

## Legislative Summary & Analysis

## 2018 Senate Perkins Reauthorization Bill

### Legislative Background

On June 26, 2018, a bipartisan group of lawmakers in the U.S. Senate, including Senators Alexander (R-TN), Murray (D-WA), Enzi (R-WY) and Casey (D-PA), introduced the *Strengthening Career and Technical Education for the 21st Century Act*, legislation that would reauthorize the Carl D. Perkins Career and Technical Education Act (Perkins). This bill, which will be referred to throughout this summary as the “Senate bill” was the product of negotiations between these offices. This legislation used the Perkins reauthorization bill (H.R. 2353) that was passed by the U.S. House of Representatives as a base, but makes significant changes to it. H.R. 2353, the *Strengthening Career and Technical Education for the 21st Century Act*, was passed by U.S. House of Representatives on a voice vote without objections on June 22, 2017. At this time, the Senate bill has not been assigned a bill number.

#### *Committee Markup Summary*

An initial draft of the Senate Bill, the *Strengthening Career and Technical Education for the 21st Century Act*, was released on June 20, 2018, and a substitute amendment, which made a number of technical changes to that draft, was released on June 24, 2018. On June 26, 2018, the U.S. Senate Health, Education, Labor and Pensions (HELP) Committee held a markup of the Senate bill. During the markup, the substitute amendment was unanimously approved by voice vote, and a total of 10 members of the Committee, from both political parties, spoke in favor of the bill. The Committee did not consider amendments to the Senate bill during the markup.

### Editorial Note:

*Please note that citations contained in this document are based on current law (the Carl D. Perkins Career and Technical Education Act of 2006) as it would be amended by the Senate bill.*

### Authorization Period and Levels (Sec. 9)

The Senate bill sets an enactment date for the law of July 1, 2019. July 1, 2019 would also mark the beginning of the one-year transition period called for in the Senate bill, which allows eligible agencies to submit a one-year transition plan. The Senate bill would reauthorize the Perkins Act for a total of six years, covering FY 2019 through FY 2024 (July 1, 2019 through June 30, 2025). For the Title I Basic State Grant program, the bill would authorize \$1.229 billion for FY 2019 and gradually increase this authorization level to \$1.318 billion in FY 2024, which represents a 10.57 percent increase over the course of the Act compared to the amount Congress allocated to the Perkins Basic State Grant program in FY 2018. The Senate bill would eliminate the existing Title II program of the law known as “Tech Prep,” and section 118, known as the Occupational and Employment Information program. Neither program has been funded in recent years.

It is important to note that authorization levels are a suggestion, not a guarantee of funding levels because Congressional appropriators must develop and pass separate funding legislation annually. Then, the President must sign such legislation in order for these funding levels to be realized.

## State Eligible Agency and Governance Structure

The Senate bill retains the current state governance structure of Perkins whereby the state will identify an eligible agency to receive and administer the funds. General related responsibilities for the agency, such as state plan development and local grantee oversight, largely stay the same. However, some of these processes change significantly (please see below for additional details on these changes).

## State Allotment (Sec. 111) and Within-State Allocations (Sec. 112)

The current federal-to-state formula determining state Perkins allocations would largely stay in place in the Senate bill with one exception: a significant change to the hold-harmless provision as described below. In addition, the overall percentages for distributing funding within the state also remain largely unchanged, with up to 5 percent for state administration, 10 percent for state leadership, and 85 percent for local program distribution. Eligible agencies also retain the responsibility to determine the percentage of funds for local program distribution that is directed to the secondary and postsecondary levels (i.e., the secondary and postsecondary split). A few changes within these areas are noted below.

### *Hold Harmless*

In the Senate bill, the hold harmless provision in current law is removed. Instead, a provision is added that ensures no state shall receive a Perkins Basic State Grant that is less than the amount received in FY 2018. This amount is referred to as a “foundational grant.” If Congress appropriates an amount for the Perkins Basic State Grant that is less than the amount appropriated in FY 2018, every state would receive an allotment that is ratably reduced (e.g., if Congress reduced the appropriations for the Perkins Basic State Grant by five percent, every state would receive a five percent reduction in funds from the amount they received in FY 2018). If Congress appropriates an amount for the Perkins Basic State Grant that is greater than the amount they provided in FY 2018 in subsequent years, the formula for “additional funds” from current law will be used to allocate the additional funds.

### *State Administration*

The existing 5 percent State Administration set-aside (Sec. 112(a)(3)), including the state match requirement (Sec. 112(b)) and related responsibilities described in current law (Sec. 121), all remain unchanged under this proposal.

### *State Leadership*

While the 10 percent State Leadership set-aside (Sec. 112(a)(2)) itself stays the same under the Senate bill, there are two significant changes made to this section of the bill:

#### **Set-Aside for Recruiting Special Populations to Enroll in CTE Programs**

The Senate bill adds a new provision to require an amount that is the lesser of two options: 1) .01 percent or 2) \$50,000, to be used for the recruitment of special population to enroll in CTE programs.

#### **State Corrections Set-Aside**

The Senate bill increases the allowable state set-aside (Sec. 112(a)(2)(A)) to serve individuals in state institutions from 1 percent to 2 percent of the total amount of the Perkins Basic State Grant (but these funds come out of the amount allowed for State Leadership, which is consistent with current law), and specifically adds juvenile justice facilities to the types of institutions where these funds can be used.

### *Reserve Fund*

The allowable “reserve fund” (Sec. 112(c)) has been increased from 10 percent to 15 percent. The reserve fund is an option available to eligible agencies to distribute funds to eligible recipients through an alternative method. The criteria for using these funds are similar to current law, but one additional option is added: areas with disparities or gaps in performance among population groups. The Senate bill requires funding to focus on eligible local recipients in rural areas, those with high percentages or numbers of CTE concentrators or participants, and those with disparities or gaps in performance.

## **State-to-Local Formula and Eligible Recipients/Institutions**

The current state-to-local formulas (Secs. 131 & 132) determining local grant allocations and the minimal allocations (\$15,000 for eligible recipients at the secondary level and \$50,000 for eligible recipients at the postsecondary level) would remain unchanged in this bill. Additionally, local education agencies, area career technical schools, and community/technical colleges remain the primary recipients (called eligible recipients) of local Perkins funding under this proposal. However, Indian Tribes, Tribal organizations, and Tribal educational agencies are added as eligible recipients at the secondary level, and at the postsecondary level as well, along with tribally controlled colleges or universities.

It is also important to note that the Senate bill also re-orders the listing of entities under the “eligible institution” definition to list consortia at the beginning of the list rather than at the end. This change has no meaningful effect other than to more directly highlight consortia as an option.

There is one additional change that could impact eligible institutions, involving new language in the definition of CTE and eligible institutions referencing “recognized postsecondary credentials.” Since this specific definition includes baccalaureate degrees, it could inadvertently open up funding under the Act to baccalaureate degree programs.

## **Highlighted Definitional Changes (Sec. 3)**

The Senate bill contains 55 definitions compared to 34 definitions in current law. Many of these definitions are new, but several definitions in current law were amended. Some of the new definitions were added in an effort to align terminology with the Workforce Innovation and Opportunity Act (WIOA) and the Every Student Succeeds Act (ESSA). Highlights of the changes and additions are included below (with definitions directly related to the accountability provisions of the law featured in the following section).

### *Area Career and Technical Education School*

This term largely stays the same, but the number of required occupational fields needing to be offered has been reduced from five to three. There is additional emphasis on occupational fields offered in “in-demand” industry sectors or occupations, but this does not constitute a new requirement.

### *Career and Technical Education*

Significant changes were made to the definition of Career and Technical Education (CTE), and, as with current law, this definition determines what activities can be funded. The new definition specifies that content must be aligned with ESSA’s state-identified academic standards at the secondary level and with rigorous academic standards at the postsecondary level. There is a new emphasis on “in-demand” industry sectors and occupations, although this does not constitute a new requirement. The definition also references the WIOA term “recognized postsecondary credentials,” which includes a spectrum of credentials including state licenses, industry certifications, and associate and baccalaureate degrees (as described above). The definition also includes new references to work-

based learning, career exploration, and secondary-postsecondary connections, although none are specifically required.

### *CTE Participant*

A CTE participant is defined as an individual at either the secondary or postsecondary level who completes at least one CTE course or earns at least one credit in a CTE program or program of study. This definition is not used with regard to accountability requirements. It is referred to in the reserve fund, national activities, elements of the local application and local uses of funds.

### *Credit Transfer Agreement*

This new definition introduced in the Senate bill encompasses formal agreements among and between secondary and postsecondary education institutions that grant transcribed postsecondary credit. The definition specifically points out that these credits include those granted to students through a variety of means, such as dual or concurrent enrollment programs, credit granted on the basis of performance on technical assessments and more. This definition is referenced within the definition of an articulation agreement and in the secondary performance indicator of program quality.

### *Eligible Entity*

This term is defined as a consortium, group or partnership that includes 1) representatives of at least two: local education agencies, education service agencies, area career technical education schools, Indian Tribes, institutions of higher education or state educational agencies, 2) representatives of at least one business or industry partner and 3) one or more stakeholders (which may include parents and students, representatives of local agencies serving out-of-school youth, homeless children and youth and at-risk youth, Indian Tribes or Tribal organizations, minority serving institutions, special populations, or other relevant community stakeholders). This definition is referenced only in regard to the competitive grant program in the National Activities section of the Senate bill; it will not impact which entities are eligible for funding under the Basic State Grant.

### *Programs of Study*

A new, formal definition for CTE programs of study is introduced here and is emphasized throughout the legislation. The term uses some of the existing language from current law, defining a CTE program of study as a coordinated, non-duplicative sequence of secondary and postsecondary courses that incorporates challenging, state-identified academic standards and addresses academic and technical knowledge, as well as employability skills (a purposefully undefined term in the bill), which are aligned to the needs of industries in the state, region, or local area. Additionally, this definition adds the provisions that a CTE program of study progresses in content specificity, has multiple “entry and exit points” that allow for credentialing, and ultimately culminates in the attainment of a recognized postsecondary credential.

### *Special Populations*

Under the Senate bill, two new categories of special population students (homeless individuals and youth with parents on active duty in the armed forces) are added to the current definition to reflect changes made under ESSA. Special Populations are now defined as:

- (a) individuals with disabilities;
- (b) individuals from economically disadvantaged families, including low-income youth and adults;
- (c) individuals preparing for non-traditional fields;
- (d) single parents, including single pregnant women;
- (e) out-of-workforce individuals;
- (f) English learners;

- (g) homeless individuals;
- (h) youth who are in, or have aged out of, the foster care system; and
- (i) youth with parents on active duty in the armed forces.

### *Work-based Learning*

A new, formal definition of work-based learning is included in the Senate bill. It emphasizes sustained interactions with industry or community professionals in real workplace settings where possible, but includes simulated environments as well. Under the definition, work-based learning must foster in-depth, first-hand engagement with the tasks required of a given career field and be aligned to curriculum and instruction.

### *ESSA-Adopted Terminology*

The Senate bill adopts a number of terms from ESSA. References to dual or concurrent enrollment, early college high schools, English learners, evidence-based, high school, paraprofessionals, professional development, specialized instructional support personnel and services, and universal design for learning all take on the meanings as defined in ESSA. An online version of this Act is [available here](#).

### *WIOA-Adopted Terminology*

As with ESSA, the bill also adopts a number of terms from WIOA. References to career pathways, in-demand industry sectors or occupations, industry or sector partnerships, local and state workforce development boards, out-of-school youth, and recognized postsecondary credentials all take on the meanings as defined in WIOA. An online version of this Act is [available here](#).

## **Accountability—Definitions, Core Indicators, Performance Targets, and Improvement Plans (Sec. 113)**

Significantly, the Senate bill would introduce formal definitions for CTE concentrators.

### *CTE Concentrator*

This definition is the primary unit of analysis for the Senate bill’s accountability framework.

- (a) At the secondary level, a concentrator is defined as a student who completes at least two courses in a single program area.
- (b) At the postsecondary level, a concentrator is defined as a student who earns 12 cumulative credits in a single program area or completes a program that encompasses fewer than 12 credits.

### *Secondary Core Indicators of Performance*

Indicators listed below are based on the secondary concentrator definition, as defined above.

1. Graduation rates (based on the ESSA four-year rate with an option to also use the extended-year rate should a state choose to do so).
2. Academic attainment rates (largely the same as current law and based on ESSA state-identified academic standards and related assessments).
3. Student placement two quarters after exiting secondary education in further postsecondary education or training.
4. Student placement two quarters after exiting secondary education in military service, a service program, the Peace Corps or employment.
5. A measure of “CTE program quality” that must include one of the following:
  - a. student attainment of recognized postsecondary credentials
  - b. student attainment of postsecondary credits in their CTE program/program of study
  - c. percentage of students participating in work-based learning

- d. any another measure so long as it is statewide, valid, reliable, and comparable across the state
6. The percentage of CTE concentrators in CTE programs that lead to nontraditional fields.

### *Postsecondary Core Indicators of Performance*

All postsecondary indicators are based on CTE concentrators, as defined above.

1. Student placement, two quarters after program completion, in further education (disaggregated by postsecondary award level) or advanced training.
2. Student placement, two quarters after program completion, in military service, a service program, the Peace Corps or employment.
3. Attainment of recognized postsecondary credentials during a program or within one year of program completion.
4. The percentage of CTE concentrators in CTE programs that lead to nontraditional fields.

### *Performance Targets*

Under this proposal, eligible agencies would have the ability to set state determined levels of performance for each of the indicators listed above without the need to enter into negotiations with the U.S. Department of Education (USDE). Eligible agencies would need to set these state determined levels of performance in their state plan, meaning an eligible agency would set all four years of targets in their initial state plan submitted to the U. S. Secretary of Education (Secretary) for approval. These state determined levels of performance must be expressed in a percentage or numerical form and require the state to continually make progress toward improving the performance of all CTE concentrators, including subpopulations; which are similar to requirements in current law.

The Senate bill also introduces the following new requirements for eligible agencies to abide by in setting the state determined levels of performance. These state determined levels of performance must:

1. Be subject to a 60-day public comment process (the Senate bill requires the eligible agency to develop the state determined levels of performance in consultation with the stakeholders involved in the state plan development process and then provide the public with 60 days to submit written comments on the state determined levels of performance. The comments received must be included in the state plan and the eligible agency must include a written response to these comments in the state plan).
2. Take into account how the state determined levels of performance involved compare to those established by other states, considering factors including the characteristics of actual CTE concentrators (as opposed to anticipated) when CTE concentrators entered the program and the services or instruction to be provided.
3. If adjusted, be higher than the average actual performance of the two most recently completed program years.
4. Take into account the extent to which the state determined levels of performance advance the accomplishment of the goals identified in the state plan.

Eligible agencies may revise their state determined levels of performance prior to the third program year covered by the state plan, but such levels must still meet all of the requirements for state determined levels of performance, including being subject to the public comment process. In the case of unanticipated circumstances or changes or improvements in data or measurement approaches, the eligible agency may also submit adjusted state determined levels of performance at the end of a program year. In this case, the adjusted levels must meet all of the requirements for state determined levels of performance (including being subject to the public comment process), except the requirement that the adjusted levels be higher than the two previous years.

Despite the removal of the federal-to-state performance negotiation process, the Secretary would still have the authority to disapprove state plans based on the state determined levels of performance included in such plans. This is because the bill specifies that the state determined levels of performance are considered to be part of the “requirements of the Act” and, as such, are in the purview of reasons why the Secretary may choose to disapprove a state plan (more on this in the next section).

The Senate bill would maintain the requirement that local grant recipients adopt the state determined levels of performance for each of the core indicators of performance or individually negotiate with the eligible agency to develop local levels of performance. Under either option, the local performance levels must meet the requirements outlined above and also take into account how those levels compare among other eligible recipients in the state, local economic conditions, the extent to which the levels advance the accomplishment of the goals outlined in a local application, and the eligible recipient’s ability to collect and assess data.

Additionally, eligible agencies would continue to be required to publicly report and share widely their actual performance on the core indicators of performance, with the additional requirement that these reports be in easily accessible formats and languages, as determined by the eligible agency. State and local reports would maintain the requirements in current law and continue to require the reporting and disaggregation of data. The Senate bill also requires additional disaggregation occur for each indicator by CTE program or program of study (and if this level of reporting is impractical, the data may be disaggregated by career clusters of CTE concentrators). This level of disaggregation would not be required in cases in which the number of students in a category is insufficient to yield statistically reliable information or would reveal personally identifiable information about a student.

#### *Improvement Plans and Sanctions (Sec. 123)*

As with current law, if a state fails to meet at least 90 percent of its state determined level of performance for any of the core indicators, it must implement an improvement plan. When under such an improvement plan, the state may not adjust performance levels. USDE may withhold funding from a state that fails to implement an improvement plan or if the state had been implementing an improvement plan for any specific indicator and fails to meet at least 90 percent of the state determined level of performance for that indicator for two consecutive years, instead of three years as under current law. It is important to note that all of these changes are mirrored at the state-to-local level.

### **State Plan (Sec. 122)**

As with current law, each eligible agency would still be required to submit a plan to USDE in order to receive its Perkins allocation. Notably, the Senate bill reduces the period of time covered by the state plan to four years (from six years) in an effort to align it with the state plan length in WIOA. There is also a new requirement that a plan be submitted to the Secretary every four years, which is different from current practice at the end of original state plans. Overall, the Senate bill requires eligible agencies to develop three plans during the authorization period: a one-year transition plan, a four-year plan and then a second four-year plan which will cover the last year of this authorization and three additional subsequent years.

Eligible agencies retain the two options under current law to submit a plan—a “single plan,” or a “combined state plan” as outlined in WIOA. The Senate bill lists the “combined plan” first under the options for submitting a state plan, which has no meaningful impact or preference.

### *Plan Development*

As is currently the case, the eligible agency would be required to consult with a number of entities within the state, including the Governor, on state plan development. The Senate bill's list expands upon current law to now include individuals with disabilities, members of special populations, and representatives of agencies serving out-of-school youth, homeless youth, at-risk youth, and representatives of Indian Tribes. Notably, the Senate bill introduces a new requirement for the eligible agency to meet with officials from the Governor's office during the development of the state plan and prior to the submission of the state plan. The eligible agency must also deliver the state plan to the Governor for signature 30 days before submitting the state plan to the Secretary, which is also a new requirement in the Senate bill. If the Governor does not sign the plan within 30 days of receiving it, the eligible agency must submit the plan without the Governor's signature. While the Senate bill maintains the requirement that eligible agencies conduct public hearings on the state plan, it now specifies that the public comment be for at least 30 days. This public comment period must occur after the eligible agency makes the state determined levels of performance available for public comment for 60 days as required by section 113 (details above) because these levels are to be included in the state plan. Therefore, there is a minimum of 90 days of public comment—60 days for the state determined performance targets and 30 days for the full state plan. This two-step public comment process appears to be required to be followed for any revision to any state determined performance target (a change from current practice where a revision of a state target is considered a plan amendment not a revision).

The eligible agency still determines the "split" of the state's Perkins grant between secondary, postsecondary and adult CTE. However, the Senate bill directs eligible agencies to consult with the state agency responsible for adult education when determining this split of funds, in addition to the state education agency and the state agency responsible for overseeing two-year postsecondary institutions (which were required in current law).

### *State Plan Contents*

The Senate bill changes some of the content requirements for the state plan in comparison to current law. The number of components is reduced from 20 to 14, but many components are expanded in scope. In brief, the plan must include:

1. a summary of the state's workforce development activities and the degree to which CTE programs in the state both align to them and address the needs of employers identified by the State workforce development board;
2. the state's strategic vision and goals for preparing an educated and skilled workforce;
3. a strategy for joint planning, alignment, coordination and leveraging of funds between CTE programs with the state's workforce development system to achieve the goals listed above—this element of the state plan requires that CTE align with other federal programs, including the state's core programs in WIOA, ESSA, and the Higher Education Act (HEA);
4. detailed descriptions for how CTE programs and programs of study will be developed, supported, improved, and approved (including the criteria used to assess how local applications will promote continuous improvement, expand access to CTE for special populations and support the alignment of employability skills) and for how the eligible agency will include opportunities for secondary students to participate in early postsecondary opportunities;
5. how the eligible agency will approve local eligible recipients for funding;
6. how the state will support the recruitment and retention of CTE teachers, faculty, and administrators, including professional development that provides the knowledge and skills needed to work with and improve instruction for special populations;
7. a description for how the state plans to spend its state leadership resources;
8. how the state will determine the "split" between secondary and postsecondary CTE systems;

9. a description of the state’s program strategies for special populations, including how individuals who are members of the special populations will be provided with appropriate accommodations and instruction and work-based learning opportunities in integrated settings that support competitive, integrated employment;
10. a description of how the state will determine levels of performance for the core indicators of performance described above, including a description of the public comment process, an explanation for the levels and how these levels set align with the levels, goals and objectives of other federal and state laws;
11. a description of how the state will address disparities or gaps in performance in each of the plan years; and if no meaningful progress has been achieved before the third program year, the additional actions the eligible agency will take to eliminate these disparities or gaps;
12. a description of how the state will involve stakeholders in the planning, development, implementation and evaluation of CTE programs;
13. assurances that the state will comply with the legal requirements of the Act; and
14. a description of the opportunities for public to comment on the state plan in person and in writing.

### *State Plan Approval*

The Secretary is required to approve the state plan so long as it “meets the requirements of the Act.” A state plan is also deemed approved if the Secretary has not responded within 120 days. As mentioned earlier, the Secretary still retains the ability to disapprove a state plan if it does not meet the requirements of the Act, which includes the requirement that the state determined levels of performance meet the criteria specified in the Act. Should the Secretary elect to disapprove the state plan for any reason, USDE must notify the eligible agency in writing, provide justification for its disapproval, and grant the eligible agency a hearing. However, the steps that would be taken following a hearing are not specified in the bill.

## **State Leadership (Sec. 124)**

As noted earlier, the bill maintains the current 10 percent set-aside for State Leadership activities. In current law there are nine required uses of funds and 17 permissible uses. The Senate bill changes these requirements to five required uses of funds and 25 permissible uses of funds. Notably, the Senate bill would require eligible agencies to report on the effectiveness of this funding stream in achieving the state’s strategic vision and goals for “preparing an educated and skilled workforce,” as well as meeting the state determined levels of performance for the core accountability indicators and reducing disparities or performance gaps in those levels as outlined earlier.

The required State Leadership uses of funds include:

1. support for preparation for non-traditional fields in current and emerging professions, support for programs for special populations, and other activities that expose students, including special populations, to high skill, high wage and in-demand occupations;
2. individuals in State institutions, such as State correctional institutions, including juvenile justice facilities, and educational institutions that serve individuals with disabilities;
3. recruiting, preparing, or retaining of CTE teachers, faculty, specialized instructional support personnel, or paraprofessionals, such as pre-service, professional development, or leadership development programs;
4. providing technical assistance to local eligible recipients; and
5. reporting on the effectiveness of this funding stream in achieving the state’s strategic vision and goals for “preparing an educated and skilled workforce” as well as meeting the state’s state determined levels of performance for the core accountability indicators and reducing disparities or performance gaps in those levels.

There are a total of 25 permissible uses of funds under this section, which vary greatly in scope and feasibility. In brief, they are: developing statewide programs of study; approving locally developed programs of study; establishing statewide articulation agreements; establishing statewide sector or industry partnerships; high-quality comprehensive professional development; supporting eligible recipients in eliminating inequities in student access to high-quality programs of study and effective instructional personnel; awarding incentive grants to eligible recipients; supporting the adoption and integration of recognized postsecondary credentials and work-based learning into programs of study, and for increasing data collection associated with recognized postsecondary credentials and employment outcomes or consultation with other State agencies on licenses or certifications; pay for success initiatives leading to a recognized postsecondary credential; supporting CTE programs for adults and out-of-school youth; supporting competency-based curricula; supporting programs of study or career pathways in areas declared to be in a state of emergency; partnering with qualified intermediary organizations; improving career guidance and academic counseling programs; supporting the integration of employability skills into CTE programs and programs of study; supporting programs and activities that increase access, student engagement, and success in science, technology, engineering, and mathematics fields (including computer science, coding, and architecture), supporting the integration of arts and design skills, and supporting hands-on learning, particularly for students who are members of groups underrepresented in such subject fields; supporting career and technical student organizations (CTSOs); establishing and expanding work-based learning opportunities; integrating and aligning programs of study and career pathways; supporting the use of CTE programs and programs of study aligned with in-demand industry sectors or occupations; making all forms of instructional content widely available; supporting accelerated learning programs that are part of a program of study; supporting career academies; and other State leadership activities that improve CTE.

## Local Application (Sec. 134)

The local plan as it exists in current law is renamed the “local application” for purposes of the Senate bill, and is restructured into three pieces: the actual application components, the comprehensive needs assessment and consultation requirements.

### *Application Components*

Each eligible recipient must submit a local application to be eligible for funding, and the local application should cover the same time period as the state plan—four years. Eligible agencies can add additional requirements (as under current law), but the following specific requirements for the application are delineated in the bill:

1. a description of the results of the comprehensive needs assessment;
2. information on the CTE course offerings and activities, which shall include at least one program of study, to be supported by the eligible recipient;
3. a description of how the eligible recipient, in collaboration with local workforce development boards and other local workforce agencies, one-stop delivery systems, and other partners, will provide a series of career exploration and career guidance activities;
4. a description of how the eligible recipient will improve the academic and technical skills of students participating in career and technical education programs by strengthening the academic and career and technical education components of such programs;
5. a description of how the eligible recipient will provide activities to prepare special populations for high-skill, high-wage, or in-demand occupations that will lead to self-sufficiency; prepare CTE participants for non-traditional fields; provide equal access for special populations to CTE courses, programs, and programs of study; and ensure that members of special populations will not be discriminated against on the basis of their status as members of special populations;

6. a description of the work-based learning opportunities that the eligible recipient will provide to students participating in CTE programs and how the recipient will work with representatives from employers to develop or expand work-based learning opportunities for CTE students, as applicable;
7. a description of the CTE programs providing an opportunity to gain postsecondary credit while still attending high school, such as through dual or concurrent enrollment programs or early college high school, as practicable, that the eligible recipient will provide to students participating in CTE programs and programs of study;
8. a description of how the eligible recipient will coordinate with the eligible agency and postsecondary educational institutions to support the recruitment, preparation, retention, and training, including professional development, of teachers, faculty, administrators, and specialized instructional support personnel and paraprofessionals who meet applicable State certification and licensure requirements (including any requirements obtained through alternative routes to certification), including individuals from groups underrepresented in the teaching profession; and
9. a description of how the eligible recipient will address disparities or gaps in performance between groups of students in each of the plan years, and if no meaningful progress has been achieved prior to the third program year, a description of the additional actions such recipient will take to eliminate these disparities or gaps.

### *Comprehensive Needs Assessment*

The comprehensive needs assessment is the largest addition to this section of the law. This new process must be completed by the eligible recipient at the beginning of the grant period and updated at least once every two years. The needs assessment should include reviews of at least five elements:

1. student performance on the performance indicators, including the performance of special populations and subgroups;
2. whether programs are of sufficient size, scope, and quality to meet the needs of all students served by the eligible recipient and are meeting labor market needs;
3. progress toward the implementation of CTE programs and programs of study;
4. how the eligible recipient will improve recruitment, retention, and training of CTE professionals, including underrepresented groups; and
5. progress toward implementation of equal access to high-quality career and technical education courses and programs of study, for all students.

### *Consultation Requirements*

The local recipient is required to consult with a number of groups during the needs assessment process and development of the local plan, an expansion of the consultation process that is included in current law related to the local plan. These groups include secondary and postsecondary educators, administrators and other support staff; state or local workforce development boards; business and industry representatives; parents and students; representatives of special populations; representatives of agencies serving out-of-school youth, homeless children and youth, and at-risk youth; representatives of Indian Tribes and Tribal organizations in the State; and any other stakeholders required by the eligible agency.

In addition, continued consultation is required with these groups, with specific parameters determined by the eligible agency. This continued consultation may address updates to the needs assessment, ensure that programs remain responsive to labor market and employer needs, give employers opportunities to provide input into programs, identify work-based learning opportunities, and ensure funding is coordinated with other local resources.

## Local Uses of Funds (Sec. 135)

One of the most significant changes to the local uses of funds section is the link to the local needs assessment, and the requirement that the allocation of resources be aligned with the results of that assessment. Specifically, the section requires that funds be spent “to develop, coordinate, implement, or improve career and technical education programs to meet the needs identified in the comprehensive needs assessment described in section 134(c).”

The other significant change is that the uses of funds are significantly streamlined. The majority of the current uses of funds are still covered, although many have fewer explicit clauses. There are also no longer discrete “required” and “permissive” uses of funds subsections, but instead, many of the former “permissive” uses are included as options under required activities.

In addition to the overall requirement that local funds be used to support CTE programs of sufficient size, scope and quality to be effective, the bill includes six new “required” activities:

1. provide career exploration and career development activities through an organized, systematic framework;
2. provide professional development for a wide variety of CTE professionals;
3. provide within CTE the skills necessary to pursue high-skill, high-wage or in-demand industry sectors or occupations; and support to reduce or eliminate out-of-pocket expenses for special populations participating in career and technical education, including those participating in dual or concurrent enrollment or early college high school programs, and supporting the costs associated with fees, transportation, child care, or mobility challenges for those special populations;
4. support integration of academic skills into CTE programs;
5. plan and carry out elements that support the implementation of CTE programs and programs of study that impact student achievement of the local adjusted levels of performance established under section 113; and
6. develop and implement evaluations of the activities funded by Perkins.

Key activities such as purchasing equipment and supporting CTSOs, work-based learning, and dual and concurrent enrollment, among numerous others (20 in total), are included under the elements that support implementation of programs and programs of study.

In addition, the option for local recipients to pool funds with other recipients that exists in current law was maintained in the Senate bill. This is also explicitly referenced in the State Leadership permissible uses of funds section as an option that can be incentivized by the eligible agency. Finally, and in line with current law, the 5 percent limit on administrative costs at the local level has been carried over in this bill.

## National Activities (Sec. 114)

Significant changes were made to the elements included under the national activities section of the bill. First, the Director of the Institute of Education Sciences (IES) is brought in as a partner in administering data collection, research and evaluation activities.

Specific language is added to the section to now require the Secretary to carry out the research and evaluation activities in this section. The single plan for these activities and advisory panel are maintained from current law, with a few additional stakeholders required.

The national assessment of CTE is reconfigured as a national “evaluation” under this set of activities, with a series of grants, contracts or cooperative agreements awarded competitively to institutions of

higher education or consortia of one or more institutions of higher education and one or more private nonprofit partners. Reports from the evaluation are due every two years after the law's enactment.

There is no longer a requirement for a specific "national research center" as under current law, although nothing in the bill would preclude USDE from establishing one or more centers, and research remains a key component of this section. Research grants must also be awarded competitively to institutions of higher education or consortia of one or more institutions of higher education and one or more private nonprofit partners and a variety of research activities are outlined. In addition, a new innovation and modernization grant program is added to the section. Under this program, USDE would award competitive grants to eligible entities, eligible institutions or eligible recipients to identify, support and rigorously evaluate evidence-based and innovative strategies and activities to improve and modernize CTE and align workforce skills with labor market needs.

This section of the Senate bill, as in current law, has a funding stream separate from the Basic State Grant program authorized elsewhere under Title I of Perkins, and now includes specific authorization levels for these activities. In FY 2019 this section would be authorized at \$7.651 million, which would grow over time to \$8.202 million by FY 2024. Much like authorization levels contained elsewhere in the Senate bill, Congress must pass separate appropriations legislation for these funding levels to be realized. It is also important to note that the Senate bill requires the research and evaluation components as outlined above, but notes that the innovation and modernization program is an option that up to 20 percent of the overall allocation for this section can be spent on.

## **Fiscal Provisions: Supplement-not-Supplant and Maintenance of Effort (Sec. 211)**

Current supplement-not-supplant requirements stay intact under the Senate bill. While the Senate bill maintains the current 100 percent state fiscal effort requirement that compels eligible agencies to maintain the same fiscal effort, on an aggregate or per-pupil basis, as they did the year before, it also introduces some new flexibility.

First, the Senate bill allows the eligible agency to exclude additional CTE-related expenditures including competitive or incentive-based programs (in addition to currently allowed capital expenditures, special one-time project costs, and the cost of pilot programs), at the request of the eligible agency. It is important to note that it is at the eligible agency's discretion to include or exclude any of these expenditures.

Second, the new MOE language affords eligible agencies the one-time-only opportunity to "reset" their existing MOE baseline level for the first full fiscal year following the law's enactment date (which would be FY 2020 should the Senate bill become law). However, eligible agencies may still elect to maintain their existing baseline should they choose to do so. If reset, the new baseline must be at least 95 percent of prior year expenditures. The waiver language is also amended to remove the option for the Secretary to waive the requirements of 5 percent of expenditures for one year, but maintains waivers in the event of exceptional or uncontrollable circumstances.

## **Miscellaneous Provisions and Conforming Amendments**

### ***Middle Grades Change (Sec. 315)***

The bill removes a restriction from current law that prohibited funding to provide CTE programs to students below the seventh grade, instead replacing it with a prohibition on funding below the "middle grades." This provision specifies that "middle grades" is defined as it is in ESSA, which says states can define middle grades for themselves, but that the authorized range includes grades 5-8. As

such, the state's determination of "middle grades" will apply here for their use of funds for these grades.

### *New GAO Study (Sec. 219)*

The bill would require the Government Accountability Office (GAO) to conduct a study to evaluate the "strategies, components, policies, and practices" used by eligible agencies and local eligible recipients to ensure that all students, including specific subpopulations, are able to pursue and complete CTE programs of study aligned to high-skill, high-wage occupations. The study would also assess any challenges associated with the replication of these approaches, and require a specific focus on subgroups that may be underrepresented in such occupations. In conducting this study, the GAO must consult with students and parents, eligible agencies and recipients, teachers and faculty and other educators, special populations, and representatives of business and industry. The study would be submitted to the House Committee on Education and the Workforce and Senate HELP Committee and would not be binding.

### *Wagner-Peyser Alignment*

A major theme of the Senate bill is labor market alignment. In an effort to support this goal, the bill amends the Workforce and Labor Market Information System under Wagner-Peyser (Title III of WIOA) by ensuring that the labor market information produced under this legislation can be readily accessed and used by the eligible agency and in turn, local eligible recipients.

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