

Jason Altmire ([00:05](#)):

Hello and welcome to another addition of Career Education report. I'm Jason Altmire and today we have Paul Fain who is no stranger to anyone who reads or in any way works in higher education. Paul has been a very prominent journalist. He currently writes The Job newsletter, which talks about the connections between education and work. He has a second weekly publication Work Shift, which has in-depth reporting on workforce issues, but I think most people know Paul from his work with Inside Higher Ed, very influential publication. He was there for a decade, six years before that he was with Chronicle of Higher Education and we're grateful to have him on the show today and I want to welcome Paul. Thank you for being with us.

Paul Fain ([00:53](#)):

Thanks for having me Jason.

Jason Altmire ([00:54](#)):

One of the things, as anyone who has a long and distinguished career, you have a long resume that I could have read and one of the things that jumped out at me, I saw that you won the Dick Chap Award for sports journalism, which I was unaware that you had that background. What was that award about?

Paul Fain ([01:12](#)):

Well, I was actually at the Chronicle of Higher Education then covering leadership and finance of all things, and I wrote a piece about Oregon football, the University of Oregon and the increasing commercialization of big time football and it got into some interesting places. Oregon was using football for some reasons that I think people might not have thought for marketing to become more national and it was a weird to get that award, but I was honored to get it.

Jason Altmire ([01:43](#)):

Yeah, well, it's a different subject for a different podcast, but that's definitely a very relevant topic in today's world. In higher ed in particular, what jumped out at me, of course I'm a religious reader of your work and The Job publication. A few weeks back you had a large segment about the short-term Pell issue and our members career education schools, we care a lot about that issue. We want to see a short-term Pell become available. One of the sticking points is whether or not students at for-profit schools will be able to qualify it to use that. Can you talk a little bit about what struck your interest about that issue and why is the short-term Pell just more generically the issue? Why is that important in today's higher ed world?

Paul Fain ([02:29](#)):

Well, as you know Jason, it's not a new concept. It's one that's been a rock that's getting pushed up the hill a little higher every year for the last five, seven years even maybe. But the idea being that for a lot of learners who aren't going to do the traditional four-year path, there is interest in shorter term on-ramps to careers and that the federal government for supporters, should support those pathways with grants that are really a pretty fundamental change in how federal aid would work. And as the politics around this have shifted a bit, given the enrollment collapse and what we're seeing and a lot of data points that more and more folks are interested in these shorter term, quicker credentials. A lot of questions about which ones work for which industries, but the demand is clearly there and I think that's why you're seeing bipartisan interest in the bill.

Jason Altmire ([03:28](#)):

And the public policy interest generates, at least on the congressional side, Senator Tim Kaine from Virginia last session to Congress at least three different times tried to get a short-term Pell provision through, was unable to do it this year I think to the surprise, but I think delight of many, the Republicans offered a proposal that gives some hope that this is an issue upon which the two sides could agree and could potentially be one of the few issues that could see the compromise necessary to make it through the Congress. Can you talk a little bit about the landscape in Congress and what you found when you looked into the short term Pell provision spending there?

Paul Fain ([04:11](#)):

Sure. I mean, you mentioned Senator Tim Kaine of Virginia as a proponent of so-called Workforce Pell for the last few years we're the strongest, if not the strongest in the Senate side. His state has already done some of this. They're one of the most successful states as you know well with short term credentials in the community college space. They're fast-forward in G3 programs. These are state subsidized targeted grant programs for degrees, I'm sorry, I should say short-term credentials that are in high demand fields. It's not for every industry and they come with strings. In Virginia there are performance pieces tied to this for both the institutions and the learners. So that's what we're talking about at the federal level and that's where I haven't talked to Senator Kane about this, but when you see that there has been quite a bit of success in Virginia with these programs, they've even helped counteract some of the enrollment declines you've seen in the community colleges elsewhere. I think he sees that this works, can work and I think he sees that employers like it. I mean obviously Virginia has had success attracting employers of late and government support for career connected learning is a good signal to employers.

([05:29](#)):

And Republicans sound similar on these issues, which is odd as you. That doesn't happen very often in Washington, but if workforce education can stay under the culture war radar, I think that Republicans and Democrats really do sound alike, not in everything and I'm sure we'll get to that, but Jared Polis, the governor of Colorado Democrat former member of Congress, testified in the newly renamed house in workforce education workforce committee, and in a lot of ways he sounded like what you hear on the right. We want to see ROI for credentials. We want to do more to help working learners and who might not be interested in the traditional residential degree program.

Jason Altmire ([06:14](#)):

What is the need for the short-term Pell from the federal policy perspective, what currently exists for those type of programs and what's the gap that's trying to be filled?

Paul Fain ([06:25](#)):

To be federal aid eligible a program has to be 15 weeks at least, and I believe it's 600 clock hours, but I usually use the weeks, and so this would be the gap between eight weeks and 15. Until fairly recently, you didn't see quite as much interest in the short-term programs. I like to call them on-ramps, but two months skills bootcamp, something in the construction trades to get you an entry level job. That's what we're talking about. And right now, obviously those aren't federal aid eligible, so people are paying out of pocket and sometimes, like I said, the states like Virginia, Louisiana and others have started to put state money toward it.

([07:07](#)):

With the thinking being particularly because these are folks who across the board pretty much are going to have financial needs, that if you're interested in supporting these pipelines to jobs like entry level IT jobs, some of the green jobs, battery tech, some of these where you really do have such demand that employers are willing to hire people who have just gotten that kind of basic skills training, where they can be trained on the job. The best case scenario. I think that's what advocates would like to see.

Jason Altmire ([07:41](#)):

Students are allowed through the direct loan program to access short-term programs, but they cannot do it through the Pell Grant program. That was a sticking point for us last year here at CQ because when Senator Kaine first introduced his bill, he eliminated the direct loan access because he argued it was duplicative and it was the same thing. Well, of course, students who qualify for Pell Grants are different in many ways than students who take direct loans and pay for their education. So that is not part of the current provision either on the Democrat or the Republican side, but what is part of the provision is accountability measures, but they're different as they've been proposed. Can you talk about those?

Paul Fain ([08:27](#)):

I will say that I think the most interesting development, and as far as I know, not a lot of changes in Senator Kaine's workforce Pell provision, but the Republicans have some guardrails of their own. They'd signaled they were going to do this, but I was a little surprised, frankly to see the interest in working up to this bill, that it sounds like the committee is very serious about trying to make sure that they're protecting taxpayers and students. Like I said, this would be a pretty fundamental change. This is opening up the Pell Grant, the flagship grant aid for the federal government to these short-term programs.

Paul Fain

([09:05](#)):

So the idea is to set job placement in completion levels of 70% on the Republican side. I know there's some concern about the job placement piece. It's hard to measure. Most of these folks of course are working, but the idea being we'd like to see outcomes that are pretty good. 70% is pretty high, and then most interestingly in earnings tests, and they've revised it from their last version, but to ensure basically that people who are investing their time and energy in a program are better off than they were if they hadn't, if they just had a high school education. The consensus that I've heard is that they're willing to negotiate on the Republican led committee, and I think there's at least an optimism that there will be a willingness to negotiate among the Democrats and in the Senate as well.

Paul Fain

([09:57](#)):

As you mentioned though, the big sticking point is going to be for-profit participation as well as on the house side there was a provision from the Democrats last time around to ban online programs for being eligible for this as well.

Jason Altmire ([10:10](#)):

What do you think the future of that provision is? The online discussion in policy circles in higher education takes many forms, and given what we just went through in COVID it's different now because

people have experienced it in a way that they hadn't before, at least met many types of students, where do you think the online part of all of this is going to factor in?

Paul Fain ([10:33](#)):

That's a really good and hard question to answer. I was surprised, frankly. I think maybe a lot of people were, but I definitely was. When that hit, I definitely was not surprised that Democrats would continue to push to keep for-profit institutions out of it. I was stunned that they would do that with online programs and didn't hear a lot of defense of that except folks who I think are skeptical of traditional trade programs. Well, can you really do it in a quality when online, or allied health, medical assistants, some of the short-term programs that might be hands-on? I think there was some of that. I still think that if you talk to the community colleges, I talked to a bunch of folks from the community college sector who are in town this week, a lot of them to talk about Workforce Pell. They are very opposed to that. They would argue that many of their campuses have quality short-term online programs that have every reason to be part of this.

Paul Fain ([11:31](#)):

Of course, as you know, there's some big non-profit institutions with big online programs that would like to be part of this too. Western Governor's University, Southern New Hampshire University who've pushed back on that. I've got to think that there will be less support for that provision given, as you mentioned, the shift towards online and higher education writ large students preferences to take some classes online. I would be surprised if that was still there, but you never know. In Washington.

Jason Altmire ([11:59](#)):

It just seems hard to justify. Five years ago there was a debate, is it a substandard education if you're in an online setting? And there was points to be made on both sides, but now that we were forced into a situation where everyone had to learn from what had been done in the past online and moving forward, we're in the 21st century and moving forward in the years ahead, certainly the online component of education is only going to grow. So for a member of Congress, I think to advocate that we should go backwards, it just doesn't seem to make any sense to me at least.

Paul Fain ([12:37](#)):

I hear you, and believe it or not, as a journalist, I try not to be cynical. I try to be skeptical but not cynical and that give folks a benefit of the doubt. I assume that there are folks on the hill who genuinely believed that that provision was the right thing to do, advocates as well. But I also think there's a good chance that some of that I think suggests that at least among Democrats that could have been a poison pill. That maybe the commitment to passing that legislation wasn't there last time. I can't see a bill getting passed that would have something like that in there.

Jason Altmire ([13:12](#)):

The earning test that's been proposed by Chairwoman Foxx and Congresswoman Stefanik, it's she's actually the lead author on the legislation. They've proposed in order to characterize the return on investment for students the new earnings test would require that tuition for a program does not top the value added earnings boost the credential provides in the labor market. And the devil's in the details, but the way they quantify that is it's calculated by finding the difference between the median earnings of program graduates who received this short term Pell and 150% of the federal poverty line. Currently that's just under 22,000 and the earnings would be measured three years after completion and have a

geographic adjustment in there for variations across the country. Whether or not that survives the legislative process and what the final version looks like. That's a very innovative and interesting way to look at it. What are your views on the way that's been proposed?

Paul Fain ([14:16](#)):

I agree with you I have never seen something like that in the growing discussion around return on investment and outcomes. I think people are still studying it and trying to think if it could work. I know that there's a lot of questions about how it would work, but it to me, reminds me of what we saw in that last gainful employment discussion, trying to ensure that these programs are worth investing federal money and people's time and money as well in some cases like that gainful employment being focused more on the high school earnings threshold. If you only have a high school diploma or equivalent credential, how much you earned there in your region or state versus in a higher ed program. Similar idea. This one is different though that the poverty threshold is an interesting measure.

Paul Fain

([15:07](#)):

I think where it gets tough and where I think higher ed really is challenged across the board, as we all know, some professions don't pay well. Early childhood education being one, home health aids, and let's just be really blunt here at any institution that is preparing people for those roles, which are desperately needed by the way. Massive shortages nationwide in both. Your outcomes aren't going to be great. The salaries are low, and I think there's a lot of soul-searching in higher education about whether or not to be in that space, which again, societally we need. So I think this sort of discussion is Congress trying to get nuanced and trying to figure out where to set the threshold. And frankly, I found it encouraging as a citizen that there's a willingness to negotiate. And again, like you're seeing this in the states, the states are starting to put ROI strings on their short term programs and other new funding streams. And whether you like it or not, that piece, the salary, earnings, wage thresholds are going to be a big part, I think, of higher ed funding going forward.

Jason Altmire ([16:21](#)):

And our position on that is that's fine and we will support the effort and obviously add the insight that we can on what they should look like, but we just feel like they should apply to all schools in all sectors. If you're going to have accountability measures, if you're going to look at value return on investment, just apply the same rules to all schools. That's the case that we make. And again, part of the issue, and maybe the last issue under discussion is whether or not for-profit students are going to be able to access this Pell Grant. We talked a little bit about the politics of it, but what are your views about what the Pell Grant is designed for, whether or not you believe that type of restriction is necessary or serves a public policy purpose?

Jason Altmire

([17:08](#)):

And just to lay the groundwork, the argument that we make is Pell Grant's reportable and it's income driven, you qualify for the Pell Grant based upon income. You are awarded a certain amount of money based upon the threshold of income that you qualify, and then the student can take that money to any school they want. To the setting and the program that is most appropriate for them, and to have a restriction placed upon this, it's not a restriction on the school, it's a restriction on the student, on their

ability to choose the school of their choice. And we think that sets a very dangerous precedent. But I'm interested in what you think, where do you think that's going to play out and what are your personal views on that?

Paul Fain ([17:52](#)):

Yeah. Well, it's a lot easier for me to answer my personal views because I'm kind of old school like that and frankly don't know enough to have a worthwhile personal view. Believe it or not, it's honestly true. But I will say obviously gainful employment had applied to all for-profit institutions, programs and the non-degree ones at public community colleges, nonprofits. And the idea being there that for-profits were characterized in a different way legally. I'm not even a try to summarize that because I don't know it. I know that that's controversial. I know not everyone agrees with that. This grant seems like it would be more difficult to make that argument because the kind of two month programs at a community college, at a non-accredited bootcamp or at an accredited for-profit institution, I think are largely serving the same general student populations with a similar vocational focus. So I don't hear that argument, the restricting for-profit access. I'm sure it exists, somebody's making a kind of legal argument of precedent, but I haven't heard it, so maybe they're not.

Paul Fain

([19:07](#)):

The idea, I think is much more the typical political fight over for-profits. I've said this in other venues, I think the focus on that argument, we've all seen it for a long, long time. I do wish there was a bit broader way to talk about that fight as it applies to more of higher education. I'm not making the argument that everyone should be treated exactly the same. I'm not making an argument. Just that it seems to me that we get hung up on the same things over and over again. And if there are Democrats, and I know that probably not all who would like to see more grant aid for short-term programs at the community colleges, it seems like it would be a shame for some of them if that got jeopardized by your sector, which is a relatively small part of higher ed.

Jason Altmire ([19:59](#)):

We talked a little bit about this in the beginning, but just so folks have an idea, the type of programs that we're talking about, when you think about short-term Pell, what are the programs that could apply to?

Paul Fain ([20:12](#)):

Ideally you've got employers at the table, working with institutions to show where the need is. So that working backwards, unlike unfortunately, a lot of higher ed can be. It makes sense. I had a liberal arts degree where I certainly couldn't have told you in 1996 when I graduated. Can't believe I just said that, but that I would be doing what I'm doing. But I think these are programs that explicitly must be directly linked to the jobs. I mean, two months, like this is not a liberal arts education, it's career preparation, so you've got to start backwards. And that's where I think where Virginia and other states have done it.

Paul Fain

([20:49](#)):

So I do think there are the three biggies in American labor market crisis language, as everyone knows, is IT, tech. Short term tech training would be number one, advanced manufacturing, and I think that gets

to the green jobs again. And then finally, allied health and healthcare where you have just tremendous demand, where the potential for short-term programs to get people started with on-the-job training is really high.

Paul Fain

[\(21:18\)](#):

I think about a company I talked with that does geothermal for homes and looking for drillers, and they told me they're training landscapers, that's their primary labor source for this. You know, could see credentialising that. And in that scenario there is no credential, they're just preparing them for the job. But if you did get a short term credential that stacked into a degree or a one-year certificate, you can actually deal with some of the concerns about tracking in our society and give people a chance to make this count later towards a degree. I think that's the ideal situation.

Jason Altmire [\(21:58\)](#):

Well, this has been a great discussion. It's been Paul Fain, a very prominent journalist in higher education, and Paul, we talked a little bit about your weekly publications. Maybe you could put in a plug for them yourself and let people know how they can get in touch with you.

Paul Fain [\(22:13\)](#):

Thanks again for having me, Jason. As you said, I write a newsletter called The Job. It's available at the Open Campus website if you just go look for it there and Work Shift, our sister digital publication is there as well.

Jason Altmire [\(22:27\)](#):

It's been Paul Fain, thank you for being with us.

Paul Fain [\(22:29\)](#):

Thanks, Jason. It was fun.

Jason Altmire [\(22:31\)](#):

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