Middle-skill jobs — those that require some postsecondary education and training but not a four-year degree — make up the largest share of the labor market in the United States. All too often, however, employers in key industries are unable to find qualified workers to fill these jobs. In 2012, 54 percent of all jobs in the U.S. were middle-skill jobs, but only 44 percent of the nation’s workers were trained at the middle-skill level.\(^1\) To respond to this challenge, federal workforce and education policies should be designed to ensure that jobseekers can access high-quality training that results in market-ready skills and credentials, and that employers in in-demand industries are engaged to ensure that training is aligned with their skill requirements.


Congress has already taken important steps to encourage greater coordination of federal workforce and education programs, and better alignment with labor market demands, through passage of the Workforce Innovation and Opportunity Act (WIOA). WIOA overhauled the Workforce Investment Act of 1998 (WIA), requiring states to engage in strategic planning across a range of “core” formula grant programs, and establishing common performance measures for those programs. WIOA also adopted a number of best practices — including industry or sector partnerships and career pathways strategies — that have been used by states and local areas to more effectively organize education, training, and support services to meet the needs of jobseekers and businesses.

Congress can build on these efforts through the reauthorization of the Carl D. Perkins Career and
Technical Education Act of 2006 (Perkins Act). As the primary federal funding source for secondary and postsecondary career and technical education (CTE) programs, the Perkins Act supports the development and implementation of high-quality programs that combine rigorous academic content with occupational skills training. Perkins Act funding allows states to adapt existing CTE to the needs of industries that are driving regional economies and keep pace with the technologies of today’s workplace. 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.

As Congress begins reauthorization of the Perkins Act, policymakers should work to encourage stronger connections between CTE programs and WIOA. National Skills Coalition recommends the following:

**Connecting CTE to state workforce strategies through unified or combined plans**

WIOA requires all states to develop four-year “unified” plans that incorporate strategic and operational elements for the six “core” state grant programs funded under the law, and further authorizes states to develop “combined” plans that include the core programs and at least one other program from a defined list, which may include Perkins CTE programs. If Perkins is not formally included in a state combined plan, states are required to identify how core programs funded under WIOA will be aligned with career and technical education programs to ensure coordination of services.

The Perkins Act currently requires states to develop a separate six-year state plan for CTE programs, but while the law mandates that the Perkins plan be developed in consultation with state workforce boards (as defined under WIA) and representatives of business and industry, it otherwise requires relatively limited coordination between CTE and other federally-funded workforce programs. Congress should consider amending state planning requirements under Perkins to align the plan period with the four-year requirements under WIOA, and should include a requirement that state Perkins plans include a description of how CTE programs will be aligned with WIOA core programs and other education and workforce programs, as appropriate. Moreover, Congress may consider requiring State Perkins plans to ensure funds will be disbursed in coordination with regional and local plans that are required by WIOA and in support of the State Unified plans. Congress could also consider streamlining state planning requirements for Perkins where states elect to submit a WIOA combined plan that includes Perkins-funded activities.

**Aligning CTE performance requirements with WIOA common indicators**

One of the key challenges to coordination between core programs under WIA — and with other federal education and workforce programs — was the lack of common performance metrics across funding streams. In particular, the use of differing outcome measures meant that states were often required to collect and report separate employment data for students enrolled in programs funded through multiple sources, creating confusion as to performance results, increasing administrative burdens, and potentially limiting access to high quality programs for WIA-funded students.

To begin to address this challenge, WIOA established a set of common performance indicators that generally apply across the core programs. The performance indicators include measures of:

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2 The core programs are the Adult, Dislocated Worker, and Youth programs under WIOA Title I; adult education state grants under WIOA Title II; the Wagner-Peyser program under WIOA Title III; and the state vocational rehabilitation grant program under WIOA Title IV.

3 These measures have also been incorporated into the Trade Adjustment Assistance (TAA) program under the Trade Adjustment Assistance Reauthorization Act of 2015, Title IV of the Trade Preferences Extension Act of 2015 (P.L. 114-27).
Employment in the 2nd quarter after program exit;
Employment in the 4th quarter after program exit;
Median earnings for program participants in the 2nd quarter after exit;
Percentage of participants earning a recognized postsecondary credential or a secondary diploma (or its recognized equivalent) during or within one year of exit from a core program;
Percentage of participants in education or training achieving measurable skills gains towards a recognized postsecondary credential or employment; and
Effectiveness of the core program in serving employers.

WIOA also requires the use of the first four of these performance indicators to measure the performance of Title I eligible training providers in serving all students, not just students funded through Title I. For participants in the WIOA Title I youth program, the first two indicators count both unsubsidized employment and participation in education and training activities as successful outcomes.

Perkins currently requires states to establish performance measures for secondary and postsecondary CTE programs that are similar, but not identical, to the performance indicators under WIOA. For example, Perkins requires that states establish measures of postsecondary performance that include, at a minimum, measures of student attainment of challenging career and technical skill proficiencies; student attainment of industry-recognized credentials, degrees, or certificates; student retention in postsecondary education or transfer to baccalaureate degree programs; student placement in employment, military service, or apprenticeship; and student participation in and completion of CTE programs that lead to employment in non-traditional fields.

It will be difficult for states to successfully align CTE investments with other workforce and education investments moving forward if the programs are using different performance measures. WIOA Title I explicitly supports the use of individual training accounts and other training contracts at institutions of higher education — including CTE programs offered at community and technical colleges — but lack of alignment across program outcomes will create administrative challenges for postsecondary institutions seeking to serve these students. In addition, because current Perkins measures do not address effectiveness in serving employers, postsecondary CTE providers do not receive adequate credit for engaging local and regional employers in the development and delivery of Perkins-funded programs.

To strengthen alignment between CTE programs and the core programs under WIOA, Congress should consider adopting the WIOA common performance measures for both secondary and postsecondary Perkins-funded programs.
in accurately measuring attainment of non-degree recognized postsecondary credentials (especially licenses and certifications), the law could allow national or state leadership activities funding to be used on efforts to improve data collection for the credential metric.

Congress should include measures of performance relating to academic transitions — including transitions from secondary to postsecondary institutions — and should retain reporting requirements that support inclusion of non-traditional and underserved populations, but should emphasize that the primary purpose of postsecondary CTE programs is to support lifelong learning and ensure that participants have the skills and credentials to succeed in the labor market.

Alignment with industry or sector partnerships

One of the most important changes under WIOA was the adoption of industry or sector partnerships (sector partnerships) as a required strategy at both the state and local levels. Sector partnerships are partnerships between multiple employers in a target industry and a range of other stakeholders — including labor, workforce boards, and postsecondary institutions and other training providers — to develop and support pipelines of skilled workers for that industry. Twenty-one states have adopted policies to support sector partnerships, and these partnerships have proven effective not only in meeting the short- and long-term skill needs of businesses, but also improved outcomes for low-skilled participants.4

While long recognized as a best practice, WIOA represents the first time that sector partnerships are a required activity under federal law. At the state level, WIOA requires state workforce development boards to assist the Governor in the development and expansion of strategies for meeting the needs of employers, workers, and jobseekers, particularly through industry or sector partnerships related to in-demand industry sectors and occupations; and provides that states must use a portion of state set-aside funds to assist local areas by providing information on and support for the effective development, convening, and implementation of industry or sector partnerships. At the local level, WIOA requires that Title I-B funds allocated to local areas must be used to develop, convene, or implement industry or sector partnerships.

CTE programs can be valued partners in the development and implementation of sector partnerships, helping to ensure that participants at both the secondary and postsecondary level have access to high-quality training that leads to skills and credentials that align with the needs of target employers.

Congress can support greater alignment with sector partnerships in two key ways. First, Congress should consider providing dedicated funding to support the development or expansion of secondary or postsecondary CTE programs that are participating in an industry or sector partnership that have been developed in accordance with WIOA. One model for this approach would be the Trade Adjustment

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Assistance Community College and Career Training (TAACCCT) grant program, which has provided nearly $2 billion in federal funding to community colleges, technical colleges, and universities to support the development of high-quality job training and education in partnerships with local industries. With funding for TAACCT expiring after the Fiscal Year (FY) 2014 grants, Congress could build on the success of the program by establishing a permanent innovation grant program under Perkins, and requiring that future grants be targeted to support consortia of secondary and postsecondary CTE providers and other stakeholders that are carrying out activities connected to state or local sector partnerships. The funding for such grants should be additive to formula funds provided under Title I of Perkins, and could include a requirement for a private sector match to ensure that employers are fully engaged in the development of such partnerships.

Second, Congress should consider requiring state CTE plans to describe how Perkins will support state efforts to develop and implement sector partnerships, and require postsecondary grant recipients to coordinate with industry or sector partnerships in their area, where appropriate. While the local coordination requirement should not prohibit the development of CTE programs aimed at other occupational or career goals, it should, at a minimum, ensure that federal CTE funds are available to be utilized as a catalyst to adapt existing CTE programs to current and future labor market needs, support training, education, and other activities that have been identified through the partnerships.

Alignment with career pathways

WIOA makes the development of “career pathways” a required activity at multiple levels within the workforce system, especially under Title I. The law defines a career pathway as a “combination of rigorous and high-quality education, training, and other services” that (among other requirements) aligns with the skills needs of the state or regional economy; helps an individual enter into or advance within a specific occupation or occupational cluster; and enables an individual to obtain both a secondary diploma and at least one recognized postsecondary credential.

Under WIOA, state workforce development boards are responsible for “the development of strategies to support the use of career pathways for the purpose of providing individuals, including low-skilled adults, youth, and individuals with barriers to employment (including individuals with disabilities), with workforce investment activities, education, and supportive services to enter or retain employment.” WIOA also requires local workforce development boards to work with representatives of secondary and postsecondary education programs to develop and implement career pathways, and requires that local plans include a description of how local boards will coordinate across the WIOA core programs to facilitate career pathways. Under the WIOA Youth program, career pathways are specifically identified as a component of both the objective assessment and the individual service strategy required for all youth participants.

CTE programs represent natural partners for state and local workforce boards in the development and implementation of career pathways. In particular, Perkins currently requires all local educational agencies and postsecondary institutions to provide “programs of study” that include elements similar to the career pathways definition under WIOA, including:

- Incorporating secondary education and postsecondary education elements;
- Including coherent and rigorous content aligned with challenging academic standards and relevant career and technical content in a coordinated, non-duplicative progression of courses that align secondary to postsecondary education;
- Providing opportunities for secondary education students to gain postsecondary education credits through dual or concurrent enrollment programs or other means; and
Leading to an industry-recognized credential or certificate at the postsecondary level or an associate or baccalaureate degree.

However, there are several potential challenges to full coordination under current law. First, because Perkins does not explicitly require that programs of study be coordinated with state or local career pathways established under WIOA, there is some risk that local workforce and CTE systems will implement duplicative or competing strategies that fail to effectively leverage resources across funding streams. To ensure that there is collaboration between workforce and CTE programs, Congress should clarify that programs of study funded through Perkins should, to the extent practicable, meet the career pathways definition under WIOA, and should be developed and implemented in partnership with local workforce boards. This requirement should not preclude the use of funds to establish programs of study that focus on occupations or sectors beyond those identified under WIOA, but should ensure meaningful engagement between CTE systems and workforce systems.

Another challenge to coordination under current law is that neither Perkins nor WIOA explicitly reference alignment of career pathways with adult education services supported under Title II of WIOA, which means that participants in these programs may be left out of the planning and implementation of career pathways strategies altogether. According to a 2013 report from the Organization for Economic Cooperation and Development (OECD), 36 million US adults — including 24 million currently in the workforce — lack the foundational literacy skills to enter middle-skill training and obtain well-paying jobs. Failing to connect these individuals to career pathways not only contributes to continued inequality, but also reduces economic competitiveness as businesses struggle to fill skilled positions. Congress can address this oversight by requiring that career pathways supported through Perkins be connected to Title II adult education programs.

Expanding and supporting work-based learning models
Work-based learning — which includes strategies such as apprenticeship, on-the-job training, internships, and others — has been the focus of increased policy attention in recent years. WIOA expanded the range of work-based training models that could be supported for adult participants under Title I, and mandates that at least 20 percent of local WIOA youth funds be used to support work experiences. The Obama administration has also emphasized the value of investing in work-based learning strategies, authorizing $175 million in grants to support the development and expansion of apprenticeship through the recent American Apprenticeship Initiative.5

Although many successful CTE programs do incorporate work-based learning as part of their curriculum, the law does not currently require work experience for students at either the secondary or postsecondary level.6 As a result, CTE participants can technically “complete” a CTE program without ever setting foot in a real work environment, or interacting with employers in their chosen industry. In an increasingly competitive economy, it will be much harder for students to enter and advance in the labor market without hands-on training and familiarity with employer expectations.

Congress should strengthen alignment between Perkins-funded programs and employer skill needs by requiring and providing dedicated funding for CTE programs to incorporate work-based learning strategies, including externships, either directly or through alignment with other workforce programs that provide direct work experience. The law should ensure that any work-based learning activities supported through Perkins comply with federal, state, and local worker protections, including applicable wage and

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5 [http://www.dol.gov/apprenticeship/grants.htm](http://www.dol.gov/apprenticeship/grants.htm)
6 “Work-related experiences” are one of 20 permissible uses of local funds under Perkins.
hour requirements, and should permit secondary CTE programs to utilize virtual work experiences where appropriate to ensure student safety.

**Increase formula funding and establish minimum funding requirements for postsecondary CTE**

Despite the importance of education and training in today’s economy, federal support for Perkins CTE programs has undergone significant cuts. Today’s funding is more than 25 percent below FY 2006 levels, when adjusted for inflation. Coupled with decreased state and local investments in community and technical colleges — a 2014 report from the Center for American Progress noted that between 2008 and 2012, 45 states cut per-student funding for two-year public institutions — postsecondary CTE programs are being asked to carry an ever-increasing training burden with significantly fewer resources.

Congress should take two steps to reverse this trend and ensure that jobseekers and businesses have access to high-quality postsecondary CTE programming. First, Congress should increase appropriations for Perkins state formula grants to align with historical funding levels. Second, Congress should establish a minimum allocation percentage for postsecondary CTE programs at the state level to ensure that such institutions have adequate resources to support local and regional labor market demands.

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7 NSC calculation based on FY 2006 and FY 2015 appropriation levels.
National Skills Coalition organizes broad-based coalitions seeking to raise the skills of America’s workers across a range of industries. We advocate for public policies that invest in what works, as informed by our members’ real-world expertise. And we communicate these goals to an American public seeking a vision for a strong U.S. economy that allows everyone to be part of its success.

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