

April 8, 2026

The Honorable Nicholas Kent
Under Secretary of Education
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

RE: Notice of Proposed Rulemaking Docket ID ED-2026-OPE-0133

Submitted electronically via Regulations.gov

Dear Under Secretary Kent,

We submit this written public comment in response to the U.S. Department of Education's (the Department) Notice of Proposed Rulemaking (NPRM) on the establishment of Workforce Pell Grants (WFP) pursuant to Public Law No. 119-21, commonly referred to as the One Big Beautiful Bill Act (OBBBA).

UnidosUS is the nation's largest Hispanic civil rights and advocacy organization.¹ Through its unique combination of expert research, advocacy, programs and an Affiliate network of nearly 300 community-based organizations across the United States and Puerto Rico, UnidosUS simultaneously challenges the social, economic and political barriers at the national and local levels.

Today, Latinos make up nearly 1 in 5 U.S. workers, representing the fastest-growing component of the American labor force.² While a college degree remains the surest path to well-paying jobs, long-term state disinvestment and predatory for-profit colleges have driven up costs and debt burdens, risking pushing that pathway out of reach.³

At the same time, many have sought alternative pathways to well-paying jobs, such as short-term job training programs. Eighty percent of Latino voters said they wanted to participate in

¹ The terms "Hispanic" and "Latino" are used interchangeably by the U.S. Census Bureau and throughout our materials to refer to persons of Mexican, Puerto Rican, Cuban, Central and South American, Dominican, Spanish, and other Hispanic descent; they may be of any race.

² U.S. Bureau of Labor Statistics, "Labor Force Characteristics by Race and Ethnicity, 2023," Report 1113, December 2024, <https://www.bls.gov/opub/reports/race-and-ethnicity/2023/home.htm>.

³ Tristan Stein, Arianna Fano, and Natalie Butler, "State Funding and College Costs: Reviewing the Evidence," Bipartisan Policy Center, October 20, 2025, <https://bipartisanpolicy.org/explainer/state-funding-and-college-costs-reviewing-the-evidence/>; Luis Armona et al., "Student Debt and Default: The Role of For-Profit Colleges," *Journal of Financial Economics* 144, no. 1 (2022): 67–92, <https://doi.org/10.1016/j.jfineco.2021.12.008>.

skills training to obtain a better job or advance their careers.⁴ And some research suggests in some cases, short-term [credentials could increase average earnings](#) by 10 to 20% compared with high school graduates.⁵

As a leading advocate for economic mobility made possible through higher education and workforce training that centers Latinos' perspectives, UnidosUS expresses its deep concern that without robust quality and accountability standards, WFP may fail to live up to its promise of delivering shorter, more affordable pathways into well-paying jobs. Short-term training programs must lead to real economic gains — not just credentials.

Worse, haphazardly implementing the program risks depleting the already underfunded Pell Grant that 73% of Latino postsecondary students depend on to make college a reality.⁶ In short, the stakes of getting this wrong threaten to foreclose both certificate and degree pathways for Latino students.

As such, we offer to the Department the following recommendations to ensure WFP programs meet a high bar for quality and deliver on the promise of expanding economic prosperity.

The Department must clearly establish definitions for what qualifies as “high-skill,” “high-wage,” or “in-demand” occupations under Workforce Pell Programs.

Student outcomes in such short-term programs, such as those supported by WFP, vary widely. Although the statute requires WFP alignment with high-skill, high-wage, or in-demand sectors, the proposed rules defer to the states in defining these terms and measuring whether programs meet the requirements, with no national baseline or data validity requirements to ensure consistency or quality across states.

Without a minimum federal baseline or outcomes data validation for completion and job placement, students could face a patchwork of state policies where the payoff from training depends largely on where they live. Although labor markets vary by region, and states should retain the ability to tailor program approvals to local economic conditions, flexibility without a floor risks a race to the bottom.

⁴ Rachel Unruh, "Hispanic/Latinx Voters: Public Perspectives on the Economy, Jobs, and Skills Training," National Skills Coalition and UnidosUS, July 2024, https://nationalskillscoalition.org/wp-content/uploads/2024/07/LatinxPolling_July2024.pdf.

⁵ Monique O. Ositelu, Clare McCann, and Amy Laitinen, "The Short-Term Credentials Landscape: What We See and What Remains Unseen," New America, May 2021, <https://www.luminafoundation.org/wp-content/uploads/2021/05/the-short-term-credentials-landscape.pdf>.

⁶ UnidosUS, "Pell Grant: Unlocking Latino Economic Mobility," fact sheet, April 2024, <https://unidosus.org/publications/pell-grant-unlocking-latino-economic-mobility/>.

Without meaningful federal guardrails, states may adopt passive standards that allow lower-quality programs to access federal dollars unchecked. The stakes are high for Latino students, who are overrepresented in short-term credentialing programs.⁷

Programs need clearly defined competencies that align with expected job opportunities and employer needs in high-demand, high-wage occupations. When defining “good jobs,” for example, the Department should align with the [Good Jobs Principles, which were developed in partnership with the Departments of Commerce and Labor](#) to define a shared vision of job quality.

The Department must require the use of transparent, verifiable outcomes data.

Education, workforce and other state-based data systems are often siloed, working in isolation with limited interoperability.⁸ As a result, information on short-term credential outcomes – earnings, job placement, and program costs — is sparse and inconsistent, with few states systematically collecting or publicly reporting it.⁹

For WFP programs to effectively serve Latinos, the administration must incentivize streamlining data collection and public outcomes reporting, ensuring quality across the board. The Department should standardize reporting requirements to ensure that outcome data is publicly available, akin to the College Scorecard, for students and taxpayers no matter where they live or attend a program. These outcomes should be made publicly accessible in a standardized format and disaggregated by race, gender, income, and field of study, so students and policymakers can judge program quality for themselves.

Without transparent cost data, students cannot accurately assess affordability, and bad actors can obscure the true cost of participation. Without in-field placement data disaggregated by demographics, neither students nor the Department can identify which programs are delivering on their promises — and for whom.

To this end, the Department should also require states to utilize state unemployment or other wage records when reporting outcomes to the Secretary. Doing so ensures that verifiable data

⁷ Jinann Bitar, Sandra Perez, Sabreyna Reese, and Mia Elliott, "Understanding the Full Cost of Short-Term Credentials," The Education Trust, November 2024, <https://edtrust.org/wp-content/uploads/2024/11/Subbach-COA-Brief-Final.pdf>.

⁸ Tristan Stein, Betsy Tessler, and Alyssa Ratledge, "Unpacking Workforce Pell: Learning from the States," Bipartisan Policy Center, July 2025, <https://bipartisanpolicy.org/article/unpacking-workforce-pell-learning-from-the-states/>.

⁹ Di Xu, Ben Castleman, Kelli Bird, Sabrina Solanki, and Michael Cooper, "Noncredit Workforce Training Programs Are Very Popular. We Know Next to Nothing about Them," Brookings Institution, May 23, 2023, <https://www.brookings.edu/articles/noncredit-workforce-training-programs-are-very-popular-we-know-next-to-nothing-about-them/>.

is used across all programs, rather than allowing programs to rely on inconsistent or self-reported measures that cannot be compared. All data that is submitted to the Department should be fully de-identified and anonymized. Data collection should be limited strictly to what is necessary to validate employment and earnings outcomes, and clear safeguards must prohibit the sharing of individual-level information with other federal agencies, including the Department of Homeland Security.

The Department must protect Students and Taxpayers from waste, fraud, and abuse by predatory low-quality programs.

The Trump administration has declared its intention to combat widespread fraud, waste, and abuse in federal benefit programs.¹⁰ The Department can follow through on this initiative by proactively preventing bad actors from defrauding low-income students and extracting their limited Pell Grant dollars with low-quality programs.

In the WFP context, such behaviors can manifest in programs that intentionally inflate tuition to capture a student's entire WFP grant award, or that aggressively recruit the lowest-income students to maximize federal revenue, regardless of students' outcomes.¹¹

The Department must prevent exploitative lending practices, such as encouraging students to take private loans that can be used to extract money beyond what the grant covers. To that end, regulators should restrict the use of income-sharing agreements, where students pay a percentage of their income to a lender, and private lending.¹²

The Department should also provide guidance on how programs and participants should integrate complementary funding sources for job training, such as Individual Training Accounts (ITAs). This guidance should protect students by ensuring they have the financial support they need and by preventing programs from seeking more funding than necessary to cover their true value.

¹⁰ The White House, "Fact Sheet: President Donald J. Trump Establishes the Task Force to Eliminate Fraud," March 16, 2026, <https://www.whitehouse.gov/fact-sheets/2026/03/fact-sheet-president-donald-j-trump-establishes-the-task-force-to-eliminate-fraud/>.

¹¹ Lydia Franz and Christopher Madaio, "Preparing to Implement Workforce Pell Grants: States Should Legislate to Solidify Student Protections," The Institute for College Access and Success (TICAS), October 23, 2025, <https://ticas.org/accountability/workforce-pell-state-model-legislation/>.

¹² Student Borrower Protection Center, "Income Share Agreements: Predatory Inclusion into a Deeply Unequal Education System," Protect Borrowers, September 7, 2022, <https://protectborrowers.org/income-share-agreements-predatory-inclusion-into-a-deeply-unequal-education-system/>; Ayelet Sheffey, "How Private Lenders Have Left Millions of College Students with No Hope for the Future," *Business Insider*, August 21, 2023, <https://www.businessinsider.com/student-loan-forgiveness-private-debt-no-relief-interest-rates-payments-2023-8>.

Critically, the Department should require that if low-quality programs lose WFP eligibility, lifetime Pell eligibility be restored for enrolled students, starting from the date of enrollment. Without this protection, students have no recourse for their wasted time, expenses, or foregone income. The stakes are high, as the first poor-performing programs will not be removed until the 2030-2031 academic year, leaving upwards of four years' worth of affected students without remedy. Students should not pay the costs incurred by poor oversight.¹³

The Department must ensure clear pathways to further education.

Short-term credential programs should open more options for participants, including pathways to further education. This matters because, while some high-quality credentials can boost earnings on their own, those who benefit most from short-term programs tend to be individuals who already hold postsecondary degrees, such as associate degrees, since employers look for credentials alongside degrees.¹⁴

Unfortunately, non-credit programs have long served as educational dead ends, with fewer than 5% of credential holders successfully earning stackable credentials.¹⁵ Those wishing to pursue further education often encounter barriers when transitioning to credit-bearing programs due to misaligned credit-hour requirements and limited course offerings.¹⁶

The law establishes an initial framework: WFP programs must either provide students with a recognized, stackable, portable postsecondary credential or prepare and provide students with the sole recognized credential for employment in the occupation. Upon completion of WFP programs and enrollment in a related certificate or degree program, students must receive academic credit towards certificate or degree requirements.

To facilitate implementation, the Department should clarify the standard definitions of "stackable" and "portable" credentials, and of what constitutes a "related" certificate or degree program. Credits earned in WFP programs should count toward core program requirements for related certificates or degrees, not merely general electives credit. Furthermore, the Department must require programs to report and make publicly accessible data on the share of

¹³ National Association of Student Financial Aid Administrators (NASFAA), "ED Publishes NPRM to Implement Pell Provisions Enacted Under OBBBA," March 9, 2026, <https://www.nasfaa.org/news-item/38382/ED-Publishes-NPRM-to-Implement-Pell-Provisions-Enacted-Under-OBBBA>.

¹⁴ Anna Crockett, Emily Ryder Perlmeter, and Xiaohan Zhang, "Job Seekers with Associate Degrees Likely to Benefit from Short-Term Credentials," Federal Reserve Bank of Dallas, May 8, 2024, <https://www.dallasfed.org/cd/communities/2024/2404>.

¹⁵ Tanya I. Garcia, "Opening Workforce Pell to Noncredit Programs Will Leave Students Worse Off and Waste Taxpayer Dollars," The Institute for College Access and Success (TICAS), December 3, 2025, <https://ticas.org/accountability/noncredit-workforce-pell-blog-dec-2025/>.

¹⁶ Lindsay Daugherty et al., "Stackable Credential Pipelines and Equity for Low-Income Individuals: Evidence from Colorado and Ohio," RAND Corporation, 2023, https://www.rand.org/pubs/research_reports/RR2484-1.html.

WFP participants who successfully transition to credit-bearing programs within three years of program completion.

Likewise, the Department should not penalize programs for successfully transitioning students to credit-bearing programs. Students who enroll in a related degree program should be excluded from both the numerator and denominator of the job placement rate calculation and the value-added earnings test during the period of enrollment. Counting these students against a program's performance metrics creates an incentive to discourage further education, contrary to WFP's statutory intention.

To prevent programs from gaming this exemption, the Department should apply the accountability standards established by AHEAD as a minimum baseline, ensuring that any credit-bearing program receiving transitioned WFP students meets the earnings premium threshold — demonstrating that its graduates earn more than they would have without the additional credential.¹⁷

Responses to Selected Directed Questions

1. Written Arrangements to Provide Educational Programs (§ 668.5(c))

We urge the Department to maintain its proposed framework, which allows eligible institutions to enter into a written arrangement with an ineligible institution or organization for up to 25 percent of an eligible workforce program, and require publicly available reporting of such agreements.

Although we also recognize the value of limited partnerships with ineligible organizations to complement WFP offerings, that value is offset by the harm exploitation of such agreements could cause if the limit is any higher. The Department has limited oversight capabilities over such ineligible providers, and there is a lack of data on existing agreements for other postsecondary offerings.

2. Components Determined by Governors (§ 690.93)

We urge the Department to maintain the compromise reached by negotiators, which would allow programs to be offered through distance education if two Governors reach a bilateral agreement to offer one state's program in the other state, verified by data sharing between the partnering states.

¹⁷ National Association of Student Financial Aid Administrators (NASFAA), "AHEAD Committee Reaches Consensus On Entire Accountability Package," January 12, 2026, <https://www.nasfaa.org/news-item/37982/AHEAD-Committee-Reaches-Consensus-On-Entire-Accountability-Package>.

Congress clearly established a state's role in ensuring WFP programs serve local labor market needs by requiring the Governor's approval for such programs. Bilateral agreements maintain this role by allowing a limited, intentionally negotiated agreement between two states to verify compliance with data-sharing agreements.

Any further expansion, such as by a multi-state reciprocity scheme, or removal of data-sharing requirements, akin to NC-SARA, forgoes the oversight role of each state Governor, by allowing unchecked offerings that fail to serve local labor markets.

Unlocking the promise of Workforce Pell requires good implementation.

Ensuring the promise of WFP as a pathway to economic mobility requires intentional alignment with state workforce systems and quality controls from the start.

UnidosUS urges the Department to adopt these recommendations to ensure meaningful earnings gains, outcomes verified by high-quality data, protections against predatory actors, and clear pathways to further education. These are the minimum the Department can do to ensure proper implementation of the program and open doors to well-paying jobs for Latino students and workers.

We appreciate your consideration of our comments. Please contact Magin Misael Sanchez, Senior Policy Analyst, Higher Education, at msanchez@unidosus.org, with any further questions.

Sincerely,

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