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## STATE OF ALABAMA

### MEMORANDUM

TO: Interested Institutions of Higher Education  
The Alabama Commission on Higher Education  
The Alabama Community College System

FROM: Governor Kay Ivey *Kay Ivey*

DATE: June 30, 2026

SUBJECT: Federal Workforce Pell Grant Program

The U.S. Department of Education recently announced a final rule to implement the Workforce Pell Grant Program created by the Working Families Tax Cuts Act, which was signed into law by President Trump on July 4, 2025. This program will allow students to receive Workforce Pell Grants for enrollment in high-quality, short-term workforce training programs that prepare students for high-skill, high-wage, and in-demand jobs.

Alabama's workforce programs are a primary source of high-quality training. Designed to supply businesses and industries with skilled talent while increasing opportunities for Alabamians looking to enter the workforce, these programs must meet the highest standards to best equip workers and deliver substantial value to Alabama's economy.

This application and approval process, adopted in consultation with the Alabama Workforce Board, provides for the approval of eligible workforce programs by eligible institutions pursuant to 34 C.F.R. §§ 690.90–690.97. Participation by institutions is voluntary.

Additional information from the Alabama Department of Workforce is available by email at [wfp@workforce.alabama.gov](mailto:wfp@workforce.alabama.gov) or at [workforce.alabama.gov/educators/workforce-pell-grants](http://workforce.alabama.gov/educators/workforce-pell-grants).

State of Alabama  
Federal Workforce Pell Grant Program  
Application and Approval Process  
Adopted Pursuant to 34 C.F.R. §§ 690.90–690.97

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1. **Designation.** The Governor designates the Secretary of the Alabama Department of Workforce (ADOW) as the administrator for Federal Workforce Pell Grant Program (Workforce Pell) applications from Alabama institutions as set forth herein.
2. **General eligibility.** To participate in Workforce Pell, a program must be an eligible program offered by an eligible institution.
3. **Application and approval process.** To be an eligible program, the program must be approved by the governor, as provided by 34 C.F.R. § 690.93, using the application and approval process contained in this section.
  - a. ADOW shall develop an application process, in consultation with the Alabama Workforce Board (AWB), and may develop an application form or accept substantially similar applications. Any such application must require institutions to submit:
    - i. Program information, including:
      - (1) A description and name of the program;
      - (2) Evidence of stackability and portability;
      - (3) Tuition and fees for the program;
      - (4) Program length;
      - (5) Classification of Instructional Programs code;
      - (6) Standard Occupational Classification codes for which the program trains individuals;
      - (7) Evidence of the program’s eligibility; and
      - (8) Evidence that the program meets the hiring requirements of employers;
    - ii. A signed statement that the program has existed in its current form for the preceding 12 months;
    - iii. A certification that the applicant is an eligible institution;
    - iv. A certification that the program is an eligible program; and
    - v. An agreement to provide all information required for approval or reapproval.
  - b. Institutions must submit the application to ADOW, in accordance with ADOW’s application process.

- c. Upon receipt, ADOW will review the application, work with the applicant as needed to complete the application, including by completing a review and analysis of program-specific data, and transmit complete applications to the governor with a recommendation from the Secretary of ADOW, after consulting with the chair of the AWB, as to whether the governor should approve or deny the application. ADOW's review will consist of at least the following, using available administrative data, including wage records, according to the criteria set forth in 34 C.F.R. § 690.93:
  - i. Whether the program complies with applicable federal and state laws and regulations, the application process and requirements contained herein, and the requirements of 34 C.F.R. §§ 690.90-690.97;
  - ii. Whether the program meets the following completion and placement requirements set forth in 34 C.F.R. § 690.94 using the methodology determined by Alabama's P20W Council, available on ADOW website:
    - (1) A completion rate greater than or equal to 70% within 150% of the normal time for completion of the program and a job placement rate greater than or equal to 70% measured as employed during the second quarter after program exit; or
    - (2) The completion and placement requirements as defined in the latest applicable 34 C.F.R. § 690.94.
  - iii. Whether the program provides training for an occupation on the statewide or any regional variant of ADOW's current published list of In-Demand Occupations;
  - iv. Whether the program meets hiring requirements of potential employers in Alabama's in-demand occupations;
  - v. Whether the program leads to a recognized postsecondary credential which is stackable and portable or leads to a recognized postsecondary credential that is the sole recognized credential for the target occupation;
  - vi. Whether the program prepares the student for another degree or credential by leading to academic credit that counts towards those degree or credential requirements; and
  - vii. Whether the program is offered as the Related Technical Instruction (RTI) component of a Registered Apprenticeship, which is automatically considered to meet the in-demand and employer-aligned training criteria. For Registered Apprenticeship RTI, the Title IV institution must provide more than 50% of the instruction (the ineligible sponsor may provide less than 50%). The RTI component must still lead to a separate

- recognized postsecondary credential, and the 70% completion/70% placement standards still apply.
- d. The governor will review submissions upon receipt from ADOW. Only programs that have met federal and state eligibility requirements for the 12 months immediately preceding certification will be approved by the governor. The governor will provide notice to the applicant and ADOW of the governor's decision to approve or deny a program. If a program is approved, a certificate of approval will be provided to the institution. ADOW will publish a list of programs in Alabama that have received all required state and federal approvals to participate in Workforce Pell.
  - e. Applicants may appeal the governor's decision denying eligibility to a program within 14 calendar days from the date the notice of denial was received. The applicant must include any relevant information that supports the appeal. The governor may reconsider the denial of the program and issue a written determination within 60 calendar days from the date notice of the appeal was received.

Appeals may be mailed to:

Office of the Secretary of Workforce  
50 North Ripley Street  
Montgomery, Alabama 36130

Or e-mailed to:

[wfp@workforce.alabama.gov](mailto:wfp@workforce.alabama.gov)

- f. The governor's approval expires at the expiration of the institution's Title IV Program Participation Agreement (PPA) under 34 C.F.R. § 668.13. Prior to the expiration of an eligible institution's PPA, the governor may issue a certificate of continued eligibility pursuant to the process provided by the Secretary of the U.S. Department of Education. Should the governor decide to withdraw approval, the governor will inform the U.S. Department of Education, the U.S. Department of Labor, and the institution within 15 calendar days.
- g. Previously approved programs will be reevaluated by ADOW on an annual basis to ensure the program continues to meet all eligibility requirements, including alignment with high-skill, high-wage, or in-demand occupations; employer requirements; credential design; and opportunity to earn articulated academic credit. This reevaluation will consider the program's alignment to in-demand occupations and the program's completion and placement metrics. Institutions must provide updated data for program reevaluation via ADOW's application portal. To reduce administrative burden, all programs at an institution

will be reevaluated at once, on an annual basis and, when relevant, in advance of the expiration of the institution's PPA. ADOW will submit its findings and recommendation to the governor. Programs that are successfully reapproved will receive notice from the governor or, when necessary, a certificate of approval from the governor. Institutions should notify the Secretary of ADOW if the institution does not want a program to be reevaluated for reapproval.

- h. An institution must reapply if a program is not reapproved by the governor or if the governor withdraws approval of the program prior to the expiration of the PPA.

#### 4. **Definitions and policy statements.**

- a. **Bilateral agreements.** The governors of two states may enter into agreements regarding the enrollment of students located in one of the states into some or all of the programs located in the other state as provided by 34 C.F.R. § 690.93(h). Requests for bilateral agreements with other states should be sent in writing to the governor. Bilateral agreements must comply with 34 C.F.R. § 690.93(h) and will be published on ADOW's Workforce Pell webpage.
- b. **Cohort period.** The award year that ends three full award years prior to the beginning of the award year for which value-added earnings are being determined.
- c. **Earnings measurement period.** The first full tax year following the award year in which the student completed the eligible workforce program.
- d. **Eligible institution.** An institution that, during the five years preceding the date of the determination, has been approved by the federal government to participate in federal student aid programs under Title IV of the Higher Education Act and has not been subject to any suspension, emergency action, or termination of programs under this title.
- e. **Eligible program.** A program offered by an eligible institution that meets the following requirements:
  - i. Requires a minimum of 8 weeks but less than 15 weeks of instruction;
  - ii. Is one of the following:
    - (1) At least 150 clock hours but less than 600 clock hours;
    - (2) At least 4 but less than 16 semester or trimester hours; or
    - (3) At least 6 but less than 24 quarter hours;
  - iii. Is not any of the following:

- (1) Offered using correspondence courses, as defined in 34 C.F.R. § 600.2;
  - (2) Coursework that takes place as part of a study abroad program; or
  - (3) Credit or clock hour equivalencies that are part of a direct assessment program under 34 C.F.R. § 668.10.
- iv. Has been approved by the governor;
  - v. Meets the requirements established by the Secretary of the U.S. Department of Education as provided in 34 C.F.R. § 690.94;
  - vi. Complies with the annual value-added earnings requirements as described in 34 C.F.R. § 690.95; and
  - vii. Is offered by an eligible institution.
- f. **High skill, high wage, or in demand occupations.**
- i. In-demand occupations will be identified by the Alabama Committee on Credentialing and Career Pathways (ACCCP), which currently identifies in-demand occupations in Alabama, using Alabama’s Five-Star Demand Rubric. Pursuant to the rubric, occupations must meet criteria one, two, three, and either four or five below to be included on a Workforce Development Region’s In-Demand Occupations List. Occupations on at least three regional lists qualify for the statewide list of In-Demand Occupations. The list of In-Demand Occupations is updated every two years, on the schedule of the Occupational projections published by ADOW Labor Market Information. The statewide and regional lists are published on ADOW’s website.

<b>Alabama’s Five-Star Demand Rubric</b>
1. The occupation’s regional median wage must meet or exceed 70% of the regional median wage for all occupations.
2. The occupation must show positive projected growth over a 10-year projection period.
3. The occupation must be projected to have a minimum of 15 annual openings in its region.
4. The occupation’s regional median wage must meet or exceed 70% of the Lower Living Standard Income Level (LLSIL) in the Metro: South area for a family size of two (must meet this or #5).
5. The occupation must require a postsecondary degree, certificate, or credential for initial employment (must meet this or #4).

- ii. Median wages will be based on ADOW’s administration of the Bureau of Labor Statistics Occupational Employment and Wage Survey. Growth and openings will come from the Bureau of Labor Statistics Projections Managing Partnership.
- g. **Meeting the hiring requirements of employers.** To meet the hiring requirements of employers, a program must satisfy one of the following:
  - i. At least one employer in the community who employs individuals in the program’s target occupation provides a letter of endorsement for an eligible training program and attests that the program meets the hiring requirements of employers; or
  - ii. The program confers a credential which meets the definition of “Industry-Recognized Credential” for the Workforce Innovation and Opportunity Act.
- h. **Privacy and security.** The governor acknowledges that the confidentiality and safeguarding of student data are of paramount importance and must be observed as required by law. As such, all necessary steps shall be taken to protect such confidentiality and safeguarding by complying with all applicable laws, namely federal and state law. Such protection may include utilizing the Alabama Terminal on Linking and Analyzing Statistics (ATLAS), at the discretion of ADOW.
- i. **Programs leading to academic credit.** A credential may lead to academic credit either by being measured in credit hours and considered credit-bearing or by being included in an articulation agreement whereby completers will consistently be awarded academic credit that can be applied towards a related certificate or degree program at one or more Alabama institutions.
- j. **Recognized postsecondary credential.** A credential consisting of an industry-recognized certificate or certification, a certificate of completion of a Registered Apprenticeship under 29 C.F.R. Part 29, a license recognized by the state involved or federal government, or an associate or baccalaureate degree.
- k. **Review timelines.** Where not otherwise specified herein, the application review process, including any notices, will proceed or be given in a reasonable amount of time. Due consideration must be given for the complexity of the Workforce Pell program, the program’s ongoing development, and the risk to Alabama’s citizens and institutions for failing to comply with 34 C.F.R. §§ 690.90–690.97.
- l. **Secretary waiver.** Should this policy in any way necessitate a waiver of the requirements set forth in 34 C.F.R. § 690.93(b), such waiver is requested.

m. **Stackable and portable credentials.**

- i. A credential is considered stackable when it is part of a sequence of credentials that can be accumulated over time to build up an individual's qualifications and help them to move along a career pathway or career ladder to different and potentially higher-paying jobs.
- ii. A credential is considered portable when it is recognized and accepted as verifying the qualifications of an individual in other settings, such as other geographic areas across the country, other educational institutions, or other industries or businesses.

n. **Tuition and fees.** The institutional charges for an eligible workforce program.

5. **Implementation.** This policy shall be implemented in accordance with all applicable state and federal laws and regulations, including those governing the Workforce Pell program. To the extent this policy conflicts with applicable state or federal law or regulations, those laws or regulations shall control.