



MIDWESTERN HIGHER EDUCATION — COMPACT —

Workforce Pell: An Overview

April 27, 2026



MHEC Host:
Carrie Wandler
Sr. Director of
Policy Initiatives



Any resources
available will be
posted on the
MHEC website.



Engage with
colleagues in the
chat. Questions in
the Q&A, please!



Please
complete
our survey.

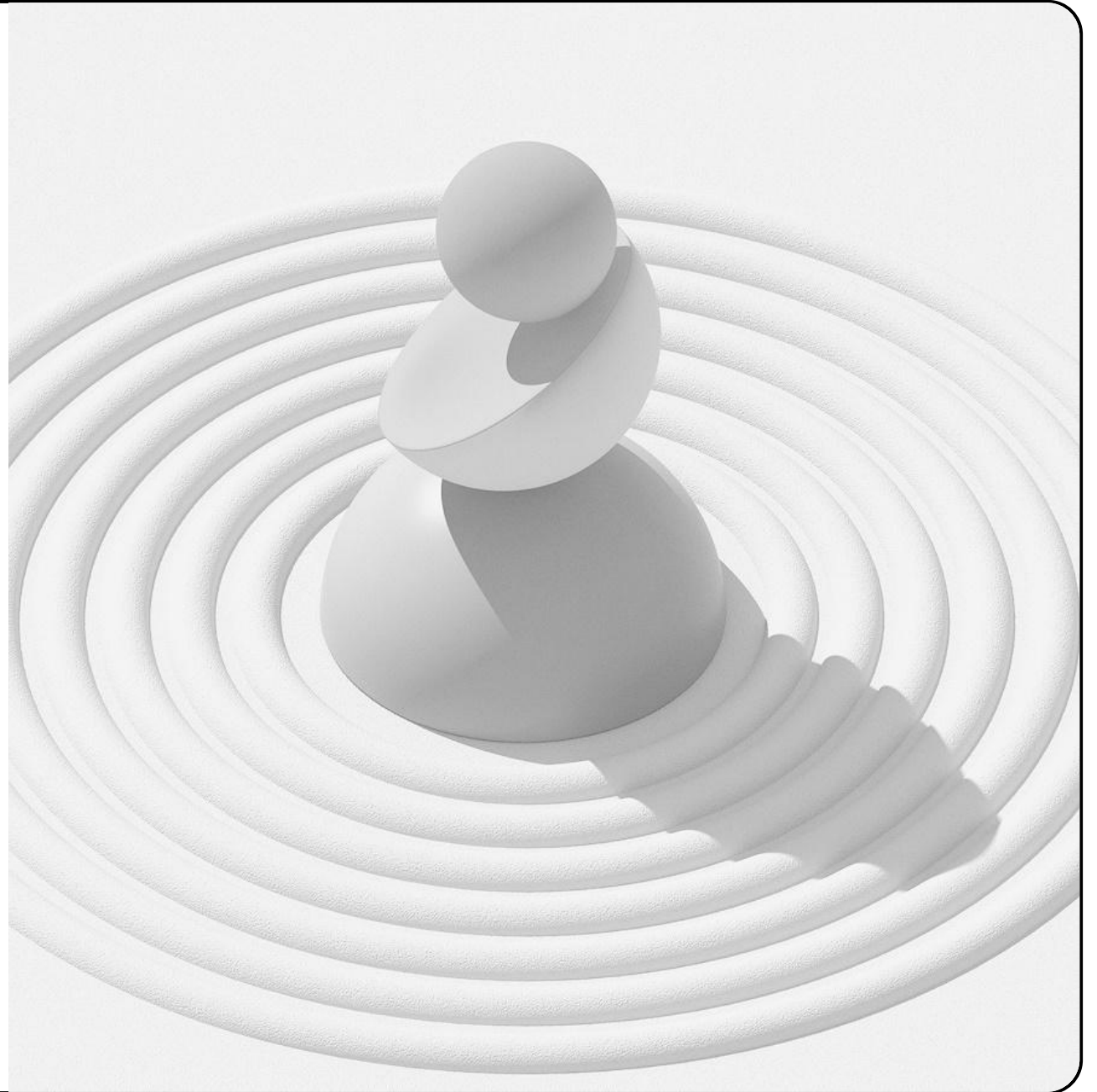
WORKFORCE PELL: AN OVERVIEW

Presented by Cheryl Dowd, Senior Director, SAN & WCET Policy Innovations (cdowd@wiche.edu)

WELCOME

Agenda:

- Welcome & Framing the Moment!
- What is Workforce Pell?
- Federal Regulatory Structure
- Emphasizing the State's Role
- What Institutions Can Do Now
- Wrap Up, Questions, WFP Part 2
Sneak Peek



WHAT IS A FEDERAL PELL GRANT?

Key aspects of Pell Grants:

- Need based financial aid for undergraduates.
- No repayment - debt free aid.
- Eligibility is generally family income under \$60,000.
- Maximum amount of aid for 2025-26 academic year was \$7,395.
- Lifetime limit - maximum 12 terms.
- Historically, traditional minimum term 600+ clock hours over at least 15 weeks.
- Student must complete FASFA to receive a Pell Grant.



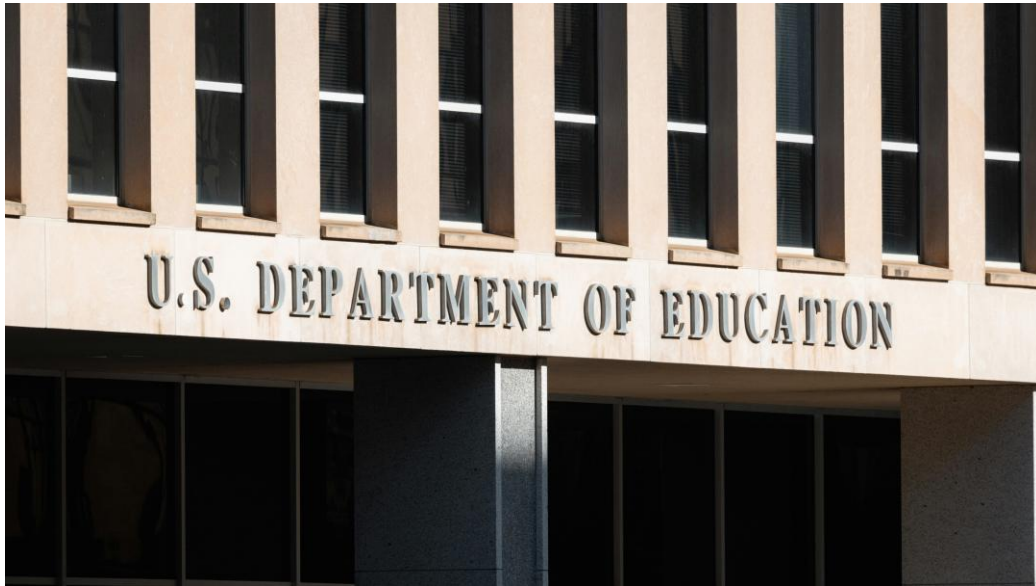
ONE BIG BEAUTIFUL BILL ACT (OB3) PUBLIC LAW 119-21

- Massive legislation addressing taxing and spending touching many policy areas.
 - Approved by Congress and signed by the President on July 4, 2025.
- The following pertaining to higher education:
 - Loan limitations and Title IV eligibility
 - Pell Grants (including Workforce Pell)
 - Institutional and Program Accountability



U.S. Department of ED rulemaking needed to implement higher educ. portions of the statute.

ED NEGOTIATED RULEMAKING



Timing Tip:

EO 12866 Regulatory Review:

<https://www.reginfo.gov/public/do/eoPackageMain>

- Agencies are directed by the Administrative Procedure Act (APA) for the process to develop regulations with key elements including **notice and public comment**.
- Higher Education Act (HEA) requires additional steps for rulemaking to hold “negotiated rulemaking” for Title IV Financial Aid related regulations.
 - Includes key stakeholders meeting to develop the language with consensus as the goal.
 - Proposed regulation provided for comment.
 - Master Calendar Rule



WHAT IS
WORKFORCE PELL?



OB3 – Workforce Pell Grants

- Workforce Pell Grants Approved
 - Pell eligibility for programs 8-14 weeks in length.
 - To encourage education and employment training.
 - Programs must meet specific statutory requirements including accountability measures.
 - Institutions providing the programs must be accredited.
 - Must be approved by the state to be aligned with in-demand jobs.
 - Must be stackable to lead to a credential.
 - Distance Education is a permissible modality for the courses and programs.



[SEC. 83002. EXTENDING FEDERAL PELL GRANT ELIGIBILITY OF CERTAIN SHORT-TERM PROGRAMS.](#)



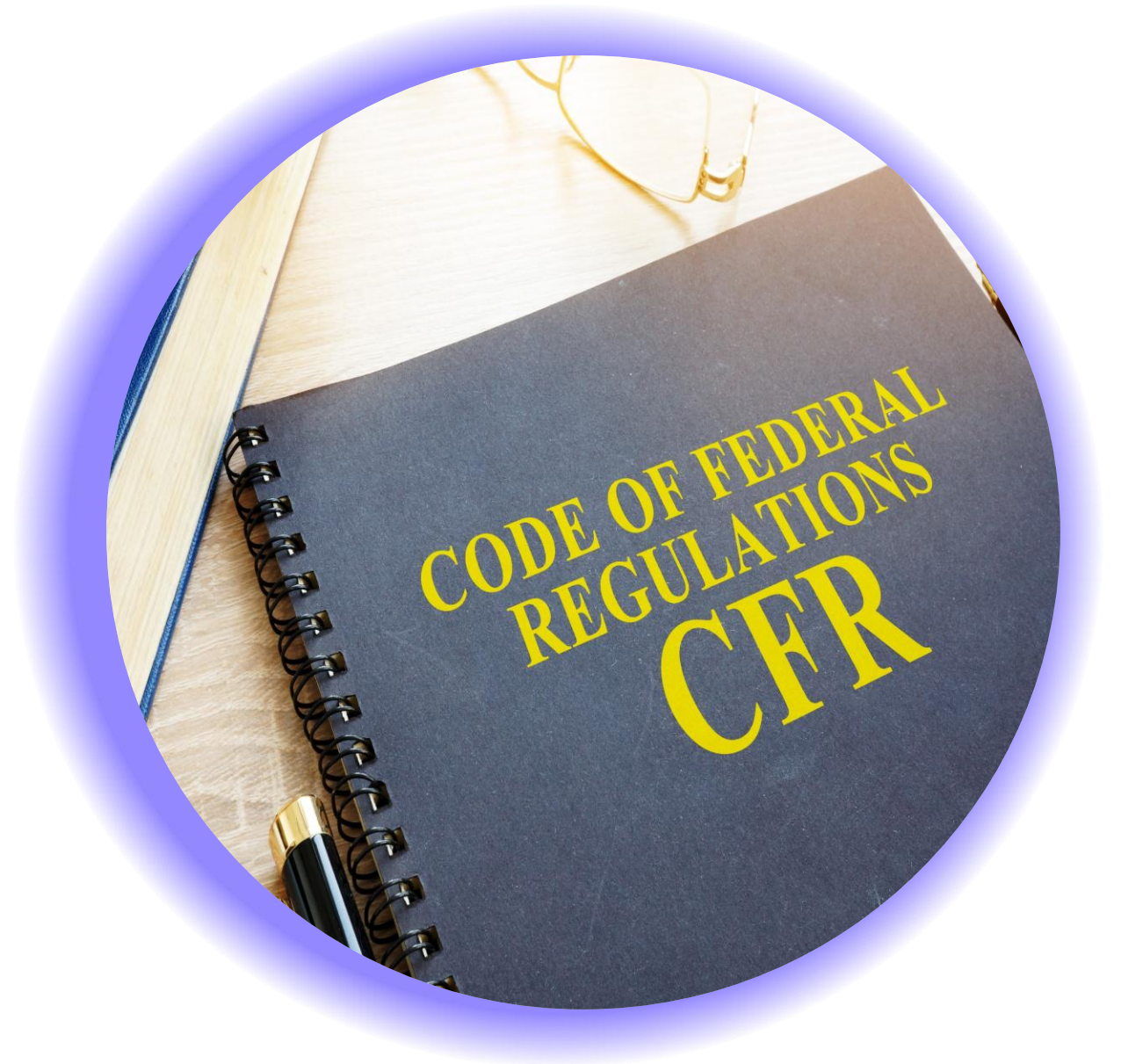
FEDERAL REGULATORY STRUCTURE

REGULATION DEVELOPMENT

[Proposed Regulations](#) released 3/9/26

Key Components:

- Program Eligibility Requirements
- State/Governor Approval Requirement
- Definitions with to WIOA definitions
- Accountability & Outcomes based Oversight
- Ongoing Review & Re-Approval



Program Eligibility Requirements



A Workforce Pell Program Must:

- Duration: Lasts at least 8 weeks but fewer than 15 weeks.
- Hours: 150–599 clock hours of instruction (or credit equivalent).
- Accreditation: Offered by an accredited, Title IV-eligible institution.
- Experience: The program must have been operating for at least one year.
- Credential Value: Leads to a stackable, portable, industry-recognized credential.
- Alignment: Authorized by a state workforce board to ensure it serves high-skill, in-demand industries
- Meet Outcome Standards: Completion, Placement and Earnings Tests.

Disqualified Programs:

- Correspondence courses.
- Programs under 150 clock hours.
- Programs not aligned with state-verified in-demand jobs.
- Remedial courses.

Accountability & Outcomes Based Oversight



Key outcomes standards and accountability measures include:

- **Completion Rate:** At least 70% of students must complete the program within 150% of the normal program length.
- **Job Placement Rate:** At least 70% of program completers must find employment in the field for which they were trained within 180 days.
- **Earnings Threshold (ROI Test):** The median earnings of completers must exceed their total tuition and fees, with earnings measured against a benchmark of 150% of the federal poverty level.
- **Validation Period:** Programs must be in operation for at least one year before becoming eligible.
- **State Responsibility:** Governors are responsible for certifying that programs meet these standards, with federal verification for some metrics starting in the 2029-30 award year.



EMPHASIZING THE STATE'S ROLE

State/Governor Approval Requirement



State Directed Process:

- States, typically under the authority of the governor, are expected to define which occupations qualify as:
 - High-wage
 - High-demand (or in some cases, high-skill)
- States have discretion
 - Make determinations on labor market data (state or regional)
 - Determination Workforce priorities
- Governors or states entities:
 - Approve and renew specific programs
 - Establish a framework/process for eligibility and renewal.

The federal framework **relies on state validation**, rather than direct federal approval of programs.

The Governor's Role: "Gatekeeper of Workforce Pell Eligibility"



Federal Framework + State Determination = Shared Governance Model

- Federal rules set structure
- States determine applicability

State Variability is a Feature, Not a Flaw

- Expect different:
 - Occupation lists
 - Program approval structure
 - Processes across states

Let's talk a little about interstate distance education!

WHAT CAN
INSTITUTIONS DO
NOW?

Position Your Institution for What's Coming



- Build internal awareness
- Monitor federal rulemaking
- Engage at the state level
- Develop your institutional perspective
- Define your key questions

WRAP UP,
QUESTIONS,
WFP PART 2 SNEAK PEEK

ADVANCING WORKFORCE PELL: STRATEGIES FOR STATE AND SYSTEM IMPLEMENTATION

- Building on the Workforce Pell overview webinar, this session takes a deeper dive into implementation in practice.
- Hear directly from state agencies and system leaders as they share approaches to program identification, approval processes, and cross-agency collaboration.
- Panelists will discuss key challenges, lessons learned, and strategies for aligning stakeholders and advancing implementation under tight timelines.



THANK YOU



wcetsan.wiche.edu

The Policy Tracker:
<https://policytracker.wiche.edu>

Cheryl Dowd
cdowd@wiche.edu