

## SARA and Workforce Pell

### Does SARA cover Workforce Pell Eligible Programs?

The proposed rules for Workforce Pell programs strictly prohibit broad, nationwide, or multilateral reciprocity agreements for distance education. Instead, the U.S. Department of Education proposes allowing bilateral agreements that are made exclusively between the Governors of two specific states. This would be an option for states providing distance education.

**The Bottom Line:** SARA remains an option for institutional authorization of distance education, but approval for Workforce Pell participation requires a separate, state-to-state process.

### Rationale

Because Workforce Pell requires programs to prepare students for high-wage, high-skill, or in-demand jobs, a program that meets the specific labor market needs of an institution's home state may not meet the economic needs of the state where a distance education student lives or works.

Under the proposed rules, for a student to use Workforce Pell for a distance education program located in another state, the governors of both states must establish a publicly published bilateral agreement that likely will need to meet the following conditions:

**Validation of Local Demand:** The governor of the state where the **student is located** (in consultation with their state Workforce Board) would include the program's target occupation or sector on their state's list of high-skill, high-wage, or in-demand jobs.

**Home State Approval:** The governor of the state where the **institution is located** would confirm that the program meets all standard statutory conditions and quality requirements to be an eligible workforce program.

**Data-Sharing Protocols:** Because institutions must meet strict completion and job placement metrics, the agreement would include provisions for sharing data between the two states to accurately calculate and verify these outcomes.

Workforce Pell includes policies that apply to students enrolling across state lines via distance education. The requirement for a bilateral agreement does not apply to an individual who resides in one state but travels across state lines to attend an eligible workforce program in person.

Furthermore, while SARA provides broad institutional authorization, it does not extend to specific programmatic requirements. In contrast, Workforce Pell agreements are strictly program specific. Consequently, these programs require a targeted, independent approval process.

We are closely monitoring these regulatory developments and will provide further updates as additional information becomes available.