

## DAY 2

### § 690.93 Components determined by Governors

(b) The Governor shall establish, after consultation with the state board, a process for an institution to request a determination that an eligible workforce program meets the requirements in paragraph (a) of this section that is made publicly available and includes-

(1) The criteria the Governor will use to determine if a program meets each of the requirements described under paragraph (a), which shall include-

(i) The State's methodology to determine and periodically review which occupations and industry sectors are high-skill, high-wage (as identified by the State pursuant to section 122 of the Carl D. Perkins Career and Technical Education Act (20 U.S.C. 2342)), or in-demand, including the competencies needed in such industries and occupations, as identified by the State pursuant to section 102 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3112), and where the list of such occupations and sectors will be made publicly available. Such review shall be done not less than every two years concurrent with development and modification of the State Plan under Section 102(c) of the Workforce Innovation and Opportunity Act;

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(iv) A written policy for institutions to establish that an eligible workforce program will ensure guarantee the award of academic credit towards a certificate or degree program upon a student's successful completion of the eligible workforce program and enrollment in such certificate or degree program, and that such credit will be accepted at one or more eligible institutions, such as through established articulation agreements, transfer-of-credit agreements, consortium or partnership agreements, or similar arrangements;

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(d) The Secretary documents the Governor's approval and determination that an eligible workforce program meets the requirements in paragraph (a) of this section by accepting a certification by the Governor or their designee that includes the following-

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- (1) The name of the program;
- (2) The Classification of Instructional Programs (CIP) Code of the program;
- (3) A signed statement that the eligible workforce program was approved by the Governor and that the program currently meets, and has met for the 12 months immediately preceding the certification, the requirements described in paragraph (a);

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### 34 CFR 690.94 - Components determined by the Secretary

(a) After the Governor determines that the program meets the requirements under 34 CFR § 690.93, the institution must submit to the Secretary documentation that-

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(1) The program ~~has been in existence for at least one year from the date that the Governor determines that the program met the regulatory requirements. The Secretary considers a program to have been in existence for at least one year if the eligible workforce program~~ has met the conditions under 34 CFR § 690.92 (a) and (b) ~~and 34 CFR § 690.93(a)~~ for ~~the 12 months preceding the date on which the institution applied for eligibility for the program at least one year.~~

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(2) The program meets placement and completion rate requirements-

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(c) The Secretary may waive some or all of the requirements under paragraphs (a) and (b) of this subsection related to submission of completion rates and the Governor's certification of job placement rates if-

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(1) The Secretary determines that completion or placement rates will be calculated under a separate process established by the Secretary; or

(2) In the case of the job placement rate certification described in 34 CFR 690.94 (a) (2) (ii) (B), the Secretary determines that the Governor is making progress towards making

such certification but needs an additional award year using the certification described in 34 CFR 690.94 (a) (2) (i) (B).

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### **§ 690.95 Value-added earnings**

(a) For each award year, an eligible workforce program's total published tuition and fees may not exceed the value-added earnings of students who are working, received a Pell Grant for enrollment in the program, and completed the program during the period described in paragraph (i) (2).

(b) An eligible workforce program's value-added earnings are determined by calculating the difference between—

(1) The median earnings of such students during the most recent tax year for which data is available at the time of the calculation, as adjusted by the State and metropolitan area regional price parities of the Bureau of Economic Analysis based on the location of such programs; and

(2) 150 percent of the poverty line applicable to a single individual as determined under section 673(2) of the Community Service Block Grant Act (42 U.S.C. 9902(2)) for such tax year.

(c) No later than three months prior to the beginning of the award year, the Secretary will publish the value-added earnings that will apply to the eligible workforce program for that upcoming award year.

(de) The institution must keep published tuition and fees at or below the value-added earnings calculated for the program for all students who first enroll in the eligible workforce program during the award year that begins following the annual release of the program's value-added earnings.

(ee) Programs that have a calculated value-added earnings of zero or negative value shall not be eligible for Federal Pell Grant funds.

(e) The institution must provide, upon request, evidence satisfactory to the Secretary that its published tuition and fees does not exceed the published value-added earnings for that award year.

(gf) In calculating the value-added earnings for an eligible workforce program, the Secretary uses student completion data that the institution is required to report to the Secretary to support its administration of, or participation in, the title IV, HEA programs to-

(1) Compile a list of students who received Federal Pell Grant funds and who completed each program during the cohort period, after which the Secretary-

(i) Provides the list to institutions; and

(ii) Allows each institution to correct the information reported by the institution on which the list was based, no later than 60

days after the date the Secretary provides the list to the institution;

(2) Obtain from a Federal agency with earnings data the median annual earnings of the students on each list, as provided in paragraph (hg) of this section; and

(3) Calculate the value-added earnings and provide it to the institution.

(hs)

(1) If the final list of students who completed the program three years prior to the award year includes at least 50 students, the Secretary sends information about those individuals to the Federal agency with earnings data;

(2) If the final list of students who completed the program three years prior to the award year does not include at least 50 students, the Secretary adds students who completed the same program during the award year prior to the list. If the combined number of completers from both award years includes at least 50 students, the Secretary sends information about those individuals to the Federal agency with earnings data;

(3) If the final list of students who completed the program three and four years prior to the award year does not include at least 50 students, the Secretary adds students who completed the same program during the award year prior to the list. If the combined number of completers from all three award years

includes at least 50 students, the Secretary sends information about those individuals to the Federal agency with earnings data;

(4) If the final list of students who completed the program three, four, and five years prior to the award year does not include at least 50 students, the Secretary adds students who completed the same program during the award year prior to the list. If the combined number of completers from all four award years includes at least 30 students, the Secretary sends information about those individuals to the Federal agency with earnings data;

(5) If the final list of students who completed the program three, four, five, and six years prior to the award year does not include at least 30 students, the Secretary does not calculate value-added earnings for the program for that award year.

(1h) For each list submitted to the Federal agency with earnings data, the agency returns to the Secretary median annual earnings of the students on the list whom the Federal agency with earnings data has matched to earnings data, in aggregate and not in individual form.

(1) If the Federal agency with earnings data includes reports from records of earnings on at least 16 students who completed the program, the Secretary uses the median annual earnings

provided by the Federal agency with earnings data to calculate the value-added earnings for the program.

(2) If the Federal agency with earnings data includes reports from records of earnings on less than 16 students who completed the program, the Secretary does not calculate the value-added earnings for the program for the award year.

(j~~4~~) When calculating value-added earnings, the Secretary includes completers from all eligible workforce programs with the same six-digit CIP code.