



NATIONAL SKILLS COALITION
Every worker. Every industry. A strong economy.

July 5, 2016

The Honorable John Kline
Chairman
Committee on Education and the Workforce
U.S. House of Representatives
Washington, DC 20515

The Honorable Robert Scott
Ranking Member
Committee on Education and the Workforce
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Kline and Ranking Member Scott:

National Skills Coalition — a broad-based coalition of business leaders, union affiliates, education and training providers, community-based organizations, and public workforce agencies advocating for policies that invest in the skills of U.S. workers — is pleased to submit comments regarding the “Strengthening Career and Technical Education for the 21st Century Act” (H.R. 5587).

As the primary federal funding source for secondary and postsecondary career and technical education (CTE) programs, the Carl D. Perkins Career of Technical Education Act of 2006 supports the development and implementation of high-quality programs that combine rigorous academic content with occupational skills training. Perkins-funded CTE programs are key elements of the nation’s overall workforce development system, serving both as direct training providers and as strategic partners in setting the skills vision in their states. We believe that H.R. 5587 improves on current law by building on critical improvements in the CTE field over the past decade, as well as other recent Congressional efforts to modernize our nation’s workforce and education systems, including the Workforce Innovation and Opportunity Act of 2014 (WIOA). We commend the committee for their bipartisan efforts in developing this legislation.

While we are strongly supportive of the vision and goals of H.R. 5587, we believe it could be strengthened to ensure greater alignment with other federal, state, and local skills investments, and to enable U.S. workers and businesses to obtain the skills they need to compete in today’s global economy. The comments offered below are intended to highlight a number of key provisions where National Skills Coalition supports the committee’s proposed language, as well as areas where we believe the committee could make improvements to the bill to ensure greater alignment with other education and workforce programs and to lift up recognized best practices in a manner that will increase skill and credential attainment for both students and businesses.

Sec. 7 Definitions

National Skills Coalition strongly supports the committee's adoption of key definitions and concepts set forth under WIOA, including the definitions for "career pathways," "in-demand industry sector or occupation," "industry or sector partnership," "local workforce development board," "out-of-school youth," and "recognized postsecondary credential." We believe that the use of common terminology across WIOA and Perkins programs will support greater alignment between CTE investments and other education and workforce systems, and will make it easier for state and local planners to minimize duplication of efforts.

We support the committee's decision to establish statutory definitions for "CTE participant" and "CTE concentrator." Setting a common definition for these terms will improve consistency of performance and data reporting, while also allowing for greater comparability of outcomes across states and local jurisdictions to inform program improvements and policy decisions.

We strongly support the decision to expand the current definition of "special populations" to include individuals who are homeless and children with active-duty military parents. However, we are concerned that proposed definition does not go far enough to ensure access to high-quality CTE programs for all individuals in as state or community who might benefit from such services. Accordingly, we would encourage the committee to consider adding other subpopulations identified as "individuals with barriers to employment" under sec. 3(24) of WIOA, including long-term unemployed individuals, individuals within two years of exhausting lifetime eligibility under the Temporary Assistance for Needy Families (TANF) program, and ex-offenders. Expanding the definition to include these other populations will ensure greater equity while also supporting alignment with broader workforce and education strategies developed pursuant to WIOA.

We support the committee's decision to adopt a statutory definition for "work-based learning," but we believe the definition could be improved through the inclusion of specific, non-exclusive examples of work-based learning strategies that would satisfy the definition, including pre-apprenticeship, internships, and on-the-job training opportunities. While we do not believe the committee should unnecessarily limit state and local flexibility in designing and implementing work-based learning models, the inclusion of such examples would support better alignment with the work experience provisions under WIOA sec. 129(c)(2)(C), and encourage collaboration between CTE providers and other stakeholders in developing models that can effectively meet the needs of multiple employers and jobseekers.

Sec. 9 Authorization of Appropriations

National Skills Coalition supports the committee's decision to establish funding authorization levels for each of Fiscal Years (FY) 2017-2022, and we appreciate the committee's efforts to provide modest increases in funding over the authorization period. However, we note that the

highest level of funding authorized - \$1,213,266,339 for FY 2022 – is only about \$30 million higher in nominal terms than the appropriation for Perkins state grants in FY 2006, and in inflation-adjusted terms would still be nearly 15 percent below FY 2006 levels. While we appreciate that funding increases can be challenging in today’s fiscal climate, in an economy where two-thirds of all jobs will require some form of postsecondary education and training – and as many as 30 percent of all jobs will require a sub-baccalaureate occupational credential – we believe it is important for Congress to make meaningful investments in CTE to ensure that business and workers have the skills they need to compete. We would strongly encourage the committee to consider increasing the authorized levels to match historic levels of investment, which will send a strong signal on the value of secondary and postsecondary CTE as part of our broader national skills strategy.

Sec. 112 Accountability

In general, National Skills Coalition strongly supports H.R. 5587’s focus on aligning Perkins postsecondary accountability measures with the primary outcome indicators under sec. 116 of WIOA, which should make it easier for state and local stakeholders to coordinate Perkins-funded programs with other education and workforce activities. We support the committee’s decision to limit performance accountability reporting to CTE concentrators, as defined under section 7, which will more accurately reflect the effectiveness of CTE programs in serving secondary and postsecondary students who are seeking CTE skills and credentials, while providing valuable information for CTE providers and policymakers to inform program improvements. We also support the committee’s decision to scale back the federal role in the negotiation of state adjusted levels of performance, so long as the final legislation maintains the authority of the Secretary of Education to approve or disapprove a state plan as set forth under proposed sec. 121, and retains the current proposed language relating to state reporting of outcomes.

National Skills Coalition notes that the proposed indicator under sec. 113(b)(2)(B)(i) includes a broader range of positive outcomes than the corresponding indicator under sec. 116(b)(2)(A)(i)(I) of WIOA, as it includes individuals who are in education and training activities or advanced training in the second quarter after program completion as well as individuals in unsubsidized employment. We believe this is an appropriate decision, as it will reduce potential disincentives for CTE programs to focus on students who intend to enroll in further education and training opportunities. We would recommend that the committee also include a separate indicator for postsecondary students enrolled in education or training, or advanced training, or in unsubsidized employment in the fourth quarter after completion, which would correspond with the current WIOA indicator under sec. 116(b)(2)(A)(i)(II) and would allow for better assessment of long term performance outcomes for CTE concentrators.

In order to accurately calculate the proposed indicators that include employment outcomes, we recommend adding language that directs states to use Unemployment Insurance quarterly wage records for employment outcome reporting. Wage records would provide reliable data

that is comparable across states and with WIOA programs, enabling stronger performance management, evaluation, and research. Similar to WIOA, guidance can specify that when data contained in quarterly wage records is incomplete or unavailable, states may utilize alternative sources of information, such as surveys.

We would further encourage the committee to consider adding a postsecondary indicator relating to effectiveness of postsecondary CTE programs in meeting the needs of employers; this would be consistent with the overall focus of H.R. 5587 on addressing the skill needs of local and regional businesses, and would provide stronger incentives for CTE providers to work with employers to develop and implement high-quality programs.

Sec. 113 National Activities

National Skills Coalition strongly supports the committee's proposal to establish a new innovation grant program at the US Department of Education. However, we are disappointed that the committee has authorized relatively little money to support such grants. The recent investments under the Department of Labor's Trade Adjustment Assistance Community College and Career Training (TAACCCT) program demonstrate what can be achieved when the federal government makes meaningful investments in testing and scaling up new strategies. The TAACCCT grant program provided nearly \$500 million a year between FY 2011-2014 in funding to high-quality partnerships between colleges and more than 2,500 employers nationwide, and more than 160,000 individuals have earned industry-recognized credentials since the program began. Compared with this bold investment in the skills of the US workforce, providing less than \$9 million a year over the next six years seems deeply inadequate; we encourage the committee to consider substantial increases in the authorized levels for the innovation grants, and ensure that this additional funding does not come at the expense of state formula grants.

We would also urge the committee to consider adding language under the "uses of funds" section that explicitly authorizes eligible entities to support the development and implementation of industry or sector partnerships, career pathways, and integrated education and training programs that combine basic skills instruction with occupational skills training. While the current language certainly does not prohibit these activities, we believe it would be consistent with H.R. 5587's broader adoption of these strategies to ensure that innovation funds are clearly identified as allowable activities under the new innovation grants.

Finally, we suggest adding language allowing national activities funding to be used for data pilots that improve tracking of certification and license attainment by CTE students. It is difficult for states and education providers to get dependable data on whether graduates of CTE programs are obtaining these credentials. Surveys can be burdensome for states and schools and may not be very accurate, especially if they occur months after program completion. Certification bodies and licensing agencies maintain data that could be used to assist with

required reporting on attainment of postsecondary recognized credentials, but innovation is needed to figure out how to access and use this data effectively.

Sec. 121 State Plans

National Skills Coalition strongly supports the committee's efforts to improve coordination between Perkins state plans and the unified or combined state plan requirements under WIOA. We believe that the transition from a six-year planning period to a four-year planning period, matching the time period required for WIOA core programs, will make it easier for state policymakers to coordinate strategic and operational planning and ensure that Perkins Act-funded activities and programs are connected to the broader vision for education and workforce within a state. We are pleased to see that the committee has clarified the process by which a state may elect to include their Perkins plan as part of a combined plan under WIOA. We do note that the current language appears to assign the decision on whether to submit the Perkins state plan as part of a combined plan to the "State" rather than specifically to the eligible agency; we believe that this language should be modified to specify that the decision shall be made by the eligible agency in coordination with the state's governor, which would ensure that appropriate stakeholders are engaged in deciding whether to submit a combined plan or a single plan.

We generally support the proposed language under new sec. 122(c) regarding the consultation process for state plans, particularly the inclusion of industry or sector partnerships as a subset of "representatives of business and industry." We agree with the requirement regarding consultation with the state workforce development board, though we would also encourage the committee to consider adding consultation with the state agency or entity responsible for administration of adult education activities under the Adult Education and Family Literacy Act, which would help to strengthen coordination and planning of activities that assist English learners and other individuals with basic skills barriers to enroll in CTE programs, including career pathways.

We strongly support H.R. 5587's provisions under new sec. 122(d) requiring the inclusion in the state plan of the state's strategic vision and goals for preparing an educated and skilled workforce, and a summary of the strategic planning elements of the state unified plan under WIOA. We also strongly support the requirements under sec. 122(d)(4) requiring descriptions of programs of study and career pathways that will be developed at the state and local levels, though we would urge the committee to include language under subsection (d)(4)(B) that would require a description of how locally developed career pathways will be coordinated with career pathways efforts carried out by a local workforce development board, consistent with the requirements of WIOA sec. 107(d)(5).

We support the bill's provision retaining the authority of the Secretary of Education to approve or disapprove state plans, particularly if the final legislation removes the current requirements relating to negotiation of state performance measures. While we recognize the importance of

state and local flexibility, we believe that the federal government can play an important role in ensuring that federal funds are used in a manner that is consistent with the intent of the authorizing law, and also ensuring that historically disadvantaged or underserved populations receive equitable access to services.

Sec. 123 State Leadership Activities

National Skills Coalition generally supports the proposed amendments under sec. 123, though we would propose some modest changes to ensure consistency with other sections of H.R. 5587 and the broader goal of alignment with other federal programs.

We would recommend that proposed sec. 124 (b)(1) and (b)(2) be amended to include both programs of study and career pathways, which would be consistent with the language under proposed section 122(d)(4) that requires states to describe both programs of study and career pathways to be developed at the state and local levels.

We would recommend that proposed sec. 124(b)(4) – which currently requires the establishment of statewide partnerships among local education agencies, institutions of higher education, and employers - be amended to also include coordination with industry or sector partnerships, where appropriate. Under WIOA, states and local areas are required to support the development and implementation of industry or sector partnerships, and while we do not believe CTE partnerships should be limited to those industries, it is important to ensure that employer engagement is coordinated to reduce the burden on business partners and minimize duplication of efforts. . We would also recommend language that encourages the inclusion of other partners such as community-based organizations or other entities with experience serving the needs of special populations.

We believe that some of the “permissible” activities outlined under the amended section 124(c) would be more appropriate as required uses of funds under 124(b), particularly proposed 124(c)(2) (relating to the adoption and integration of recognized postsecondary credentials); 124(c)(12) (relating to establishing and expanding work-based learning opportunities); and 124(c)(14) (relating to integration and alignment of programs of study with career pathways). We believe that greater emphasis on these activities is warranted because of their importance in the successful implementation of both CTE programs and other education and workforce strategies, including those authorized under WIOA.

Distribution of Funds for Postsecondary Education Programs

We are disappointed that the committee opted not to amend the current distribution of funds requirement under section 131 and 132, consistent with National Skills Coalition’s past recommendations to establish a minimum funding percentage for postsecondary CTE under the state’s overall allotment under current section 111. Given the fiscal challenges facing today’s postsecondary CTE institutions – the American Association of Community Colleges notes that

state funding for community colleges declined by six percentage points between 2009 and 2014 – it is increasingly critical to ensure that postsecondary CTE providers have the resources and support they need to deliver high-quality, industry-focused programs. We would encourage the committee to consider establishing a minimum funding percentage for postsecondary institutions under sec. 111, or increasing the minimum grant amount under current section 132(c) to better reflect the needs of these critical education and workforce partners.

Sec. 131 Local Applications

National Skills Coalition generally supports the proposed amendments to current section 134, including the transition from a local plan process to an application process, and the adoption of an annual needs assessment to ensure that local providers are adequately addressing the needs of CTE participants and business partners.

We note that proposed sec. 134(c)(2)(B) appears to give eligible recipients a choice between describing how (i) CTE programs are sufficient in size, scope, and quality to meet the needs of all students served by the eligible recipient; (ii) how programs are aligned to state, regional, or local in-demand industry sectors or occupations identified by the state or local workforce development board; or (iii) how programs are designed to meet local education or economic needs not identified by state or local boards. We would propose that this language be amended to read as follows:

*“(B) a description of how career and technical education programs offered by the eligible recipient are –
“(i) sufficient in size, scope, and quality to meet the needs of all students served by the eligible recipient;
“(ii) aligned to State, regional, or local in-demand industry sectors or occupations identified by the State or local workforce development board, including career pathways, where appropriate; and
“(iii) where appropriate, designed to meet local education or economic needs not identified by State or local workforce development boards;”*

As amended, this language would permit local planners to identify both where programs are aligned with occupations and industries identified by state or local boards and programs that are not intended to align with such identification, rather than being forced to choose between one option or the other. This would give eligible recipients appropriate flexibility to design programs while also encouraging better cooperation between systems.

We would recommend amending proposed sec. 134(d)(3) relating to consultation with workforce development boards and local or regional businesses, to include industry or sector partnerships, where applicable. This would better align the local plan consultation requirements with the corresponding state plan consultation requirements, and provide eligible recipients with additional expertise on the development of industry-driven education and workforce strategies.

We would also recommend that proposed sec. 134(e)(2) be amended to include both programs of study and career pathways strategies, where appropriate, which would promote greater consistency with state planning and state leadership activities.

Sec. 132 Local Uses of Funds.

We generally support the proposed amendments to current section 135, relating to local uses of funds, and we commend the committee for their efforts to provide eligible recipients with greater flexibility in developing and delivering CTE programs. We are concerned, however, that the language as currently drafted does not require certain activities and practices that we believe are essential to carrying out high-quality CTE programs. We would specifically recommend that the committee consider amending proposed sec. 135(b)(6) to require that eligible recipients plan and carry out programs of study or career pathways that include: curriculum aligned with the requirements for a program of study or career pathway [consistent with proposed sec. 135(b)(6)(A)]; a continuum of work-based learning opportunities [consistent with proposed sec. 135(b)(6)(E)]; industry-recognized certification exams or other assessments leading toward industry-recognized and other recognized postsecondary credentials [consistent with proposed sec. 135(b)(6)(F)]; and coordination with other education and workforce development programs and initiatives, including career pathways and industry or sector partnerships developed under WIOA, where appropriate [consistent with proposed sec. 135(b)(6)(H)].

Again, we commend the committee for their bipartisan efforts to develop this important update to our nation's CTE programs, and we appreciate the opportunity to provide these comments. We look forward to working with you to advance the Strengthening Career and Technical Education for the 21st Century Act.

Sincerely,

Kermit Kaleba
Federal Policy Director