



Job-Driven Financial Aid Policy

TOOLKIT SUMMARY

PART OF NSC'S SKILLS EQUITY AGENDA



STACKABLE
CREDENTIALS



SKILLS-BASED
SNAP E&T



ALIGNMENT

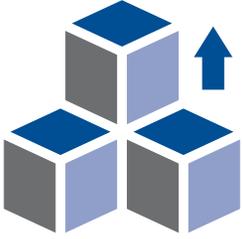


INTEGRATED EDUCATION
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Job-Driven Financial Aid Policy

WHY STATES SHOULD ADOPT A JOB-DRIVEN FINANCIAL AID POLICY

Community and technical colleges¹ offer training programs that lead to family supporting careers. But many working learners have a hard time accessing these programs due to the growing cost of higher education and financial aid limitations. Financial aid is often not available to those enrolled in short-term postsecondary training programs, despite the fact that these programs often reflect employers' needs. Moreover, those attending school less than half time often don't qualify for financial aid. Students who face these limitations are often working learners – those looking to quickly improve their skills to get a better job and those attending part time so they can balance their education with work and family responsibilities.

Job-driven financial aid policies can address these challenges. These policies provide grants or tuition waivers to students in postsecondary middle-skill training programs, including those enrolled in short-term occupational programs and those enrolled less than half time.

By adopting job-driven financial aid policies, state policy leaders can:

- Broaden access to postsecondary credentials and careers, particularly for working learners with financial need;
- Align a state's financial aid resources with the labor market to help fill the skills gap between in-demand, middle-skill jobs and worker shortages in the labor market; and
- Address existing gaps in financial aid policy.

COMPONENTS OF A JOB-DRIVEN FINANCIAL AID POLICY

Job-driven financial aid policies should be available to students in middle-skill training programs, including those attending less than half time.

Available to Students in Middle-Skill Training:

It's ideal for states to develop financial aid policies that support a breadth of middle-skill training programs, from short-term, occupational certificates to associate degrees. However, if resources are limited, states can pursue more narrow policies. They can target financial aid to training for in-demand occupations, or they can use state aid to support middle-skill training not typically covered by federal financial aid, such as industry-validated, short-term and non-credit credential programs. States should consider resources and impact when choosing among these options.

Available to Students Attending Less Than Half-Time:

Job-driven financial aid should also be available to those who may only be able to attend one class at a time while balancing work and family. States' job-driven financial aid programs should expand access to higher education for these learners by making financial aid available to those who are attending school on a less-than-half-time basis.

ABOUT NATIONAL SKILLS COALITION'S SKILLS EQUITY AGENDA

National Skills Coalition is advocating for states to adopt a set of policies that expand equitable access to middle-skill training, credentials, and careers – particularly for those who have faced barriers to economic opportunity.

This effort includes scans of all fifty states to ascertain whether states have the policies in place to expand access to skills. NSC has also developed toolkits that provide resources, including model legislation, for policymakers and advocates to advance a skills equity agenda in their state. NSC's skills equity agenda includes state policies on Job-Driven Financial Aid, SNAP E&T, Stackable Credentials, Alignment, Integrated Education and Training, and Temporary Assistance for Needy Families Employment and Training.

Read more about NSC's Skills Equity Agenda and download the full toolkit at nationalskillscoalition.org/skillsequity

EXAMPLES FROM THE STATES

State Examples of Financial Aid Available to Students in Middle-Skill Training

GEORGIA and OREGON have policies that generally support middle-skill training:

- **GEORGIA's** HOPE Grant Program provides grants to residents pursuing career and technical education certificates or diplomas at Georgia's public technical colleges. Georgia also has a financial aid program that further targets in-demand occupations. Georgia's Strategic Industries Workforce Development Grant provides additional funding for students already receiving a HOPE grant who are enrolled in certificate and diploma programs that prepare them for in-demand occupations. When combined, the HOPE and Strategic Industries Workforce Development grants cover all tuition for these occupational programs.
- The **OREGON** Promise Grant provides a tuition waiver for residents enrolled in community college courses that are required for a career and technical education program, an associate degree, or a one-year curriculum for transfer to another postsecondary institution.



IOWA and VIRGINIA have both created financial aid policies to support non-credit programs that lead to industry-validated credentials.

- **IOWA's** Gap Tuition Assistance Program provides funding to community colleges for need-based tuition assistance to support completion of continuing education certificate training programs for in-demand occupations. Iowa's Gap Tuition Assistance Program works in tandem with its Pathways for Academic Career Employment (PACE) program, which provides career, financial, academic, and personal services to students.
- **VIRGINIA's** New Economy Workforce Credential Grant Fund helps community colleges provide grants to students in noncredit workforce training programs. The Virginia Board of Workforce Development makes recommendations to institutions to help determine high-demand fields for which training programs may be offered.



support



State Examples of Financial Aid Available to Students Attending Less Than Half Time

- **ILLINOIS'** Monetary Award Program (MAP), which provides grants to students who demonstrate financial need at eligible institutions, is available to those enrolled less than half time.
- **KENTUCKY's** Go Higher Grant is for students ages twenty-four and older enrolled less than half time in a participating college and pursuing a certificate program, associate degree or more.





Job-Driven Financial Aid LEGISLATIVE TEMPLATE

This template can be used to develop legislation to establish a state job-driven financial aid policy. While the template outlines the major components of a policy, states should add additional details as necessary.

SEC. 1: INTENT

The legislature finds that the state should increase the number of students attaining credentials from postsecondary workforce training programs in order to advance employment opportunities and to meet employer skill needs. Low-income students frequently lack the financial means to attend and complete training programs, and many working adults are ineligible for financial aid because they have time to enroll only less than half time or in short-term training programs. The purpose of this Act is to increase student enrollment and completion of postsecondary workforce training programs by providing financial aid for students in these programs.

SEC. 2: DEFINITIONS

Under this act:

- a. Office means the [name of state higher education financial aid office]
- b. Grant means the Job-Driven Financial Aid Grant

SEC. 3: ESTABLISHMENT OF THE JOB-DRIVEN FINANCIAL AID GRANT PROGRAM

The Office shall administer the Job-Driven Financial Aid Grant Program.

- a. A Grant shall equal the value of a student's tuition, mandatory fees, and a book and equipment allowance not to exceed \$200 per quarter.
- b. Subject to appropriations, a Grant shall be awarded to a student who meets the following eligibility criteria:
 - i. Is a resident of the state and meets the state's requirement for in-state tuition;

- ii. Is enrolled for at least 3 credit hours at a community or technical college;²
 - iii. Is enrolled in a program of study that leads to a [name of short-term training award if authorized in the state], certificate, or applied associates degree;³
 - iv. Maintains satisfactory academic progress toward completion of the student's program of study; and,
 - v. Completed and submitted the Free Application for Federal Student Aid for each academic year of enrollment and accepted all state and federal aid grants available to the student.
- c. The amount of a Grant awarded under this Act shall not exceed the difference between the student's cost of attendance and the amount received by the student in state and federal financial aid grants.
 - d. An eligible student may receive a Grant for all course work required by the institution for the student to complete the student's program of study, including remedial or developmental education courses.
 - e. No student may receive a Grant for more than 105 quarter hours of enrollment.
 - f. The Office shall adopt any rules necessary for the administration of this Act.

SEC. 4: FUNDING

For the period ___ to ___ \$___ is appropriated to the Office for the Job-Driven Financial Aid Grants Program.

ENDNOTES

¹ Other than community colleges, states vary in the types and names of their sub-baccalaureate postsecondary institutions. Here, the term "community and technical colleges" intends to be inclusive of sub-baccalaureate postsecondary institutions.

² A state should include other types of sub-baccalaureate institutions authorized by the state such as vocational or technical institutes.

³ A state should include other types of credentials, if any, awarded by sub-baccalaureate training programs.