section 480(i)(5) of the Higher Education Act does the same for emergency financial assistance. Further, the Chafee Act includes a 20% State match, and permits States to use a portion of their 20% match to pay for room and board of youth ages 18 to 23. "[This includes room or board for youth pursuing higher education.](#)" Though Chafee explicitly states that total Federal assistance cannot exceed Cost of Attendance, it does not say the same about state or private aid. Thus, ED's proposed language creates a conflict between the HEA and Chafee that would be resolved by adopting these edits.

**Suggested Talking Points:**

- Given the existing HEA language, ED's proposed language is unclear and creates confusion with regards to emergency aid and aid for foster/homeless youth.
- It's probably not the intention of Congress to undercut programs that help foster youth and homeless youth transition to postsecondary education.
- Adding these clarifications will help disadvantaged youth successfully transition to postsecondary education and self-sufficiency.
- Adding these clarifications would have a limited impact on federal expenditures. For example, the State of Tennessee awarded a total of HOPE Foster Care Grants to 120 students in 2023-24, and presumably not all of these grants fully covered COA. Source: [TELS Report 2024.pdf](#)

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**Proposed added language (in blue):**

PART 690— FEDERAL PELL GRANT PROGRAM

§ 690.5 Ineligibility due to assistance from non-Federal grants.

(a) Except as provided in paragraph (b) of this section, a student shall not be eligible for a Federal Pell Grant for an award year during which the student receives grant aid from non-Federal sources, including States, eligible institutions, or private sources, in an amount that equals or exceeds the student's cost of attendance for the award year.

(b) For the purposes of this section, non-Federal grant aid shall not include assistance that is:

(1) provided to students under age 26 who are receiving, or have received, benefits under Section 477 of the Social Security Act, or who have otherwise experienced foster care at age 14 or older;

(2) provided to students under age 26 who are, or have formerly been, classified as homeless children and youths, as such term is defined in Section 725 of the McKinney-Vento Homeless Assistance Act; or

(3) emergency financial assistance as described in Section 480(i)(5) of the Higher Education Act.