

Workforce Pell: Program Eligibility, Awarding, and Accountability

Wednesday, June 24, 2026, 11 a.m.–12:30 p.m. ET

Presenters:

- Jeff Andrade, Deputy Assistant Secretary of Policy, Planning and Innovation at the Office of Postsecondary Education
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Nick Moore has left ED and DOL and returned to Alabama

Agenda

- Workforce Pell Overview
- Program Eligibility: State Approval
- Program Eligibility: Department Approval
- Value-Added Earnings
- Operational Updates

Workforce Pell Overview

- Workforce (WF) Pell uses resources from existing Federal programs to support innovation by opening doors to low-cost, high-value programs.
- There are nearly 8 million unfilled jobs that do not require a college degree but do require certain skills – this is where WF Pell comes in.
- WF Pell is just a new type of eligible programs within Pell Grants. It is shorter than the 6 to 12 month certificate programs that have been traditionally eligible for Pell. WF Pell is intentionally designed to be apprenticeship friendly and realign Federal workforce programs with the needs of employers.

Rulemaking Process Overview

- The Workforce Families Tax Cuts Act was signed into law on July 4, 2025 (P.L. 119-21) which made alterations to Federal student aid programs.
- Negotiated rulemaking sessions occurred within the Accountability to Higher Education and Access through Demand-driven Workforce Pell (AHEAD) Committee, who reached consensus on a draft regulation on December 12, 2025.
- The Notice of Proposed Rulemaking (NPRM) went out March 9 and the Final Rule was published on May 19, 2026.

Eligible Workforce Program Requirements

- Ineligible entities can offer up to 25 percent of an eligible workforce program, up to 50 percent if part of a Registered Apprenticeship.
- There are no correspondence courses, remedial coursework, direct assessment coursework, or study abroad permitted under WF Pell.
- If an institution has had adverse action by ED within the past 5 years they are not eligible to offer WF Pell at their institution.
- Eligible workforce programs must be approved by the institution's accrediting agency or be included in the institution's grant of accreditation by its accreditor; by approved by the State Governor; and be approved by the Department of Education.
- Eligible workforce programs must have a completion rate of at least 70 percent, a placement rate of at least 70 percent and tuition and fees must be equal to or less than the value-added earnings for the program.
- Students must generally meet the same eligibility requirements for Pell Grants; students with bachelor's degrees are eligible for WF Pell if they enroll in an eligible workforce program but they cannot qualify if they are currently enrolled in a graduate program.

State Approval

- The State Governor is required to determine alignment, hiring requirements, portability and academic credit of different workforce programs after consultation with a State WF development board (a function of WIOA). This review process must occur at least every two years.
- The Governor must determine if the workforce program provides an education aligned with the requirements of high-skills, high-wage or in-demand industry sectors or occupations (as mentioned in Perkins and WIOA); and meets the hiring requirements of potential employers in those sectors or occupations. There is predicted variance in how States will approach this second step.
- The Governor must determine that the program either leads to a recognized postsecondary credential that is stackable and portable across more than one employer; or prepares such students for employment in an occupation where there is only one recognized postsecondary credential and confers that credential upon completion.
 - Both "stackable" and "portable" are not defined in the regulation, so it is up to State discretion.
- The Governor also must determine that the program prepares students to pursue one or more certificate or degree programs at one or more eligible institutions, by ensuring that a student, upon completion of the program and enrollment in the

related certificate or degree program, will receive academic credit for the program; and that academic credit described in paragraph will be acceptable toward meeting such certificate or degree program requirements.

- States must have a published process about how they will make determinations if programs meet requirements. The process must describe the criteria the Governor uses, including the methodology for reviewing sector's alignment with high-skill, high-wage or in-demand; a written policy determining whether the program meets the hiring requirements; a written policy for determining if a credential is stackable and portable; and a written policy for institutions to establish that an eligible workforce program will ensure the award of academic credit towards a certificate.
 - It must also include the information an institution needs to submit to the Governor; the timeline for the Governor's consultation and the process of appealing a determination; and proof that the State board has been consulted.
- States will need capacity for requirements for data on program completion, employment and earnings; strong coordination between workforce, higher education and labor market partners; improved data systems and processes; and aligning WF Pell with WIOA, Perkins, ETPL and other systems.
 - Marek emphasized that DOL prefers this form of alignment across these different workforce programs.
 - WIOA reserved funding can be used to support with implementation – specifically the State Governor's Reserve

Department Approval Process

- ED evaluates length of the program, time offered, completion rates and placement rates.
- At the time of application to ED the program must:
 - Have been offered for at least one year with the same number of hours
 - Have been offered for at least one year with the same number of weeks of instruction
 - Meet the length requirements for eligible workforce programs, i.e., 150-599 clock hours, 4-15 semester or trimester hours, or 6-23 quarter hours and 8-14 weeks of instruction
- Completion rates will be calculated for the 2026-27, 2027-28, and 2028-29 award years based on a rate of at least 70 percent, within 150 percent of the normal time of completion

- 2029-30 award year and thereafter is based on a completion rate of at least 70 percent, within 150 percent of the normal time of completion, as determined under 34 CFR 668.8 (f)
- Placement Rates
 - 2026-27, 2027-28, and 2028-29 award years: a job placement rate of at least 70 percent, calculated as the percentage of students that are employed during the second quarter after exiting the program, using administrative data, including wage records
 - 2029-30 award year and thereafter: a job placement rate of at least 70 percent, calculated as the percentage of students who are employed in their occupations (s) for which the program prepares students or a comparable high-skill, high-wage, or in-demand occupation during the second quarter after successfully completing the program.
 - States have to figure out how to obtain this detailed employment data, which is why it will be enforced later.
- Exclusion:
 - A student is not included if the student dies, experiences the onset of a medical condition that prevents employment, is ordered to serve in the uniformed services or becomes incarcerated. Institutions have to work with the State to ensure they are aware of these changes to make sure it is included in the completion and placement rates.
- Secretary may waive some or all of the requirements for completion and placement rates if
 - The Secretary determines that completion or placements rates will be calculated under a separate process established by the Secretary; or
 - The Secretary determines that the Governor is making progress towards making a certification of the placement rate for the 2029-30 award year but needs an additional year.
- For each award year, the institution must submit a list of students that completed the program and the information necessary to verify the job placement rate to the Governor and report the published tuition and fees for the eligible workforce program through a process determined by the Secretary.

Value-Added Earnings

- The WFTCA creates a “value-added earnings” metric that pertains specifically to eligible workforce programs.
- The metric looks at the median earnings of program graduates and compares them with 150 percent of the Federal poverty level with consideration to regional price

parities to account for differences across the country. The differences between the two values is the “value-added earnings” for the program.

- ED will evaluate the earnings of individuals who graduated from eligible workforce programs in the first full calendar year after program completion. Small programs will be aggregated using completers from up to four prior award years.
- An eligible workforce program’s published tuition and fees can be no higher than value-added earnings for the program. A program with value-added earnings of zero or less is not Title IV eligible.
- The value-added earnings test will first apply in the 2030-31 award year.

Calculation

- The median earnings of students are collected and then adjusted by the State and metropolitan area regional price parities of the Bureau of Economic Analysis based on the location of such programs. This is then compared with 150 percent of the poverty line applicable to a single individual as determined under section 673(2) of the Community Service Block Grant Act for such tax year.
- ED calculates value-added earnings using all Title IV recipients who completed eligible workforce programs with the same 6-digit CIP code. ED will not calculate earnings for students who do not receive Title IV aid. If there are not at least 30 Title IV completers under the same 6-digit CIP code for a single year, ED will add Title IV recipients who completed the program in earlier award years.

Completers List

- For each eligible workforce program, ED will create a list of students who received Pell Grant funds and completed the program during the applicable cohort periods from administrative data submitted to NSLDS. Schools are then expected to evaluate their Completers List and correct NSLDS enrollment information if necessary.

Limits on Tuitions and Fees

- Once a program’s value-added earnings has been computed for an award year, the institution must ensure that the tuition and fees for the program do not exceed the value-added earnings.

Operational Updates

- Institutions Next Steps
 - Coordinate staff from various parts of the institution (financial aid, admissions, academics and institutional research) to discuss how to offer these programs

- Evaluate transfer-of-credit policies for workforce programs, consider articulation agreements and internal policies for assigning credit
- Coordinate with State Governor to determine which fields of study may qualify
- Discuss with your accrediting agency whether your institution's accreditation currently includes short-term workforce program; and, if not, what steps need to be taken to add them to your accreditation.
- Institutions Application Process
 - Establish programs and operate it for at least one year or evaluate an existing program that has been operating at the required number of hours for at least one year
 - Provide required data to the State Governor
 - Obtain a State WF Pell Program Certification form from your Governor (or their designated Statewide public official) that includes your program
 - Obtain documentation of your accrediting agency's approval or inclusion of the program in your institution's accreditation.
 - Submit the program for approval on the Department's Partner Connect website and upload your State and accrediting agency materials
- Governor Certification Form
 - The State WF Pell Program Certification Form includes information about the programs your State Governor has approved.
 - You must provide a completed and signed State WF Pell Program Certification Form when you submit your program for approval.

Answers to FAQs

- WF Pell does not require institutions to make any alterations to programs that are already approved under Title IV – these programs continue to qualify.
- An eligible workforce program can be offered as a noncredit program. Clock hour programs can be noncredit and must meet the normal clock hour program requirements. The eligible workforce program must lead to a recognized credential provided by the school.
- Students enrolled in eligible workforce programs who then withdraw are subject to the same regulations and procedures that apply to Title IV programs, including Return of Title IV funds.
- There are benefits to an eligible workforce program being part of a Registered Apprenticeship program – they can have written arrangements with outside entities to offer up to 49.9% of the program and they are treated as automatically meeting State requirements to provide an education aligned with high-need, high-wage, or

in-demand sectors or occupations and meeting the hiring requirements for such sectors.

- If institutions have multiple versions of a program, but have one version that qualifies, it can qualify for WF Pell.
- A program that fails the completion or placement rate will become ineligible at the end of the payment period that begins after the date that ED receives a final determination of failure from the State Governor. If the rate is being appealed under the State's procedures, ED will not end a program's eligibility until the final decision has been reached.
- If a program's published tuition and fees are higher than the value-added earnings and the program is unable to reduce tuition, you are not required to reduce tuition and fees but your program will lose eligibility at the beginning of the following award year.