

Make Pell Work: JOBS Act Will Assure Quality Credentials for America's Workers



Our current federal financial aid system is biased against working people seeking short-term training to improve their lives, and the businesses that want to hire them. This runs counter to the reality that certificate holders earn 30 percent more than individuals with a high school diploma alone, and the wage premium for short-term programs in certain fields is often comparable to or higher than associate's degrees and even bachelor's degrees.

The JOBS Act would remove this bias against working people and expand Pell grants to quality short-term certificates, not just degrees. Overwhelmingly, America's voters support the goal of the JOBS Act. A national poll by National Skills Coalition found 86 percent of voters support making federal financial aid available for skills training.

How does the JOBS Act support high-quality credentials?

Under the JOBS Act, a short-term program would be eligible for Pell only if it:

- ◆ Consists of at least 150 clock hours of instructional time over a period of eight weeks;
- ◆ Provides training aligned with the requirements of employers in a state or local area;
- ◆ Is offered by an eligible training provider as defined in the Workforce Innovation and Opportunity Act (WIOA);
- ◆ Awards program completers with a recognized postsecondary credential that is considered valuable by employers in relevant industries;
- ◆ Provides academic content that will meet the hiring requirements of potential employers;
- ◆ Satisfies any applicable prerequisites for professional licensure or certification; and
- ◆ Has been evaluated by accrediting agency for quality and student outcomes.

How do we know these programs can help students succeed?

In response to increasing skills demands across the U.S., states like Virginia and Iowa are stepping up to enroll students in short-term programs that will lead to job attainment in in-demand industries.

Virginia's New Economy Workforce Grant Program

- ◆ Training programs are deemed eligible through a vetting and approval process conducted by the governing boards of eligible institutions. Programs must also align with a list of high-demand fields set by the Virginia Board of Workforce Development and lead to a valuable credential.
- ◆ The average age of students served by this program is thirty-six. Additionally, 20 percent are eligible for the Supplemental Nutrition Assistance Program (SNAP) and the Temporary Assistance for Needy Families (TANF) programs.
- ◆ Since the program began, 95 percent of approximately 8,800 participants have successfully completed their training programs.
- ◆ Program completers see an average wage gain of 25-50 percent after attaining their credential.

Iowa's GAP Tuition Assistance Program (GAP)

- ◆ Eligible programs must offer training that prepares workers to enter in-demand occupations.
- ◆ The average age of students served by this program is thirty-three years old, and participants are evenly split between men and women.
- ◆ In 2016, 823 students completed GAP programs, which represented 75.9 percent of total participants.
- ◆ Program completers see an average quarterly wage gain of 37.4 percent.

The JOBS Act integrates the best of these programs to ensure students have access to in-demand education and training while being shielded from potential fraud and abuse.

