



December 8, 2023

The Honorable Virginia Foxx
Chairwoman, Committee on Education and the Workforce
U.S. House of Representatives

The Honorable Robert C. “Bobby” Scott
Ranking Member, Committee on Education and the Workforce
U.S. House of Representatives

The Honorable Elise Stefanik
U.S. House of Representatives

The Honorable Mark DeSaulnier
Ranking Member, Health, Employment, Labor and Pensions Subcommittee
Committee on Education and the Workforce
U.S. House of Representatives

Dear Chairwoman Foxx, Ranking Member Scott, Congresswoman Stefanik, and Congressman DeSaulnier:

We thank you for continuing a history of bipartisanship to address America’s education system, most recently in your bipartisan legislation to expand Pell Grants to short-term programs. Arnold Ventures is a philanthropy dedicated to tackling some of the most pressing problems in the United States. We invest in research, policy development, litigation, and advocacy to increase the return on investment of higher education for both taxpayers and students — especially students who have been historically marginalized. As you prepare to mark up the Bipartisan Workforce Pell Act, we appreciate the opportunity to share our thoughts on the proposed legislation and to suggest opportunities to further advance the goals of securing a strong return on investment for students and taxpayers.

As you know, earning a postsecondary credential is the surest path to economic mobility – but that is true only if students can be confident that the credential they are pursuing will have real labor market value, ensuring they can earn a living wage. Short-term Pell proposals, if not carefully crafted, could result in student aid and taxpayer dollars directed toward low-quality programs that leave their students worse off than if they had never enrolled in the first place.

With that consequence in mind, and given the characteristics of past proposals, Arnold Ventures appreciates the careful, bipartisan consideration your offices valued in crafting the Bipartisan

Workforce Pell Act. Arnold Ventures specifically applauds your focus on quality and outcomes, including:

- Requiring institutions to demonstrate that the median earnings for each of their short-term programs exceed the typical earnings of a high school graduate as a metric to determine eligibility of a program and ensure graduates are better off for having completed the credential;
- Requiring institutions offer programs with credentials that are stackable and that articulate to relevant certificate- or degree-bearing programs in order to ensure students are able to continue in their educational careers;
- Limiting the eligibility of institutions that have been subject to serious recent actions from accrediting agencies, states, or the Department of Education;
- Limiting access for correspondence courses, which historically have provided lower-quality educational offerings;
- Ensuring that accrediting agencies are required both to develop policies for the oversight of short-term Pell programs, and to have those policies appropriately vetted by the Education Department and the National Advisory Committee on Institutional Quality and Integrity (NACIQI); and
- Requiring robust data transparency to provide students considering short-term programs with high-quality information about the costs and outcomes of those programs.

As the legislative process continues, we urge the committee to continue to strengthen these guardrails, ensuring that short-term Pell programs provide real opportunity for students and that taxpayer dollars are well-guarded. Arnold Ventures is hopeful that future discussions regarding short-term Pell will include the following reforms, and we welcome the opportunity to work with your offices on language to accomplish these changes.

- Strengthened requirements for each of the earnings-based measures included in the legislation in order to ensure short-term programs provide for adequate economic opportunity and mobility;
- Stronger protections for Pell funds directed toward for-profit institutions;
- Restrictions on non-credit programs, which are generally offered outside the scope of institutions' normal processes and standard oversight mechanisms, and which are not eligible for federal student aid in any other context;
- Enhanced job placement and completion rate requirements for short-term programs;
- Limitations on fully distance education programs in fields that effectively require in-person instruction for students to gain the skills needed to enter the workforce; and
- Accurate and comprehensive data that would enable students to compare short-term programs with other certificate or degree programs they may be considering.

Additionally, Arnold Ventures urges caution regarding the provision that offsets the costs of this bill. Loans are a critical tool for low- and middle-income students to access postsecondary opportunities.¹ While we acknowledge the provision that requires such institutions to maintain access for low-income Pell Grant recipients, the current language may result in institutional actions that reduce access to higher education for students with financial need at schools already attended by an overwhelmingly high-income student population or push students into less favorable private education loans.

Arnold Ventures looks forward to partnering with your offices and with policymakers in the House and Senate should this legislation continue to advance.

Sincerely,

Kelly McManus
Vice President, Higher Education

CC:

Representatives:

Joe Wilson	Raúl M. Grijalva
Glenn “GT” Thompson	Joe Courtney
Tim Walberg	Gregorio Kilili Camacho Sablan
Glenn Grothman	Frederica S. Wilson
Rick W. Allen	Suzanne Bonamici
Jim Banks	Mark Takano
James Comer	Alma S. Adams
Lloyd Smucker	Mark DeSaulnier
Burgess Owens	Donald Norcross
Bob Good	Pramila Jayapal
Lisa McClain	Susan Wild
Mary E. Miller	Lucy McBath
Michelle Steel	Jahana Hayes
Ron Estes	Ilhan Omar
Julia Letlow	Haley M. Stevens
Kevin Kiley	Teresa Leger Fernández
Aaron Bean	Kathy E. Manning
Eric Burlison	Frank J. Mrvan
Nathaniel Moran	Jamaal Bowman
John James	
Lori Chavez-Deremer	
Brandon Williams	
Erin Houchin	

¹ Black, Sandra E., Jeffrey T. Denning, Lisa J. Dettling, Sarena Goodman, and Lesley J. Turner. 2023. "Taking It to the Limit: Effects of Increased Student Loan Availability on Attainment, Earnings, and Financial Well-Being." *American Economic Review*, 113 (12): 3357-3400. Available at: <https://www.aeaweb.org/articles?id=10.1257/aer.20210926>.