

WORKFORCE PELL OVERVIEW

Title IV of the Higher Education Act of 1965 and Indiana Code 22-4.1-4-16

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INDIANA COMMISSION for
HIGHER EDUCATION

TODAY'S AGENDA

- I. About the Federal Pell Grant
- II. About Workforce Pell
- III. Workforce Pell State Responsibilities
- IV. Workforce Pell Federal Requirements
- V. Engaging with Stakeholders and Next Steps

ABOUT THE FEDERAL PELL GRANT

- ▶ The Federal Pell Grant awards needs-based federal grants to help financially needy students (as determined by the Free Application for Federal Student Aid or FAFSA) to help students pay for their postsecondary education.
 - ▶ The Federal Pell Grant is authorized under the federal Higher Education Act of 1965.
- ▶ **Per current federal requirements**, only students enrolled in undergraduate programs of at least 600 clock hours and 16 semester hours (or equivalent) and at least 15 weeks of calendar time are eligible for the Federal Pell Grant.

ABOUT WORKFORCE PELL

- ▶ **As of July 1, 2026** the One Big Beautiful Bill Act (OBBA) will extend federal Pell Grant eligibility to “eligible workforce programs,” with a new set of eligibility criteria focused on short-term, direct-to-workforce programs.
- ▶ **The goal of Workforce Pell** is to provide low-income students access to federal grant aid so they can quickly earn an eligible credential that has demonstrated ability in helping individuals secure a better job, earn higher wages, and meet the growing needs of state’s economy.

WORKFORCE PELL *PROPOSED* STATE RESPONSIBILITIES

Pending finalized rulemaking:

- ▶ **Federal Workforce Pell State Requirements**
 - ▶ Federal regulations delegated Workforce Pell implementation to the states, specifically each Governor, to define and implement various aspects of program eligibility, including defining “***high-skill, high-wage, or in-demand industry sector or occupations.***”
 - ▶ Indiana’s current proposed industries for Workforce Pell Eligibility include:
 - ▶ **Advanced Manufacturing, Building and Construction, Health and Life Sciences, IT and Business Services, Transportation and Logistics**
- ▶ States also responsible for developing a program review and approval process that incorporates employer validation to ensure training programs meet hiring needs and lead to in-demand, high-skill jobs.

WORKFORCE PELL PROPOSED FEDERAL REQUIREMENTS

Pending finalized rulemaking:

- ▶ **Proposed Federal Workforce Pell Student Requirements**
 - ▶ Must have already earned a high school diploma or its recognized equivalent
 - ▶ Demonstrates financial need as determined by the FAFSA and meets all other Title IV eligibility requirements
- ▶ **Proposed Federal Workforce Pell Training Provider Requirements**
 - ▶ Limited to Federal Title IV colleges and universities authorized by the U.S. Department of Education to participate in the federal Pell Grant Program.
 - ▶ Colleges and universities may partner with ineligible providers (operating in the state) to provide up to 25% of the training in certain circumstances.

WORKFORCE PELL PROPOSED FEDERAL REQUIREMENTS

Pending finalized rulemaking:

▶ Proposed Federal Workforce Pell Program Requirements

- ▶ **Short-Term:** must be between eight and 14 weeks of instructional length and between 150 and 599 clock hours (or at least four but fewer than 16 semester/trimester hours).
- ▶ **Successful:** demonstrates 70% program completion for at least last 12 months prior to application.
- ▶ **In-Demand:** demonstrates 70% job-placement rate for at least last 12 months prior to application and in state-identified industries or occupations
- ▶ **High-Wage:** graduates of the program need to meet a “value-added” earnings threshold within 3 years of completing the program, where the published tuition and fees of the program cannot exceed the median earnings of program graduates minus 150 percent of the federal poverty level.
- ▶ **Flexible:** meets the state’s definition of *stackable* and *portable*, meaning the credential is part of a sequence of credentials that can be accumulated over time to move along a career pathway to potentially higher-paying jobs, and the credential is recognized and accepted in other settings, such as other geographic areas, other educational institutions, or other industries.

ENGAGING WITH STAKEHOLDERS AND NEXT STEPS

- ▶ Indiana's Workforce Pell Committee has already engaged with Ivy Tech Community College, Vincennes University, and Local Workforce Development Boards (LWDBs) to discuss which training programs or occupations should be prioritized for the Phase I launch (pilot); these conversations continue.
- ▶ The Workforce Pell Committee is working to make Indiana's Workforce Pell Policy and Program Approval Process available for public comment on or around July 1, after Governor review and approval.



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