



Testimony of  
Association for Career and Technical Education

Subcommittee on Labor, Health and Human Services, Education, and Related Agencies  
Committee on Appropriations  
U.S. Senate

June 1, 2018

Chairman Blunt, Ranking Member Murray and members of the subcommittee, on behalf of the Association for Career and Technical Education (ACTE), the nation's largest not-for-profit association committed to the advancement of education that prepares youth and adults for career success, I write to urge a strong federal investment in the Carl D. Perkins Career and Technical Education Act (Perkins) for the coming fiscal year. To ensure that students are equipped with the academic, technical and employability skills they need for the jobs of today and the careers of tomorrow, we respectfully request that the subcommittee increase funding for the Perkins Basic State Grant program, administered by the U.S. Department of Education, Office of Career, Technical, and Adult Education, to \$1.3 billion in the FY 2019 Labor, Health and Human Services, Education, and Related Agencies appropriations bill.

Perkins is the principal source of dedicated federal funding for CTE programs in our nation's high schools and postsecondary institutions, providing capacity-building resources through a need-based formula. This federal investment is essential to ensuring that students are prepared for careers in expanding fields like engineering, information technology, advanced manufacturing and health care. In a rapidly changing job market, CTE equips students with the transferable skills they will need for long-term career success, while offering reskilling opportunities to many working and displaced adults.

Investing in CTE has provided substantial benefits for states and communities across the country. In Wisconsin, taxpayers receive \$12.20 in return for every dollar invested in the technical college system.<sup>1</sup> Oklahoma's economy reaps a net benefit of \$3.5 billion annually from graduates of the CTE system.<sup>2</sup> Individuals who receive a certificate or degree from California Community Colleges almost double their earnings within three years,<sup>3</sup> while Colorado Community College System alumni in the workforce contribute \$5.1 billion annually to the state economy.<sup>4</sup> Every dollar spent on secondary CTE students in Washington state leads to \$26 in lifetime earnings and employee benefits.<sup>5</sup>

Moreover, students involved in CTE programs are more engaged, graduate at higher rates and typically go on to postsecondary education. The average high school graduation rate for students concentrating in CTE is 93 percent, compared to an average national freshman graduation rate of 80 percent.<sup>6</sup> Taking one CTE class for every two academic classes minimizes the risk of students dropping out of high school.<sup>7</sup> Additionally, CTE students were more likely to develop time management, critical-thinking and other essential skills while in high school.<sup>8</sup> Those students are also likely to persist in their education—91 percent of high school graduates who earned 2-3 CTE credits enrolled in college.<sup>9</sup>

CTE programs prepare students for careers in in-demand fields and provide an affordable pathway to the middle class. Health care occupations, many of which require an associate degree or industry credential, are projected to grow 18 percent by 2026—adding more than 2 million new jobs.<sup>10</sup> Half of all STEM occupations, which offer students high-skilled, high-wage career opportunities, require less than a bachelor's degree.<sup>11</sup> Middle-skill jobs are a significant part of the economy. Of the 55 million job openings that will be created by 2020, 30 percent will require some college or a two-year associate degree.<sup>12</sup> Congruently, the demand for workforce credentials, and the value of those credentials, continues to grow. The number of individuals earning certificates or associate degrees in CTE fields rose 71 percent from 2002 to 2012.<sup>13</sup> Twenty-seven percent of young workers with licenses and certificates earn more than those with a bachelor's degree.<sup>14</sup> Moreover, students can pursue these credentials at community and technical colleges for a fraction of the cost of tuition at other institutions: \$3,520, on average for the 2016-2017 academic year.<sup>15</sup>

Highly skilled workers also deliver direct benefits to American employers through enhanced productivity and innovation; however, the increased demands on the workforce pipeline are a persistent barrier to economic growth. Almost half of the energy workforce may need to be replaced by 2024.<sup>16</sup> A projected 3 million workers are needed to fill infrastructure jobs in the next decade, including careers in construction, transportation and telecommunications.<sup>17</sup> Meanwhile, more than 80 percent of manufacturers report that the skills gap will impact their ability to meet customer demands.<sup>18</sup> Perkins funding ensures that educators can equip students with the skills they will need for high-demand fields.

Despite CTE's impressive outcomes and a growing need for career education and workforce training, the federal investment in Perkins has declined by 13 percent over the past decade—nearly \$170 million less in funding for CTE programs. Though the Trump Administration proposed to cut CTE funding in its FY 2018 budget request, Congress approved a \$75 million increase for the Perkins Basic State Grant program in the recent omnibus appropriations bill. However, more needs to be done to support our nation's high schools, community colleges and technical institutions.

Restoring federal funding for CTE by increasing the Perkins Basic State Grant to \$1.3 billion in FY 2019 could expand access to high-quality CTE programs for students nationwide. Moreover, it will strengthen the capacity of school districts and postsecondary institutions to deliver academically rigorous CTE content, ensure support for special populations, afford the latest technology and equipment for the classroom, strengthen employer partnerships, provide college and career counseling services, and deliver educator professional development opportunities.

Recently, 38 Senators, including distinguished members of this subcommittee, sent a letter in support of increased funding for Perkins. We applaud their commitment to growing our investment in Perkins, and we urge the subcommittee to make CTE a top priority in the FY 2019 Labor, Health and Human Services, Education, and Related Agencies appropriations bill. Thank you for your thoughtful consideration of our request.

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- <sup>1</sup> Wisconsin Technical College System, *The Technical College Effect*, 2014.
- <sup>2</sup> OKCareerTech, *PoweredbyOKCareerTech.com*.
- <sup>3</sup> Foundation for California Community Colleges, *Facts and Figures*.
- <sup>4</sup> Colorado Community College System, *The Economic Value of the Colorado Community College System*, May 2017.
- <sup>5</sup> Workforce Training and Education Coordinating Board, *Secondary CTE: State Core Indicator Results*, 2017.
- <sup>6</sup> U.S. Department of Education, Office of Career, Technical and Adult Education data; Civic Enterprises et al, *Building a Grad Nation: Progress and Challenge in Ending the High School Dropout Epidemic: Annual Update*, 2014.
- <sup>7</sup> Plank et al, *Dropping Out of High School and the Place of Career and Technical Education*, National Research Center for CTE, 2005.
- <sup>8</sup> Lekes et al., *CTE Pathway Programs, Academic Performance and the Transition to College and Career*, National Research Center for CTE, 2007.
- <sup>9</sup> U.S. Department of Education, National Center for Education Statistics, *Data Point: Career and Technical Education Coursetaking and Postsecondary Enrollment and Attainment: High School Classes of 1992 and 2004*, 2016.
- <sup>10</sup> U.S. Department of Labor, Bureau of Labor Statistics, *Occupational Outlook Handbook*, Healthcare Occupations.
- <sup>11</sup> Rothwell, *The Hidden STEM Economy*, Brookings Institution, 2013.
- <sup>12</sup> Carnevale et al., *Recovery: Job Growth and Education Requirements Through 2020*, Georgetown University Center on Education and the Workforce, 2013.
- <sup>13</sup> U.S. Department of Education, Office of Planning, Evaluation and Policy Development, Policy and Program Studies Service, *National Assessment of Career and Technical Education: Final Report to Congress*, 2014.
- <sup>14</sup> Georgetown University Center on Education and the Workforce, *Valuing Certificates*, Presentation, 2009.
- <sup>15</sup> College Board, *Average Published Undergraduate Charges by Sector, 2016-17*.
- <sup>16</sup> Center for Energy Workforce Development, *Gaps in the Energy Workforce Pipeline: 2015 CEWD Survey Results*.
- <sup>17</sup> Kane and Tomer, *Infrastructure Skills: Knowledge, Tools, and Training to Increase Opportunity*, Brookings Institution, 2016.
- <sup>18</sup> Deloitte and The Manufacturing Institute, *The Skills Gap in U.S. Manufacturing: 2015-2025 Outlook*, 2015.