PELL GRANT FACT SHEET

ACCT
ASSOCIATION OF COMMUNITY COLLEGE TRUSTEES
acct.org/advocacy

The Pell Grant is America's cornerstone investment in its citizens paying for the college of their choice. Pell Grants have strong economic returns.

Pell Grants: big return on investment for taxpayers, businesses, and economic growth.

- Pell Grants improve college persistence, completion, employment, and earnings, while reducing the need for other social services later in life. It takes less than 10 years for the federal government to recoup its investment in a Pell Grant.[1]
- Every dollar the government spends on a Pell Grant at a community college brings a **$4.00 increase** in local economic activity – higher than the overall average.[2]

Community college is a ticket to the middle class.

- Associate's degree graduates earn **$400,000 more over their lifetime** than those with only a high school education. Those who do transfer to get a bachelor's degree see more than a $1.2 million increase over their lifetime.[3]
- Associate degree holders are more likely to be employed, earn more, own a home, and volunteer than those with just a high school education.[4]
- Two-thirds of community college graduates have **no student debt**.[5]

The Workforce Pell Grant supports the future American worker.

- New Workforce Pell Grants provide funding for students to get short-term training.
- Workforce Pell Grants are less than 1 percent of overall Pell Grant expenditures.[6]
- High standards: **70% completion**, **70% job placement**, and high value-added earnings.

Quick Stats on Pell Grant Students:

- Among students who are first-generation in their family to attend college, **48%** receive Pell Grants.
- Among student parents, **54%** receive Pell Grants.
- Among student veterans, **36%** receive Pell Grants.

Support for Pell Grants is bipartisan and bicameral.

- This year, a record number of both **Republican** and **Democratic** Representatives and Senators publicly signed on to support Pell Grant funding in FY27.
- Thank you to letter leaders Sens. Marshall (KS), Kaine (VA), Hirono (HI), Reed (RI), and Whitehouse (RI); Reps. Kean (NJ), Magaziner (RI), and Waters (CA), and the many signers.[7]

Thanks to Congress's bipartisan FAFSA Simplification Act of 2020, more students are eligible for higher Pell Grants.

- In the 2024-2025 academic year, after the implementation of the FAFSA Simplification Act, **9.9 million** students were eligible for the Pell Grant (+6% from the year before).[8]

+31%

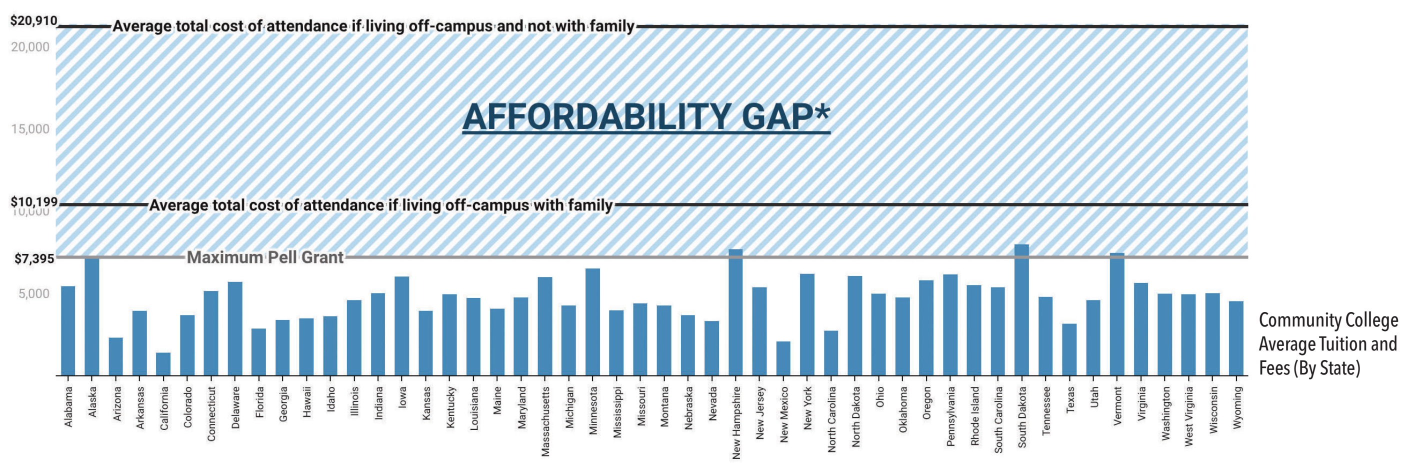
- **1.9 million** more students (+31%) were eligible for the maximum Pell Grant award in the 2024-2025 academic year, compared to the year before.[9]

Congress must fulfill its promise and fully fund the Pell Grant, without cuts to benefits, eligibility, or other education and workforce programs.

Community college wouldn't be possible without the Pell Grant.

- **Community college students make up 34% of Pell Grant recipients.** More community college students receive Pell Grants than students in any other sector.[10]
- Community college **in-state tuition and fees of $4,150** on average is much less than the awarded maximum Pell award of **$7,395**; however, **even the maximum award does not cover the full cost of attendance**, which includes housing, transportation, childcare, food, etc.[11]

The Pell Grant Covers Community College Tuition and Fees, but Not the Total Cost of Attendance



** Applies to recipients of the maximum Pell award. The affordability gap is wider for those receiving less than the maximum amount.*

Congress must keep at least the House's $50 increase to the maximum Pell Grant, and in the long run should double the Pell Grant to meet inflation.

For questions or more information, contact publicpolicy@acct.org.

1 Denning, J. T., Marx, B. M., & Turner, L. J. (2019). *ProPelled: The effects of grants on graduation, earnings, and welfare.* American Economic Journal: Applied Economics, 11(3), 193–224.
2 De Ridder, M., Hannon, S. M., & Pfajfar, D. (2022). *The multiplier effect of Pell Grants*. London School of Economics & Federal Reserve Board.
3 Carnevale, A. P., Cheah, B., & Wenzinger, E. (2021). The college payoff: More education doesn't always mean more earnings. Georgetown University Center on Education and the Workforce.
4 Paterson, J., & Schwartz, N. (2019, March 6). Associate degrees linked to better employment, earnings. Higher Ed Dive. *Higher Ed Dive article*
5 Chen, G. (2026, August 19). 2025 community college tuition: National cost breakdown. Community College Review. *Source webpage*
6 Congressional Research Service. (n.d.). Workforce Pell Grants. Congress.gov. *https://www.congress.gov/crs-product/IF13253*
7 Association of Community College Trustees. (2026, April 21). ACCT statement on record-breaking U.S. Senate support of the Pell Grant program. *ACCT*
8 U.S. Government Accountability Office. (2026). Pell Grants: Overall student eligibility increased after Free Application for Federal Student Aid simplification (GAO-26-107928). U.S. Government Accountability Office
9 U.S. Government Accountability Office. (2026). Pell Grants: Overall student eligibility increased after Free Application for Federal Student Aid simplification (GAO-26-107928). U.S. Government Accountability Office
10 American Association of Community Colleges. (2025, January 8). DataPoints: Pell grants disbursements. *American Association of Community Colleges*
11 Hanson, M. (2025, October 14). Average cost of community college [2025]: Tuition + fees. Education Data Initiative. *Source webpage*.