

ABILITY TO BENEFIT (ATB) PROVISION: AN IMPORTANT RESOURCE FOR REENTRY PROGRAMS AND POPULATIONS

In today's economy, industry-recognized postsecondary credentials have become critical to the success of individuals who are pursuing family supporting careers and to employers who need skilled workers in order to remain competitive. However, according to the Center on Education and the Workforce at Georgetown University, by 2020, the United States will face shortages of 3 million workers with Associate's degrees or higher and 5 million workers with technical certificates and credentials.

As a nation, we need to dramatically increase the number of Americans with these high-demand credentials. To do this, the U.S. must provide opportunities to all individuals, especially those with barriers to education and employment, including individuals who are reentering the labor market from the corrections system—helping them to access and complete education and training that results in industry-recognized, postsecondary credentials, and family-supporting careers. And we have to make this affordable.

It is therefore critical that reentry and other programs that are designed to help low-income and underprepared individuals participate in postsecondary education and training become aware of the rules around accessing federal financial aid, including the new rules around "Ability to Benefit."

What is Ability to Benefit?

The Higher Education Act allowed individuals without high school diplomas or the equivalent to qualify for federal student aid if they demonstrated an "ability to benefit" by passing an approved test or successfully completing six credit hours of postsecondary coursework. Congress eliminated the Ability to Benefit (ATB) provisions of the Higher Education Act in 2012, but persistent and concerted advocacy resulted in the partial restoration of Ability to Benefit in 2015. Specifically, ATB was restored for students enrolled in "eligible career pathway programs."



TIP: The definition for an “eligible career pathway” under the Higher Education Act was amended to align with the definition for “career pathway” under the Workforce Innovation and Opportunity Act. Partners can leverage multiple funding streams to support career pathway programs for individuals returning from incarceration.

<https://ifap.ed.gov/dpccletters/GEN1609.html>

How can Ability to Benefit help people in reentry programs?

When ATB was eliminated, it foreclosed the opportunity for people without a high school credential to access federal Pell grants to pay for their college education. The partial restoration of ATB was a big win for low-income individuals who do not have a high school credential: these individuals can, if they meet ATB eligibility, use Pell for community college career pathway programs. This, then, is also a win for the individuals returning from incarceration who do not have a high school credential. Eligible returning citizens, and the programs that serve them, can now access Pell if they meet the ATB eligibility.

What are the Eligibility Requirements for Ability to Benefit?

Become familiar with requirements for students’ eligibility. Work with your partnering colleges and their financial aid offices to determine if your students without high school diplomas or the equivalent are eligible for Pell grants through ATB.

Only those individuals who are otherwise eligible to participate in the Pell grant program are eligible under ATB (e.g., individuals who meet the income and other requirements for the grant). In addition, individuals must meet one of these requirements:

- Pass an independently administered test approved by the U.S. Department of Education; or
- Successfully complete six credit hours or 225 clock hours applicable to a degree or certificate offered by the postsecondary institution.

Know the program eligibility requirements. Participants must be enrolled in a program defined as an “eligible career pathway program.” This means that the program:

- Aligns with the skill needs of industries in the economy of the state or region involved
- Prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the “National Apprenticeship Act”
- Includes counseling to support an individual in achieving the individual’s education and career goals
- Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster
- Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable

- Enables an individual to attain a high school diploma or its recognized equivalent, and at least one recognized postsecondary credential
- Helps an individual enter or advance within a specific occupation or occupational cluster
- Must be composed of a Title IV-eligible postsecondary program component and a component that enables an individual to attain a high school diploma or its recognized equivalent

TIP: The Department further recommended that in developing an eligible career pathway program, institutions should work closely with an appropriate adult secondary school education provider—**which can be a qualified provider in a reentry program**—and with their financial aid administrator to ensure that the program is eligible for Title IV aid.

Maintain documentation. Institutions must document evidence that the student has successfully completed one of the ATB alternatives and that the student is enrolled in both the Title IV eligible postsecondary program component that enables them to attain a high school diploma or its recognized equivalent.

For more resources on Ability to Benefit . . .

Center for Law and Social Policy's overview and resources on Ability to Benefit:
<http://www.clasp.org/issues/postsecondary/pages/resources-on-ability-to-benefit>

Jobs for the Future webinar and PowerPoint providing guidance on Ability to Benefit:
<http://www.jff.org/about-us/jobs-future-webinars>

Guidance on Ability to Benefit: <http://sites.ed.gov/octae/2015/06/05/new-guidance-on-ability-to-benefit/>

Title IV Eligibility: <https://fap.ed.gov/dpcletters/GEN1609.html>

This resource was prepared with funding from the U.S. Department of Education, Office of Career, Technical, and Adult Education, under contract no. ED-ESE-15-A-0011/0001. The opinions expressed herein do not necessarily reflect the opinions or policies of the U.S. Department of Education. This document is in the public domain and may be reproduced without permission.