

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, AFTERNOON
December 11, 2025

On the 11th day of December, 2025, the following meeting was held in-person, from 1:00 p.m. to 4:00 p.m.

P R O C E E D I N G S

MR. FRAN CZAK: All right. Welcome back after lunch. Hopefully, everyone got well nourished, and we're ready to pick back up with our exciting conversations. So with that, I'll turn it over to Dave to begin.

MR. MUSSER: Well, I wish I could say we're quite ready. Looks like we need just a couple more minutes. I'm sorry, I'm using a couple in the Midwestern sense. We need about ten more minutes. So, if we can come back, let's see, at 1:30, then I think we can get started then.

MR. FRAN CZAK: We will take a ten-minute break and pick back up at 1:30 p.m. Thank you. All right, we are back from break. So my understanding is the initial plan is we're going to go back to the four people who were in queue immediately before lunch. And those four people I have are Rachael, Matt, Jeff, and Eric. We'll hear their comments. And then from there, my understanding is the plan is to go back then to the regulatory text, begin to review that, and further discussion. So what if we get started, beginning with the four in the queue, and that begins with Rachael, when you're ready.

MS. STEPHENS PARKER: Can I go second?

I need to remember where we left off.

MR. FRAN CZAK: Okay. Sure. All right. So we have Matt next. Are you ready?

MR. FEEHAN: Yeah, I can wing it. So if I remember correctly, where we left off was the exceptions. I wanted to first thank Michale for making the specific comment related to call to active duty. Just military service in and of itself is a, a wonderful exception. I would add, it's not the same as continuing education. And the reason I would highlight that is because if we do include an exception for higher education and continuing programs, it runs the risk of incentivizing institutions to keep students within the programs and thereby disincentivizing, really, why we're here is workforce. So I think the Department got it right with the exceptions. I appreciate Michale clarifying the specific military text, and that's what I can remember.

MR. FRAN CZAK: Good memory. All right. Jeff?

MR. ARTHUR: Yeah. Let's see if I can express this as brilliantly as I had thought about earlier. So I was thinking about some middle ground here. And when the, the, the reference about a workforce program potentially being a component of a apprenticeship program and the goal of people entering the workforce

quickly, but yet trying to address or mitigate a little bit of the concerns Aaron brought up that if we -- if you look at the timelines and the way (inaudible) cross over, I mean, you could get some people completing a workforce program in a award year, let's say, award year 26, 27 that they actually are completing in late 27 with crossover or at least summer, summer of 27. So you've got a pretty short runway to the wage beginning that January 1st. But what if we just said that if somebody was continued training and I call it training, not education, continued training of some sort, whether part of an apprenticeship program or a diploma or certificate, the short term to at least push those students if they're -- if like almost like, well, the same way we do with an in-school deferment, just push them to that next to allow one, one, at least a one year shift forward for the cohort. So you'd simply, I mean, you'd still be accounting for them. You got the timing issues. You may have -- this workforce thing might be part of something else, might lead to something else that is related and gets them to the finish line, that may compromise that, that January 1 earnings year. So, basically, a one -- up to a one-year shift deferment is all.

MR. MUSSER: So just so I understand the proposal, Jeff. So this was -- this is related to the

exceptions. And how, how would we account for the student in the one year later?

MR. ARTHUR: They simply entered for that program the accountability metrics, or it would simply shift to the -- like you do with a cohort default rate. You know, if somebody leaves the school and they go into repayment, now they're in school, you defer it for however long they're enrolled at least half-time. But just to have a short period, just a limited deferment period, for in school or continuing training that would let them just hit to that next year, which generally means you're still probably within, on average, 18 months from the time they completed the program and sometimes less.

MR. MUSSER: Okay, I think I understand the proposal. Yeah. Thank you. Okay.

MR. FRAN CZAK: Rachael, are we ready to come back to you?

MS. STEPHENS PARKER: Yes. Thank you. I had many comments earlier. It was helpful to remember which section we were in. Thank you so much. So, for exemptions, there was some discussion of this, so I wanted to run through a few questions. One was just acknowledging, for individuals who are incarcerated, there are often many factors impacting their employment

rates after completion of a program while incarcerated that are well beyond the institution or provider's control. We could go down a list, but I mean, one worth mentioning, for example, is, you know, pretty unreliable release dates, for example. Those dates can change causes all sorts of hardship, including, of course, you know, hardship in terms of making sure they're employed at a certain point in time. That's also challenging for other reasons, but I guess a question I might have then, and understanding your logic there that you shared earlier, I would ask whether you might consider an exception if the individual is still incarcerated in the second quarter? If for some reason they have not been released, but perhaps, you know, because you'd want programs maybe to be geared toward trying to provide training as they're close enough to release. But if, for some reason, that hasn't happened for these unpredictable reasons, whether that's a consideration? And I will caveat, I'm also asking this on the assumption that, oh my gosh, I'm blanking on the, the name right now. But essentially, off-site work opportunities while they're incarcerated are -- those would be paid employment opportunities and be counted as a job placement. Work release, I'm sorry. I kept wanting to say work readiness, it's work release. Maybe just not a fit. Is that what you're saying?

MR. ANDRADE: I mean, think about it. I'm not sure that that's -- that populations necessarily a great fit for Workforce Pell if there's, you know, a certain amount of uncertainty. I mean, there is the main prison education program for Pell, and it's got its own measures and certain guardrails specific to that. So that may be a better route. You know, you could see, I mean, we went back and forth a little bit on incarceration and sort of, you know, we looked at actually the standards at Mike's agency, which is -- which really deals with someone who's incarcerated after they graduate. But we just don't think that's going to happen a lot. And so, and it's easy -- or is easy to track. So we would probably say no in that case.

MS. STEPHENS PARKER: Okay. All right. So no exemptions then. Just understanding that might limit the degree to which this is provided for those who are incarcerated. I do think, you know, we might suggest some short-term programs might be a better fit for those with shorter sentences, but so you're essentially saying it's kind of at the provider's discretion at that point, how they're going to gear their program.

MR. MUSSER: Yeah. That's right. The provider really needs to think about those limitations, in our view, when they design the program, that there's

clear pathways for those individuals to find employment by, you know, depending on where we are in the process, by the point where their placement will be measured.

MS. STEPHENS PARKER: Okay. And I can understand that also, in the spirit of serving this population, making sure they are actually gaining employment after. Okay. Well, thank you for the discussion on that. I appreciate the dialogue. I think I have a similar question on programs supporting individuals with disabilities, and I'm thinking of some relatively small programs that maybe would come really close to fitting in Maryland, for example, some that have like a 60%, 61%, 62% placement rate, but not quite a 70% threshold. And this is for a population 80% of which wants to work but is not participating in the labor force on average. Right? So that's a huge -- that's a great outcome in a population that could otherwise -- some members of which could otherwise be eligible. So I was just curious if there were any considerations around that request had been filed. I don't know if that's been considered yet or not, or if you'd have a similar answer to the prison.

MR. ANDRADE: Yeah, I think so. That's again, that's probably another one where maybe it's a six-month program under the main Pell program makes more

sense, and you don't have sort of the downward pressure of having to hit the placement rates for that. So again, the, the provisions that we put in the exceptions for disability were people who became disabled or had a medical condition where the onset was after, after they left and, and that, that condition prevented them from work. I think, you know, in this case we're providing services knowing that there may be some limitations for the student at the outset. And we're trying to provide employment opportunities for them that are matched to the training that they received.

MS. STEPHENS PARKER: Okay. Thank you. I can understand that. I will just acknowledge just out loud, kind of for the record, that I think among many of our constituency groups, there's a natural concern with wanting these to be very rigorous opportunities, certainly, and really striving for those very high outcomes while also acknowledging we don't want these programs to kind of just cream off the top of the easiest to serve. And the Pell eligible students are going to be the easiest to serve and get through these programs. So that is the spirit behind these questions. I'm sure you understand. I do appreciate the dialogue, but I hear you on the red line there. Okay. And then my last point here is really, I think, a clarification, because if I'm

reading the text right, for the two metrics on job placement, second quarter after exit, so those are exiters, all exiters, not necessarily completers, from reading that right. And then for the longer-term metric, it's job placement after successfully completing the program. So I know there was dialogue earlier about making sure completers not all enrolled, we're kind of in that denominator. It sounds like that's already the case. I just wanted to make sure that was right.

MR. MUSSER: So yeah, we looked at the language, and at least it seemed to us that it's pretty clearly stated that we're talking about individuals who completed, and that is the intent.

MS. STEPHENS PARKER: Thank you. Okay. Thank you for clarifying.

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

MR. ATCHISON: It may benefit the committee to go back to the statute. So under 83002 subpart small b roman numeral four, it does say prepare students to pursue one or more certificate or degree programs at one or more institutions of higher education, which may include the eligible institution providing the program, including by ensuring that a student, upon completion of the program and enrollment in such a

related certificate or degree program, will receive et cetera. There is no time delineation there that, you know, they expect to see employment after completion. And this is in statute that says upon completion and enrollment in a subsequent program. And so I know that in my own experience in state longitudinal data systems, we exclude completers who continue enrollment in their outcomes and ROI measures. And so I would recommend, if the Department is willing and able to try to align with governors and their SHEEO staff on how these metrics are utilized at the state level, and maybe even propose an alternative where the Department could ensure, at least in regulations, that students enrolling in higher level credential programs would be possibly excluded or be excluded, but students continuing to enroll in a program at the same level could allow students to pursue additional workforce related credentials that would align with current employment or future employment and earnings outcomes.

MR. MUSSER: Thank you, Eric.

MR. FRAN CZAK: Rachael, is that another card up? Okay. All right. I believe all cards are down.

MS. HULTQUIST: That was mine. I'm sorry.

MR. FRAN CZAK: Oh, you do want to speak?

MS. HULTQUIST: Yes.

MR. FRAN CZAK: Okay. Feel free.

MS. HULTQUIST: Thank you. I'm inquiring about some feedback, I think was some language that was requested and suggested yesterday, the 10th. When you asked for a discrete set of variables for which we would want interoperable data formats submitted. That includes, like at a minimum, program name, CIP SOC. Is that something that you are still considering or we have rejecting? I think it goes in 690.93 we proposed.

MR. MUSSER: So we did take a look very close look at those recommendations. We were still struggling with establishing a requirement that is that strict for states. You know, we felt and still feel that we have the authority to require them to express what their policies are. And when you start to describe what their process has to be within the constraints, including, you know, things like, and we talked about this earlier as well, even prominent language on websites. We just didn't think that we could quite get there. And so we did not take those recommendations.

MS. HULTQUIST: Okay.

MR. FRAN CZAK: All right. With that, I

don't see any further, oh, one more card. Tamar?

MS. HOFFMAN: Thank you. I just want to -- I think I'm a little bit confused about the Department's position on prison education programs. We don't have to get into it all right this minute. I just wanted to flag the confusion so that maybe we could return to it at a later time.

MR. MUSSER: Thank you.

MR. FRAN CZAK: All right. Are we ready to go back to regulatory text review at this time?

MR. MUSSER: I think we're ready to move on to a couple of other changes that the Department is proposing.

MR. FRAN CZAK: Very good. Dave?

MR. MUSSER: Okay, so now we move into the 690.96 loss of eligibility section. Here we've added a few clarifying -- pieces of clarifying language. If you could scroll down just a little bit. Here. The governor acts to withdraw approval. So focusing on the specific action of withdrawing which is, I think a more common term for something like this. Then moving into b under 690.94, the program will become ineligible at the end of the payment period that begins after the date that the Secretary determines that the institution failed to meet the completion rate or job placement rate requirements,

except that the Secretary will not make such a determination while the program's eligibility, approval, or reported completion rate or job placement rate is in an appeal status or awaiting the governor's final approval determination. So this was particularly important to the Department. We appreciated the suggestion here, and it goes back to what I mentioned earlier. We do not want to receive incomplete certifications or certifications that are not yet final from states. And we can't control whether a state offers an appeal process. They're able to do that if they choose. So we want to ensure that the language here expresses that we won't take action until we have a final determination by the state one way or the other. And we've modified the language accordingly. So I'll pause there and see if there's any questions on them.

MR. FRAN CZAK: I see two cards. First Tamar, then Matt. Tamar?

MS. HOFFMAN: Thank you. A concern that I have about this language is just that approval or appeal processes are very variable in my understanding. And especially, appeals processes can take a long time. And I can see how perhaps some players may -- some may appeal with the best of intentions, and some may appeal to try to run out the clock and prevent a loss of

eligibility. And I'm curious if the Department could speak a little bit to this concern and how we're managing that here.

MR. MUSSER: Yeah. So I'll just say that the Department deeply shares your concern. It's something that we've thought about quite a bit. We, because of the limitations I just mentioned about our authority over states, we don't feel that we can tell them exactly how long their appeal process takes in regulatory language. However, operationally, we plan to set some, some pretty firm guidelines for how we will accept this information and express that if a state and an institution want to participate in this, they're going to have to agree generally to some rules around how and when those things are submitted to us. We have the and I'll look a little bit to my FSA colleagues here who will have a pretty significant challenge pulling this data in, and ensuring that it's accounted for at the various times that different states provide it to, to the Department's. There will need to be some pretty clear rules that all states abide by. And some of those rules will have to be around timing. That's not to say, you know, if the state violates that rule, that we could be in a situation where we have a challenge like the one you described. We just are limited in what we can force states to do one way or

the other. And I think if we had that authority, we likely would say one way or the other. But, like, I said, we will create some rules. And we believe that states will understand the need for timely resolution of these things, especially once we sort of explain how we're going to set up the process. So we will express this in subregulatory guidance, and we will operationalize it in a way where we think we can limit that problem.

MR. FRAN CZAK: All right. Thank you. Just as a reminder, please talk, if you could talk as close to your microphone so the transcript can pick up your audio. Thank you. All right. And Tamar, did you have a follow-up question at this time?

MS. HOFFMAN: No, I appreciate the response. I'd like to keep thinking about it, if that's okay. And to the extent that there is some language around how this will be operationalized, it would be really helpful to see that.

MR. FRAN CZAK: All right. Very good. Thank you. All right. Next in the queue I have Matt, then Michale, then Rachael. Matt?

MR. FEEHAN: Thank you. And thanks to the Department for this language. I just have one really quick question. So, an institution that's in this process or in this Pell process for student veterans, are they

going to be aware of the status of the appeal, or is it only become available to the students upon determination?

MR. MUSSER: I was going to say, yeah, Jeff said it for me, but I mean, it will be through the state and the state process. The only time that they'll interact with -- that they would have information from the Department would be at the point that we make the determination, which would be based on the state's final determination.

MR. FEEHAN: Yeah. The reason I ask is because the Veteran Affairs Department is pretty open about that for their processes. So I was curious if the Department would have similar. But yeah, no, that makes perfect sense.

MR. FRAN CZAK: Thank you. Next Michale then Rachael.

MR. MCCOMIS: Dave, I just wanted to clarify one thing that I thought I heard you say was that there wasn't a requirement for an appeal process. But I read, I read this under 690.93 (b) (3) that must include the process for an institution to appeal the determination.

MR. MUSSER: So that is generally the approval. And so that differs from the completion and placement rate process. And that's partly why we didn't

accept the cross references that you suggested to, to the specific language about approvals. They can have appeals of the completion and placement rate, which we think is where the school's likely, as Tamar pointed out a second ago, schools likely are going to want to have that process available to them, probably less frequently that the state will deny a program that otherwise seems to meet all of its other requirements. But that's the appeal that is required in here. They have to describe that process generally for their approval.

MR. MCCOMIS: So that is an appeal of the determination of eligibility under a?

MR. MUSSER: Correct. Not the appeal of the ongoing completion and placement rate requirements. Yeah.

MR. MCCOMIS: Thank you.

MR. FRAN CZAK: Rachael, did you have your question or comment taken care of? Okay. Yes, Randy?

MR. STAMPER: I believe a proposal was sent last night to follow up on the conversation we had about programs, and I think I'm in the right section, if I'm not, forgive me, about the nature of workforce programs ramping up and ramping down and providing that the job placement rate would be, I'm sorry, the completion rate would be considered for those programs

that are actually operating. Does the Department have a?

MR. MUSSER: So we did discuss that. We recognize the challenges that schools have when they decide to suspend a program during this time frame. This is another area where we feel that the statute is actually pretty clear that these rates apply and because -- especially because of the requirement that the program be in operation for at least one year before approval. We don't think that we can permit a period of non-operation that, that lasts for a year or more without essentially ending the program's eligibility, which is what would happen under the, under the rate requirements. So we had a long discussion about that yesterday, and I think ultimately that has to be our position. It is -- it has been our position in other cases where there's one year in existence requirement. I think that's -- that is our ultimate position here.

MR. STAMPER: I appreciate the consideration and explanation. Thank you.

MR. FRAN CZAK: Tamar?

MS. HOFFMAN: Thank you. I apologize, just a quick idea that I wanted to offer as I'm starting to think about this a little bit more. I wonder if the Department could work with negotiators here to come up with some kind of accountability system for cases where

there is a pending appeal at the state level to make sure that those appeals are not happening in bad faith to prolong loss of eligibility, where it's sort of clear that, that there should not be eligibility. So an idea is liability, for example, for the amounts disbursed during that pending time, as well as restoration of Pell eligibility to students, just making sure that students are made whole when they -- and not harmed by these processes.

MR. MUSSER: So I think we're open to maybe some parameters around the process for the states to submit the information to us. There will be some limits, and I don't know that we can go quite as far as the things that you just described. But I think we will want to talk with our operational colleagues as well about their needs in this area as we think through this, but we can, yeah, we can talk about that.

MR. FRAN CZAK: Matt?

MR. FEEHAN: Yeah. I appreciate the Department's position on that. I strongly second my colleague's position there. This has disproportionately affected student veterans and student service members for many years. So, just in the interest of transparency, I'd love to work with the Department and anyone else at the table who's looking to get to that language.

MR. MUSSER: Thanks.

MR. FRAN CZAK: All right. Seeing no further cards, I'll turn it back over to Dave for further text.

MR. MUSSER: Yep. I think we can go through some additional changes here. All right. And then we had some additional changes here at the bottom under one. We actually broke this into two paragraphs here, which now says the program will become ineligible at the beginning of the award year following the release of the value-added earnings. And this was an addition recommended by Tamar. The Secretary will assess a liability for amounts paid to the institution for the program during the award year, for which the value-added earnings were calculated, and may collect any such liability from the institution. So this is because of the way that we had framed the language previously. To be frank, this is actually what we had planned initially. So we had -- we were comfortable including the language here because that's simply how liability works. If the program is treated as ineligible for the entire award year, then any amounts disbursed during that award year are liabilities that would be collected by the Department. So this is -- we were comfortable adding this here.

MR. FRAN CZAK: I see a card. Jeff?

MR. ARTHUR: Yeah. I got -- I want to make sure I understand how that works. So if the program's ineligible at the beginning of the next award year, it looks like -- that you could if -- for the award year that students attended and were paid funds, that that's a retroactive liability or no?

MR. MUSSER: We'll do an example of just the timeline here. So in, let's say best case scenario, in January, the Department calculates a value-added earnings that will apply starting in July. So in July, the institution begins enrolling new, again, new students, newly enrolled students, at a price that is \$1,000 higher than the value-added earnings. All Pell Grant funds disbursed to those students throughout that award year. So let's just say the institution doesn't catch this through the entire award year. The institution would be liable for those Pell Grant funds throughout the award year.

MR. ARTHUR: Okay. I was wondering about a scenario where the metrics, the 70/70, were subsequently determined to not have met the requirements. And wondering, does that mean that -- do you get what I'm saying?

MR. MUSSER: So that one is framed differently because of the nature of what we just talked

about, actually, because of the fact that we are aware that we will get those calculations at very different times. Unlike this one, which is about value-added earnings, the loss of eligibility for completion and placement rate violations occurs starting with the payment period following the determination. So it's not working the same way where the school is retroactively liable for that whole period, the school would know how - - wouldn't really have no way of knowing that they were ineligible until that determination comes in.

MR. ARTHUR: And is their Pell Grant restoration involved with these scenarios?

MR. MUSSER: Anytime a liability is assessed, and Pell Grant funds are repaid to the Department, LEUs are restored automatically by virtue of the funds being returned in the Common Origination and Disbursement System.

MR. ARTHUR: And then just a technical question about the language, I want to make sure that it's -- that I'm reading this literally and accurately. The Secretary will assess liability for amounts paid to the institution. I mean, Pell Grant funds are paid to students, not institutions, and I want to make sure is it the amount that the student uses then to pay the institution, or do you really mean that they're liable

for the amounts disbursed to the student?

MR. MUSSER: You make a good point. And actually, maybe I would turn to Tamar on this one. If we change that to a Pell Grant funds disbursed instead of to the institution, because Pell Grant funds disbursed, it would include both Pell Grant funds that went to the institution and went to the student as credit balances -- refunds. That, that is the more accurate way of describing what the Department would do, and that probably is a good change there. I think this still is accurate, but it's not as clear as what Jeff just described.

MS. HOFFMAN: Yes, I think that's right. And actually, the comment I was going to make was also about making sure that Pell grants are restored.

MR. MUSSER: Okay, and they would be. Yeah. All right. We'll make that, we'll make that change.

MR. FRAN CZAK: All right. No further comments at this time. Dave, I'll turn it back to you. Oh, I'm sorry, Aaron.

MR. LACEY: Yeah. Just following up on, on what Jeff said. I just had the same thought about trying to clarify a little more about the --, and I think that makes sense, Pell grants dispersed. You know, I don't know, maybe it's not necessary, but I would love if

we were saying something even more specific about Pell grants dispersed under this, I this, I don't think it's under this section. But, you know, under this program, it's not really a separate program. So I'm not exactly sure how to capture it. But just to be really clear that what we're talking about is, you know, the Pell Grant amounts --

MR. MUSSER: We can, yeah, we can, we can commit to saying Pell Grant amounts disbursed for students enrolled in the eligible workforce program.

MR. LACEY: Okay.

MR. MUSSER: That's fine.

MR. FRANZAK: All right. I believe that concludes that comment period. So we'll turn it over to Dave.

MR. MUSSER: Yep. And going through just a few more changes here at the end, regaining eligibility. So here, if an eligible workforce program loses eligibility based on the Secretary's determination that the program's completion rate or job placement rate failed to meet the requirements, these are just clarifying changes to be a little bit clearer. Scrolling down. If an eligible workforce program loses eligibility due to a loss of government approval described in paragraph A of this section, the program may reestablish

eligibility after the Secretary receives the governor's certification that the program has been approved, as provided under 690.93 C, and after the Secretary determines the program has met the eligibility criteria under 34 CFR 690.94. Again, this is, I think, what we had in mind. We were comfortable adding the clarifying language. So scrolling down. Here, providing to the Secretary a new certification of the governor's approval of the program as provided under 34 CFR 690.93 C. So we struck the value-added earnings requirement, and that's because we added more information below under 2 and 3. So 2, submitting to the Secretary documentation of the program's current published tuition and fees, and an attestation that the tuition and fees have been reduced and will remain equal to or less than the program's calculated value-added earnings. And 3, requesting a recalculation of the program's value-added earnings to determine whether the program's updated tuition and fees that will apply to the next award year exceed the program's value-added earnings. So all of this is really clarifying language, and I think it's more accurately describing what the Department's intent was here. We're trying -- we're going through the process of calculating the value-added earnings and comparing that with what the published tuition is now, to ensure that the school would

be in compliance before the program becomes eligible again.

MR. FRAN CZAK: Yes. Comments or questions? Preston, then David.

MR. COOPER: Yeah, I just want to say I really appreciate you're making these changes. I think they're important for clarification.

MR. FRAN CZAK: All right. Thank you. David?

MR. KAFAFIAN: Is the Department still considering the proposal that was submitted early this morning, around the four-digit, six-digit item?

MR. MUSSER: So we are still -- we have -- we received several different proposals on that issue. So we are still considering, and they're in different directions. So we're considering that issue. So we, we can talk a little bit further this afternoon about where we stand on that.

MR. KAFAFIAN: I might encourage a caucus on that. I did have some offline discussions with legal aid, and I don't know that we have full -- I'm not suggesting -- I think there is like some areas of alignment, even though we were focused on different parts of that passage.

MR. MUSSER: It's up to you if you'd

like to call a caucus.

MR. KAFAFIAN: Maybe let everybody finish going through this session, and then at the end.

MR. MUSSER: I think we're finished.

MR. KAFAFIAN: Okay. Good timing.

Okay. Give me a second to just figure out exactly who we want.

MR. FRAN CZAK: Looks like there's one more. Eric?

MR. ATCHISON: I'd like to call a caucus. Since David did not. I mean, after Dave, depending on overlap, but specifically on continued enrollment and being excluded from the program calculations that we talked about earlier with all institutional representatives, public, private, proprietary, veterans, as well as workforce boards.

MR. FRAN CZAK: Go ahead, David.

MR. ATCHISON: Apologies. I'm sorry, one more amendment, and the Department.

MR. KAFAFIAN: I would say for scheduling, if Tamar, you're open, maybe we just take it offline just us, and then you can run that in parallel with the Department, and then we can come back.

MR. MUSSER: Yeah, that's acceptable to the Department. Yeah.

MR. FRAN CZAK: All right, so, Eric, could you, could you replay that in terms of purpose, group, and time frame?

MR. ATCHISON: Yes. The purpose of this caucus will be to discuss the current non-existent exclusion of students who continuously enroll after completing a Workforce Pell program. The constituent groups I'm requesting are myself, students, public institutions, private nonprofit institutions, proprietary institutions, workforce boards, and the Department. And I anticipate this may take about 15 minutes. I talk fast.

MR. FRAN CZAK: All right. Okay, so 15 minutes with those identified groups. Which -- do we want to use the first-floor caucus room for such purpose? Sound good?

MR. MUSSER: Yes.

MR. FRAN CZAK: Okay, so we're going to go to the first-floor caucus room. 15 minutes from now. It's roughly 2:05, so we'll aim for 2:21 for reconvening. Thank you. All right. Welcome back from the caucus. I'm going to ask Eric to report out on -- a brief report out on the caucus. So, Eric, I'll turn it over to you.

MR. ATCHISON: Thank you, Michael. I grossly anticipated the amount of time we might need for that topic. So I apologize to the rest of the committee

and the public. As you know, we discussed the potential exclusion for students that continue to enroll post completion of Workforce Pell program. We really appreciate the Department's conversation and providing us with greater congressional intent of the statute. That was very helpful. While there are concerns about the dual requirements of having expectations for post completion employment as well as articulation and to further credential programs, we understand that if a student has a goal of pursuing a longer-term program, that the traditional Pell program is there for them for that, and that's potentially something that could be done. So understanding the specific pathways that students might take to and through this program are very important. And as we've heard otherwise with throughout the week, that clarifying language for both institutions and students is going to be an integral for helping us get these programs off the ground and making them the most successful outcomes. Thank you.

MR. MUSSER: Thank you, Eric.

MR. FRAN CZAK: Rachael, would you like to be recognized?

MS. STEPHENS PARKER: If I may. I haven't done one of the caucus things yet. I was gone for those yesterday. Thank you. Echoing similar comments, and

also want to thank the Department for kind of walking through and really kind of thinking through scenarios with us about how stackable -- what stackability could look like. And really, the potential change in how institutions are delivering programs in alignment with employment needs. I think you know, calling out the fact that a lot of programs, especially smaller ones, are going to just have to be really -- have close partnerships with employers to meet some of these metrics, you know, acknowledging those things. And again, some of those pieces of intent wanted to acknowledge that and also just say some of that out loud. And I also had a sort of newer piece that came up. I don't -- you just -- I saw you raised your flag. So maybe I'll save my new question for a moment, and then we'll come back to that. Okay.

MR. FRAN CZAK: Fair enough. Aaron?

MR. LACEY: Yeah. I just want to say, for the record, I appreciate Eric calling that caucus. I appreciate the Department taking the time to walk us through, in particular, as Rachael said, sort of what this -- how you sort of reconcile these dual goals of or dual obligations, I should say, of an institution to create a program that's both, you know, a program to get someone right into the workforce and also a program that

has pathways. And I know we talked a little bit about maybe the Department's ability to, in subregulatory guidance or comments, sort of talk more about that and help institutions understand how you might reconcile those ideas and how that works and how it works, and also does not disadvantage them vis-à-vis the placement rates. But I thought it was just an extremely constructive conversation. And I'm grateful to Eric and the Department, everyone, for participating.

MR. FRANZAK: Rachael?

MS. STEPHENS PARKER: I did have a new thought and question related to the exclusions piece. Thinking about the WIOA exclusions that exist. Wanted to ask if the Department would consider adding exclusions to both completion and job placement for individuals who become incarcerated during the time period looked at for each of those metrics?

MR. MUSSER: Yeah. So that -- I think if we use the language becomes incarcerated, I think we'd have more comfort with it. Primarily because that's another involuntary factor. And it also would not permit a program to be designed essentially to avoid the calculation, calculation of a placement rate indefinitely.

MS. STEPHENS PARKER: Yeah. No, that

is fair. Understood.

MR. MUSSER: So yeah, I think, I think yeah, we'll take that one back and come back with something.

MS. STEPHENS PARKER: Can you draft language, or are you guys?

MR. MUSSER: We can draft some language on it.

MS. STEPHENS PARKER: Okay. And the WIAO definition, I think, has more words after becomes incarcerated. But that might be useful. Thanks.

MR. FRAN CZAK: Kristin?

MS. HULTQUIST: Thank you. Not wanting to make this any more complex than it already is, but has the Department contemplated small end size for calculation of placement rates?

MR. MUSSER: I mean, we talked about it. But it, it because, yeah, we didn't feel that any kind of exemption or exclusion or any kind of specific regulatory language was appropriate. This is something that the state is going to calculate. And they will have their own methodology for doing it. So, yeah.

MR. FRAN CZAK: David, then Eric.

MR. KAFAFIAN: Just a super quick clarification. Are you saying that the state could,

though, set up a view that small end sizes were excluded, or no?

MR. ANDRADE: I think probably the approach that would more likely be taken is that they would either have to be a number of years of a track record or a, you know, minimum size requirements in order to address that. I don't think we would expect states with exempt institutions from that requirement. They would just address it differently, either through using multiple, multiple years or having minimum requirements.

MR. FRANZAK: Eric, did you still --

MR. ATCHISON: My question was answered.

MR. FRANZAK: Okay, good. Aaron, is yours raised from before? Okay. All right. I'm not seeing any other cards, so I guess, Michale. Sorry. Nope. All right. So I guess the next question is, and perhaps it's the Department is, do you have a preference for where you might want to go next?

MR. MUSSER: Oh, I think David has his hand up.

MR. KAFAFIAN: Maybe for the purposes of the record. Just would note that in parallel, we had a caucus inclusive of legal aid, taxpayers, and state higher ed to discuss the regaining eligibility

components. I think we found some pathways forward, but could use about 20 minutes with the same group, inclusive of the Department, to maybe find ourselves hopefully to a conclusion there.

MR. FRAN CZAK: All right. So there's a request for a caucus from David with the same groups that you were unofficially huddling with before. Can you identify those groups again?

MR. KAF AFIAN: Yep. Legal aid, taxpayers, employers, state higher ed, and the Department.

MR. FRAN CZAK: As well as the Department. And how much time would you like to allocate for that?

MR. FEEHAN: 20 minutes.

MR. FRAN CZAK: Okay. 20 minutes. It's now 2:45. All right, what if we set that up, go back to the first-floor conference room, and we'll look to reconvene at 3:05 p.m. All right. Thank you. All right, we are back from the caucus. I'm going to ask for a brief report out from the constituency that called it. So, David, I'll ask for a report out from you.

MR. FEEHAN: Thank you very much. On behalf of employers and business, I appreciate everybody who was in the room. I think we had a really constructive

discussion on two separate, but maybe lightly related topics. The first being the breadth of the CIP codes for programmatic exclusion. So the four-digits that are in the Department's proposal, versus some proposals that have been floated that instead, looked to a slightly more fine-grained version that included mappings to the occupation codes. I think we found some broad alignment, although everybody's going back to still look at the specific CIP SOC Crosswalk to, to see how that would work. Separately, we were discussing the use of VAE and generally the accountability metrics that are holding programs accountable, specifically during the on-ramp period, where we don't necessarily have earnings data, looking to find ways to make sure that schools are not standing up programs that are unduly expensive, have not actually met the quality standards, and then just, you know, adjusting tuition and moving forward. And so I think there's still additional discussion to be had there, but no additional caucus needed. And hopefully we can get there.

MR. FRAN CZAK: Thank you for the report out, David. I'm not seeing any other cards at this time. So, Dave, I'd like to ask, do you have a preference for where you'd like to go next?

MR. MUSSER: Yep. We do. So I think

we'd like to continue on the discussion of accountability with several -- as a -- with a caucus, with several groups. Students, veterans, and legal aid, if that's if that works.

MR. FRAN CZAK: Students, veterans, and legal aid, and the Department. And how much time do you want to allocate?

MR. MUSSER: So we'll do 15 minutes and try not to multiply it too much.

MR. FRAN CZAK: Okay. All right. So the purpose is the accountability with those identified groups and looking to reconvene, then at 3:25 p.m.

MR. MUSSER: We will hold to that.
Thank you.

MR. FRAN CZAK: All right. Thank you. All right. We are back from the caucus. I would ask if the Department and Dave would be willing to provide any update or report out on the caucus.

MR. MUSSER: Yeah, absolutely. So we had a great discussion with all the folks in that caucus. The Department at this stage is trying to assess where the biggest hang-ups are with all of our colleagues around the table. We had a great discussion to that effect, and we've taken back some ideas about potential changes that we might be able to make that could get them

there. So we'll continue to work on it. To that end, we'd like to call a second caucus. This one with state grants, state governors, and accrediting agencies.

MR. FRAN CZAK: Do you have any sense of purpose on that one?

MR. MUSSER: Same thing. We'd like to assess whether our -- each negotiator has issues that might prevent them from reaching consensus.

MR. FRAN CZAK: Okay. So we'll have that caucus. What do we want to say, I'm sorry.

MR. STAMPER: I was just going to say, we've been feeling left out, so thank you for inviting us to this next caucus.

MR. MUSSER: Absolutely. You're welcome.

MR. FRAN CZAK: Invites forthcoming. Yes. All right, so we're going to meet -- have the group meet again in the first-floor caucus. How about a time frame on this one?

MR. MUSSER: We are going to try to make this as quick as we can. So we're going to try for 15 minutes. We'll actually try to get back a little sooner if possible. But 15 is, yeah, that's right. I think everybody has gotten the trend at this point.

MR. FRAN CZAK: Are we planning for a

hard stop at any point?

MR. MUSSER: Yeah, we would -- probably about 15 after four is the hard stop. But, but we're going to try to get ahead, get ahead of it if we can.

MR. FRAN CZAK: Okay. All right. Very good.

MR. MUSSER: Thank you, all.

MR. FRAN CZAK: Thank you. We are back from the caucus. With that, I'll turn it over to Dave for any report out or update.

MR. MUSSER: Yeah. Thank you. I'd like the record to show that we came back before the time we said we would. Thank you, thank you, thank you. So thanks, thanks, everybody, we had another great discussion in the last caucus with our state grant and state governor colleagues, as well as our accrediting agencies. Again, I think we have a better sense of where everybody stands. We're taking all of that into account as we move towards our consensus vote. We still plan to hold that tomorrow. With that, I think I'd like to invite all of our institutional representatives to a final caucus for the day. And I think we'll put 20 minutes on for this one. We're going to try to get, get in before 4:15 so that we can wrap up. So we're going to do it as

fast as we can. Are we still? Okay. Let's just -- we'll say 15 minutes then so that we'll have the last 15, last 5, to be ready.

MR. FRAN CZAK: All right. All the institutional folks and the Department.

MR. MUSSER: That's right.

MR. FRAN CZAK: All right.

MR. MUSSER: All right. Welcome back from the caucus. I'll turn it over to Dave for a report out update on the caucus.

MR. MUSSER: Yeah. Thank you so much. And we had another productive discussion with our negotiators from institutions, heard their concerns about the current package, and we're taking back quite a few notes for tonight. I think it's -- I think we can say it's likely that we'll come back in the morning with some additional language for the whole group. And then we will be, we'll be -- we'll go back and have some more discussion before, before a final consensus check.

MR. FRAN CZAK: All right. And it's my understanding the goal for tomorrow is to take a full consensus vote on the full package of the Workforce Pell topics.

MR. MUSSER: Yep. That's correct.

MR. FRAN CZAK: All right. I believe

there are a couple of constituencies that may have changes for tomorrow. So I'll turn over to Kristin and David. You first. Kristin.

MS. HULTQUIST: Thank you. I want to again, I said this today this morning on LinkedIn. But I want to commend the professionals of the Department and this camaraderie we have here. We're working at HCM on psychological safety, and you have created it, so I just want to acknowledge that. Tomorrow, my son is graduating Tennessee. He'll be getting his second credential, a workforce credential, because his current degree in journalism has no labor market value. So we're going to the fire academy.

MR. MCCOMIS: Thanks, Mom.

MS. HULTQUIST: But I'm getting on a plane to Knoxville, so I am excited to welcome to the table as primary tomorrow, Dr. Tonjua Williams. She is the six and a half year president of Saint Petersburg College. 75% of her students receive a Pell Grant. She has extensive business partnerships. She got her -- cut her teeth as a financial aid administrator. So you are going to be well-represented.

MR. FRAN CZAK: Thank you for sharing. And the announcement, congratulations on your son and to you. Okay.

MS. HULTQUIST: Do I look richer? Any minute now.

MR. FRAN CZAK: Very good. All right. We'll turn it over to David next.

MR. KAFAFIAN: Similarly, would thank the Department and all the colleagues here. This has been a wonderful week, and I've been personally very excited by the progress we've made. I, too, will not be available to be in attendance tomorrow. As I indicated previously to the Department, I need to be out of the country for a family wedding. Which should be fun, albeit less fun than seeing this group come to a consensus. And so I'll be pleased to welcome our alternate, Dennis Cariello. I'm not going to give you Dennis's resume, but I can assure you that he has told me everything that I needed to say this week. So you're in better hands with him.

MR. FRAN CZAK: All right. Thank you very much. Any final comments from the negotiators? Randy?

MR. STAMPER: Yeah, I will be here in the morning, and I will -- I hope to be here in the afternoon. But I have an issue at home that may require me to get out of here, but Heather DeLange is here, and if I do need to depart, she will be able to represent us. I want to thank you all for the conversations over the

last week. I do have one question, and you can say pass if you prefer, but I have not participated in one of these before. But I've spoken to others who have. And I'm curious about the all-or-nothing approach to consensus, which apparently is not always the case. Is that not the case?

MR. FRAN CZAK: Could you clarify all or nothing?

MR. STAMPER: All seven topics at once?

MR. MUSSER: The consensus check that we would hold would include all the topics that we've discussed this week, including all the issues related to -- all the topics related to Workforce Pell, as well as the topic, the first topic related to ineligibility for Pell due to receipt of non-Federal financial assistance. So negotiators will be giving, you know, giving a vote for consensus on all of those topics.

MR. STAMPER: I must have been misinformed. Thank you.

MR. FRAN CZAK: All right. So I don't see any other cards from negotiators. Any final thoughts or comments for the good of the order from the Department and Dave?

MR. MUSSER: I don't think so at this

point. Looking forward to seeing everyone tomorrow, or at least most of you.

MR. FRANCIK: All right. Well, we hope everyone has a good evening. We'll get ready for tomorrow and hope for a final good and productive day. Thank you.