

## Issue Brief: Short-Term Pell Expansion

During this Congressional session, short-term Pell—expanded Pell Grant eligibility to include short-term training programs—has received widespread attention. Multiple bills have been introduced in both the House and the Senate, by both Democrats and Republicans. While Pell Grants can currently be used for programs lasting 15 weeks or more, pending legislation would extend Pell eligibility to programs of at least eight weeks. Proponents of short-term Pell believe the added financial support can help more students obtain valuable, career-relevant skills. However, there is also concern that shorter programs are prime targets for bad actors, who will develop programs that do not translate to increased income or career success. To protect students from predatory and poor-performing programs, many short-term Pell supporters urge the implementation of guardrails that ensure quality, cost-effective course offerings.

Each of the current short-term Pell bills includes a set of requirements a program must meet to be eligible. These requirements are based on either outcomes or inputs. Outcomes-based requirements focus on how students fare in the programs. They utilize metrics such as completion rates, post-program incomes, or stackable credentials. Requirements focused on inputs base eligibility on a student's or provider's characteristics. These requirements may automatically exclude online providers, for-profit institutions, or new programs.

If outcomes-based requirements are strong and effective, guardrails focused on inputs will be superfluous at best and undermine the very intent of the expansion at worst. Below are counterpoints to some of the recent arguments in favor of input-based guardrails.



### Issue A: Effectiveness of Short-Term Programs Already Eligible for Pell

#### POINT

THERE IS A LACK OF EVIDENCE ON THE EFFECTIVENESS OF 15-WEEK PROGRAMS.

#### COUNTERPOINTS

- Among individuals who completed a nondegree credential lasting 1-6 months, 50% said it helped them achieve their goals, which is 2 points higher than those who received a bachelor's degree or higher. ([Strada](#))
- "Earning a credential of less than six months has a significant, positive association with employment outcomes. The boost to employment for short-term credential holders ranged from 4% to 7%." ([Lumina Foundation](#))
- "Most of the available research on short-term certificates consistently reaches one common conclusion: The value of certificate programs is highly dependent on the occupation for which the credential is preparing students." ([New America](#))
- Regarding short-term training funded through WIOA, "The rigorous evidence is somewhat mixed, but the most plausible estimates suggest job training impacts ultimately reach \$1,500-2,000 per year for adult workers. Per dollar of federal spending, this is a strong return if it persists over time." ([Brookings](#))



## Issue B: Effectiveness of Shorter-Term Programs That Would Become Eligible for Pell (8-week+)

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### POINT

THERE IS A LACK OF EVIDENCE ON THE EFFECTIVENESS OF 8-WEEK PROGRAMS.

### COUNTERPOINTS

- “In theory, it is not the length of a program that determines an individual’s earnings but rather the job or occupation to which a program provides access. In other words, shorter programs that provide access to higher-wage jobs—such as trade professions, engineering, or information technology—will lead to higher earnings than longer programs that provide access to lower-wage jobs, such as cosmetology or education.” ([Strada](#))
- “While seat time (clock or credit hours) is commonly used as an indicator of quality and a criterion for financial aid eligibility, our analysis suggests that the length of a certificate program is a poor predictor of its outcomes. Comparing certificate programs of varied lengths does not reveal a clear or consistent pattern. In several cases, shorter programs lead to better outcomes than longer programs.” ([Strada](#))



## Issue C: Equity Implications

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### POINT

SHORT-TERM PELL COULD TRACK LOW-INCOME STUDENTS—WHO ARE MOSTLY BLACK AND LATINO—AWAY FROM OTHER HIGHER EDUCATION OPPORTUNITIES THAT WOULD ALLOW THEM TO EARN DEGREES THAT PROVIDE AN ENTRY TO THE MIDDLE CLASS.

### COUNTERPOINT

- This is critical and understudied; however: “[M]any institutional and state leaders see a path for reversing the marginalization of high-quality short-term non-degree credentials—and the students who enroll in them—by aligning and integrating these credentials with college degree programs, a strategy often referred to as ‘stackable credentials.’” ([Community College Research Center](#))



## Issue D: Excluding Online Providers

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### POINT

MUCH OF THE LEARNING IN THE SHORT-TERM TRAINING SPACE NEEDS TO BE HANDS-ON (E.G., PHLEBOTOMISTS, TRUCK DRIVERS, HEALTH AIDES).

### COUNTERPOINTS

- Some online providers offer virtual labs or hybrid options to enable hands-on learning (e.g., [WGU nursing simulation labs](#)).
- Multiple studies have shown virtual labs to be effective. For example:
  1. [A study of Portuguese nursing students](#) found that the group using a virtual simulator made more significant improvements in knowledge and showed higher levels of learning satisfaction.
  2. [A literature review of virtual labs](#) in teaching and learning biology found “that virtual labs are effective as they improve students’ conceptual understanding, laboratory or practical skills, and motivation and attitudes toward biology.”
  3. Studies in [Kuwait](#) and [Turkey](#) on phlebotomy and arm catheter insertion found students in the virtual lab fared as well as or better than traditional students.
- There are short-term certificate programs with high-earnings potential that lend themselves well to fully online modalities, including those in the IT industry and administrative services. ([Indeed](#))



## Issue E: Excluding For-Profit Providers

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### POINT

THE VETERAN RAPID RETRAINING ASSISTANCE PROGRAM (VRRAP) SUPPORTED SHORT-TERM PROGRAMS OFFERED MAINLY BY FOR-PROFIT TRAINING PROVIDERS. ONLY 6% OF PARTICIPANTS LANDED NEW JOBS AS A RESULT OF THE PROGRAM.

### COUNTERPOINT

- There are several factors that affected the success rate of the VRRAP program. Take-up rates were very low as VRRAP became a solution to a problem that no longer existed ([Washington Post](#)). The [OIG](#) has found that the VA lacks appropriate oversight for similar education benefits.



## Issue F: Excluding Students with a Bachelor's or Higher Degree

### POINT

PROVIDING SHORT-TERM PELL TO STUDENTS WITH DEGREES DILUTES THE POWER OF THE PELL GRANT AND COULD TAKE AWAY OPPORTUNITIES FROM STUDENTS PURSUING A FIRST CREDENTIAL.

### COUNTERPOINTS

- Extending short-term Pell eligibility to students with a bachelor's or higher could provide valuable training to underemployed and low-wage college graduates. In June 2023, 33.3% of all college graduates and 40.2% of recent college graduates were underemployed. "Underemployment" is defined as working in a field that typically does not require a college degree. 11.2% of recent college graduates and 6.6% of all college graduates are in low-wage jobs. ([Federal Reserve Bank of New York](#))
- An Institute of Education Services (IES) study found that post-bachelor's students who received short-term Pell were more likely to complete a certificate program in a high-demand field than those who did not receive the Pell Grant. The offer of an experimental Pell Grant for college graduates was particularly effective in increasing program enrollment and completion for the un- or underemployed students the experiment intended to help. ([IES](#))