

DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION
NEGOTIATED RULEMAKING
ACCOUNTABILITY IN HIGHER EDUCATION AND ACCESS
THROUGH DEMAND-DRIVEN (AHEAD)
WORKFORCE PELL COMMITTEE
SESSION 1, DAY 4, MORNING
December 11, 2025

On the 11th day of December, 2025, the following meeting was held in-person, from 9:00 a.m. to 12:00 p.m.

P R O C E E D I N G S

MR. FRAN CZAK: Good morning and welcome back, everyone to day four of our AHEAD Committee Negotiated Rulemaking session. I'm Mike Franczak, one of the committee facilitators, and I'll be helping guide and facilitate today's discussions. I want to extend my sincere thanks to the entire negotiation committee and to Kayla as facilitator for yesterday's productive session. The commitment and collaboration you've all demonstrated this week has been truly impressive. It looks like we are making meaningful progress, and I'm hopeful about our continuing efforts to hopefully reach full consensus on all Workforce Pell topics before us. So with that, let's begin with our roll call of negotiators. And when I call your name, please respond with present or here to confirm you're with us this morning. For students, primary, Eric Atchison?

MR. ATCHISON: Present.

MR. FRAN CZAK: Alternate, Magnus Noble?

MR. NOBLE: Here.

MR. FRAN CZAK: Veteran, primary, Matthew Feehan?

MR. FEEHAN: Present.

MR. FRAN CZAK: Alternate, Julie

Howell? Employers, primary, David Kafafian?

MR. KAFAFIAN: Present.

MR. FRAN CZAK: Alternate, Dennis

Cariello?

MR. CARIELLO: Present.

MR. FRAN CZAK: Legal aid, Tamar

Hoffman?

MS. HOFFMAN: Present.

MR. FRAN CZAK: Alternate, Zoe

Kemmerling?

MS. KEMMERLING: Present.

MR. FRAN CZAK: Public, Kristin

Hultquist?

MS. HULTQUIST: Present.

MR. FRAN CZAK: Alternate, Tonjua

Williams?

MS. WILLIAMS: Present.

MR. FRAN CZAK: Private nonprofit,
primary, Aaron Lacey?

MR. LACEY: Present.

MR. FRAN CZAK: Alternate, Joanna

Roush?

MS. ROUSH: Present.

MR. FRAN CZAK: Proprietary
institutions, primary, Jeff Arthur?

MR. ARTHUR: Present.

MR. FRAN CZAK: Alternate, Ryan Claybaugh? State workforce, primary, Rachael Stephens Parker?

MS. STEPHENS PARKER: Present.

MR. FRAN CZAK: Alternate, Andrea DeSantis?

MS. DESANTIS: Present.

MR. FRAN CZAK: State grant, primary, J. Ritchie Morrow?

MR. MORROW: Here.

MR. FRAN CZAK: Alternate, Elizabeth McCloud?

MS. MCCLOUD: Present.

MR. FRAN CZAK: State higher ed, primary, Randy Stamper?

MR. STAMPER: Present.

MR. FRAN CZAK: Alternate, Heather DeLange?

MS. DELANGE: Present.

MR. FRAN CZAK: Accrediting agencies, Michale McComis?

MR. MCCOMIS: Present.

MR. FRAN CZAK: Alternate, Gary Litke? Taxpayers, primary, Preston Cooper?

MR. COOPER: Present.

MR. FRAN CZAK: Alternate, Ethan
Pollack?

MR. POLLACK: Present.

MR. FRAN CZAK: Federal negotiator,
Dave Musser?

MR. MUSSER: Present.

MR. FRAN CZAK: OGC, non-voting, Jake
Lallo?

MR. LALLO: Present.

MR. FRAN CZAK: Senior Department
official, Jeff Andrade?

MR. ANDRADE: Present.

MR. FRAN CZAK: All right. Well, thank
you, everyone. Now let's turn to our agenda for today.
Dave, how would you like to begin?

MR. MUSSER: Just a couple of
announcements about data requests that we've received
first. So we have fulfilled one of the data requests on
institutions offering short-term programs that qualify
only for Direct Loan funds. However, we have consulted
with our colleagues at FSA and our systems folks.
Unfortunately, we won't be able to fulfill the other data
requests. In some cases, the data exists. But we are
unable to pull it and validate it in time to share with

the negotiators. So we apologize for that. You know, there are cases where we just aren't able to pull things that don't have reports that are already established for them in time to share.

UNIDENTIFIED MALE SPEAKER: Dave, which data request was that?

MR. MUSSER: So there's three. One of them is on the number of written arrangements that are present currently at institutions that have been reported. The only data that we have on those are those written arrangements that exceed 25% of the eligible program. But again, we were unable to pull that and validate it in time for this discussion. The second one was gainful employment data, which we are unable to validate that data in time to share with the committee. But we did point folks to the older set of data that is validated and is available that will, we hope, at least provide some insight into earnings and other items. And the final data request was for information about individuals who received Pell Grant funds who already had bachelor's degrees. And again, although that data is in the system, we just don't have time to pull all of it and fully validate it in time to share.

MR. ANDRADE: Is there a chance that you could do that in the future for us? I'm thinking

marketing purposes for Workforce Pell, maybe where we could work on contacting students and say, hey, if you need to make a change or need some additional education?

MR. MUSSER: I'm not quite sure. What are you referring to when you say do this in the future?

MR. ANDRADE: If you could run a list of students who have bachelor's degrees, who still have Pell Grant eligibility that didn't use the full 600% I'm just thinking it might be a way for states to reach out, market, say Workforce Pell is available.

MR. MUSSER: There are limitations in terms of privacy laws and other considerations. So I couldn't commit to that now. We can talk to our colleagues at FSA who have more experience in the nuances of those requirements than I do.

MR. FRAN CZAK: All right. Any further questions or discussion on data at this time?

MR. MUSSER: So at this point, no further, no -- nothing further on data, it sounds like, so as you guys know, we have received a lot of proposals in the past few days. So first, I want to just thank the committee for the level of engagement that we're seeing here. I'm personally impressed. And I work in policy, and I have for many years. You guys have shown that you are deeply invested in this work and that you've put a lot of

thought into these proposals and that you've submitted a very large number of them at this -- as of this morning, we tallied 80 proposals over the past three days that we've received. So we are still going through the ones that we've received, especially ones that have come in this morning. I think -- we think it would make more sense for the Department to finish its work on those before we share out what, what, what we'd like to present. So we need about an hour to do that. So if the committee is amenable, we'd like to take that hour to finish that work and then come back for some further discussion, and then -- yeah, go ahead, Jeff.

MR. ANDRADE: Yeah, and then I think in that hour, I know there was some interest in having caucuses. You don't have to formally call a caucus, but that may be a good opportunity for the non-Federal negotiators to use that time to compare notes and be ready when we come back.

MR. FRAN CZAK: Thank you. Do we have a card raised? Eric?

MR. ATCHISON: Thank you, Jeff. Thank you, Dave. Just for planning purposes on our part, should we be prepared to be pulled in for questions from you all at any point, or will that full hour be just the Department?

MR. MUSSER: Yeah, this full hour is the Department to do some additional work on the -- on reviewing the proposals and determining what we're going to come back with in terms of amendatory text.

MR. FRAN CZAK: Jeff?

MR. ANDRADE: And, and thank you for all of you for providing the rationale, which it means that we don't have to call you in and say, what exactly did you mean by this? So that has been very helpful and has made the process move more smoothly for us.

MR. FRAN CZAK: Okay. So the request is an internal caucus for Department officials to continue reviewing materials and proposals, and information. The request is for one hour. So we would look to reconvene at roughly 10:15 a.m. here. In the meantime, if others would like to huddle up and have private discussions, that's available as needed, and we'll go from there. All right. So we're going to break till 10:15. Sound good?

MR. MUSSER: That sounds good.

MR. FRAN CZAK: Great. Thank you. All right. Welcome back, everyone from the caucus. So, as we pick back up, I was going to ask the Department if they could share a general update, report out, and then where we want to go in terms of next steps.

MR. MUSSER: Yeah. Thank you, Michael.

So thank you all for your patience. The Department has had some time to go back and finalize its proposals for amendatory text based on many of your recommendations. So what we'd like to do is prepare as to present that amendatory text. I'll give some explanations for how we arrived at what we did, and a little bit about, you know, the folks who -- whose proposals generated the changes. Then we'll talk about a few, you know, a few of the changes that we were unable to take. And then we'll work through next steps and then take questions from all of you, all along the way.

MR. FRAN CZAK: All right. So we're going to set up amendatory text for review?

MR. MUSSER: That's right. Yeah. And Jeff reminded me, we are working on getting hard copies to everybody as well so that you can see it. Yep.

MR. FRAN CZAK: Thank you.

MR. MUSSER: We hope it's legible this time. All right, so let's scroll down just a little bit further. So, as you recall, the yellow changes were from our changes earlier this week on Tuesday. We still have in blue text the changes from Wednesday, and the green text reflects changes that we are -- the green highlight reflects changes that we're making today. So the first change here is based on Matthew's proposal to add the

phrase pursuant to 34 CFR 690.79, in the section where we deal with cases that -- where a student has received non-Federal assistance that exceeds their cost of attendance, and there is a requirement to return Federal Pell Grant funds. Just to -- as again, context, 34 CFR 690.79 is the regulations for how Pell Grant liabilities are handled and overpayments are handled. And the Department does believe that this is applicable in these situations. So we've added that here. For Matthew's purposes, we did not add the same text under one just because there is no return of funds. There's no effect on Pell Grants if the institution does reduce non-Federal grants or scholarships. The only time that liabilities could be implicated are when Pell grants are returned. So we added the language under two. And just to be clear, I will pause after every change I describe for questions and comments. So go ahead Michale --

MR. FRANZAK: Matt.

MR. MUSSER: Matthew.

MR. FEEHAN: I just want to say on behalf of student veterans, student service members, and their families, we applaud the Department for this change to implementing due process protections for student veterans, so couldn't be happier with this addition, and thank you very much.

MR. MUSSER: Thank you.

MR. FRAN CZAK: All right. Thank you.

Any further questions or comments with regard to this particular section? Seeing none, we'll move on to the next.

MR. MUSSER: Yep, keep going.

MR. ANDRADE: One for Matt on the scoreboard.

MR. MUSSER: Keep going down. So in this section, 690.90, we had a couple different folks asked for us to add the word eligible institutions here. It is -- we believe that is appropriate. We are talking about institutions that are subject to all of the normal accreditation and, and state authorization requirements and that are eligible institutions. So we made those additions. Any questions on this one? Okay. If not, we'll keep going. Okay, so now we have reached the more complicated changes that the Department is proposing. So there's a couple of instances where we'll need to skip through some of the Department's changes here. So just bear with us as we do that. Not quite yet, Aaron. So the -- in this case, we -- I want us to provide some context for the change to explain what's going on here. This change was -- a version of this was proposed by Aaron. And this is a set of changes that effectively will push

back by one year, the year, the first year that the Department calculates value-added earnings for an eligible workforce program. And simultaneously it will revise the tax year that we're using to evaluate student earnings to reflect the first full tax year following the award year in which the student completed the program. The Department believes that this is a reasonable and appropriate change that is much more consistent with the intent of Congress. We believe that Congress in establishing that the individuals whose earnings would be evaluated worth three award years prior to the award year that the value-added earnings would apply to. We believe they had in mind that it would be a full tax year of earnings and that students would have at least some time to enter the workforce and become established before their earnings were measured. And we believe that this is an option for doing that is supported by the statute. So we have -- we've made those changes. After we go through all of the changes here, I've asked my colleague, Chance Russell, to provide a -- give you guys a presentation with more visuals about what this actually looks like. Because it is complicated and the, and the wording is going to be a little bit difficult to follow without seeing it on the screen. But I will go through all the wording changes first. So we've added definitions here

because the wording that we had elsewhere wasn't really adequate to make the changes. So first we've added a concept of the cohort period specific to the value-added earnings. And that's the award year that ends three full award years prior to the beginning of the award year, for which the value-added earnings are being determined. We also added a definition of the earnings measurement period, and that is the first full tax year following the award year in which the student completed the eligible Workforce program. So, as I mentioned, we're doing everything that we can to ensure that we're taking earnings from that first full tax year. All right. So now we can take a question if you want, Preston, go ahead.

MR. COOPER: Yeah. Just a quick clarifying question. First of all, I think these additions -- you make a lot of sense. And I think this is a great way to, to fix the issues we identified earlier. So for the earnings measurement period, if you have -- if you're combining a cohort across multiple award years for each, for students who graduated in each award year, it's going to be measured the first full tax year after each of those. So it would be multiple tax years that would be measured for cohort --

MR. MUSSER: That is the other effect of this change, that's right. So we would be measuring --

we would be using the tax year that is -- that -- we would be using the same -- it's the tax year that is the same amount of time from the individual's graduation period for all of the cohort -- all of the different cohorts if we have to go back in time to earlier award years.

MR. COOPER: Gotcha. Thank you. That makes sense.

MR. FRANZAK: Thank you. Any further questions or comments related to this area?

MR. MUSSER: If not, you might want to hold because I want to go through and talk about the related text here. And then we can take additional questions. So we're going to scroll down now to the value-added earnings regulations themselves or where there are a few additional textual changes here. So first, this is one that is fairly obvious, but this is just a cross-reference to the cohort period definition that we've created. Scroll down a little bit. And this is the cross-reference to the earnings measurement period that we are -- where we are deriving the median earnings of students. And I think that might be the last one, last change here for -- oh, one more. Yep. And another place where we've amended it to establish it is the cohort, period. This one here, yeah, and we'll go through these.

But essentially we are trying to incorporate the concept of the cohort period with, with respect to the groups of individuals that we are assessing if we are unable to obtain a sufficient number of students to send to the Federal agency with earnings data. So let's just scroll down slowly. Pause, pause for each of these wording changes. Okay. Going on to the next one. Okay. Okay. And then, Aaron, scroll down to the bottom there. I think that is the -- that's the last set of changes for that issue. So now let me pause and take any other questions or comments on those changes.

MR. FRAN CZAK: I see David's card.

MR. KAFAFIAN: Just would love to walk through two examples to just make sure I'm actually tracking this. First of all, thank you. I know this was hard and an important one that we tackle. A student who is completing on December 1, 2026, so that would be the '26-'27 academic year. The first full tax year they completed, December 1, '26, naturally puts them into the '27 tax year.

MR. MUSSER: Correct.

MR. KAFAFIAN: Or is that right? Or it put them in the '28 because it's the first full one?

MR. MUSSER: It's the '28 because that's the first full tax year.

MR. KAFAFIAN: Yeah. Because that, that, that academic year ended you know mid of '27.

MR. MUSSER: Correct. It ends in June of '27. So, '27 tax year is incomplete. So the first full tax year in that case would be the 2028 tax year.

MR. KAFAFIAN: Got it. Whereas the May 1, 2026, graduate, it's the prior academic year transparently. They would be using the '27 tax year, which makes sense because it's --

MR. MUSSER: So it depends on the award year. So if an individual -- if we had an individual who if we -- if this was -- if these programs were eligible in the '25-'26 award year, for example, if the individual graduated in May of '26, the tax year that would be used for that individual would be the 2027 tax year.

MR. KAFAFIAN: Okay. That's -- sorry if I wasn't clear, but that is exactly as I was tracking it. Thank you. Appreciate it.

MR. MUSSER: And let me pause for just a second. I think we have printouts coming around to folks. So Margo is going to hand those out. And thank you so much, Margo, for doing very quick printing work. From our work just a few moments ago.

MR. FRANZAK: While those are being

passed out, does anyone else have any further questions or comments related to what was just shown?

UNIDENTIFIED MALE SPEAKER: If it's been printed, then we can have it electronic same time, like now?

MR. MUSSER: Yeah, we'll send those out electronically as well.

MR. FRAN CZAK: So I don't see any further hands, Dave. Would you like to go to the next section?

MR. MUSSER: We can move on. Aaron will pull up the next set of changes here. So Randy recommended that we amend the definition of recognized postsecondary credential to refer instead of apprenticeship to a registered apprenticeship. And although the Department's stance has been and continues to be that we want to ensure that this definition to the greatest extent possible matches what is applicable for WIOA, in consultation with our Department of Labor colleagues, we believe that this change is in fact, consistent with WIOA. And therefore, we accepted this one to refer to a registered apprenticeship just because we think it's clearer for -- especially for folks who are not as familiar with WIOA statute and regulation. So any questions about that one before we move on? Okay. Fairly

simple one. We can go down to the next one. So, components determined by governors. Here, now we're moving into another significant change. So I will move through this one pretty slowly and try to give as much context as I can before we jump into the changes. So here we're talking about the process for state governors to approve eligible workforce programs. And we've made a modification here in paragraph (a) to specify that a governor, after consultation with their state board, approves a program to be offered to students in that state, meaning the state that the governor is the chief executive of. So the reason that we're making this change will become apparent when we go down to the other changes. But this change, in addition to the changes we're about to show you, are all part of a -- the Department's effort to establish some specific limitations and requirements for programs that are being offered through distance education to students in state -- who are located in states other than states where the institutions are, are actually established that are offering the programs. So this -- these set -- this set of changes is intended to address concerns that we heard from some negotiators about programs that could be offered by institutions in states where in that particular state, a -- an area of need has been

established for industry and the economy, but is being offered through distance education to students in states that potentially are across the country where the same economic needs may not exist for the occupation that the student -- that the program is training the student for. So for that reason, we've established some specific requirements for how programs can be offered by institutions in one state to students that are located in another state. So this is the first change that is related to that. So let's scroll down now to the, the second set of changes. And this is at the -- this is a new H at the end of the section on the governor's approval process, components determined by the governor. So here we have this language, and I'll just read the language first so that you guys can get a sense of what we're talking about. The governors of two states may enter into a bilateral agreement regarding the enrollment of students located in one of those states into some or all of the programs located in the other state so long as -- there's two provisions here. One, the governor in the state in which the student is located, in consultation with the state board, includes the occupations or sectors on the list developed under the process set forth in 34 CFR 690.93(b)(1) Romanette one. And again, that's the section where we just -- where we describe the process

for establishing the high need and in-demand areas for the programs. Then two, the governor of the state in which the institutions offering the programs has -- is located -- has determined, again in consultation with that state board that the program meets the conditions under 34 CFR 690.93(a), and that includes all of the statutory conditions for an eligible Workforce program. So this is establishing a requirement for a bilateral agreement between two states. The agreement could include more than one program. It could include -- it could be agreements among several states, but they would all have to have agreements with one another depending on the circumstances. But the key point here is that the requirement is that the state -- the states in which the students are located must identify the area of need and that area of need must be consistent with the programs being offered by the institution in the other state. So I'm going to pause here and let you guys read through this a little bit. It is a little bit complex. But once you've had a chance to read it, we'll take some questions.

MR. FRAN CZAK: Are you okay to take some questions now, Dave? All right. So I saw two cards go up. Matt and then David, so we'll begin with Matt. Oh, I saw Rachael as well.

MR. FEEHAN: I just want to say on behalf of student veterans and student service members and their family members and anyone else who might actually fall into this category, I think the Department got this absolutely right. It helps transitioning service members. And I also want to extend my sincere thanks to my colleagues and fellow negotiators for working on this important regulation. This will allow for transitioning service members to -- I won't get into the specifics of the details, but this will be very beneficial to transition -- transitioning service members that are either at the end of their contract or seeking to get into the labor force and looking at different certificates. So -- behalf -- on behalf of our constituencies, this is a welcome language from the Department, and we thank you.

MR. FRAN CZAK: Okay, next up in the queue, David, then Rachael. Sure. Rachael?

MS. STEPHENS PARKER: Thank you, David. I appreciate those comments just offered because I'm actually, and this might just be me being a little dense, I'm struggling to understand exactly what this does and what the agreement is about, because my understanding is that institutions and working with students to determine eligibility and program

eligibility, states have approved these programs, students may be choosing to cross borders. This reads to us as an agreement about -- like governors are agreeing, like my students are allowed to go to your state for this program. And I'm -- I can't imagine that's the intent. So I wanted to maybe try to understand exactly what this agreement accomplishes or clarifies that wouldn't be available to students without this language.

MR. MUSSER: So the primary reason for the language is that, absent the language, the only set of requirements regarding online education where an institution in one state is offering a program to students who are located in other states, is 34 CFR 600.9, which deals with state authorization broadly. And that section does not deal with the issues that are raised in the Workforce Pell legislation. Where the intent is to ensure that programs are being offered that are addressing areas of high need in particular. So if we -- if this -- absent this language, the -- in the Department's view, students could be enrolled at the home institution where, very legitimately, the home state has determined that this program absolutely meets a local regional economic need. But it could offer the program to a state all the way across the country, where there is no economic need for the program. And the concepts that,

that Congress established for how this program needs to be -- you know, needs to serve the economic interests of the state, really, that's not being met. So this is designed to ensure that the state in which the student is located has also included that -- the area of need in its own list of economic needs and is able to work with the other, the other state to establish an agreement so that it's students who are located in the other state can enroll in the program.

MS. STEPHENS PARKER: So just a quick follow-up to make sure I'm understanding the implications very clearly. Question number one, this is required in order for a student in state B to enroll in an online program offered by institution in state A?

MR. MUSSER: Correct.

MS. STEPHENS PARKER: Required. Okay.

MR. MUSSER: And just to clarify, it's not required in a case where a student in state B is actually enrolled in person --

MS. STEPHENS PARKER: In person.

MR. MUSSER: -- in the other institution, only when they are enrolled fully online.

MS. STEPHENS PARKER: And without these agreements, like this online offering from an institution, it's like barred from a student that lives

in a state where they don't have that agreement. The student can't enroll with this funding.

MR. MUSSER: Not entirely. The -- we still have to do a little bit of looking at this one. But in our understanding, looking at the language as it currently is stated, it would mean that the student could not receive Pell Grant funds even if they were able to enroll.

MS. STEPHENS PARKER: Yeah. Okay.

MR. LALLO: One little clarification to that. We also read that and the way we structured the lead-in in 93(a) to allow a state to, you know, independently, basically, you know, designate a distance ed program in another state or certify it on their list. There's nothing that would preclude them from doing that. This just allows them to enter into a bilateral agreement so they can just do it more broadly with everything that, that state has already done. So you could, you know, they could either do this through a link in a chain with another state where, you know, states may have similar needs and, you know, similar concerns. And, you know, we kind of leave that to the states to define what that bilateral agreement looks like in terms of data sharing, list sharing, everything else. Or they could independently go out to an institution in another state,

you know, where there is a high need, high wage thing within their state, but not an institution that can necessarily offer it to, you know, enter into or certify a program in another state.

MR. FRAN CZAK: Jeff, did you want to speak?

MR. ANDRADE: Yeah. Maybe I'll put on my simple political appointee hat on here. And we heard, we heard a number of things. First, we heard you know, the general concern on distance ed, where you had a program that was approved in a state, as Dave pointed out. And those fields have no relevancy to a student, a potential online student in another state. So we didn't want to sort of create that system. But what we also heard was there are many small states, rural states that don't have a lot of providers in that state. And we wanted to make sure that there was a way if the -- if that -- if, if one state had the same program -- had identified the same program needs to have an ability for their students to access education in another state. Sort of the third scenario is we didn't want to get in the way on, on-ground students in metropolitan areas, for example, where you had contiguous states, let's say, here in the DC area where a student wanted to take their Pell Grant funds and go to a program in -- and go to school in

Virginia or Maryland you know, around the area, so we don't want to get involved in that part. So the on-grounds is not affected in this scenario. So I think we've -- we hit all the, all the main points there and it says, as Jake pointed out, on some of the lead-ins here the, the, the one -- I think the one important factor is that the two states that, that reach these agreements would have to have crossover in terms of the high-demand, high-wage fields that they've identified together. And this would be inclusive of all the ones where there was crossover between those two states. They wouldn't have to have an agreement for each field of -- in which they were similar.

MS. STEPHENS PARKER: They'd have to have a separate agreement for each field -- just one.

MR. ANDRADE: They would not. It would, it would, it would, it would, it would cover all the ones where they were similar.

MS. STEPHENS PARKER: Okay. Almost got me there for a second. Okay. Thank you for that.

MR. FRAN CZAK: Rachael, anything else at this time?

MS. STEPHENS PARKER: I'm going to think on this, but nothing for now. Thank you. Appreciate the explanations.

MR. FRAN CZAK: All right, great. Thank you. Next up, we have David, then Tamar.

MR. KAFAFIAN: Thank you very much. Very thoughtful. And an important one that I know we spent a lot of time on. And I'm sure you spent even more than we know. Can I just clarify? I actually don't see the online distinction versus on-ground. I hear you saying it, but where is that?

MR. MUSSER: So it's -- because of the legal construction that we used, we didn't refer directly to distance education or any of the other terms that are otherwise implicated in the HEA, because we're talking really about the specific requirements in the One Big Beautiful Bill Act pertaining to eligible workforce programs. However, we did use the phrasing students located in other states and in all -- for all Title IV purposes, students located in a state for a distance ed program means where the student lives, and it always means for students who are enrolled in person, it means the state in which the institution is located. So it's an -- I know it's a -- it's a bit of an odd construction, but that has that effect for Title IV purposes.

MR. KAFAFIAN: Okay. I won't pretend to be an expert there. Maybe offline, we could take that. I just want to make sure that I fully understand that you

haven't accidentally tripped the wire for the on-ground students, but my focus is on distance --

MR. MUSSER: And of course, we will explain in detail in the preamble discussion that that's what we are referring to.

MR. KAFAFIAN: Helpful. Then I just have a couple other clarifying pieces. Is there a reason it's bilateral rather than multilateral?

MR. MUSSER: I'll let Jake answer, answer a little bit about this from a legal perspective.

MR. LALLO: Yeah, I think the main reason we went with bilateral, I mean, the construction of bilateral, you know, we looked at the CFR when we were doing this. Obviously, there are interstate compacts that exist. I think the logic with this is we want to defer to governors. We want to defer to state workforce boards. We want them to be talking to each other. We think the bilateral framework encourages them to do that and encourages this to be a thoughtful thing, rather than casting a wide net. It's -- so it preserves some degree of like guardrails that it doesn't just become this broad swath thing and create some kind of race to the bottom. The other part of that is the term bilateral agreement within the CFR, it mostly comes up in the context of, you know, an agreement between two sovereigns. It's usually

used in the context of the State Department's regs. We think that this fits in kind of comports with that. You know, we're respecting that -- the Federalist framework, right, that states are independent entities that will have independent judgments. But we think that the bilateral part is important because, again, we don't want this to just become a blanket. And we think if we put it as an interstate compact, it creates the potential that it could basically do in effect or basically result in the same place that we started, right? That basically one governor marks something and then everybody approves it. We contemplate that states will sometimes, you know, chain these together. It's possible that states with related needs will enter into agreements with other states. We also see them reaching out to or certifying institutions on their own. There's a lot of different ways that could comport, but we think that this is the most sound framework within the context of WIOA, as well as within the context of the HEA.

MR. ANDRADE: I think from a, from a policy standpoint, you know, bilateral made more sense in the fact that it was more likely that you would have crossover of interest the more you sort of go out, the less likely you're going to have people lined up on the same field of study. It also becomes potentially

confusing in terms of who has a responsibility for doing the approvals. So the bilateral, again, I -- we think it allows people to sort of fit, you know, in the different scenarios that I described like so if you're looking -- if you're a small rural state, you're looking to add some providers. It gives you, it gives you that ability to specifically access the providers that you need and have the, the procedures as opposed to one big one. But there, there could be a scenario where you have more than one bilateral. We just don't think, based on what we've heard and the discussions that we've had, that that's probably going to be likely that you're going to have more than maybe one or two.

MR. KAFAFIAN: Yeah, I would just -- again, I think this is tremendous progress all around. I don't want to lose the thrust of that. My instinct is that giving states autonomy means giving them the capacity to enter into contracts and compacts that they would like to. And if that is multilateral, that's actually more respectful of Federalist structure and giving the states the power to determine. I'd also say, like everything you said makes perfect sense to me in a world where we didn't have this subsection one, but the -- regardless, multilateral, bilateral, the student state governor, as I understand it, still has to define and

defend the in-demand piece, which is really the part that I think Congress was most worried about. And so that, to me, protects against this over proliferation. Like that's the one doing the work to my mind. This just allows the states to think about the multilateral piece of are we allowing, you know, online ed, distance ed. And so I would just encourage that. I think the friction is necessarily and appropriately there in one, but I wouldn't necessarily want to see it up there as a bilateral. So one thing to think about. The next one I would just ask about is just the data process. I just want to confirm that I have this right. Is there any language anywhere that speaks to -- I believe, you know, this subsection two speaks to the governor of the, I'll call it the school state, doing the data collection and aggregation in the 70/70. Is there any openness to just, let's say, a technical clarification that makes clear that they are running that 70/70 at a consolidated kind of nationwide view? Because I can imagine there's like infinite number of sub buckets that you could put students into. And so I think this is just a technical piece to say if the school state governor is doing that quality review, that they should be doing it kind of on a coast-to-coast basis.

MR. MUSSER: So, I mean, we -- at this

point, we will think a little bit about that. We can take it back. I would say that you are correct, it is the intent of the Department that the home state governor is the one that calculates the placement rates in these situations. Part of the reasoning for establishing bilateral agreements is to ensure that both states are on board with making -- ensuring that the data is transferred back and forth. Because otherwise we -- you know, the Department has a real concern. And I'll just put this out here about cases where a state takes longer than expected to calculate placement rates. And we know that by relying on governors to do these calculations, you know, the Department is not doing it ourselves. Institutions are not doing it themselves. Both of those are the, are the parties who really, who really have the strongest incentive to do it quickly. The governors are -- you know, they've got the programs up and running. They still need to do the calculations. But if we get into a situation where we don't get those rates back quickly, then we run into problems about programs running a lot longer without, without oversight, essentially on that concept. That, that is a lot of concern. It presents a lot of concern for the Department. So the bilateral agreement also ensures that the two states acknowledge, look, we need we're going to need this data from you to -

- in order for us to keep this program running. So that's just want to point out that's part of our set of concerns.

MR. FRAN CZAK: David, one quick follow-up, and then we need to move --

MR. KAFAFIAN: Just saying thank you. I think all the things you just said make sense to me. There's a lot of pros and cons here. And it's a tough and hairy subject as anything innovative is. So kudos again. Thank you.

MR. FRAN CZAK: Thank you. All right, next, Tamar.

MS. HOFFMAN: Thank you. And thank you so much for your thoughtful work in the compromise here. I think that the strikes a good balance. I just wanted to make sure that -- well, the first question I had was, frankly, about data sharing. And you addressed it just now. I think that some language on that would be helpful. So I just wanted to thank you for the point and hope that we can incorporate some of that. And then the second clarifying question I had was just about the scope of the bilateral agreement, whether it's basically an agreement for specific programs or is it for all programs within the states?

MR. MUSSER: Yeah, it could be either

to the extent that the areas of need are consistent among both states.

MR. FRAN CZAK: Any further questions, Tamar, at this time? Okay. Thank you. Next, I have Eric, then Aaron. Eric?

MR. ATCHISON: Thank you. Thank you, Mike. Dave, thank you, thank you for proposing this language. I really appreciate it. I think it strengthens the reality that we live in now that students are doing this. First, under Subpart H, enrollment of students, I believe it's in eligible programs. Eligible is not there and --

MR. MUSSER: It's a really great point, Eric. So we talked a lot about this, believe it or not. So we recognized when we were looking at this that there actually could be two different situations that come up. One is where the governors of two states realize that there is a need that they'd both like to serve. And they want to do the program approval before the program ever becomes an eligible workforce program, in which case it's just a program at the time that they approve it. There could also be a case where one state is already offering an eligible workforce program that is fully eligible, that then wants to work with another state to join, like a, a bilateral agreement to offer that program

to students in that other state. So if you look in most places in 690.93, we refer to program and not eligible workforce program for that very reason. So that's why we refer to program instead of the full phrase eligible workforce program there.

MR. ATCHISON: Follow-up? So separately, let's just -- on behalf of students, most students nowadays, when they search for any program, they're usually doing it on a computer or tablet or phone. So typically, what shows up first are online programs, and there's no time horizon on how governors should work together to determine these bilateral agreements. And not to say anything negative about states and government priorities, but, but I wonder if that's not going to be available to students on day one of this program being full-fledged, outright available. And so for students who are searching for online programs, I just don't know if there needs to be some sort of expectation that governors do this with any length of time as we move into this program's eligibility period.

MR. MUSSER: Yeah, I mean, I -- and I hear your point, Eric. I don't think there's -- both legally and practically, I don't know that there's any constraints that we can really set there. The governors will have to work as quickly as they can and try to get

that information out to their consumers and students as best they can. We -- I don't think we have the ability to address that, although I definitely acknowledge it is an issue. We want to be sure people are aware of these programs.

MR. FRAN CZAK: All right. Thank you. Working through the queue. Next in order, we have Aaron, Ritchie, then Randy. Jeff?

MR. ANDRADE: I just wanted to add one more point for Eric. These, these agreements could also serve as an interim step for states that are a little further behind in their development and would give them access to, to resources and -- that have been approved in another state.

MR. FRAN CZAK: Great. Thank you for that. All right. We ready to move on then, otherwise, good? Okay, Aaron.

MR. LACEY: Just two things. I just want to confirm, I mean, the real upshot of all of this is the Department is saying clearly, if you are in a home state and you want to beam your program into another state where a student is located, the program is going to have to meet these requirements. The governor in that other state where the students located is going to have to, one way or another, make that determination. Okay.

That can happen one of two ways is my understanding. One is, the school could just reach out to that other state directly and say, we just want to seek bilateral agreement, no bilateral agreement. You know, I'm going to launch this program in 30 states. I'm just going to reach out to all 30 and start this process. Right? So there's nothing preventing a school from just reaching out directly to the state in the absence of a bilateral agreement, or if there's a bilateral agreement in place, you can sort of work through the process and take advantage of whatever, you know, expedited process might exist by virtue of the fact of there being a bilateral agreement in place. I just want to be very clear, like a bilateral agreement is not a prerequisite to being able to seek, you know, approval from that state in the -- wherever it might be. Okay. Okay.

MR. MUSSER: Yeah, I just want to clarify. I think I see where you're going with this, that the schools could absolutely could reach out to the other states. Ultimately, the agreement is going to have to be between the states, not necessarily between the state and the institution. But, but they could absolutely -- there's nothing that prevents them from, from doing the work, essentially on behalf of their home state, to go out to these other states and say, this looks like

there's a need here. Are you willing to enter into an agreement with this other state?

MR. LACEY: Well, no, what I'm actually saying is if I'm a -- if I'm based in Missouri and I have a student in Oregon that wants to enroll, I could just reach out directly to Oregon and say, I'd like to get my online program approved. Can we go through the whole process, notwithstanding the fact that I am physically operating out of Missouri? Missouri doesn't have a bilateral agreement with Oregon, but I'm just going to reach out to you. I mean, just as if I wasn't in NC-SARA and I wanted to reach out to a state independently and just get authorized by that state, notwithstanding the fact that -- or if I'm a California institution. I mean, I just want to be clear, there does not have to be a bilateral agreement in place between these states for an institution to reach out and ultimately get their workforce program approved.

MR. MUSSER: Yep. That is correct.

MR. LACEY: Okay. Okay. That was that's the first thing. The second thing is, thank you for that. And also, I should take a step back. Thank you for all of this. Appreciate the thoughtful construction here. The other question is, one of the requirements is that the program has been, you know, in play for a year.

And so, and I think this goes a little bit to Eric's conversation, but I just want to be -- make sure I understand, you know, so let's say I'm in my home state and I'm beaming the program into the state next door. I'm in Missouri, I'm beaming into Kansas. And, you know, both Missouri and Kansas, I've been in those states for over a year, they've both approved it. Now I have someone from Oregon who wants to apply. And it just so happens Missouri has a bilateral agreement with Oregon. So I reach out to Oregon, but my program has not been offered in Oregon to a student located in Oregon for more than a year. So the question is can even if they have a bilateral agreement in place, can the governor of Oregon say, I'm going to recognize the fact that this has been an approved Workforce Pell program for over a year for purposes of my process, or do I have to now offer my program in Oregon for a year before I can achieve Workforce Pell status there?

MR. ANDRADE: It sounds like, and just this is -- I'm not answering the question here. I'm just trying to get a little bit more color on this, but it sounds like these are actually two different programs from a Workforce Pell approval. Because you're -- when you go in, and you're in a state that has identified needs, you say, I have a program for this, that

particular program has to be in existence. And the governor goes through all those sets of rules, right? So the fact that you have a program with another state, it sounds like, I mean, I think what you're basically saying is that these are all -- that these are different -- these are technically different programs, correct?

MR. LACEY: Well, what I'm -- not really, I mean, just 690.94(a), you know, says after the governor determines that the program meets the requirements, you have to submit documentation that 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. So my question is, does that mean the program has to have been in existence in that state for at least one year, from the date that the governor of that state determines that the program has met the regulatory requirements? Or could my governor in Oregon say, we've got a bilateral agreement, we agree this is a high need program, and it has been in existence in Missouri and Kansas for over a year. But even though no one in Oregon has been receiving this program, so it hasn't been in existence in Oregon for over a year.

MR. MUSSER: Yeah, right. So just to be clear, I -- it is not our intent to require the students in the other state to have to wait for a year

before they can receive aid at the program that has been offered either to, you know, just students in that state or maybe to students in a few states depending on the set of agreements. We will go back and look at the legal language to be sure that's not the, that's not the intent.

MR. FRAN CZAK: Yeah. The time, unfortunately is run out, Aaron.

MR. LACEY: I'm done.

MR. FRAN CZAK: All right. Okay. Thank you. Thank you both. All right. We have Ritchie, Randy, and then Rachael.

MR. MORROW: I'm trying to wrap my head around this proposal, because when I read it to me, it's -- we're going back to the past. When institutions were doing distance education and programs, they were being told that if you want to offer this program to a student in another state, you have to go to that state and get authorization from the state authorization people to be able to offer that program. That was going to be a nightmare for institutions, not only timewise, but fiscal wise, having to pay all this money to get authorized in all these different states. SARA came along. Streamlined the whole process. Last I heard, all but two states have signed up for SARA. Makes it so much easier for these

institutions to be able to offer distance enrollment to students outside their state. Now it feels like we're going backwards, and we're throwing in another hoop that institutions are going to have to work with their governor to be able to offer these programs outside their state. And as Eric mentioned, I mean, there could be a timing issue, there could be a political issue, all sorts of roadblocks could be put up for this. I'm just wondering, there's already a process out there that allows institutions to offer distance education. Instead of creating a whole new hoop, can't we use what's out there, somehow use SARA?

MR. ANDRADE: Yeah, I'll respond to that. So, state authorization obviously is a separate process state -- I think what makes this situation unique is that Workforce Pell programs and what the criteria for Workforce Pell programs in each state can vary significantly. And to us, it didn't make any sense to have students, you know, being able to enroll in programs where it was a -- there were a different set of workforce needs that, let me back up for that were determined to be workforce programs based on needs that were not specifically in their state or even in their geographic area. And that seemed to be a huge loophole and it didn't work. So I think the concept of SARA sort of assumed a

certain degree of uniformity across the board. Whereas in this situation the, the types of eligible programs can be vastly different from state to state.

MR. MORROW: I haven't talked to my SARA coordinator in our state, so she might shoot me for suggesting this, but wouldn't there be a way for the coordinators in each state to report to SARA, these are our high need programs? And is there somebody in another state that could offer this program to students in our state, because we don't have anybody doing it, or nobody wants to create a new program? Rather than doing this whole new process.

MR. ANDRADE: But I think that misses the important nexus in Workforce Pell, where you're trying to quickly deliver and respond to the employer needs in those, in those states. If you start to take it away and say, oh, well, we can, you know, somehow bypass those important elements of that decision-making process within the state for determining the fields. I think you do -- you, you are, you are not consistent with the intent of the Workforce Pell designations in terms of meeting the needs. It's removing you, and it's removing the students from that, what is supposed to be a very thoughtful process in terms of planning to address workforce needs.

MR. MUSSER: And I would just add to that, when you think about the statutory language underlying the state authorization requirements, it's extremely broad. The statute contemplates that states will do whatever they want with authorization, and they do. You know, the Department put some documentation requirements in place, really in various places in 600.9, but the requirements are not explicit about the expectations that Congress had for what states have to do in order to authorize programs. I think the situation here is quite different. We have a set of things that Congress clearly indicated that states are expected to consider. And having an outside organization sort of be in the, in the position of collecting a bunch of information. And then I would say almost automatically allowing a number of states to qualify to have their students enroll at another state's institutions program, I think it undermines a little bit the intent that at least what we see of Congress.

MR. MORROW: To Jeff's point, I think timing-wise, you might have quicker turnaround with SARA coordinators than you would with governors sometimes, but I see your point. I just -- it's just not sitting with me that now we're adding this additional hoop that we've been trying to eliminate hoops for distance ed programs.

So thanks.

MR. FRAN CZAK: All right. After Randy, next in the queue we have Rachael, David, and then Matt. I'll turn it to Rachael next.

MS. STEPHENS PARKER: Thank you. I had just a couple of quick points as I kind of wrap my head around this. So thank you for the earlier explanations. I think I did want to just kind of offer some support from the perspective of my constituency around the consideration on multilateral. I hear the cases you're making, and it may be off the table, but I do want to just state kind of, you know, I want to acknowledge that there is a very significant implementation burden for this work that will be placed on state workforce boards and state workforce agencies and in many cases, workforce boards, are not very well staffed or equipped. Those will be adjustments, of course, perhaps up to states to make, but did want to acknowledge some notes I know I made on Monday around implementation resources for states, and not just for the Department at the Federal level. Some of that is going to be very challenging from a practical perspective of first sprinting to have a policy, but then really doing all of this work, and then adding managing these agreements, potentially depending on how the governor chooses to assign that role. However, on that

note, for the regulatory text, I would suggest some sort of technical addition to 690.93 just to clarify that in the state's policy, they should make clear how they plan to do this, who they plan to have running this piece of their process with other states.

MR. FRAN CZAK: Jeff?

MR. ANDRADE: Just to be clear, this is an option. It's not a requirement. Yeah.

MS. STEPHENS PARKER: It's so it's not -- it's required only if the school wants to, yeah.

MR. ANDRADE: Wants to enter into it. And so I think and actually in the, the bilateral multilateral, it actually probably gives you more control because if a particular state, you know, is more burdensome on your, on your agency, you can end it without affecting the relationship with the other states that you may have.

MS. STEPHENS PARKER: Sure.

Understood. Honoring that there will be institutions in many of our states that will want to do this and will want, you know, we're all in the spirit of serving students together and collaborating in that way. I do anticipate this to apply some level of additional burden on top of a fairly high burden already being placed. So I just wanted to acknowledge that. And where something like

multilateral can perhaps be reconsidered, I think we'd be in support of that.

MR. FRAN CZAK: So I apologize. I mistakenly skipped Randy. So Randy, the floor is yours.

MR. STAMPER: They didn't want to hear from me anyway. So, just from a guidance and consultation perspective, when we all go back home. I'm on my ninth governor, and I know that they're very entrepreneurial, and they will ask the question. I heard that bilateral agreements are what is -- are envisioned, but I've also now started hearing multilateral. I think that governors and legislators will say, well, if, if we can do two, let's do five. It's even more fun. So are they forbidden? Is it only bilateral, or is it discouraged to do multilateral?

MR. LALLO: So the way we have it structured is bilateral, not multilateral. That being said, it's possible that state A could have a bilateral agreement with state B, and state B could then have a bilateral agreement with state C. That being said, that becomes a practical constraint at some point. The reason we did it like that is because we already envisioned that this data sharing between states could be difficult. It increases hoops that states will have to jump through. The other thing is because they're certifying, you know,

programs that are on another state's list effectively, if that, if that state decertified those programs, it would get knocked off the other states' list. So if we set up this multilateral framework, it creates second-order consequences, where you could basically decertify a program across the entire country because the original certifying state knocked it off. So we thought that was probably the easiest way to do this without creating just unmitigated chaos, both in terms of data as well as in terms of, you know, program eligibility. It also, you know, I think we want to be respectful of, you know, governor's ability to enter into these agreements. Again, nothing would prevent them from entering into a chain of bilateral agreements. But we think that that's something that governors will think through carefully, given the fact that there are second-order consequences from doing that. And so we thought that this was probably the best balance of ensuring, you know, some degree of transparency, and but also giving states flexibility while not, you know, creating the potential for unforeseen consequences of states or, yeah, or for students.

MR. FRANZAK: Follow up?

MR. STAMPER: I appreciate that. And that will be helpful in going back. What I can envision

is that there's probably, probably no state in the country that doesn't have a massive need for health care workers, and that health care workers would fall on any list in any state and meet all of these criteria. And I can envision an entrepreneurial thinking institution of higher ed encouraging a governor to say, let's corner the market on this fantastic online, you name it, program, and go have an agreement with 14 states who say, yeah, we'd rather just, you know, buy your bread than bake our own. So, again, if I'm approached with that, is that highly discouraged, or is it go at your own risk?

MR. LALLO: No, I think that's absolutely encouraged. We want states to talk to each other and identify this. I think this goes back to something that Jeff said earlier, that some states are going to be more capable of running, you know, these programs and providing this data. This allows states that, you know, might struggle to provide data or, you know, stand up some of these programs on their own to work with other states. It also allows that, you know, the states can then enter into some kinds of agreements where, you know, one state that might have a lot of distance ed programs headquartered there might have, you know, the robust data processing abilities to, you know, collect the data from the disparate states in terms of

job placement completion and value-added earnings. Once we get to that point, that part comes from us, actually. I apologize. But you know, it basically -- it allows them to share resources. But again, we think it causes them to approach it thoughtfully, and it prevents the likelihood that data will be significantly delayed. Because, again, the more you know, presumably the more agreements you enter into, as you know, I think we've heard from some of our other state representatives, there is going to be a regulatory and administrative burden with that. You know, you'll probably think carefully about how many bilateral agreements you enter into because you are collecting that kind of data. So, yes, you might have the best, you know, program out there, and that might encourage you to build up the regulatory and administrative system necessary to collect and centralize that data. But it won't also create the potential where a state that doesn't have that, you know, ability somehow swamps itself. Yeah.

MR. STAMPER: Know, know, all the risks, the responsibilities, and potential repercussions. Got it.

MR. ANDRADE: And I think the way we viewed it, this actually just -- this just gives you more tools in your, in your toolbox, right? You don't, you know, so instead of the situation that Aaron described,

where you have institutions, you know, multiple institutions from out of state coming into you, and then you have to do the approvals. You know, if you have a partner state that has a similar set of programs, you can sort of piggyback on the work that they've already done. It gives you that ability. So, we think, you know, and we think it helps potentially with workload as well. So, I would view this not, you know, again not as a requirement, not as the only path, but just sort of an additional set of options you have in managing it. And for some institutions you may, you may find that for some states, you may find that the institutions that you've currently approved and have currently come in and that you're working with are sufficiently meeting the need and that you don't need to go out of state for the additional resources.

MR. STAMPER: That's excellent. Thank you very much. Appreciate it.

MR. FRAN CZAK: All right. I have David, then Matt, then Preston. So, David?

MR. KAFAFIAN: Just two clarifying questions. I think this is largely related to what Jake, you were just talking about. I just want to make sure. The collection and aggregation of the data and the submission to the Secretary, that is only by the school

state, correct?

MR. MUSSER: The state in which the institution offering the program is located.

MR. KAFAFIAN: So once the --

MR. MUSSER: Yes. Yeah, go ahead.

MR. KAFAFIAN: So once the student state has entered into a bilateral defined it as in demand, there's nothing that that state needs to do with respect to some online program in some other state. Is that correct?

MR. LALLO: Except the set forth in the bilateral agreement. We didn't, you know, put requirements on the bilateral agreements. We assume that those will come in many shapes and colors, and that states will work them out differently. Again, some states may be more equipped to do some of the data collection than others. So, but we think that given the framework of WIOA and, you know, the Workforce Pell program, that gives great deference to governors, it's not to the Department's prerogative to prescribe what those agreements should look like or tell states how to formulate them. We assume that they'll work that out amongst themselves.

MR. KAFAFIAN: Helpful. Thank you. The only last piece is there somewhere that we think that

these bilateral or multilateral agreements are going to be published? And the reason I ask is just the burden on a provider to go -- to be going and, like looking into 50 different places that are or places that may not even exist. Like, it would be wonderful if the Department could at least collect those agreements and have them available or accessible in one place. Otherwise, practically speaking, a program provider that's offering one of these is, you know, back off to chasing down every single state anyways.

MR. MUSSER: So we'll take that back and think a bit more on it.

MR. FRAN CZAK: That concludes David's questions. Next, Matt, Preston, then Eric. Matt?

MR. FEEHAN: I'll just keep this really short. For what it's worth for my constituencies, I'd like to offer the interpretation of the both the draft language as it's currently at, as encouraging states to be more nimble. I think that actually helps student service members and student veterans and their families by being responsive to true need, as opposed to what's driven by market marketing. So from my constituency, we've seen a lot of aggressive marketing towards student veterans and student service members. And what concerns me is when we do have this one size fits

all approach, which could happen if we get too much into the weeds of directing states on how to do this, we run the risk of veterans and service members and their families enrolling in programs that are more or less encouraged by contract law, as opposed to the true needs of the marketplace. So, as the draft currently sits, I think the Department has it right, and this will help our constituencies.

MR. FRANZAK: Thank you for those comments, Matt. Preston, then Eric, and then Jeff.

MR. COOPER: Thank you. I'd also like to express my support for the language here. I think the Department has struck a very good balance here. You know, again, the law says that this is meant to support programs in in-demand, high-wage sectors. I think that is a very local decision. And so I think a bilateral approach between states makes sense to make sure that, you know, each state actually is including programs that are leading to high-wage, high-demand occupations in that specific state or region. I also want to just express support for the point Tamar raised earlier about. I think it would be great to have some language in here encouraging data sharing in these bilateral agreements. We discussed when we were talking about job placement rates, how there's this issue of, you know, if the

student moves out of state, you might not be able to track that job placement in the state unemployment insurance data system. I think if the data sharing were included in these -- those bilateral agreements, this might be a great avenue to solve that problem.

MR. MUSSER: Yeah. I think it's, I think it's a fair point. Thank you.

MR. FRAN CZAK: All right. Thank you.
Next, Eric?

MR. ATCHISON: Thank you, Mike. Just a question clarification. Because the student is in one state and the program is in the other state, would the value-added earnings be calculated for completers from other states in the state that they live, or for the program in which the state is based?

MR. MUSSER: So it is going to be based on the state in which the, the institution is based. Yeah.

MR. ATCHISON: Using wage records for a student in another state?

MR. MUSSER: Well, using earnings that, that, that the, that the Department is obtaining from a -- from another Federal agency. Yeah.

MR. ATCHISON: So, regional price parity differences here might if one state just has an

overwhelming number of students from a different part of the country could potentially be adjusting eligibility for the program. I'm a little concerned about eligibility of programs being determined for students that are not in a state where the program is based.

MR. MUSSER: Yeah, we'll take it back and think a bit more about how that will actually play out with the current amendatory language and see if there's anything else that we might be able to add there.

MR. ATCHISON: Thank you.

MR. FRANZAK: Thank you. Next, Jeff?

MR. ARTHUR: Just a real quick comment to, to conceptualize this. I think it might be really effective to describe this as each state is its own hub and has a spoke to every other state, rather than a chain-type scenario. I think this is a hub-and-spoke arrangement.

MR. FRANZAK: Noted. The next card I have up is Ritchie. Ritchie?

MR. MORROW: Jeff, I kind of agree with you, but I think that's a little simplified because you're going to have multiple spokes going to multiple states, because you're going to have a governor go to a state and say, we want to do this program. And the other governor says, okay. And then two months later, you're

going to have the governor going to the same governor and saying, we want to do this program. And then coming back.

MR. ARTHUR: Yeah, you got 2500 spokes, and then multiple programs traveling across each spoke. Yes.

MR. MORROW: Yeah. Yep. Thanks.

MR. LALLO: Just to respond to that briefly, I actually don't think that's necessarily correct. That would depend on the bilateral agreement between the governors. They could have it set up so they automatically certify if they've, you know, deemed something to respond to the same industry demand in their state. That, again, comes down to the agreements between the states. We're not going to regulate that. It's possible that a state would want to be more picky and choosy about what programs come over, but that's again left to the states to make that decision.

MR. FRAN CZAK: I see Matt's card up. And Jeff, do you want to respond first, Jeff? Before we go to Matt?

MR. ANDRADE: Yeah, I just want to, and again, we're, you know, the -- this thing about multiple, the expectation is that it's probably not going to be multiple because there's not going to be a need outside, you know, outside. This is for states that have

deemed that they don't have enough resources potentially available, or on the converse side. Others may be interested in providing it, but again if there's an institution, excuse me, a state, and there are institutions there and they don't want to enter into the agreement with, you know, as the home institution and they don't want to enter into the agreement, they don't have to enter into the agreement with it. So, I think this is probably not going to be as frequent and as widespread as you think. But again, we wanted to provide the tool in the toolbox because we heard of the need.

MR. FRAN CZAK: Thank you, Jeff. All right. Next, Matt, then Tamar. Matt?

MR. FEEHAN: Yeah, I think Jeff put it perfectly. I just don't see the, the mandatory language in here that would force a state to get into those 25,000 spokes. I just don't see it. This is optional. More or less. So it's driven by, you know, choice.

MR. FRAN CZAK: Tamar?

MS. HOFFMAN: Thanks. Just very briefly on the data point as the Department's considering how to implement that. I just wanted to highlight that for the VIE calculation, that's tied to the regional earnings calculation that the Bureau of Labor Statistics, sorry, Bureau of Economic Analysis, is doing. So we just

wanted to make sure that ends up being congruous with that part of the text. That was all. Thank you.

MR. FRAN CZAK: I don't see any additional cards at this time. It is 11:42. Dave, what would you like to do next?

MR. MUSSER: Yeah, we've got a few more changes to go through. None as complicated as the ones we just talked about. So I'd like to go through those, take questions, and try to get through the remainder before lunch. Then everyone can go out and think a little bit about them before we come back.

MR. FRAN CZAK: Sounds good. Thank you.

MR. MUSSER: Okay. Great. So here we've gone down -- we're still in 690.93. This is the section dealing with the state's written policy to establish whether academic credit towards a certificate or degree program is being provided. And we, in response to a request from Tamar, we have struck the language such as and here it now requires that this is established through articulation agreements, transfer of credit agreements, consortium or partnership agreements, or similar arrangements. Any questions here? If not, we can go ahead.

MR. FRAN CZAK: David, did you have a question?

MR. KAFAFIAN: Yes, I did. I had submitted one, especially if we're removing the such as. I really do think just texturally it's important that we do clarify that it's also still from the same institution, is acceptable, right? Because the way we've limited it now, I do hear you, but like I think we need to do something that says like credit will be accepted at the same institution or at one or more institutions through established etcetera.

MR. MUSSER: So right now the Department prefers not to add any further language here, but we, if it's helpful, if we reach consensus, we could add to the preamble that, you know, we do expect that it would be the -- it could be the same institution. Because that is what we -- that it does fit into the language here. And it is our belief that is required under the statute. We did not make any changes in either direction. And I will acknowledge that we got comments in both directions here. But it is our view that the statute requires that one option be transferability into a degree program at the same institution.

MR. KAFAFIAN: The preamble option is great. Thank you.

MR. MUSSER: Okay.

MR. FRAN CZAK: All right. Thank you,

David. I see one more card up. Rachael?

MS. STEPHENS PARKER: And then there's one down here, too, I think. Thank you. Can you share more about, and maybe I just wasn't tracking this if this came up over emails, can you share more about the decision to remove such as? Because my -- as a state, my instinctive inclination is to like the such as, but just wanted to hear more about that.

MR. MUSSER: Yeah. So the elimination of that phrase, it essentially requires there to be some documented way -- some way of documenting that the credit will be accepted. And we think that the way that that's documented is not specified here, there could be a whole slew of different arrangements that a state you know, that a state obtains to ensure that this is happening. But what the removal of such as does is it does clarify that it has to be something written that it clearly establishes that the, the, the articulation or the acceptance of the credit is taking place.

MS. STEPHENS PARKER: That makes, that makes sense to me. And I would agree with that. In which case, I actually, I mean, and this might be because I'm reading this with a non-education hat on, and others in your audience for this regulation will be too. It might be worth saying through written arrangements, including

or some -- or however you'd want to phrase that, but to yeah, to specify a written arrangement like these ones or similar.

MR. MUSSER: I guess I would ask if any, any other negotiator has any objection to that? If not, I think we're open -- we're fine making that change.

MR. FRAN CZAK: Any objections to that concept? Seeing none. Tamar?

MS. HOFFMAN: Sorry, I just wanted to ask if I could think about it for more than five seconds and then come back.

MR. MUSSER: Yes.

MS. HOFFMAN: Thank you.

MR. MUSSER: Yeah. That's fine.

MR. FRAN CZAK: All right. We'll go to Matt next.

MR. FEEHAN: So I'm just going to echo a point that Eric made earlier about transparency of the agreements. I think it's important that while I support the removal of such as there's still the out for similar agreements. So I don't think we run the risk of having handshake deals. But at the same token, it would be nice, I think Eric's point was right on the money, is that we need to have something that states and prospective students can actually look at and review.

MR. MUSSER: So I guess I would ask, do you think that would be resolved if we added the written component that we just discussed, where it has to be something that is in writing?

MR. FEEHAN: Yeah. I didn't want to say I wasn't objecting because I would add to that. Yes.

MR. MUSSER: Okay. All right.

MR. FRAN CZAK: Any other cards relative to this language? I don't see anything. Dave. Next.

MR. MUSSER: We can keep going. Okay. This was a proposal by Jeff, Jeff Arthur that we include some additional language that require -- that requires states when they're describing the process and timeline for the state board to make a determination that a program meets all of the statutory requirements, that process be clear, transparent, and include timely procedures that are applied consistently and equitably to eligible institutions.

MR. FRAN CZAK: Any further comments? Matt?

MR. FEEHAN: Just want to say on behalf of student veterans, student service members, and their families that our constituency group proves this language. Historically, we've seen different sectors have

different approaches to our student population. And so having this language in here, this equitable language in here just ensures that although we can't compel states to and how drafting their, their language, it does -- it is the intent of the Department to treat this equitably and with, with fairness in mind. So thank you.

MR. FRAN CZAK: All right. Thank you. Not seeing further cards. I'll turn it back to Dave.

MR. MUSSER: Yep. We'll continue through. This change Andrea proposed where instead of indicating that a program that serves as the related instruction component for a registered apprenticeship program meets the requirements of (a) (1) and (a) (2), a related instruction component. And this, this essentially allows a state to consider an eligible workforce program that meets one potentially of several components of a registered apprenticeship program, which could take place over a longer time frame to meet the requirements for (a) (1) and (a) (2), where, you know, the registered apprenticeship is -- the requirements for that authority already established that those requirements are met in (a) (1) and (a) (2).

MR. FRAN CZAK: Do you want to ask for comments at this time, Dave? Any comment? I see one, Tamar. Tamar, go forward.

MS. HOFFMAN: Thank you. I appreciate the intention here. I think that I'm a little bit concerned about how this broadens Workforce Pell programs in a way that I think is inconsistent with the intention of the statute and also removes some of the accountability measures that we're hoping for here. I think that having a program be the related instructional component is what makes sure that it actually is going to end up serving students entering the workforce. And I'm concerned that by broadening that, students could be using their Pell dollars on programs that are not actually likely to lead to them getting their registered apprenticeship. But maybe others can weigh in. But that's my concern right now.

MR. MUSSER: So I do want -- I want to hear from Rachael on this. I will say that keep, keep in mind that this language here only refers to cases where a program is part of a registered apprenticeship program. That's not always going to be the case. There's lots of other situations where an eligible workforce program does not -- is not part of a registered apprenticeship program, and the state still has to do these things. I would also remind folks that registered apprenticeship programs include many requirements around, you know, leading to a, you know, an occupation in a high need,

high skill field. So the fact that it's part -- it's built into a registered apprenticeship program provides a lot of protections. But, but Rachael may have more that she can say about that.

MR. FRAN CZAK: Go ahead, Rachael.

MS. STEPHENS PARKER: I'll just offer just a quick additional clarification, because I think our edit to this was really not intended to change the intent of the clarification you were seeking in your proposed edit, but more so from the perspective of thinking about how apprenticeships will leverage this opportunity. It might be the case that there's multiple modules, so to speak, if you want to use that term of related instruction. And one component could be done in, let's say, 200 hours in an eligible Workforce Pell program, and additional pieces may be done later. It all still remains part of that registered apprenticeship program, with all of those protections, including the wage progression, mentorship, all of those other components. And really, in the short term, registered apprenticeship programs are, in a way, the most likely to be eligible quickly because of the job placement outcomes and completion outcomes they have. So just wanted to reiterate that too for your benefit. Yeah.

MR. FRAN CZAK: All right. That

concludes Rachael's comments. Next, Randy.

MR. STAMPER: Yeah. Just to echo what Rachael said, I would say of all of the programs that might be approved under Workforce Pell, the related instructional modules would probably be of the highest or the most likely to meet all the quality standards that one would wish. Yeah.

MR. FRANZAK: All right. So that concludes all comment cards on that section. Dave?

MR. MUSSER: I will continue down from here. So here, yep, so now we're in 690.94, just pulling some context here. So this is the section on placement and completion rate requirements. If you guys recall, (2) Romanette (i), is the -- establishes the requirements for the transitional process for completion and placement rates. And here the Department has extended the period during which the transitional process would be used. This was in response to a proposal from Rachael. And this is really acknowledging hearing some support for, for this language, this is an acknowledgment of the fact that the more stringent and less flexible approach described under Romanette two, will take time for many states to fully implement. And it is the Department's view that, you know, many of the issues that, you know, potentially could arise because of the additional transition period,

we likely would have been in the situation if Rachael is correct, that states take a long time of simply approving a lot of exemptions in those cases. And we feel that if we -- if it puts the Department in a situation where we approve fewer exemptions, we, we acknowledge that, you know, that we -- although we prefer the stronger process and we think that ultimately we'd like to get to that as quickly as possible, we have heard from numerous sources that that will be challenging. So in light of that, we decided that it was reasonable to give that extra year here.

MR. FRAN CZAK: Any further comments or woohoos?

MS. STEPHENS PARKER: Can I do a woohoo in the mic? But also, I do just want to say thank you. And I know there's other pieces to some of -- some other proposals in this section that may come up today, may come up later, but on this piece, I do just want to acknowledge from my constituency group that this is very much appreciated. And I think we do recognize, you know, some of the other flexibilities that are already granted as well around the metrics and around if you need more time and can demonstrate progress. But even having this extra year before having to, having to go kind of jump through those hoops, I think, will be really helpful for

a lot of states. And I do want to just also iterate on behalf of my constituency group that many of us believe in this North Star and support this North Star for workforce and education writ large, and for the systems that we oversee. And, you know, I personally, in many ways, appreciate the push toward this. So I do want to also just clarify the ask for this time was not in resistance to where we're all trying to head, but really acknowledging what it will take to get there. And I really, really appreciate you all taking this recommendation. Thank you.

MR. FRANZAK: Thank you, Rachael. Tamar and then Preston. I'm sorry I missed it, Preston. Preston then Tamar.

MR. COOPER: Thank you. I very much understand why this change was made given the, the technical feasibility challenges with ensuring we have occupation specific data. I want to seek some clarification here. So originally, for the '28-'29 award year, you were going to allow that additional year of the simpler data if you determine the governor is making progress. Are you now saying that for the '29-'30 award year, you're allowing that, or no?

MR. MUSSER: Yeah, we just didn't quite get down to the next section. So we could -- let's

go through that, and I think it'll answer your question.

MR. COOPER: Okay.

MR. MUSSER: The answer is yes. That is the intent that we would permit that one additional year in that circumstance if a governor still was struggling to make progress, but was making progress, but was still struggling to actually arrive at the destination. We think it's important to have the exemption option. Just because we wouldn't want a whole state to potentially lose eligibility in that circumstance. But yes, let's go down to the -- that section here. So this is where we amend the latter portion. And as you can see, we've changed the dates here for the '28-'29 award year. And let's scroll down just a little bit. Yeah. The intent here is that the exemption would still apply after that, if we -- if the state -- we do determine that the state is still making progress toward achieving that goal.

MR. COOPER: Okay. I very much understand the reasons for this change. I guess I would just note that this kind of underscores the, the importance of having strong outcomes accountability on the front end side if we're going to have even more runway for states to be able to submit job placement rates that are not occupation specific.

MR. FRAN CZAK: Thank you. Tamar, then Randy. Tamar?

MS. HOFFMAN: Thank you. I agree with Preston's point and concern. I also just as we're all contemplating this change and trying to get a sense of whether this works for our constituencies. Could you help me understand where sort of the statutory authority for this extension lies?

MR. MUSSER: So, broadly, the statute doesn't specify how the Department calculates the completion and placement rates. It gives the broad parameters, you know, within 150% of the published time for the completion, and they give us a, again, broad parameters for placement. But the Department -- there's, there's long precedent for the Department establishing more specific conditions for calculating those items. And in this context, we had already established that there would be a transitional period, and in the later period. It's our view that the time frame is -- there's -- the statute doesn't really speak to it one way or the other.

MR. FRAN CZAK: Randy?

MR. STAMPER: Yeah, I thought we had talked about this yesterday but it may have been a side conversation. In the in paragraph (B), where it says who are employed in the occupation. I know I had a discussion

with someone. Should it be an occupation because we know that, you know, there could be eight different SOCs that are aligned with CIPs.

MR. MUSSER: We can look at it. We may have to have a sidebar conversation with you about that. But I think it'll take a little bit of research just to be sure that we, that we have that right.

MR. STAMPER: Okay.

MR. FRAN CZAK: All right. It is 12 noon. Dave, is there anything you want to cover before?

MR. MUSSER: Looking at Aaron, we have more changes. Yeah, there's still a few more changes. I think we have a hard stop at 12:15, but let's try and get through a few more before we end. So, Aaron, if you could pull that back up again. Okay, so, yeah, we did want you guys to walk away with this one. So this here, we made several changes to establish first that the Secretary confirms the eligible workforce programs published. Tuition and fees do not exceed the value-added earnings for the eligible workforce program. So this was a request from Tamar. The Department, thinking about this, believes that we can request that schools report to us their published tuition annually so that we can compare it against the value-added earnings that we calculate. We think that's reasonable. So we added that here. Secondly,

under (e), we heard loud and clear that institutions and others were concerned about exemptions and exclusions from the completion and placement rates. Now, I know that what's on here now is not -- are not all the exclusions that were requested. The Department did specifically choose these as, as exclusions that have been demonstrated in other contexts to be important. So, what we have here, a student is not included in the numerator or denominator of a completion or placement rates if the student dies, experiences the onset of a medical condition that prevents employment, or is called to active military service. One of the requests, well, there's a couple of different other exclusions that were requested. One of them was for full-time enrollment. We don't believe that that is in line with congressional intent. I heard -- we heard the argument that stackability is important, and we agree. But stackability does not necessarily mean that the person is going directly into a higher-level program immediately following completion of the eligible workforce program. And Congress pretty clearly established that they're they intend for most individuals who are in these programs to be measured in terms of whether they're actually working and placed in an occupation that's related to these programs. That's the clear intent there. So we did not

include an exclusion for individuals who are enrolled in a postsecondary program. We, for very similar reasons, we did not include an exclusion for individuals who are incarcerated, because we don't believe that we can exclude that whole class of individuals, given that Congress intends for them also to become employed. We believe that although that does limit the applicability of this to prison education program setting, that there are program designs that can be worked out where, for example, the individuals are placed in jobs after they leave their incarceration, and that they can still be counted in placement rates going on. If -- otherwise, essentially, those -- students in those programs would never be considered in these rates, and we don't feel that that's supportable under the statute. So I'll pause now.

MR. FRAN CZAK: All right. So I saw three cards go up. We do have a hard stop at 12:15 as a reminder. So in the queue we have Aaron, Michale, and Preston. So we'll go to Aaron first.

MR. LACEY: I'm deeply concerned about the lack of a further education exclusion. It does exist in the existing accountability frameworks and always had. It's an IPEDS concept. Congress has specifically stated in statute that an order for one of these programs to be

eligible to be a workforce eligible program, it must prepare students to pursue one or more certificate or degree programs at one or more eligible institutions. So it has to be designed as a statutory matter, as a pathway program. I understand the tension here. Nobody consulted me when Congress did this, but they've done it. And it is my expectation that Congress and the Department would want institutions to communicate to students that, that opportunity exists. It's fundamental to the program design. Without an exclusion for further education, you're putting institutions in a deeply unfair position because you are creating an extremely strong incentive for them to dissuade students from taking advantage of this pathway opportunity. So, to be clear, we've got a regulation that, by design, is dissuading -- incentivizing institutions to dissuade students from taking advantage of an opportunity that was a stated goal of the statute. I think it would be hard for the Department, candidly, to defend a position that that regulation is the best interpretation of this statute, as ostensibly it is required to do at present, when it literally is encouraging institutions to act in a way that undermines one of the stated objectives and statute. So, I -- and just taking all this back a step, as a practical matter, I expect that the vast majority of

these programs will be designed to put people directly into the workforce. But insofar as you are requiring institutions to create these as pathway programs, again, it seems deeply unfair to the institutions to even put them in this position. And I just -- I think you have the statutory authority, in fact, I think it is a statutory mandate, candidly, that a further education exclusion be included. And if you wanted to tailor it more narrowly, you could say that it has to be that they are in the program specifically for which the program has been designed to satisfy the statutory obligation. But I think that would be totally consistent with statute, and without it, you're just -- it's a disservice to institutions.

MR. FRAN CZAK: Jeff?

MR. ANDRADE: Yeah, I and I'll defer to Jacob on some of the legal issues, but in terms, I'll speak to the policy. The term workforce and Workforce Pell needs to mean something. As you correctly point out, these are intended to put folks into jobs. And so if a student's intention is to continue on a pathway, perhaps the traditional, what I call Pell classic option, may be a better option. These are short-term programs. The whole nexus behind this was go for a period of time, get into a job, and we just want to make sure that training is not

dead-end training, that you have the ability to, at some point, go on. But I do not think that there is an expectation that that training occur almost immediately after you graduate from the program, and therefore should be excluded. Again, there is an option available for the students who do want to continue on, but not through this route.

MR. FRAN CZAK: Jake?

MR. LALLO: Yeah. I mean, Aaron, not to be glib, but give us a citation. You know, looking at that statute there -- I understand your concern about stackability and portability. I think it is a mandate that, you know, this -- these credits can lead to something and further educational attainment. But it says job placement rate, and there's nothing in there to suggest that job placement rate includes further education immediately after completion of the program. And so I don't think there's anything that we can hitch that to in the statute that, like, commands us to do it by any means. Nor creates the presumption that we're supposed to. I'd be hard-pressed to even say that there's authority to write that exemption in here. I think the other ones that are in here, you know, they stand to reason that and they logically follow from, you know, you can't -- you shouldn't count somebody who's not alive

anymore. But going so far as to suggest that further education should count for job placement. It's a hard sell for me.

MR. FRAN CZAK: All right, we have seven minutes left, Aaron. But then we also have five others in the queue, so if you can do it quickly.

MR. LACEY: I mean, you know, as a -- you began the conversation by making the point that you have flexibility to design a placement calculation. So I think the opening statement was you've got flexibility and authority here. There is regulatory precedent for this. See the existing accountability framework. This is always -- further education has always been an exclusion. So, in the past, when the Department has contemplated concepts like this, it's understood that trying to measure people who are doing something else at a point in time in this way doesn't make sense, and so you pull them out for the same reason you've included these other categories. But the statutory authority is right here. I mean, Congress has said this is both a put them in the workforce program and a pathway program. There's nothing in the statute about how soon that would happen or why it would happen. It just says to be an eligible program, it's got to prepare them for further education. And again, at the end of the day, I mean, the Department, if

it doesn't believe it has the statutory authority or just doesn't want to, as a policy matter, doesn't have to. But I'm just stating for the record, you are incentivizing institutions to paper a pathway and discourage students from taking advantage of that pathway. That's what you're doing. And I think good policy does not incentivize people to act in ways that we don't want them to act.

MR. FRAN CZAK: Okay. We have five minutes remaining. We have five in the queue. We may not be able to get to everyone. I'm going to go to Michale next.

MR. MCCOMIS: I'll be brief. So in addition to the comments that have already been made, the, you know, as I understand, and we'll get to this in a moment, maybe, or after lunch, there is an appeal process. And I think it's important to think about how governors use the data to make some determinations, that the data is a first cut. Now, it is a bright line of 70%. But governors and states can determine, I think, through their own processes, how they use that data and how they make determinations about what continues to be eligible going forward. And so if through that appeal process, there is, well, tell us about the number of students that are going on to further education. And, you know, can that be something that is used as a mitigant? I don't

know if that's going to be allowed within, you know, the Secretary's determination, but the Secretary and the Congress, as I understand it, is delegating much of this authority to the states to determine, you know, whether or not that program will, in fact, lose its eligibility. So maybe there is some room for those conversations to happen, but the data has to start somewhere as a quantitative measure for the next qualitative set of discussions to occur. And so maybe that is a process that -- where, you know, the Department is having some difficulty getting to the point where, you know, we want to have this long list of exclusions or to include further education. Maybe there are other ways for institutions to use that through some kind of mitigation factor to make that, to make that claim. It's also important to keep in mind that because these are workforce programs, governors should have the opportunity to make some determinations about what, you know, at what point is there an allowable threshold for students to go on, and at what point does that cease to be workforce development when it's 40%, 50%, 60%, 70% of the people are going on to the next tier program? So there's tension on both sides that allowing for the exclusion, even though I was the one that recommended it, you know, I can see where the allowance for the exclusion does also

provide an opportunity for programs that are, in fact, workforce. So I'll just I'll stop there. Oh, and one more thing. I'm sorry. You had the term called to active military service. Maybe that's a term of art. And maybe Matthew can speak to this more, but it seems to me that on would be a better use there, because I don't want it to be just, it's only when you get called to active military service where you get excluded from it. It's just when you're on, because you could have been a service member before and a service member after.

MR. MUSSER: Yeah. Thank you, Michale.

MR. FRANZAK: All right. So it is 12:13. I believe we have time for one more comment. Preston?

MR. COOPER: Just a quick point of clarification. So enrolled students are excluded or, excuse me, are included in the denominator. Are they included or excluded from the numerator here?

MR. MUSSER: They're excluded from both.

MR. COOPER: So, no, they're include - - enrolled students, people who enroll in the -- another educational program after leaving the Workforce Pell program, included in the denominator, but are they included or excluded from the numerator?

MR. MUSSER: No, they're not placed.

MR. LACO: Well, they could be placed. I'm sorry. Can I interject from a labor perspective on this? Because we have familiarity with the metric. Sorry.

MR. FRAN CZAK: Where's the sound?

MR. LACO: They could be. Especially in that interim metric where it's looking at are they employed? It is possible that they could be a full-time enrolled student and also employed. I think when it gets to that second one in the field, there's different calculations. But they would be, since they're not an exclusion, they would be in the denominator. That does not mean they cannot be in the numerator. But if they're not employed, meaning the metric, they would not be in the numerator.

MR. MUSSER: Thank you, Marek.

MR. FRAN CZAK: All right. We're going to have to pick back up after lunch. So I do want to respect people's time. Thank you for the discussion. So it is 12:00, roughly 12:15 right now. Okay to reconvene at 1:15, and then we'll pick back up from there. Thank you for your time and discussion this morning.