

FACT SHEET

House Committee on Education and the Workforce Ranking Member Robert C. "Bobby" Scott

Jobs to Compete Act

Roughly <u>80 percent</u> of all jobs in the 21st century economy require some level of post-secondary education or training, and <u>24 percent</u> of all post-secondary credentials achieved are earned through short-term training programs. Additionally, employers are now <u>demanding less</u> traditional degrees and more skilled training. In fact, <u>62 percent</u> of Americans prefer a career path that does not require a four-year degree.

Problem: Despite growing demand for short-term training programs, students and workers are often unable to access training courses due to decades of federal disinvestment in workforce development programs, and rising costs.

While the U.S. labor force has grown by roughly half over the past four decades, federal spending on workforce development—including short-term training programs—has <u>fallen by two-thirds</u> when adjusted for inflation. As a result, in 2021, the <u>average amount spent</u> on adults participating in *Workforce Innovation and Opportunity Act* programs—the primary way the United States funds adult and career technical education—was <u>\$2,128</u>, even though many high-quality short-term training programs can range in <u>cost</u> between \$1,000 and \$10,000. The difference between the amount covered and the full cost often keeps students and workers from participating in short-term training programs.

Solution: Congress must expand Pell Grant eligibility so that students and workers can affordably access highquality short-term training programs.

The Jobs to Compete Act will expand Pell Grant eligibility to students in high-quality short-term training programs that address local economic needs. This expansion will help alleviate financial barriers many students face in accessing and completing short-term training programs—while also preparing workers to compete in the modern economy.

Specifically, the Jobs to Compete Act will:

- Expand Pell Grant eligibility to students enrolled in high-quality workforce programs between 150 and 600 clock hours;
- Require workforce programs to demonstrate to the Department of Education that they prepare their students for a gainful employment, through earnings requirements including showing that program graduates: (1) earn at least more than a high school graduate in their state; and (2) have an earnings gain of at least 20 percent;
- Require workforce programs to prepare students for high-skill, high-wage, or in-demand jobs;
- Ensure credits earned in stackable workforce programs are transferrable, as applicable;
- Require institutions to demonstrate that they use at least 50 percent of their revenue from tuition and fees specifically for instructional spending;
- Ensure prospective students have access to key program outcome data and enrolled students have access to educational and career counseling;

- Ensure that only students in programs eligible for Workforce Pell Grants can receive short-term Direct Loans;
- Require workforce programs to be included on the eligible training providers list, as defined in the *Workforce Innovation and Opportunity Act* (WIOA); and
- Create a data sharing agreement between the Department of Labor and Department of Education to share outcome metrics data.