

Implications, Decisions, and Resources for States

Governors and State Workforce Boards are responsible for implementing Workforce Pell within their states, but state higher education agencies are essential for designing an effective approval and implementation system. This includes establishing a process and standards for approval and ensuring that programs have the capacity to report required data.

In creating these processes, the state should engage appropriate stakeholders and ensure transparency for students by clearly communicating which programs meet the Workforce Pell standards and the outcomes students participating in these programs have experienced.

Key Decision Points for States

Governors and state workforce boards are tasked with working together and with others in their state to design an approval process that ensures that programs meet certain standards.

States must ensure that programs:

- Align with high-skill, high-wage, or in-demand industry sectors or occupations in the state, as defined by the state
- Align with the hiring requirements of potential employers
- Lead to a recognized postsecondary credential that is stackable and portable
- Lead to academic credit toward a subsequent credential or degree at one or more eligible institutions

While the Department of Education will verify that programs have a 70% completion rate and a 70% job placement rate after the 2029-30 award year, the governor is responsible for certifying that programs meet the completion and placement rates using administrative data for the 2026-27, 2027-28, and 2028-29 award years. Additionally, federal regulations state that governors must certify that they have considered the cost of the program and the anticipated wages prior to the VAE calculations in 2030-31.

Key Questions for States

- A governor can designate a public official in the state, including someone at the state workforce or education department to make approval decisions on their behalf. Will the governor delegate this responsibility to another public official or entity?
- How will the state involve necessary stakeholders, such as the state higher education agency and employers?
- How will determinations for high-skill, high wage, or in-demand occupations be made and updated?
- How will programs submit the necessary information for approval determinations?
- Where will the state publish its list of approved programs?
- How will the state verify that credentials are stackable and portable?

- How will the state verify that noncredit programs articulate into subsequent credentials or degrees?
- Does the state have the necessary data infrastructure to collect completion rates from non-degree programs?
- Does the state collect occupation-specific data needed for job placement rates after the 2028-29 academic year?
- How will the state ensure that approved programs meet the value-added earnings requirement before VAE is officially calculated in the 2030-31 academic year?

Other State Implications

Workforce Pell creates a unique opportunity to better align education and workforce needs by necessitating cross-sector partnerships, improved data systems, and regular assessment of outcomes. States must assess their existing data collection capabilities and confirm that they will be able to verify program eligibility requirements, particularly as many states do not currently collect information on noncredit programs. States should work toward developing integrated statewide longitudinal data systems that connect education and labor market outcomes, including program costs, enrollment, completion, credit articulation, occupation-specific job placement, and wage records.

Many short-term workforce programs are currently offered as noncredit programs, but to qualify for Pell Grants, these programs will have to articulate as academic credit toward a related certificate or degree. Governors will need to collect information on transfer or articulation agreements as part of the approval process. This should prompt states to reexamine the alignment between noncredit and credit programs and how learners can move between them.

Additionally, if a state currently funds short-term workforce programs, it should consider how these programs can be integrated to more comprehensively address education and workforce needs. Given the significant variation in program costs, limited access to federal financial aid, and the substantial non-tuition expenses many students face, states should explore how federal and state funding streams can be braided to close affordability gaps, particularly for the low-income adult learners who make up a large share of short-term credential students. At the same time, states may need to continue investing in high-quality workforce programs that do not meet Workforce Pell eligibility requirements, especially when those programs align closely with local labor market needs or emerging industries. States should also treat federal Workforce Pell requirements as a baseline rather than a ceiling. States can play a critical role in establishing stronger performance standards, particularly in defining and enforcing what constitutes a “high wage” outcome.