



# Issues Update

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*Issues Update* is a report from the Kentucky Association for Career and Technical Education (KACTE) written by Executive Director Michael R. Stone and shared with members. As needed, *Issues Update* will report on state and federal Career and Technical Education (CTE) policy and legislative developments. KACTE and Stone can be reached at [kmstone1951@gmail.com](mailto:kmstone1951@gmail.com) or 502-223-1823.

## Legislators Talk Money, Policy at Preview Conference

The amount of money in the Kentucky Budget Reserve Fund, approaching \$4 billion, is the largest in history, but that does not necessarily mean the General Assembly will increase appropriations. Speakers at the 2024 Kentucky Chamber of Commerce Legislative Preview Conference in Lexington on Nov. 13 emphasized the need to maintain a significant balance in the account. Most of the speakers, primarily Republican members of the General Assembly, pledged to follow the plan to eliminate the state income tax.

The two priorities to maintain the reserve fund and lower the income tax means increased spending must be a documented need. Some of the reserve fund balance is a result of one-time federal dollars received during and after the pandemic. The speakers voiced concern not to spend money on new, recurring programs with the one-time money, which would force future legislatures to find ways to continue the programs either by raising taxes or cutting other expenditures.

House Appropriations and Revenue Committee Chair Jason Petrie asked the attendees to remember three principles: 1) maintain the reserve fund; 2) understand one-time money and recurring expenditures; and 3) know the difference between needs and wants. There must be structural balance.

Knowing this, advocates for increased spending are trying to identify items that can be funded with the one-time money, such as construction.

**TWO AREAS SINGLED OUT** by several speakers for funding consideration are pensions and education. Although improving and on a positive track, it will be several years before the state pension funds will exceed liabilities. The Teachers Retirement Fund (TRF) has assets of almost \$25 billion. TRF officials are asking for \$1.3 and \$1.5 billion funding in the respective years of the biennium.

Funding education received a lot of support. Senate Education Committee Chair Sen. Stephen West said the first priority in the 2024 General Assembly session that begins Jan. 2 is to pass the biennial budget. He added that the legislature made significant investments in education the past few years, and noted education represents 60 percent of the state budget.

### **KACTE Develops Position Statements for '24 Session**

The 2024 Kentucky General Assembly 60-day session will begin Jan. 2 and continue until April 15. The legislature's primary job during the long session is passing a 2024-26 biennial budget. The Kentucky Association for Career and Technical Education (KACTE) will work to inform and educate all legislators on the on-going needs for Career and Technical Education (CTE).

Led by Advocacy Committee Chair Michael Miller, administrative consultant, Office of Career and Technical Education (OCTE), KACTE will work with its contract legislative agent, McCarthy Strategic Solutions, to advance CTE in Kentucky. The KACTE Board at its Sept. 8 and Nov. 16 meetings approved:

- Supporting a CTE secondary funding model proposed by OCTE and accepted for introduction by legislators. Under the bill to be filed, schools will receive funding for high-quality CTE programs of study. Most of the funding will be distributed based on student full-time enrollment in CTE. There will be incentive funding based on attaining various measures. The model can fund any CTE program at any school that meets high-quality standards. Information on high-quality CTE standards can be found at: <https://www.acteonline.org/professional-development/high-quality-cte-tools/>.
- Advocating for continuing funding of CTE at both the secondary and postsecondary levels at the increased amounts approved in the 2022-24 biennial budget.
- Providing support for legislation to address CTE teacher recruitment and retention. It is anticipated Rep. James Tipton, Chair, House Education Committee, is preparing a bill to address the issue. Miller was tasked with developing a statement in support of recruitment and retention that will include documentation of the need to increase teacher salaries.
- Advocating for any legislation that will fund CTE school construction or maintenance.

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House Education Committee Chair Rep. James Tipton said education is a workforce issue. "To have a productive workforce, we need an education system that prepares students," he said. Saying that a lot of states around Kentucky have raised teacher salaries, Kentucky will have to respond. He also cited increasing pension funding, support for Career and Technical Education (CTE), raising school transportation funding, and raising the SEEK formula level would be on the legislature's agenda.

To address the workforce shortage, West said education needs to, "focus on the core mission; get K-12 back to the core mission: reading, writing and arithmetic." Tipton also said there need to be more adults in the workforce and to prepare for the workforce of tomorrow steps must be taken now.

West's statements on consideration of a constitutional amendment to advance school choice were echoed in later panels by House Majority Floor Leader Stephen Rudy and Speaker of the House David Osborne. "In

## **CTE Is a Model of Federal-State Partnership**

Financially, federal support for Career and Technical Education (CTE) is less than 10 percent of CTE funding nationwide. Like Kentucky, CTE is funded mostly by state and local appropriations.

It was not too long ago that some education policy advocates considered eliminating CTE programs. The focus was on baccalaureate degrees, ignoring the necessity of the foundational and infrastructure jobs educated through CTE. The incentive of federal dollars kept CTE in place, and federal oversight spurred quality and innovation.

In a recent letter to the Kentucky Association for Career and Technical Education (KACTE) U.S. Senate Minority Leader Mitch McConnell wrote, "America's continued prosperity relies on a well-educated workforce. . . I supported the Carl D. Perkins Career and Technical Education Improvement Act." He noted CTE programs can help address the skills gap.

The implementation of CTE is a state and local responsibility. In recent years, recognition of the foundational and infrastructure importance of CTE has raised its profile. The states and localities have stressed quality instruction and innovation, in addition to providing the bulk of CTE funding.

What this amounts to is the very model of a federal-state program. The federal government sets the overarching policy for the nation; the state and local governments implement that policy in the best interest of their economy and citizens. CTE works!

all other areas, you have choice; why not education," West said. Tipton said he was all for choice, but noted parents now have the choice to send their students across district lines. "School choice is out there," he said. What he urged was more flexibility for schools to innovate. "Allowing flexibility is critical," he explained. "There are too many regulations and rules that prevent schools from innovating."

Senate Appropriations Committee Chair Chris McDaniel somewhat agreed with Tipton's position. In considering increases to the SEEK formula, "leave the ability for local districts to make their decisions," he said. "Fund SEEK with as much flexibility as possible."

Senate President Robert Stivers indicated the legislature will consider changes to post-secondary education. **SJR98** passed in the 2023 session calls for a review of postsecondary education, including the Kentucky Community and Technical College System and whether a new, regional university should be located in Pikeville. The studies will be released fully in December.

Closing the conference was Rocky Adkins, Senior Advisor to Gov. Andy Beshear. Among the proposals he cited that the governor will present are increasing teacher pay, universal pre-kindergarten, and spending \$100 million on CTE construction projects.

## **CTE State Advisory Committee**

The CTE State Advisory Committee met Nov. 20 and began with positive comments about CTE from Interim Commissioner of Education Robin Kinney. OCTE Division Director Tom Thompson advised a CTE marketing campaign will debut during CTE Month in February. Division Director for Technical Schools and Continuous Improvement Larry Garrity introduced a theme for CTE: **Train Today . . . Own Tomorrow.**

Policy Adviser Regan Satterwhite updated the committee on the status of a legislative proposal to codify a secondary CTE funding formula. She said the increased CTE funding in the 2022-24 biennial budget addressed adequacy of funding. The proposal will address equity. The proposed funding model will equalize Area Technology Center/Local Career Technology Center funding per student and emphasize high-quality instructional resources.

She said there is progress with the General Assembly. There are committed sponsors in both the House and Senate. OCTE is working to build support among education associations.

Associate Commissioner Beth Hargis said OCTE is moving away from the Local Area Vocational Education Center label. The Department of Education budget request includes funding of four regional CTE consultants and for Junior ROTC. There will be support for viable teacher recruitment and retention alternatives.