

Table 1. FEDERAL PELL GRANT PROGRAM, DISCRETIONARY PROGRAM COSTS AND CUMULATIVE SURPLUS/SHORTFALL

CBO January 2017 Baseline - Updated
(In millions, by fiscal year)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
DISCRETIONARY BUDGET AUTHORITY AND CUMULATIVE SHORTFALL/SURPLUS												
Regular Discretionary Appropriation	13,045	13,661	14,215	17,288	17,495	22,956	22,824	22,778	22,778	22,475	22,475	22,475
American Recovery and Reinvestment Act of 2009	0	0	0	15,640	0	0	0	0	0	0	0	0
Healthcare and Education Reconciliation Act of 2010 ^b	0	0	0	0	0	13,500	0	0	0	0	0	0
DOD and Full-Year Cont. Appropriations, Act of 2011 ^b	0	0	0	0	0	0	3,183	0	0	0	0	1,060
Budget Control Act of 2011 ^b	0	0	0	0	0	0	10,000	7,000	0	0	0	0
Consolidated Appropriations Act, 2012 ^b	0	0	0	0	0	0	612	587	588	0	0	514
Total Available Budget Authority	13,045	13,661	14,215	32,928	17,495	36,456	36,619	30,365	23,366	22,475	22,475	24,049
Estimated Program Costs	12,825	14,699	16,054	26,844	30,491	28,796	27,512	26,481	25,320	23,361	22,203	21,968
Cumulative Surplus/Shortfall (-) ^c	220	-818	-2,657	3,427	-9,569	-1,909	7,198	11,082	9,128	8,242	8,514	10,595

Future Program Cost and Budget Authority

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027		
DIFFERENCE BETWEEN BUDGET AUTHORITY NEEDED TO SUPPORT A MAXIMUM AWARD OF \$4,860 AND AVAILABLE FUNDING												
Estimated Program Cost for \$4,860 Maximum Award			22,187	22,657	23,146	23,659	24,145	24,666	25,219	25,754	26,241	26,737
Cumulative Surplus for 2006-2017 ^c			10,595	0	0	0	0	0	0	0	0	0
Mandatory Budget Authority Available ^d			1,382	1,409	1,430	1,145	1,145	1,145	1,145	1,145	1,145	1,145
Total Additional Budget Authority Needed ^e			10,210	21,248	21,716	22,514	23,000	23,521	24,074	24,609	25,096	25,592

a. The discretionary budget authority in fiscal year 2017 does not reflect any potential reductions in spending stemming from the across-the-board cut (0.1901 percent) that is part of the continuing resolution that expires on April 28, 2017.

b. Some budget authority was provided in the Healthcare and Education Reconciliation Act of 2010; the Department of Defense and Full-Year Continuing Resolution Appropriations Act of 2011; the Budget Control Act of 2011; and the Consolidated Appropriations Act, 2012 are classified as mandatory. However, the 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, specified in section 406 of the 2006 Budget Resolution (H. Con. Res. 95).

d. Mandatory budget authority available to supplement funding for the discretionary portion of the Pell Grant Program, as specified in section 401(b)7(A)(iv) of the Higher Education Act of 1965.

e. Estimated budget authority needed to support a maximum award level of \$4,860 under the Pell scoring rule, as specified in section 406 of the 2006 Budget Resolution (H. Con. Res. 95)

Table 2. FEDERAL PELL GRANT PROGRAM, PROGRAM COSTS ASSUMING A MAXIMUM DISCRETIONARY AWARD OF \$4,860

CBO's January 2017 Baseline - Updated

(Budget authority, program costs, and outlays in millions, by fiscal year)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2017-2022	2017-2027
Discretionary Pell Grant Program													
Assumed Discretionary Maximum Award Level^a	\$4,860	\$4,860	\$4,860	\$4,860	\$4,860	\$4,860	\$4,860	\$4,860	\$4,860	\$4,860	\$4,860		
Total Spending Discretionary Pell Grants													
Program Costs	21,968	22,187	22,657	23,146	23,659	24,145	24,666	25,219	25,754	26,241	26,737	137,763	266,380
Outlays	22,151	22,030	22,312	22,785	23,280	23,785	24,281	24,810	25,358	25,880	26,370	136,343	263,041
Mandatory Pell Grant Program													
Additional Mandatory Award^b	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060		
Total Spending for Mandatory Pell Grant Addon													
Program Costs	5,803	5,865	5,967	6,130	6,280	6,400	6,526	6,658	6,789	6,934	7,065	36,446	70,418
Outlays	5,414	5,815	5,892	6,010	6,169	6,311	6,433	6,561	6,692	6,827	6,968	35,611	69,091
Total Pell Grant Program													
Total Maximum Award	\$5,920	\$5,920	\$5,920	\$5,920	\$5,920	\$5,920	\$5,920	\$5,920	\$5,920	\$5,920	\$5,920		
Total Spending for Pell Grants													
Program Costs	27,771	28,052	28,624	29,277	29,940	30,545	31,193	31,877	32,543	33,175	33,802	174,208	336,797
Outlays	27,565	27,844	28,204	28,794	29,449	30,096	30,714	31,371	32,050	32,707	33,338	171,953	332,132
Total Projected Recipients (in thousands)	7,600	7,600	7,800	8,000	8,100	8,300	8,500	8,700	8,800	9,000	9,200		

a. The maximum award level for the discretionary portion of the Pell Grant Program is set each year in the annual appropriations act. The most recently enacted appropriations act sets that level at \$4,860.

b. The Department of Education set the maximum award level for award year 2017-2018 at \$5,920. The additional mandatory award level is calculated assuming a maximum discretionary award level of \$4,860 in fiscal years 2018 through 2027. If a future annual appropriations act sets the discretionary award level at a different amount, the mandatory award level would also change.