

Effective Date	Legislation	HEA citation	Change	Comment
7/1/06	HERA	479	<p>Added receipt of a federal means-tested benefit during the base year as an alternative eligibility criterion for simplified needs test (SNT) and automatic zero EFC designation.</p> <p>For dependent students, only the dependent student's parent has to meet the tax filing criterion in order to qualify for SNT or automatic zero EFC.</p> <p>Increased the adjusted gross income threshold in the base year to \$20,000 or less for the student to qualify for an automatic zero EFC.</p>	<p>Receipt of federal means-tested benefit is an alternative to the tax-filing criterion; family income requirements still apply.</p> <p>Previously, the threshold was indexed to the maximum amount of adjusted gross income used to qualify for the Federal earned income credit.</p>
7/1/06	HERA	480(f)(2)	Excludes the net value of a family-owned and controlled small business (or any part of such a small business) with not more than 100 full-time or full-time equivalent employees from the definition of assets used in the need analysis formulas.	
7/1/06	HERA	480(d)	Individuals who are currently serving on active duty in the U.S. Armed Forces for purposes other than training have been added to the list of individuals who are considered to be independent students.	
7/1/07	HERA	475(g)(2)(D) and (h)	<p>Dependent students:</p> <p>Income Protection Allowance: changed from \$2,200 (which was the base year 1999 amount used in the 2000-01 EFC calculation)</p>	Because the base year amount is indexed annually for inflation, the IPA would have been \$2,640 for 2007-08 absent this increase to \$3,000. The new base year for

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			<p>to \$3,000.</p> <p>Contribution from Assets: The assessment rate is reduced from 35 percent to 20 percent.</p>	<p>the annual inflationary update is 2006. The \$3,000 IPA will be indexed for inflation annually beginning with the 2008-09 award year.</p>
7/1/07	HERA	476(b)(1)(A)(iv)	<p>Independent students without dependents other than a spouse:</p> <p>Income Protection Allowance: The statutory IPA for a single student, and for a married student whose spouse is also enrolled in postsecondary education, is changed from \$5,000 to \$6,050.</p> <p>For a married student whose spouse is not enrolled in postsecondary education, the IPA is changed from \$8,000 to \$9,700.</p> <p>Contribution from Assets: The assessment rate is reduced from 35 percent to 20 percent.</p>	<p>Because the base year amount is indexed annually for inflation, the IPA would have been \$6,010 for 2007-08 absent this increase to \$6,050. The new base year for the annual inflationary update is 2006. The \$6,050 IPA will be indexed for inflation annually beginning with the 2008-09 award year.</p> <p>Because the base year amount is indexed annually for inflation, the IPA would have been \$9,620 for 2007-08 absent this increase to \$9,700. The new base year for the annual inflationary update is 2006. The \$9,700 IPA will be indexed for inflation annually beginning with the 2008-09 award year.</p>
7/1/07	HERA	466(c)(4) and 478(b)	<p>Independent students with dependents other than a spouse:</p>	<p>The values for the income protection allowances are increased each year in</p>

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			<p>Income Protection Allowance: for the 2007-08 award year only, and only for independent students with dependents other than a spouse, the values for the income protection allowances will be increased by 5 percent.</p> <p>Contribution from Assets: The assessment rate is reduced from 12 percent to 7 percent.</p>	consideration of general price inflation, and this practice will continue. The Secretary's estimate for inflation for the 2007-08 award year is 2.8 percent.
7/1/07	HERA	480(f) and (j)	Qualified education benefits reported as asset of parent if the parent is the owner (never reported as asset of the student)	QEBs include Coverdells, prepaid tuition plans offered by states, 529 college savings plans, and 529 prepaid tuition plans
7/1/07	Revised Continuing Appropriations Resolution of 2007		Increased maximum Pell award by \$260, to \$4,310	
7/1/07	CCRAA	401(b)(3)(A)	Eliminated tuition sensitivity provision that adjusted downward the scheduled award amount for Federal Pell Grant recipients at low-cost institutions, such as community colleges.	Effective retroactively
8/14/08	HEOA	401(c)(5)	Limits the period of time that a student may receive a Federal Pell Grant to 18 semesters or the equivalent as determined by regulation. The regulations are to provide fractional equivalents for terms in which a student is enrolled less than full-time. As a result, a student is eligible to receive up to nine	This provision applies to students who receive a Federal Pell Grant for the first time on or after July 1, 2008.

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			Federal Pell Grant Scheduled Awards.	
7/1/09	CCRAA	401(a), (b)	<p>Extends the authority for Federal Pell Grant funding through fiscal year 2017, and appropriates mandatory funding for fiscal years 2008 through 2017</p> <p>Requires that the mandatory funds be used to increase the maximum Federal Pell Grant award, as established in the annual appropriations act, by the following amounts:</p> <ul style="list-style-type: none"> • \$490 for the 2008-09 and 2009-10 award years • \$690 for the 2010-11 and 2011-12 award years • \$1,090 for the 2012-13 award year 	<p>The annual amount that would be added to the maximum Pell Grant each award year from mandatory funds as described above may be increased or decreased. If the mandatory funds provided are insufficient to fund the specified increase, the amount would be reduced. If, however, the mandatory funds provided are more than are required, the amount would be increased.</p>
7/1/09	CCRAA	479(b), (c)	<p>Increased time frame for receipt of a federal means-tested benefit from 12 to 24 months as an alternative eligibility criterion for simplified needs test (SNT) and automatic zero EFC designation.</p> <p>Added dislocated worker status of one of the parents of a dependent student or an independent student or his or her spouse as an alternative eligibility criterion for SNT and automatic zero EFC designation</p> <p>Increased the adjusted gross income threshold in the base year to \$30,000 or less</p>	<p>Receipt of federal means-tested benefit is an alternative to the tax-filing criterion; family income requirements still apply.</p> <p>Definition of dislocated worker is found in Workforce Investment Act</p>

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			for the student to qualify for an automatic zero EFC. Also requires the Secretary to update this amount annually based on increases in the Consumer Price Index.	
7/1/09	CCRAA	475(g)(2)(D) 476(b)(1)(A)(iv) 477(b)(4) 478(b)	Specifies scheduled increases in the IPA for dependent students, independent students without dependents other than a spouse and independent students with dependents other than a spouse. After the 2012-13 award year, the dollar amounts of the student IPAs will increase by a percentage equal to the Consumer Price Index.	The CCRAA did not make any changes to the IPA for parents of dependent students, but provides that the table of IPAs for parents of dependent students must be updated based on the percentage increase in the Consumer Price Index for award years after 2008-09.
7/1/09	CCRAA	480(a)(b),(d)-(f)	<p>Changes to definitions of terms used in FM:</p> <ul style="list-style-type: none"> • Total income: doesn't include distributions from qualified education benefits that aren't taxable • Untaxed income: doesn't include welfare, earned income credit, credit for federal tax on special fuels, foreign income exclusion, untaxed Social Security benefits, and additional child tax credits • Excludable income: includes combat pay • Independent student: includes students who were orphans, in foster care, or ward of the court at any time when age 13 or older, students who are/were emancipated minors or in legal guardianship, unaccompanied youths who are homeless or at risk of homelessness and are self-supporting • Assets: Qualified education benefits are 	

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			reported as an asset of the parent of a dependent student regardless of whether the owner of the account is the student or parent. If the student is independent, the student's or student's spouse's qualified education benefit is reported as an asset.	
7/1/09	HEOA	401(b)(2)(A)	Increases the authorized maximums for an academic year under the Federal Pell Grant Program as follows: <ul style="list-style-type: none"> • \$6,000 for the 2009-2010 award year; • \$6,400 for the 2010-2011 award year; • \$6,800 for the 2011-2012 award year; • \$7,200 for the 2012-2013 award year; • \$7,600 for the 2013-2014 award year; and • \$8,000 for the 2014-2015 award year. 	
7/1/09	HEOA	401(b)(4)	Eliminated the \$400 minimum award and instead sets a new minimum award at 10 percent of the maximum award appropriated each year. Students who are eligible for an award equal to or greater than five percent but less than 10 percent of the maximum award will receive an award amount of 10 percent of the maximum award appropriated each year.	
7/1/09	HEOA	401(b)(5)(A)	Year-round Pell Grant	
7/1/09	HEOA	401(b)(7)	Student who is subject to an involuntary civil commitment after completing a period of incarceration for a forcible or nonforcible sexual offense is ineligible to receive a Federal Pell Grant.	

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7/1/09	HEOA	401(b)(8)(D) and (F)	<p>Clarifies the treatment of the funds that are authorized and appropriated under section 401(a)(8) of the amended HEA for 2008-2009 through the 2017-2018 award years (mandatory funds) and that are added to the maximum award set in the annual appropriations act that appropriates the discretionary funds for the program. The HEOA provides that nothing regarding the additional mandatory funds alters the requirements and operations of the Federal Pell Grant Program except for the provisions setting the additional amounts from mandatory funds for individual awards or authorizes the imposition of additional requirements or operations for the determination and allocation of Federal Pell Grants except for the provisions setting the additional amounts from mandatory funds for individual awards. Further, the HEOA clarifies that additional mandatory funds that are appropriated for a fiscal year become available as of October 1 of that fiscal year and remain available through September 30 of the following fiscal year.</p>	
7/1/09	HEOA	401(f)(4)	<p>Provides maximum Federal Pell Grant eligibility for a student whose parent or guardian was a member of the Armed Forces and died as a result of performing military service in Iraq or Afghanistan after 9/11/2001, provided that the child was under 24 years old or was enrolled in college at the time of the parent or guardian's death. These students</p>	<p>Students who are eligible for any amount of Pell receive the maximum award.</p> <p>Students who are not eligible for Pell receive the equivalent amount of the maximum award as</p>

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			will be considered to be eligible for the maximum Federal Pell Grant award for the period during which the student is otherwise eligible to receive a Federal Pell Grant.	an Iraq and Afghanistan Service Grant.
7/1/09	ARRA		Increased maximum Pell award by \$500	
7/1/10	HEOA	480(e)	Added income earned from work under a cooperative education program to the definition of excludable income	