The Restoring Education and Learning (REAL) Act

The REAL Act restores Pell Grant eligibility to provide prisoners access to higher education and lower our corrections spending.

For more than 40 years, the Pell Grant program has helped put post-secondary education in reach for millions of students. Post-secondary education has a big impact on students’ economic security and job prospects—it lowers unemployment rates, boosts students’ earning potential, and opens up career paths. For these same reasons, post-secondary education is also highly effective at lowering recidivism rates for incarcerated individuals.

Studies have shown that recidivism rates drop significantly for people who earn a post-secondary degree. A RAND report found that people who participate in postsecondary education programs while in prison on average recidivate at a rate that is 48 percent less than people who do not participate in such programs.¹ These degrees help inmates overcome the steep employment obstacles that they face after they are released and help them reintegrate into their communities. In addition, a Vera Institute of Justice and Georgetown Center on Poverty and Inequality report found that on average, “lifting the ban on Pell Grants for people in prison would increase state employment rates of formerly incarcerated workers who participate in a postsecondary program by 4.7 percentage points, or nearly 10 percent.”³ This would, in turn, boost “the combined earnings of people recently released from prison by roughly $45.3 million in just the first year after release.”³

However, in 1994, incarcerated individuals lost access to Pell grants. As a result, the number of education programs in prisons fell from over 350 in 1990 to only 12 in 2005.⁴ The loss of post-secondary education programs for prisoners was short-sighted because these programs reduced costs and improved public safety more efficiently than incarceration. During the first three years after an individual is released, each dollar spent on funding prison education programs reduces incarceration costs by $4 to $5.⁵ States would save an average of $7.6 million in incarceration costs each year in which people in prison had access to Pell Grants while incarcerated.⁶ Furthermore, if half of the Pell-eligible prison population participated in postsecondary education while in prison, states would save a combined $365.8 million per year in prison costs.⁷

Restoring Pell grants for incarcerated individuals would lower recidivism, reduce incarceration costs, improve public safety, and give people a chance to rebuild their lives.

- The Act would amend section 401(b) of the Higher Education Act of 1965, 20 U.S.C. § 1070a(b), by striking paragraph (6), which bars Pell Grant eligibility for people incarcerated in federal and state prisons
- The Act would take effect in the upcoming academic year


If you have any questions or your boss would like to sign on, please contact Trelaine Ito in Senator Schatz’s office at trelaine_ito@schatz.senate.gov.
REAL Act: FAQs

Q: When were incarcerated people barred from receiving Pell Grants?
A: In the 1994, the Violent Crime Control and Law Enforcement Act amended the Higher Education Act and completely eliminated Pell grant eligibility for people incarcerated in state or federal penal institutions.

Q: Why were incarcerated people barred from Pell eligibility?
A: Many voices, such as then-Texas Senator Kay Bailey Hutchinson, argued that providing Pell grants to prisoners displaced more “deserving” students from the program. But in fact, in any given year, sufficient award funds are available to ensure that all eligible students attending eligible institutions receive a Pell grant. Therefore, the number of prisoners receiving a grant does not affect the number of grants available to non-incarcerated students.

Q: What percentage of Pell Grant recipients were incarcerated?
A: Between 1993 and 1994, out of 4 million Pell grant recipients, 23,000 were incarcerated.

Q: How much of total Pell Grant funding went to incarcerated people?
A: Between 1993 and 1994, of the $6 billion in total Pell grants, $35 million went to prisoners, representing less than 1% of Pell grants that year.

Q: What additional sources of funding can prisons use for higher education programs?
A: State facilities can use state funding as part of their overall corrections spending. However, a study conducted by RAND Corporation on behalf of the Bureau of Justice Assistance found that during the economic recession, states reduced funding for prison education programs by between 6% and 20%. A fraction of funding from the Workforce Innovation and Opportunity Act and the Perkins Career and Technical Education Act can be used to pay for corrections education, but they are more limited to literacy and basic skills/job training, not degrees.

Q: What is the estimated Pell-eligible population?
A: A Vera Institute of Justice and Georgetown Center on Poverty and Inequality report found an estimated total of 462,690 people in state prisons who would be Pell-eligible.

Q: What would be the cost increase for the Pell program?
A: The Vera and Georgetown report notes that even if “all eligible people in state prisons receive an award in a single year, total Pell Grant costs would rise less than 10 percent.” However, decisions about eligibility and participation are made at the programmatic level, based on factors like capacity (available professors, available class space, etc.) and funding.

---

iii Ibid.
v Davis, Bozick, Steele, Saunders, Miles, “Evaluating the Effectiveness.”
vii Oakford et al., “Investing in Futures.”
vi Ibid.