

Evolving for the Modern Learner

Updates on Education Policy in Texas and Washington

March 27th, 2026

Trellis
Strategies

About Us

Trellis Strategies is an experienced research partner dedicated to advancing education and workforce development.

With over 40 years of expertise, we specialize in qualitative and quantitative research services, including surveys, interviews, focus groups, and case studies.

Our proficiency in qualitative research and quantitative analyses enables us to extract insights from extensive datasets, guiding strategic decision-making in areas such as student success and outcomes.

Our expertise extends to diverse fields including data analysis, market research, policy analysis, and more. We address topics such as adult learners, student finances, and institutional effectiveness.

Trellis Strategies offers a collaborative approach to data-driven decisions, contributing to positive transformations in education and workforce development.



EVALUATION



ANALYTICS



DATA COLLECTION



CUSTOM RESEARCH

1,065
REPORTS
IN 2025

9+
MILLION
STUDENTS SURVEYED
SINCE 2018

40+
FOUR DECADES OF
ORGANIZATIONAL
RESEARCH EXPERIENCE

Trellis Strategies Partners



369
PARTNERS
IN 2025

Defining the Modern Learner

Modern Learners

Non-Linear Pathways



Credit Portability and Skill Recognition



Affordability and Financing



Shorter Duration Experiences



Student Centered Delivery Model



Credential Quality Assurance



Modern Learner Focus Areas



Affordability and Financing

Focus Areas

- Paying for College
- Indirect Costs and Holistic Benefit Integration
- Earn and Learn Opportunities



Student Center Delivery Model

- Course Scheduling
- Institutional Policy / Process Orientation for Increased Student Service
- Employment Connection to Enrollment



Credit Portability and Skill Recognition

- Credit for Prior Learning and Transfer Credit Alignment
- Skill Verification
- Some College, No Credential Engagement



Shorter Duration Experiences

- Non-Degree Credentials
- Micro Work Based Learning Experiences
- AI Induced Student Support



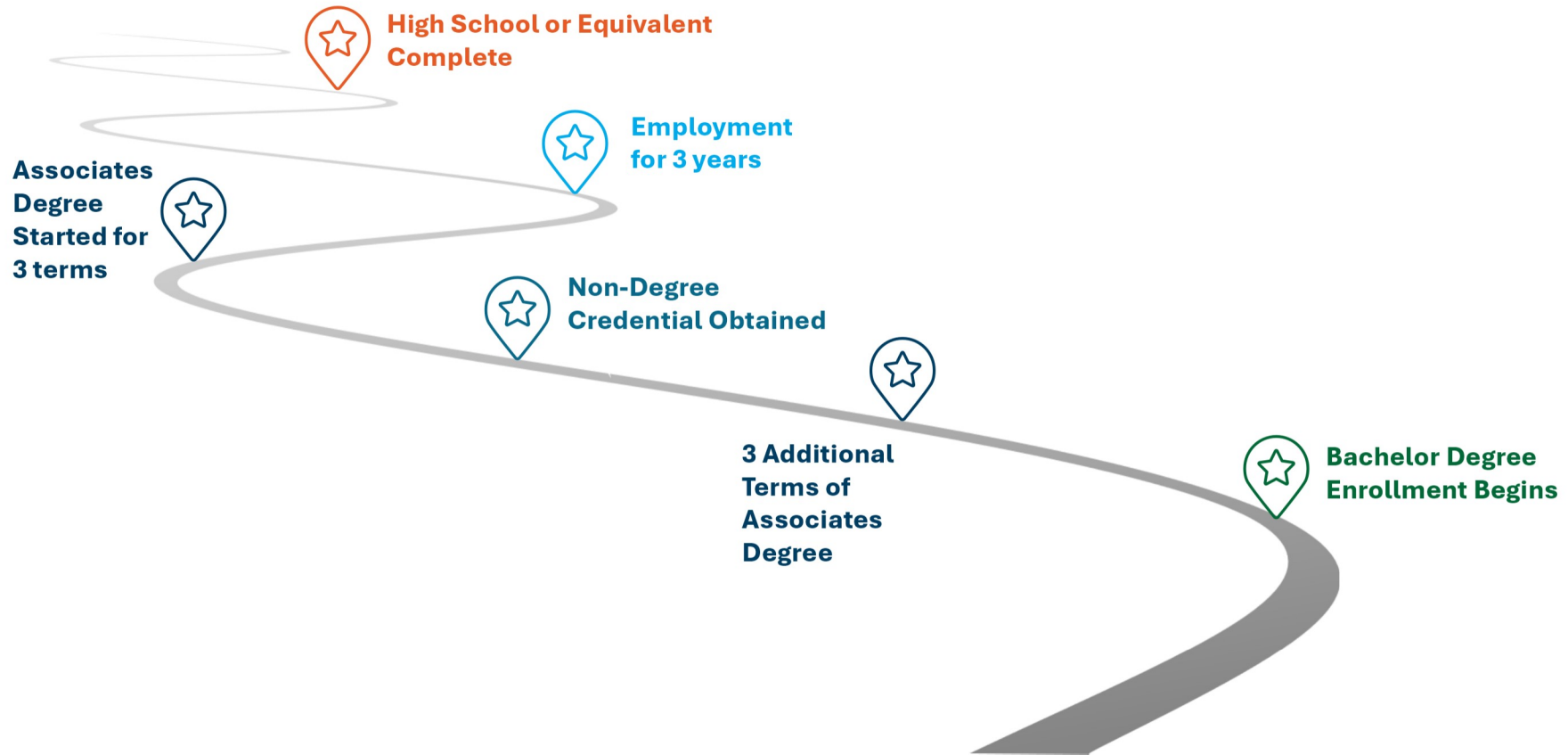
Quality Assurance

- Outcomes Assessment for Degrees and Credentials
- Assurance of Skill Alignment with Industry
- Certificate Integration to Degree Programs

Linear Pathway



Non-Linear Pathway

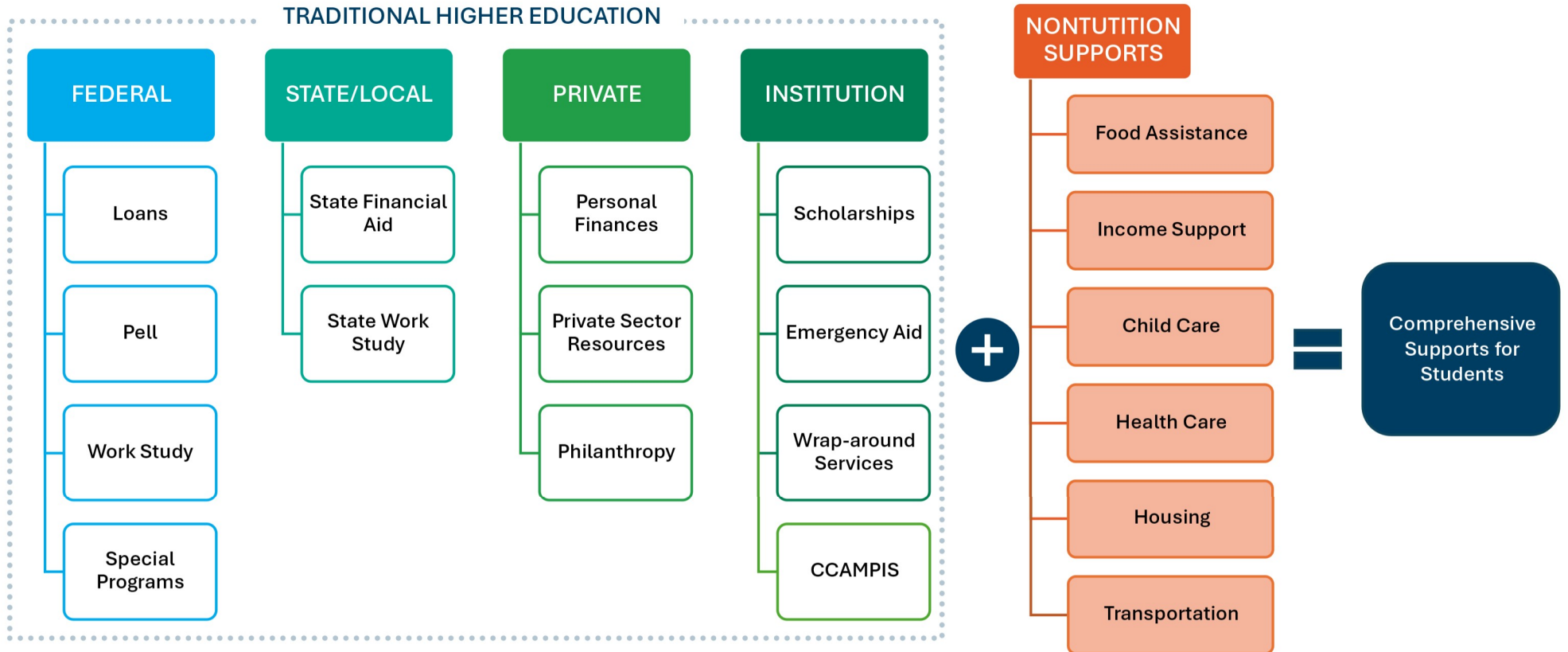


Multiple Personas

- Learners are coming to postsecondary education with personas that require flexibility, relevance, and support.
- The modern learner isn't a single profile and has a range of experiences and obligations. This often leads to student being a secondary persona.
- Students are employees and/or caregivers with financial and time constraints.



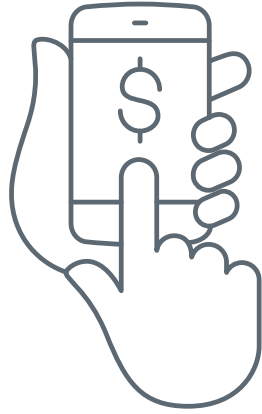
New Vision to Support Access & Completion*



*Not an exhaustive list of all available supports

Key National Data Points

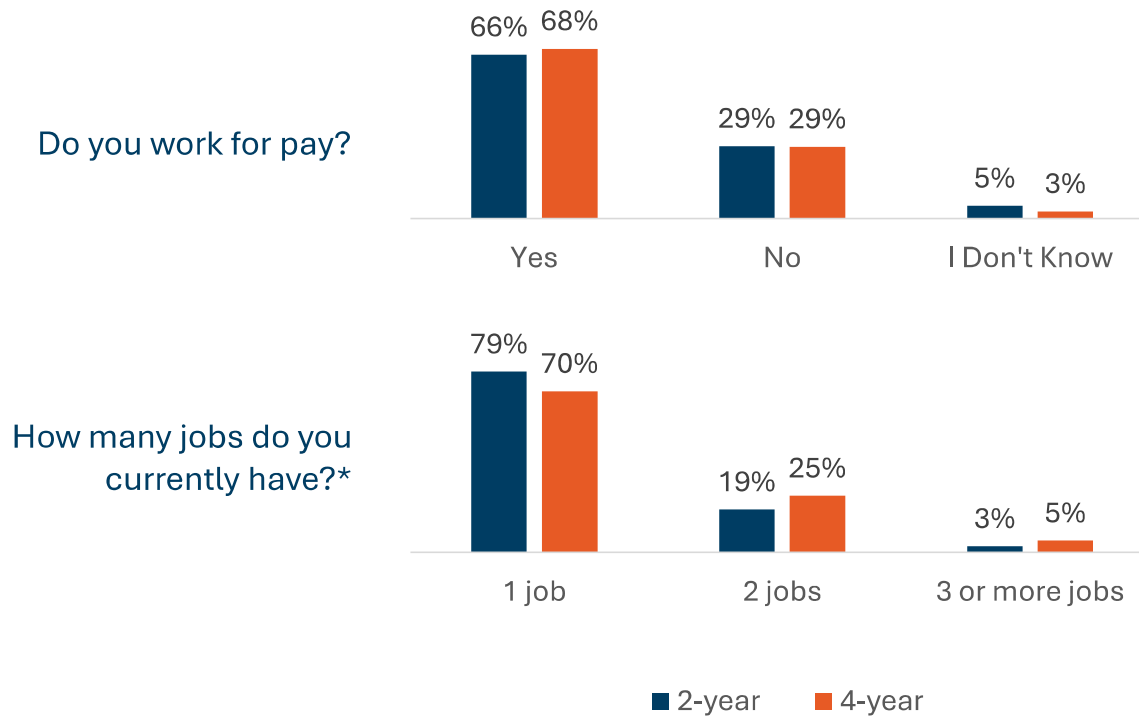
Self-Help to Pay for College



Only 5%

**WERE ABLE TO SOLELY RELY
ON PERSONAL SAVINGS
AND/OR CURRENT WAGES
TO PAY FOR SCHOOL.**

Working While Enrolled



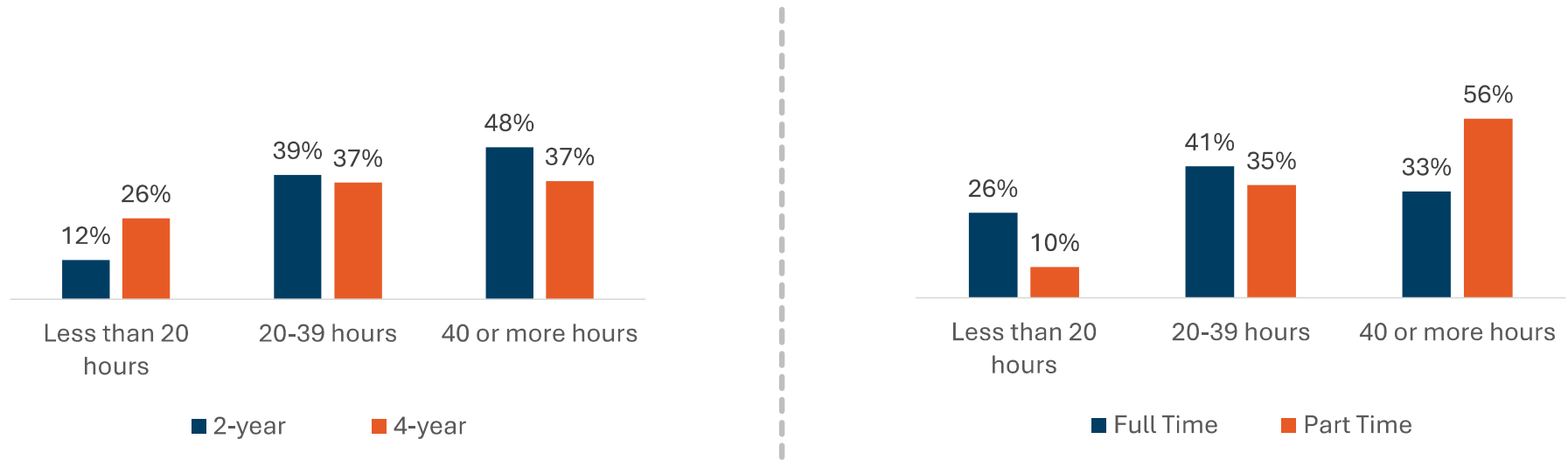
About two-thirds of respondents reported working while enrolled.

Having more than one job was more common among four-year respondents.

*Of those who said they worked while enrolled

Hours Worked Per Week

During the school year, about how many hours do you spend in a typical 7-day week working for pay?*



*Of those who said they worked while enrolled

Work vs. School



36%

of students who worked

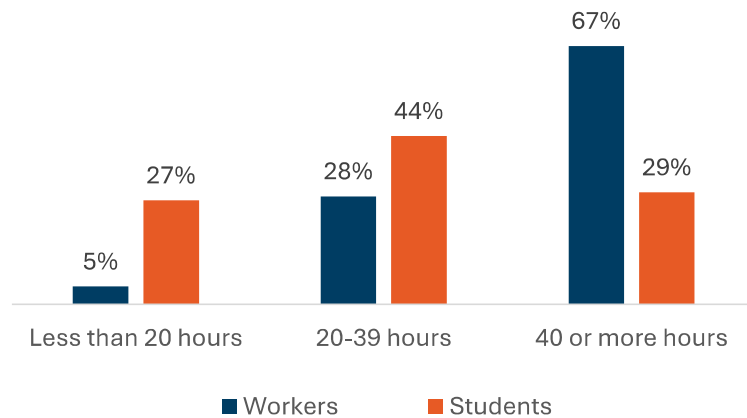
CONSIDERED THEMSELVES

WORKERS WHO GO TO SCHOOL

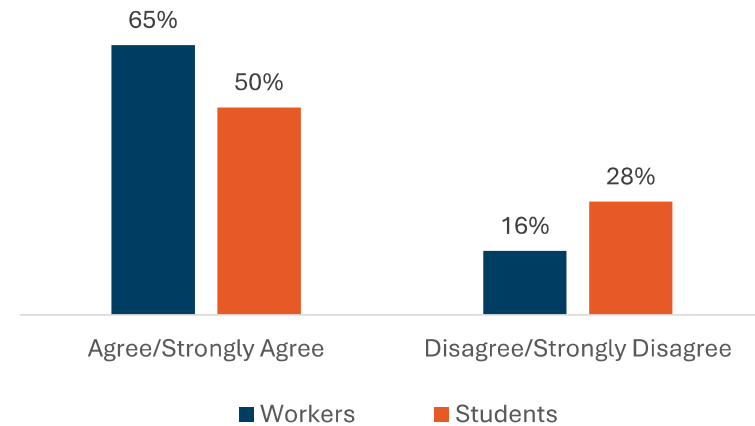
RATHER THAN STUDENTS WHO WORK.

Workers Going to School

During the school year, about how many hours do you spend in a typical 7-day week working for pay? (of respondents who reported they work for pay)*



My job(s) interferes with my ability to engage in extracurricular activities or social events at my school.*



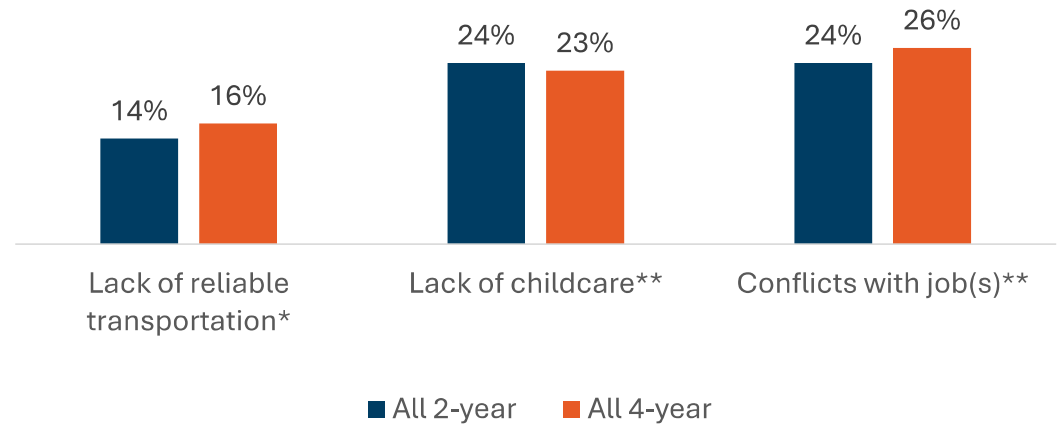
*Of those who said they worked while enrolled

Academic Disruptions



Working, providing care for dependents, and unreliable transportation can create significant time barriers that can impede students' academic progress.

Percent of Students Missing Classes



*Missed classes sometimes, often or always

**Missed at least one day of classes in the prior semester

Debt Repayment Confidence



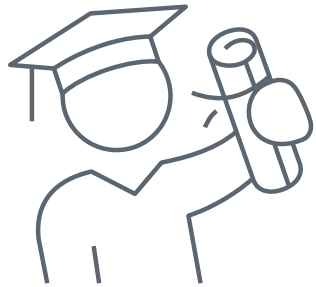
55%

of students who borrowed loans said they **HAD MORE STUDENT LOAN DEBT THAN EXPECTED AT THAT POINT.**



70% OF STUDENTS WITH LOANS EXPRESSED **LOW CONFIDENCE IN THEIR ABILITY TO REPAY THE DEBT.**

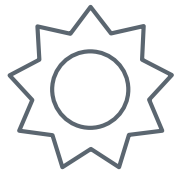
Value of College



73%

of students agreed or strongly agreed

THE COST OF COLLEGE IS A GOOD INVESTMENT FOR THEIR FINANCIAL FUTURE.



84% AGREED OR STRONGLY AGREED THAT A COLLEGE DEGREE WILL PROVIDE THEM WITH A HIGHER QUALITY OF LIFE.

Student-Supplied Reasons for Leaving

The United States reported over **41 million** individuals with some college, no credential;
Texas reported over **2.7 million**.¹

TOP FIVE REASONS FOR STOPPING OUT²



35%

**PERSONAL
FINANCIAL ISSUES**

Lack of funds, bills,
debt, etc.



32%

**FAMILY/PERSONAL
REASONS**

Family support, other
responsibilities, personal
circumstances, etc.



27%

EMPLOYMENT

Conflicting work/school
schedule, need to work,
impact of degree on
career, etc.



25%

**COST OF
ATTENDANCE/
TUITION**

Insufficient financial
aid, aid package,
delivery, etc.



24%

**HEALTH
REASONS**

Conflicting work/school
schedule, need to work, etc.

¹National Student Clearinghouse Research Center, *Some College, No Credential Student Outcomes 2024 Report for the Nation and the States*

²Trellis Strategies, *2023 Some College, No Credential Survey*

Key Texas Data Points

Modern Learner Enrollment



47%

of Texas high school graduates in 2022
**ENROLLED IN A TEXAS HIGHER EDUCATION INSTITUTION
IMMEDIATELY AFTER GRADUATION,**
with economically disadvantaged students
enrolling at lower rates than their peers.*

In fall 2023, **half** of Texas undergraduates attended public two-year colleges, **39%** enrolled at public four-year universities, **7%** at private four-year institutions, and **5%** at proprietary schools.*

* State of Student Aid in Texas

Modern Learner Personas




60% of Texas undergraduates **WORKED WHILE ENROLLED**, and **NEARLY HALF OF THOSE STUDENTS—46%—WORKED 40 OR MORE HOURS PER WEEK.****

49% of Texas undergraduates agreed or strongly agreed it is **IMPORTANT TO SUPPORT THEIR FAMILY FINANCIALLY WHILE THEY ARE IN COLLEGE.****



38% of Texas undergraduates who worked while enrolled consider themselves to be **WORKERS GOING TO SCHOOL RATHER THAN STUDENTS WHO WORK.****



Approximately **20%** of Texas undergraduates were **PARENTS.****

JOB-CLASS CONFLICT
More than a quarter (27%) of Texas undergraduates who worked while enrolled missed at least one day of classes due to conflicts with their job.**

CHILDCARE-CLASS CONFLICT
A quarter of Texas undergraduates with children missed at least one day of classes due to lack of childcare.**



TRANSPORTATION BARRIERS
16% of Texas undergraduates had missed classes sometimes, often, or always due to lack of reliable transportation.**



** Student Financial Wellness Survey

Modern Learner Finances



THE AVERAGE PELL GRANT RECEIVED BY A STUDENT AT A TEXAS PUBLIC INSTITUTION (FOUR-YEAR OR TWO-YEAR) COVERED JUST 19% OF THE TOTAL COST OF ATTENDANCE FOR THE YEAR.*

COST OF ATTENDANCE AY 2022-2023 – TWO-YEAR

At public two-year institutions, the average annual cost of attendance was **\$20,276**, with **tuition and fees** accounting for just **23%**. The majority (**69%**) went **toward food, housing, and other living expenses**, while **8%** covered **books and supplies**.*

COST OF ATTENDANCE AY 2022-2023 – FOUR-YEAR

At public four-year institutions, the average cost was **\$26,329**, with **36%** going to **tuition and fees**, **59%** to **food, housing, and other expenses**, and **5%** to **books and supplies**.*

MINIMUM WAGE BURDEN

To cover the cost of two semesters at a Texas public college through minimum wage work alone, students would **need to work 74 hours per week at four-year institutions and 57 hours per week at two-year institutions**.*

EMERGENCY PREPAREDNESS

61% of Texas undergraduates would have **trouble getting \$500 in cash or credit** in order to meet an unexpected need in the next month.**

* State of Student Aid in Texas ** Student Financial Wellness Survey

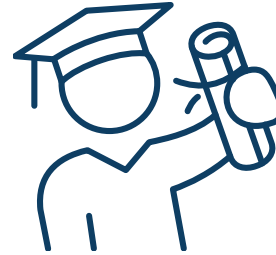
Modern Learner Perceptions

44%



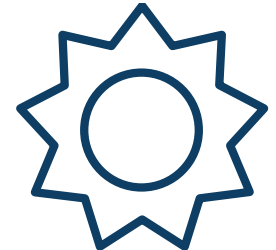
WOULD RECOMMEND THEIR SCHOOL TO PROSPECTIVE STUDENTS,
Resulting in a Net Promoter Score (NPS) of **24.05.****

76%



of Texas undergraduates **AGREE THAT THE COST OF COLLEGE IS A GOOD INVESTMENT IN THEIR FINANCIAL FUTURE.****

86%



of Texas undergraduates **BELIEVE THAT EARNING A COLLEGE DEGREE WILL LEAD TO A HIGHER QUALITY OF LIFE.****

** Student Financial Wellness Survey

Defining the Modern Learner

PERSONAS



60% of Texas undergraduates **WORKED WHILE ENROLLED**, and **NEARLY HALF OF THOSE STUDENTS—46%—WORKED 40 OR MORE HOURS PER WEEK.****

44% of Texas undergraduates were **FIRST-GENERATION STUDENTS.****

Approximately **20%** of Texas undergraduates were **PARENTS.****

49% of Texas undergraduates agreed or strongly agreed it is **IMPORTANT THEY SUPPORT THEIR FAMILY FINANCIALLY WHILE THEY ARE IN COLLEGE.****



JOB-CLASS CONFLICT
More than a quarter (27%) of Texas undergraduates who worked while enrolled missed at least one day of classes due to conflicts with their job.**

CHILDCARE-CLASS CONFLICT
A quarter of Texas undergraduates with children missed at least one day of classes due to lack of childcare.**



38% of Texas undergraduates who worked while enrolled considered themselves to be **WORKERS GOING TO SCHOOL RATHER THAN STUDENTS WHO WORK.****



TRANSPORTATION BARRIERS
16% of Texas undergraduates had missed classes sometimes, often, or always due to lack of reliable transportation.**



ENROLLMENT



47% of Texas high school graduates in 2022 **ENROLLED IN A TEXAS HIGHER EDUCATION INSTITUTION IMMEDIATELY AFTER GRADUATION**, with economically disadvantaged students enrolling at lower rates than their peers.*

In fall 2023, **half** of Texas undergraduates attended public two-year colleges, 39% enrolled at public four-year universities, 7% at private four-year institutions, and 5% at proprietary schools.*

FINANCES

THE AVERAGE PELL GRANT RECEIVED BY A STUDENT AT A TEXAS PUBLIC INSTITUTION (FOUR-YEAR OR TWO-YEAR) COVERED JUST 19% OF THE TOTAL COST OF ATTENDANCE FOR THE YEAR.*



COST OF ATTENDANCE AY 2022-2023—TWO-YEAR
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At public four-year institutions, the average cost was **\$26,329**, with **36%** going to **tuition and fees**, **59%** to **food, housing, and other expenses**, and **5%** to **books and supplies.***

MINIMUM WAGE BURDEN
To cover the cost of two semesters at a Texas public college through minimum wage work alone, students would **need to work 74 hours per week at four-year institutions and 57 hours per week at two-year institutions.***

EMERGENCY PREPAREDNESS
61% of Texas undergraduates would have **trouble getting \$500 in cash or credit** in order to meet an unexpected need in the next month.**

PERCEPTIONS



Texas undergraduates generally view their institutions positively—
44% **WOULD RECOMMEND THEIR SCHOOL TO PROSPECTIVE STUDENTS**, resulting in a Net Promoter Score (NPS) of 24.05.**



76% of Texas undergraduates **AGREE THAT THE COST OF COLLEGE IS A GOOD INVESTMENT IN THEIR FINANCIAL FUTURE.****



86% of Texas undergraduates **BELIEVE THAT EARNING A COLLEGE DEGREE WILL LEAD TO A HIGHER QUALITY OF LIFE.****

Student-Supplied Reasons for Leaving

The United States reported over **41 million** individuals with some college, no credential;
Texas reported over **2.7 million**.¹

TOP FIVE REASONS FOR STOPPING OUT²



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Lack of funds, bills,
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**HEALTH
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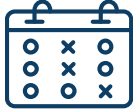
Conflicting work/school
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¹National Student Clearinghouse Research Center, *Some College, No Credential Student Outcomes 2024 Report for the Nation and the States*

²Trellis Strategies, *2023 Some College, No Credential Survey*

Key Support Strategies

Four Core Strategies for Modern Learners



Strategic Course Scheduling

Prioritize student availability and ensure predictability



Work-Based Learning or Learning at Work?

Provide strategic connection to work experiences



Expanded Financing Infrastructure

Extend the financing picture beyond Title IV to support lifelong learning



Credit Portability

Provide portable pathways for recognized learning that extends beyond traditional transfer pathways

Trellis Priority Projects



Some College, No Credential

Engaging in the North Texas region to provide regional re-enrollment support to learners



Wrap Around Services

Engaging with a state agency on the integration of childcare resources



Regional Credit Portability

Partnering with a national organization to identify a regional strategy to credit mobility



Skill Verification

Assessing skills in short(er) term programs to gauge industry alignment and validate learning

2026 Higher Education Trends



Enrollment Gains and Trajectory

Notes

Economic circumstances are changing and individuals are considering returning to school. National narratives around the value of college impact this and program selection will be key to watch.



AI Adoption

As AI adoption continues to evolve we will watch three things: 1) How institutions implement AI, 2) How the learning enterprise uses AI and 3) How the entry level job market changes and the subsequent change in enrollment patterns.



Quality Assurance and Accreditation

Nationally we are seeing both state and federal interest in the accreditation process with a focus on outcomes based metrics. This includes an increased focus on skill alignment.



Budget Pressures

International student declines, PLUS loan caps, and state budget shortfalls all create institutional budget pressures. At the same time the consumer is facing strong budget challenges.



Trust

General trust in institutions is down, higher education is also down, but will there be a rebound?

Washington D.C. Update

Federal Update

Congress

Midterm Elections

Appropriations Process

Reconciliation Possibility?

Department of Education

Interagency Agreements

Negotiated Rulemaking

FIPSE Grants

Title IV Overhaul

Accreditation Reform

OBBB Implementation

Workforce Pell Grants

Borrowing and Repayment Plans

Program Accountability

Endowment Tax

Employer Benefits (Permanent)

Interagency Agreements

- ED has begun the process of transitioning responsibilities from the Department to other agencies through interagency agreements.
- ED has reduced staff by approximately 50% from just over 4,100 to around 2,000 headcount.
- There are continued legal challenges, interagency agreements, and programmatic conversations that are on-going and will impact future activities and staffing.

Pell Grant Funding Issues

Pell Shortfall

- The Pell Grant program is on track for an over \$5 billion shortfall in FY26 that could reach up to \$17 billion in FY27.
- This will equate to a nearly \$130 billion shortfall over a 10-year window.
- Reasons include growth of low-income students, FAFSA simplification, and increased award amounts.

Solutions

- Congress will need to have challenging conversations about the program given the blended funding of the Pell program.
- Solutions may be wide reaching in nature, but may not impact Workforce Pell due to its small scale and bipartisan support.

America's Talent Strategy - DOL

- Five pillars to develop

- Industry Driven Strategies

- This pillar of the vision will be achieved by scaling Registered Apprenticeships and other high-quality work-based learning models, aligning education and training programs to career pathways, and targeting federal investments toward employer-led upskilling initiatives designed to fill talent shortages in priority industries.

- Worker Mobility

- This pillar of the vision will be achieved by clearly identifying credentials that are valued in the labor market to support informed decision making, integrating AI-powered tools and competency-based assessments that allow workers to advance based on demonstrated skills and abilities, and getting the disconnected workforce into training opportunities that lead to self-sufficiency

- Integrated Systems

- This pillar of the vision will be achieved by immediately working to streamline program administration and simplify governance requirements to empower states to integrate disparate funding streams and improve service delivery. Further restructuring and consolidating workforce programs must be achieved through the Make America Skilled Again (MASA) proposal and reorganizing federal statistical agencies within the Department of Commerce.

ATS Continued

○ Accountability

- This pillar of the vision will be achieved by reforming or eliminating ineffective programs and redirecting funding to programs that demonstrate success in connecting Americans with high-wage jobs. It will require harmonizing performance measures and enhancing data linkages to ease the reporting burden while producing valid, transparent data to assess the return on investment and the impact on closing talent gaps. It also depends on ensuring all taxpayer-funded workforce services are reserved for individuals who are legally authorized to work, protecting high-paying jobs for American workers.

○ Flexibility and Innovation

- This pillar of the vision will be achieved by leveraging existing statutory authorities to promote flexibility and innovation, prioritizing AI literacy and skills development across the workforce system, and developing pilot projects to drive rapid reskilling and fuel other AI-era innovations.

Shift to a Workforce Development Perspective

Transition of Activities to Department of Labor

- ED has begun the transition of activities to the Department of Labor under an interagency agreement. Selected activities include:
 - **TRIO and College Access Programs**
 - **Equity-Focused Programs (Race, Ethnicity, Minority-Serving Institutions)**
 - **Workforce & Technology-Aligned Education Programs**
 - **Student Support & Basic Needs**
 - **Specialized Postsecondary Programs**
 - **Graduate & Advanced Education Programs**
 - **Migrant and Seasonal Farmworker Programs**

Talent Marketplaces

A growing focus is emerging within the administration for **Talent Marketplaces**. These are public digital system (maintained by a State Workforce Agency or governor-designated recipient) that connects people’s skills and credentials to education and job opportunities. It integrates these core components:

- **Learning and Employment Records (LERs)** — Verified, portable digital records that individuals can use like a dynamic, machine-readable resume capturing learning, skills, and achievements from any source (e.g., degrees, certificates, apprenticeships, military service, or on-the-job experience).
- **Credential registry** — Makes degrees and non-degree credentials transparent and links them to verified competencies.
- **Skills-based job description generators** — Tools (often AI-powered) that let employers define roles by required skills rather than degrees alone.
- **Artificial intelligence and interoperability tools** — Enable secure sharing, understanding, and matching of skills across systems, supporting training, career advancement, stackable credentials, prior learning recognition, and skills-based hiring.

These systems create a “national skills currency” using a common language of competencies, making skills visible, verifiable, and portable across education and workforce programs

CTO Challenge

The CTO Challenge addresses key national challenges including:

- A labor force participation rate of 62.5% (down from a 2000 peak of 67.3%), with skills gaps in critical sectors (e.g., manufacturing, construction, shipbuilding, nuclear energy, aerospace, and AI), and barriers for disconnected youth or adult learners.
- It supports the Administration’s “America’s Talent Strategy” by:
 - Expanding access to high-quality career pathways and registered apprenticeships.
 - Reducing hiring costs and time for employers.
 - Making postsecondary education more affordable through skills-based advancement.
 - Boosting labor force participation and economic competitiveness.
 - Surfacing scalable models that can be replicated nationwide.

Talent Search Program

Trio Program

- ED has transitioned the administration of the Talent Search (TRIO) program to the Department of Labor.
- Labor has issued an RFP for new participants in the program. While keeping it's low-income and access focus, it expands the eligible program mix.

New Priorities

- This year's RFP emphasizes alignment with America's Talent Strategy and workforce development goals, encouraging connections to Registered Apprenticeships, pre-apprenticeships, work-based learning, dual enrollment, in-demand fields (e.g., skilled trades, healthcare, manufacturing, IT, AI, defense), and low-debt career pathways like those supported by Workforce Pell.
- It also creates invitational priorities that strengthen career/personal counseling with scalable data infrastructure, including learning and employment records (LERs), AI-enabled learner wallets, skills-based pathways, and talent marketplaces connecting participants, employers, and providers

Accreditation Reform

Focus Areas Include:

- Opening Up the Accreditor Market w/ Easier Portability Between Accreditors
 - FIPSE Grants at \$14.5 million with examples like:
 - Establish the nation's first programmatic accrediting agency for AI workforce programs, with a fundamentally reformed governance and operating model
 - Establish and pilot a new hybrid accrediting agency for military-aligned associate and certificate programs
 - Establish a new accrediting agency designed for modern STEM educator preparation
 - Address the national need to modernize accreditation to keep pace with a rapidly evolving, skills-based economy
 - Design and evaluate an innovative, outcomes-focused accreditation model for short-term, nondegree workforce programs, using AI tools and streamlined evidence standards to reduce burden; center outcomes (completion, licensure, placement, wages); and generate comparable performance data
 - Support the Texas State Technical College's transition to a new accreditor as the college pilots the Postsecondary Commission's accreditation model
- Increased Focus on Student Outcomes

Accreditation Reform (Continued)

- **Neg Reg**

- Through negotiated rulemaking, the Department plans to develop new policy language in sessions scheduled for April and May 2026.
- The Department intends to reform transfer-of-credit policies that force students to unnecessarily repeat coursework and incur additional debt.
- Additionally, they will look to strengthen requirements to maintain greater separation between accrediting agencies and related trade associations.

Workforce Pell Update

Reconciliation Bill Framing

- H.R. 1 or One Big Beautiful Bill Act
 - Reconciliation Bill
 - Wide ranging changes to higher education and higher education finance
- Included Workforce Pell Grants after a series of legislative discussions on the issue
- Legislative text leaves many questions unanswered, but clarity was provided through Neg Reg and NPRM
- Neg Reg reached consensus
- Creates one of the first true federal / state partnerships in postsecondary education
- Note the ED has confirmed that Workforce Pell is a subset of the Pell Grant program and not a new Title IV program

Key Timeline Elements

- The bill states that the program is intended to be effective July 1st, 2026
- Neg Reg was concluded with consensus in December and the NPRM was issued on March 9th
- Final regulations expected in late spring / early summer
- States must run their own process for program approval

State and Federal Role

State

- Governor must consult with state workforce board and determine that the program:
 - Is aligned to high skill, high wage or in-demand industry sectors/occupations
 - Meets hiring requirements of potential employers
 - Leads to a recognized credential that is stackable, portable, or leads to a job for which there is only one recognized credential, and the program leads to that credential upon completion
 - Ensures students get academic credit that is accepted for another certificate or degree program

Federal

- After state completes its checklist, Secretary determines:
 - WFG program has been offered by the institution for at least a year
 - 70 percent of participants complete the program within 150 percent of normal time to completion
 - 70 percent of participants find employment within 180 days of program completion
 - Published tuition and fees for the program do not exceed the “value-added earnings” of completing students
 - Value-added earnings = median earnings [adjusted for geographic location] of cohort of students 3 years after completion MINUS 150 percent of the poverty line.

Program Eligibility

- Programs must be between 150 and 599 clock hours, 4-15 semester or trimester hours, or 6-23 quarter hours
- Courses must be 8 to under 15 weeks long
- Programs cannot be offered as a study abroad, ESL, or direct assessment in eligible workforce programs
- Institution offering program must be otherwise Pell eligible
- Programs must be designed for student portability into credit-bearing pathways or prepares an individual for a career pathway with only one recognized credential
- Established 12 months preceding the date on which the eligible institution applied for eligibility for the program. The program must also meet completion and job placement rates prior to application to the Department and each year subsequent to the eligible workforce program's approval.

Apprenticeship Eligibility

- From New America:
 - The Department’s proposed regulations provide that a Registered Apprenticeship program can qualify for Workforce Pell even if the full apprenticeship (including the on-the-job-training component) exceeds statutory limits on length, so long as the related technical instruction (RTI) portion independently satisfies the requirements of law and regulation. This includes several critical elements:
 - The RTI must independently meet the clock-hour, weeks-of-instruction, completion and job placement rates, and the value-added earnings requirement.
 - The RTI alone must lead to a recognized postsecondary credential. All RA programs culminate in some type of credential, but not all RTI curricula inherently produce them; institutions will need to verify this alignment so that the RTI portion alone leads to the proper credential because the credential for the whole apprenticeship program will not meet this requirement.
 - The RTI must prepare students for further education and guarantee academic credit. Under the law and the proposed regulations, the Governor cannot approve an eligible workforce program unless completing students will receive academic credit that counts toward a related certificate or degree program, should they decide to pursue one.
- <https://www.newamerica.org/insights/making-workforce-pell-work-for-registered-apprenticeships/>

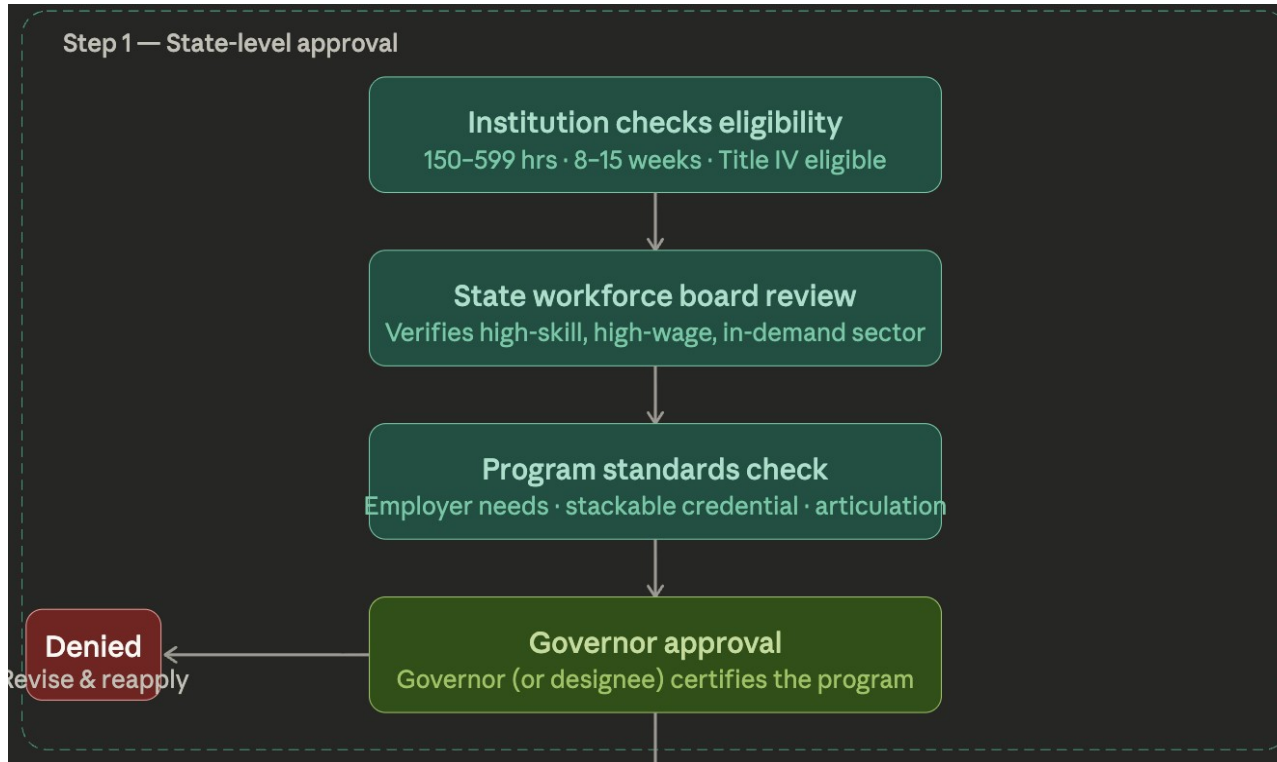
70 / 70 Test

- **Placement & Completion Rate Review:** The Secretary evaluates each program's job placement and completion rate requirements as part of eligibility criteria.
- **Initial Review Period (2026–2029):** The first review will cover the 2026–2027, 2027–2028, and 2028–2029 award years, with data certified by the Governor using administrative data including wage records.
- **70% Thresholds:** Programs must achieve at least a 70% completion rate (within 150% of normal program length) and a 70% job placement rate, measured in the second quarter after students exit.
- **Ongoing Requirements (2029–Beyond):** The 70% completion and placement rate standards continue to apply for all award years following 2028–2029 utilizing federally reported and verified data.

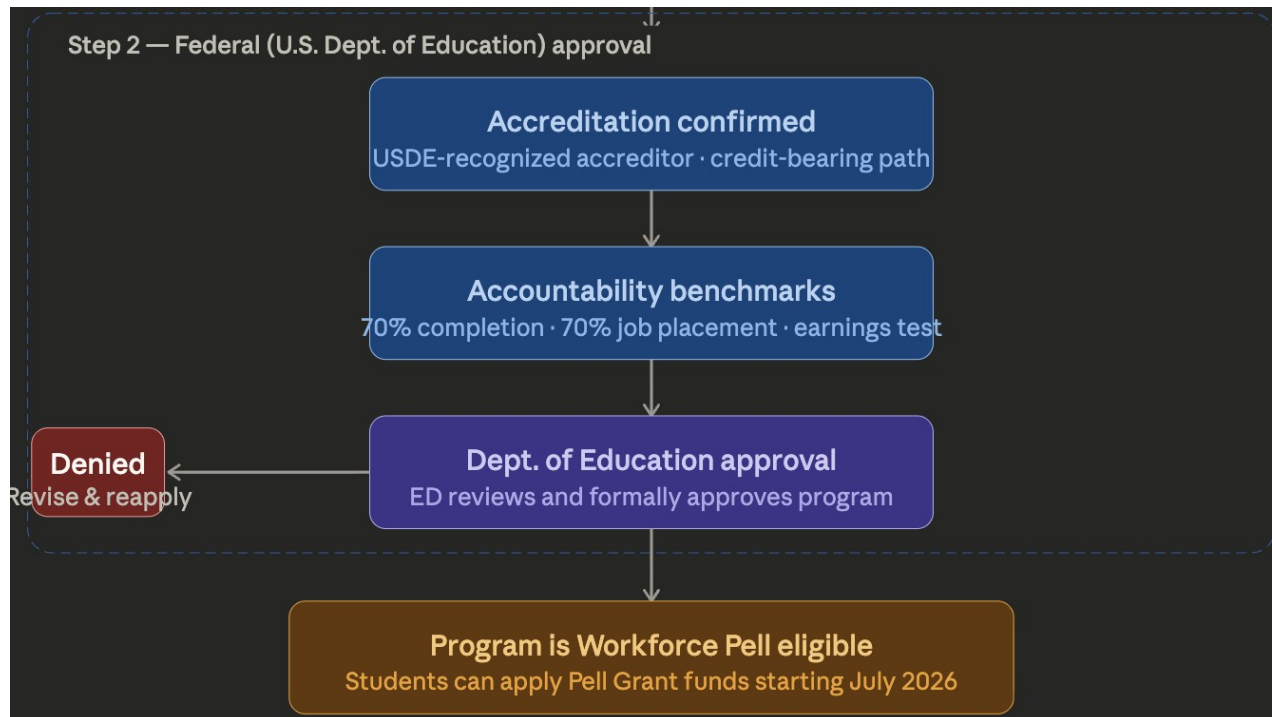
Value-Added Earnings

- Calculate and publish **value-added earnings** annually
- These are adjusted median earnings of completers minus 150% of the federal poverty guideline for a single person, with regional price parity adjustments.
- Tuition and fees **cannot exceed** this amount; programs with zero or negative value-added earnings lose eligibility.
- States begin to implement with a federal role in the future, however ED must publish the value-added earnings metric at least 3 months before the award year

Program Approval Process



Program Approval Process – Step 2



Joint Responsibilities

- **Performance Accountability:** Governors handle initial certifications and placement verification (using administrative data like wage records); the Secretary enforces ongoing compliance and calculates earnings.
- **Data Flow:** Institutions submit data to Governors for state metrics and to the Department for federal calculations.
- **Coordination:** Governors provide certifications and documentation to the Secretary upon request; bilateral state agreements require data-sharing; the Department may collaborate with the Department of Labor.

Student Eligibility



Student must complete the FAFSA, meet "normal" Pell eligibility requirements, and not have a graduate/professional degree/certificate but can have a bachelors degree.

Students can not receive a "normal" Pell Grant and Workforce Pell Grant at the same time.

Workforce Pell counts against lifetime maximum Pell and students must have eligibility remaining.

Award Amount

- Pell amount will be prorated and prorated amount can fall below minimum award amount with the SAI being used and that proration will follow clock hour proration
- NCAN has put forward this potential formula:
 - Multiply the student's Pell award by the lesser of:
 - The number of clock hours in the WFP program (150-599) ÷ the number of clock hours in the program's academic year (900)
 - The number of weeks in the WFP program (eight to 15) ÷ the number of weeks in the program's academic year (at least 30 for credit hour programs, at least 26 for clock-hour programs).
 - This means that a student with an SAI of 0 who is attending a WFP program that is eight weeks long and offers 160 clock hours would receive a WFP award of \$1,315 because the proration amount based on clock hours ($160/900=18\%$) is less than the proration amount based on weeks ($8/26=31\%$).

Stackability

- Note that these must be written policies for stackability
 - (1) lead to a named, recognized credential,
 - (2) have written articulation agreements showing that credit transfers into certificate or degree programs at one or more institutions,
 - (3) have institutional policies formally documenting these pathways, and
 - (4) notify the state of any changes to those agreements.
- Exceptions:
 - A program must prepare students for and award students with the sole recognized postsecondary credential required for employment in the occupation. PLUS that sole credential status must be required by statute, regulation, licensing authority, or governing occupational standard.
 - Registered Apprenticeship related carveouts as well

A Note on Outsourcing

- NPRM prevents institutions from outsourcing more than 25% of a program
- This would be to an "ineligible institution or organization"
- Focuses on preventing implementation of outside curriculum at a higher rate than other Title IV programs

Considerations for Implementation

- Existing Programs
 - Identify existing programs in in-demand fields that align with the Perkins high-skill, high wage
 - Alignment of these programs with regional employer needs (job descriptions + conversations)
 - Assessment of how stackable or alignment with terminal credentialing
- Student Implications
 - Lifetime Pell eligibility requirements
 - Half life of skills
 - Learner journey mapping for additional education

Evaluation Points



Campus Based Opportunities

- Future and Provisional Programs
 - Opportunities in the labor market for new program development (and cost)
 - Development of intentional enrollment strategies for blended enrollment streams
 - Validation of skills as a signaling process for quality
 - Mix of Pell and non-Pell students
- Institutional Assessment
 - Impact of implementation
 - Student success metrics
 - Competition

State of Texas Update

89th Legislative Session Update

STRONG PUSH FOR WORKFORCE ALIGNMENT & CTE GROWTH (HB 120, SB 1786)

Expansion of career & technical education pathways, especially rural access. Increased emphasis on credentials tied to workforce outcomes and employer needs. Policies support internships, employer partnerships, and work-based learning.

COMMUNITY COLLEGE FUNDING SHIFT

Continued move toward outcomes-based funding models started with HB 8 (88th). Focus on completion, credentials, and job placement outcomes.

GROWTH OF WORK-BASED LEARNING & INDUSTRY PARTNERSHIPS

Legislative interest in allowing CTE funds to support internships/apprenticeships. Signals stronger expectations for education-to-workforce pipelines.

VIRTUAL & FLEXIBLE LEARNING EXPANSION (SB 569)

Expanded use of virtual education and funding flexibility. Supports access but raises questions about quality and hands-on training for CTE.

POLICY TENSION: INNOVATION VS. CONSTRAINTS

Schools face pressure to innovate (CTE, workforce alignment). While navigating funding limitations, accountability changes, and policy complexity.

OVERALL SESSION THEMES

There is a shift toward Workforce-driven education and outcome accountability in the legislature with a key challenge continuing to be balancing access, program quality, and sustainable funding

Interim Updates

Sunset Discussion



The Texas Sunset review process works by setting a date on which an agency is abolished unless the Legislature passes a bill to continue it — Sunset staff evaluates the agency, the Commission considers recommendations and hears public testimony and then brings a package of changes to the full Legislature. TWC, HHS, and TJJ's grant department are currently being reviewed.

Interim Charges



The House Higher Education committee interim charges have a substantial focus on aligning workforce demands and education programs including charges related to increasing credit completion and aligning advising between high schools and colleges. The Subcommittee on Workforce also has a charge to explore general labor supply and education programs. The Senate has released initial charges, but none from the Higher Education Committee, yet. There are charges related to property taxes and fraud, waste, and abuse in both chambers.

Comptroller Outlook



We are still awaiting a formal BRE for the next session, but the most recent Certification Revenue Estimate shows a \$4.66 billion ending balance with a rainy day fund nearing \$28.5 billion. Strong concerns about changes in federal funding may impact the BRE for the upcoming session.

Chair Roles



We have seen the launch of Senate chair positions with Sen. Campbell as the Chair of Ed with Sen. Bettencourt as Vice Chair and Sen. Bettencourt being slated for Higher Education with Sen. Hagenbuch as Vice Chair.



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