



Minnesota Workforce Pell Program Determination Policy 2026-2027

Draft Policy for Public Comment

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State Policy Submitted By:

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1. Executive Summary

Minnesota's Workforce Pell Program Determination Policy (2026-2027) establishes the state's process to identify, review, and recommend short-term workforce training programs for state approval under the federal Workforce Pell Grant beginning July 1, 2026. The policy balances three aims: (1) align programs with high-skill, high-wage, in-demand occupational needs; (2) ensure quality outcomes (completion, placement, and value-added earnings); and (3) provide a transparent, consistent process for institutions and learners.

Minnesota adopts the U.S. Department of Education's (ED) Workforce Pell regulations by reference and will update this policy once final rules are issued (see Federal Law & Rule Incorporation). The Governor's Workforce Development Board (GWDB) sets program determination criteria; the Minnesota Office of Higher Education (OHE) administers application review, data collection, and program approval recommendations; the Minnesota Department of Employment and Economic Development (DEED) provides labor-market data and analysis to maintain the Priority Occupations list; and the Governor certifies programs for ED review.

Participation by eligible institutions is voluntary. Under federal law, an eligible institution is a Title IV-eligible postsecondary institution offering programs that meet federal Workforce Pell requirements. To be approved, programs must:

- Be 150-599 clock hours and 8 to 14 weeks in duration;
- Align with the requirements of high-skill, high-wage, or in-demand industry sectors or occupations;
- Meets the hiring needs of employers of potential employers;
- Lead to a recognized postsecondary credential that is stackable and portable (or prepares students for employment for which there is only one recognized postsecondary credential), and ensures that a student receives academic credit for at least one certificate or degree program at one or more eligible institutions;
- Demonstrate $\geq 70\%$ completion (within 150% of normal time) and $\geq 70\%$ placement (180 days post-completion);
- Satisfy ED's value-added earnings (VAE) standard; and
- Have met these requirements for at least one year.

Eligible institutions must submit program-level data demonstrating that proposed programs align with the approved priority occupations list and meet all federal and state Workforce Pell requirements in order to obtain program approval. Workforce Pell-eligible institutions must also submit student-level data to confirm evidence that a program can meet the federally defined value-added earnings standard.

2. Authority

This policy is authorized under H.R. 1, Section 83002, which establishes the federal Workforce Pell Grant. It applies to Title IV-eligible, accredited postsecondary institutions operating in Minnesota or serving learners located in Minnesota.

This policy governs the state Workforce Pell program determination process, establishing criteria and procedures the state uses to review and determine whether a program is eligible for state approval prior to the Governor's consideration under federal Workforce Pell requirements.

This policy becomes effective upon passage by the Governor's Workforce Development Board. It applies to credit and noncredit programs that meet federal Workforce Pell program requirements and seek state-level review. The Governor makes the final state determination and certifies approved programs to the U.S. Department of Education, which issues a final federal approval for Workforce Pell eligibility.

Minnesota adopts the U.S. Department of Education's Workforce Pell rules and guidance, including the March 6, 2026 NPRM and subsequent final rules codified in 34 CFR parts 600, 668, and 690. Minnesota will revise definitions, forms, and processes as needed to remain aligned with ED's final regulations.

3. Program Eligibility

To qualify for state approval, programs must satisfy all federal Workforce Pell eligibility requirements, including, but not limited to:

- Program has met the Workforce Pell requirements at least the 12-month period immediately preceding the request for program approval.
- Alignment with high-skill, high-wage, or in-demand occupations or sectors.
- Program length and instructional hour requirements between 150-599 clock hours (or the equivalent credit hours) and 8 to 14 weeks in length.
- Lead to a recognized postsecondary credential that is stackable and portable (or prepares students for employment for which there is only one recognized postsecondary credential), and ensures that a student receives academic credit for at least one certificate or degree program at one or more eligible institutions
- Meets the hiring requirements of potential employers
- Annual program outcome data demonstrates a 70% graduation and 70% job placement rate.
- Tuition/fees must be less than Value-Added Earnings (VAE) of program completers three-years prior (beginning award year 2029-2030).
- Cannot be a correspondence course (this does not prevent distance education), study abroad, or a direct assessment program.

Federal Workforce Pell statute requires Governors, in consultation with the state workforce development board, to establish a publicly available process allowing providers to request determination that their program meets specific federal Workforce Pell criteria. This process must address how the state evaluates:

- Whether the program provides education aligned with high-skill, high-wage, or in-demand sectors or occupations
- Whether the program meets employer hiring requirements in those sectors or occupations
- Whether the program leads to a stackable and portable credential, or where only recognized credential exists, prepares students for employment in that occupation and provides that credential upon program completion
- Whether the program ensures students receive academic credit that will be accepted toward at least one certificate or degree program at one or more eligible institutions

The Governor's publicly available process must include:

- The state's methodology for determining and periodically updating which occupations or sectors are high-skill, high-wage, or in-demand, and where this information will be publicly posted
- A written policy for assessing whether programs meet employer hiring requirements in the relevant sectors or occupations
- A written policy for determining whether a credential is stackable and portable, including documented connections for additional credentials, available data on credential progression, real-time labor market information, and a process for employer validation
- A written policy establishing how institutions must demonstrate that an eligible program ensures the award of academic credit that will be accepted toward a certificate or degree program at one or more eligible institutions

The Governor must also meet federal certification requirements. Prior to the initial determination of a program's value-added earnings under 34 CFR 690.95, the Governor takes into consideration both the cost of the program and anticipated wages associated with the relevant industry or occupation.

The following sections outline Minnesota's criteria and processes for making these determinations in accordance with federal requirements.

3.1. Workforce Pell Priority Occupations Methodology and List

3.1.1. Summary

The purpose of this section is to establish a data-driven process for identifying and maintaining the list of priority occupations that meet the requirement of high-skill, high-wage, or in-demand industry sectors or occupations. This methodology ensures that Workforce Pell-funded programs prepare participants for employment in occupations with the highest demand and highest potential for economic self-sufficiency.

3.1.2. Requirements

Minnesota requires Workforce Pell-eligible programs to be aligned with one or more of the occupations on a state-maintained Priority Occupations List. The list reflects current and projected labor-market demand and wage opportunities, using data from DEED's Labor Market Office, including:

- [Occupation in Demand \(OID\) tool](#) (current demand star ratings),
- [Employment Outlook](#) (projected growth), and
- [Occupational Employment and Wage Statistics](#).

The related instruction component of a Registered Apprenticeship Program, when delivered by an eligible Workforce Pell provider and meeting Workforce Pell program length requirements, automatically satisfies the federal Workforce Pell requirements for being high skill, high wage, in demand, and aligned with employer hiring needs. Because this federal determination applies, such related instruction does not need to be evaluated through the state's Priority Occupations methodology and is considered aligned for Workforce Pell eligibility.

3.1.3. Criteria for Identifying Priority Occupations

An occupation may be designated as a Priority Occupation for Workforce Pell if it meets all of the following baseline criteria, based on the OID tool:

- Minimum education requirement of "Postsecondary non-degree award. "
- Positive projected 2-year statewide employment growth.
- Average regional demand rating of 3-stars or higher.

In addition to meeting the baseline criteria, an occupation must meet one of the following conditions:

Condition 1 – In two or more of Minnesota's six economic planning regions, the occupation meets all of the following:

- Identified as a 4- or 5-star occupation;
- A past 5-year average regional demand rating of 4-stars or higher;
- Positive projected 10-year regional employment growth
- 25th percentile hourly wage at or above the regional family-sustaining wage

OR

Condition 2 – The occupation supports a state-identified priority sector through the Drive for 5 initiative, even if the occupation does not meet the family-sustaining wage threshold.

3.1.4. Exclusions

Occupations typically requiring a bachelor's degree or higher, or occupations typically accessible with only a high school diploma, are excluded from Workforce Pell priority designation under this policy.

3.1.5. *Maintenance*

DEED updates the Priority Occupations list at least biennially; GWDB approves and OHE posts the public list and CIP/SOC crosswalk.

2026-2027 Workforce Pell Priority Occupations List

Criteria met	SOC	Title	Regional Avg Stars	Related CIPs (non-exhaustive)
Meets additional condition 1	533032	Heavy and Tractor-Trailer Truck Drivers	5	490205
	292061	Licensed Practical and Licensed Vocational Nurses	5	513901, 513999
	211018	Substance Abuse, Behavioral Disorder, and Mental Health Counselors	5	
	493023	Automotive Service Technicians and Mechanics	5	150803, 150807, 470604, 470612, 470613, 470614, 470617
	493031	Bus and Truck Mechanics and Diesel Engine Specialist	5	470605, 470613
	319092	Medical Assistants	5	510711, 510801, 510809, 510813
	472111	Electricians	5	460302
	292052	Pharmacy Technicians	5	510805
	319091	Dental Assistants	5	510601
	514041	Machinists	5	480501, 480503
	499021	Heating, Air Conditioning, and Refrigeration Mechanics and Installers	5	150501, 470201
	499041	Industrial Machinery Mechanics	5	470303, 470701, 470705, 470706
	472152	Plumbers, Pipefitters, and Steamfitters	4	460502, 460503, 460599
	292043	Paramedics	4	510904
	292072	Medical Records Specialists	4	510706, 510707, 510713, 510721
	493041	Farm Equipment Mechanics and Service Technicians	3	010201, 010204, 010205, 010207, 010299
Meets additional condition 2	311131	Nursing Assistants	5	512601, 513902, 513999
	292042	Emergency Medical Technicians	4	510904
	493042	Mobile Heavy Equipment Mechanics, Except Engines	4	010205, 470302
	292053	Psychiatric Technicians	4	511502
	319097	Phlebotomists	3	511009

3.2. Workforce Pell Employer Validation

3.2.1. Summary

The purpose of this section is to establish a consistent process for validating that Workforce Pell-eligible programs align with verified employer hiring needs in priority occupations. This requirement ensures that Workforce Pell-funded programs prepare participants for employment in occupations for which the program prepares students for a comparable high-skill, high-wage, or in-demand occupation.

3.2.2. Requirements

The state will require Workforce Pell-eligible programs to demonstrate alignment with employer hiring needs for priority occupations through completion of a standardized Employer Validation Form documenting employer hiring demand and curriculum alignment.

3.2.3. Criteria for Employer Validation

To meet Workforce Pell employer validation requirements, providers must submit a completed Employer Validation Form for each Workforce Pell-eligible program.

The form documents employer confirmation that:

- The program prepares participants for employment in an in-demand occupation.
- Employers are currently hiring or anticipate hiring for the occupation.
- The skills, competencies, and credentials taught in the program align with employer expectations.

Employers must complete the required form and provide signatures verifying the information. Workforce Pell-eligible providers are responsible for coordinating with employers and ensuring the completed form is submitted.

3.2.4. Employer Representation Standards

Employer validation must include input from a minimum of three employers whenever possible that:

- Have recent or anticipated hiring demand in the occupation(s) associated with the program; and
- Represent the relevant regional or industry labor market served by the program.

Validation may also be provided through:

- Industry associations
- Sector partnerships as defined by the GWDB
- Program advisory boards
- Other employer-led industry groups

3.2.5. Corrective Action

Programs found to be misaligned with these requirements may be required to submit updated validation or may be subject to corrective action, up to and including the denial or removal of Workforce Pell eligibility.

3.3. Workforce Pell Stackability, Portability, and Noncredit-to-Credit Conversion

3.3.1. Summary

The purpose of this section is to establish criteria and processes for determining whether a credential is stackable, portable, and credit-bearing for Workforce Pell eligibility. This requirement ensures that Workforce Pell-funded credentials support career progression, continued skill development, and employment mobility aligned with labor market demand.

3.3.2. Requirements

Workforce Pell-eligible credentials must demonstrate that their programs lead to additional credentials, including credit-bearing pathways, and have broad employer recognition that supports advancement within a career pathway. The state will consider multiple forms of evidence, including but not limited to institution-provided evidence, the Office of Higher Education's 2025 Non-Degree Credentials of Value in Minnesota report, labor market information, academic program stackability (including but not limited to articulation agreements), and employer validation.

3.3.3. Criteria for Stackability and Noncredit-to-Credit Conversion

Programs may be determined to be stackable if there is evidence of alignment to additional credentials within one or more established career pathways, unless the program prepares students for employment in an occupation for which there is only one recognized postsecondary credential. The evidence must prove alignment to additional credentials, whether offered by the same institution or another institution of higher education, by demonstrating acceptance for credit in transfer towards meeting specific credential or program requirements. Evidence of these agreements includes, but is not limited to, articulation agreements, transfer-of-credit agreements, consortium or partnership agreements, documentation demonstrating agreement with Registered Apprenticeship programs, program plans, or other similar formal arrangements.

3.3.4. *Criteria for Portability*

A credential may be determined to be portable if one or more of the following are documented:

- Recognition by multiple employers within an eligible occupation, such as established through related Workforce Pell employer validation requirements;
- Status as an industry-recognized credential, as established through recognition such as the American Council of Education National Guide or other evidence;
- Evidence from labor market information indicating broad occupational relevance, including credentials listed in the 2025 Minnesota Office of Higher Education Non-Degree Credentials of Value in Minnesota Report.

3.3.5. *Evidence and Data Sources*

In making stackability and portability determinations, the state may consider:

- Findings from the 2025 Minnesota Office of Higher Education Non-Degree Credentials of Value in Minnesota Report;
- Real-time and longitudinal labor market information;
- Employer validation submitted under the Workforce Pell Employer Validation section;
- Provider-submitted documentation of career pathway alignment.
- Evidence from the Career and Technical Education Advisory Board

3.3.6. *Corrective Action*

Programs found to be misaligned with these requirements may be required to submit updated validation or may be subject to corrective action, up to and including the denial or removal of Workforce Pell eligibility.

4. Workforce Pell Program Determination Process

The Workforce Pell Program Determination Process establishes how programs are submitted, reviewed, approved, and published for Workforce Pell Grant eligibility. This process ensures transparency, consistency, and timely access for institutions, students, and employers.

Submission of MN Workforce Pell data requires institutions to set up an account with the MN Office of Higher Education (OHE) for the secure transfer of student and program-level data on each of its programs submitted for approval. Participation in MN Workforce Pell is entirely voluntary. Completion of the account creation form does not obligate an institution to participate, nor does it guarantee approval of any program for Workforce Pell eligibility.

Institutions should:

- Complete the [Workforce Pell Institution Account Creation Form](#)

4.1. Submission Window

The secure data file transfer portal opens June 1, 2026. Providers must submit the MN Workforce Pell application and all required documentation by 12:00 p.m. on June 30, 2026.

Using secured account credentials, complete and upload the following required documents to the corresponding secure folders **for each program** applying for Workforce Pell 2026-27:

- Completed [MN Workforce Pell 2026-27 Attestation](#)
- Signed [MN Workforce Pell Employer Validation form](#) (three per program)
- Evidence of stackability/portability
- Data Submission Template

4.2. Submission Requirements and Review

4.2.1. Initial Completeness Review

After submission, the Office of Higher Education reviews applications to confirm:

- All required documentation is included
- Institutional eligibility
- Any missing, inconsistent, or unclear information

Applicants will receive one of the following notifications:

- Complete – Application moves to full review
- Incomplete – Applicant receives 10-day window to correct deficiencies

4.2.2. Program Quality and Eligibility Review

Applications deemed complete move to the quality and eligibility review. Programs are evaluated on:

- Alignment with MN Workforce Pell Priority Occupations List
- Program length meeting statutory requirements
- Demonstrated employer alignment
- Transparent cost structure
- Evidence of stackable, portable credentials

4.2.3. Determination Phase

Once quality and eligibility requirements are met, OHE issues a final recommendation to the Minnesota Governor's Office for official certification. Determination outcomes include:

- Approved – Program meets all Workforce Pell requirements
- Provisionally Approved – Minor issues require follow-up

- Rejected – Program does not meet statutory or quality standards

Applicants receive electronic determination letters including rationale and guidance for resubmission when applicable.

4.3. Appeals Process

Institutions may appeal OHE denials within 30 days; OHE convenes a review panel and issues a final determination.

4.4. Governor’s Certification and Submission

4.4.1. State Certification

The Governor, in consultation with the GWDB, must certify eligible programs and submit a formal list of approved Workforce Pell programs and attestations to the U.S. Department of Education (ED). ED then performs a verification of the 70% program completion rate, 70% program job placement rate, and Value-Added Earnings standard before final approval. This process will be completed annually.

4.4.2. Public Posting

OHE will publish the current list of Minnesota-certified Workforce Pell programs annually on its website, within 30 days after ED’s final approval of the Governor-certified program list. Published information will include the program name, provider, credential type, CIP/SOC alignment, tuition and fees, and other disclosures required by state or federal law.

4.5. Annual Outcomes Reporting

Providers must submit program-level outcomes for each award year, including completion within 150% of program length, job placement at 180 days post-completion, and earnings inputs required for ED’s Value-Added Earnings calculation to OHE by the state deadline. OHE will compile and transmit certified program list and supporting data for Governor certification and ED verification. ED’s verification and approval occur each award year.

4.6. Program Ineligibility & Removal

Consistent with federal law, the Governor retains full discretion to determine that a program is not eligible for certification and may withdraw or decline certification at any time. A program’s state certification also expires upon the expiration of the eligible institution’s Program Participation Agreement (PPA). Similarly, ED may remove a program from federal Workforce Pell eligibility if it does not meet verification requirements, outcome metrics, or other federal standards.

OHE Will update the public posting within 30 days of any program being removed from eligibility due to state or federal action.

5. Definitions

Stackable Credential: A credential that prepares 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).

Eligible Workforce Program: Program of 150-599 clock hours delivered over at least 8 weeks but no more than 14 weeks that meet governor-approved, federally defined quality requirements.

Eligible Institution: An institution is a Title IV-eligible, accredited postsecondary institution authorized to operate in Minnesota or serving learners located in Minnesota and offers one or more programs meeting federal requirements.

Career Pathways: Career Pathways to mean a combination of rigorous and high-quality education, training, and other services that: a. aligns with skill needs of industries in the state or regional economy b. prepares an individual to succeed in secondary or postsecondary education options c. includes counseling to support the individual's education and career goals d. includes, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster e. organizes education, training and other services to support the particular needs of an individual to accelerate their educational and career advancement f. helps an individual enter or advance within a specific occupation or occupational cluster.

Portable Credential: 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.

Family Sustaining Wage: The family-sustaining wage is derived from Minnesota's Cost of Living Tool, which estimates the cost of meeting basic needs using federal and state data. The family-sustaining wage reflects a typical Minnesota household of three people, with one full-time worker and one part-time worker, and represents the hourly wage needed to cover basic living costs regardless of how work hours are distributed between adults.

Value-added earnings (VAE): Adjusted median earnings three years after completion minus 150% of the Federal Poverty Guideline; published tuition/fees must be <VAE (beginning 2029-30 award year).