

Workforce Pell Overview



September 2025



The Big Beautiful Bill Act extends Pell grants to certain shorter-term programs

Current Pell eligible programs

- ❖ Undergraduate degree or certificates of at least 600 clock hours or 15 weeks in length
- ❖ Offered by an accredited institution
- ❖ Institution authorized to operate by the state where they are located
- ❖ Maximum Pell award per year of \$7,395 in 2025-26

Workforce Pell eligibility expansion

- ❖ Expands Pell to programs of 150-599 clock hours and 8-15 weeks in duration.
- ❖ Must be approved by the state's governor to meet eligibility criteria
- ❖ Must meet program performance criteria (as evaluated by the US Department of Education).
- ❖ Same maximum award. Awards prorated to program length.

Program eligibility criteria

Step 1: The Governor, in consultation with the State Workforce Innovation Board, determines that the program:

1. Is in a high-wage, high-skill OR in-demand industry sector
2. Meets the hiring requirements of potential employers
3. Leads to a stackable and portable post-secondary credential
4. Grants academic credit towards further study.

Step 2: The US Department of Education determines that the program:

1. Has been offered for at least 1 year.
2. Has at least a 70% completion rate in 150% of usual time.
3. The program has a 70% job placement rate 180 days following completion.
4. Program costs do not exceed value-added earnings for graduates.

Many questions are not yet answered...

- ❖ What data will be used by the US Department of Ed. to determine job-placement and wage outcomes?
 - ❖ Restricted to college-credit programs, or will non-credit training be eligible?
 - ❖ Will prison education programs be eligible?
 - ❖ What criteria will states establish, and will the Department provide further direction on how Governor's approve programs?
 - ❖ Currently restricted to only accredited providers, but possibility department could expand to non-accredited providers as “experimental sites”
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Timeline for Rulemaking and Implementation

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| July 2025 | <ul style="list-style-type: none">– Workforce Pell authorized by BBB Act– July 24th, the Department of Ed. announces negotiated rulemaking |
| Fall 2025 | <ul style="list-style-type: none">– Coordination with the Governor’s office and SWIB to draft state eligibility criteria and process |
| January 2026 | <ul style="list-style-type: none">– Negotiated rulemaking committee concludes work |
| April 2026 | <ul style="list-style-type: none">– Earliest time under usual process by which final rules for Workforce Pell– (very likely) earliest that state process can be finalized and program applications submitted |
| July 1, 2026 | <ul style="list-style-type: none">– Programs approved by both state and Department of Ed. may disburse aid |
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Montana Reference Points and Eligible Programs

References which may inform eligibility criteria:

High-wage: Prepares graduates for an occupation with a median Montana wage at least 60% of the overall median Montana wage. (Montana Perkins State Plan)

High-skill: Prepares graduates for an occupation that requires a degree or credential for entry based on O*net job zones 3-5 (Montana Perkins State Plan)

In-Demand: Healthcare/Health Careers, Construction Trades, Hospitality & Recreation, Advanced Manufacturing and Computing, Education and Childcare, Financial and Professional Services (Sectors identified by Montana State Workforce Innovation Board in Spring 2025)

How many students / programs may be served?

In the most recent data, 331 students graduated from 63 for-credit programs across all Montana postsecondary institutions that may be eligible for short-term pell.

Many more may be eligible if non-credit and/or non-accredited trainings are deemed eligible.