



# Investing in the American Workforce

The Trump Administration can ensure that the United States has the world's most competitive workforce by investing federal resources into education and workforce training programs that help to equip students of all ages with the academic, technical and employability skills they need for career success. Principal among these programs, the Carl D. Perkins Career and Technical Education Act (Perkins) serves as the primary source of dedicated federal funding for career and technical education (CTE). Perkins funding builds the capacity of secondary schools and postsecondary institutions to serve millions of students nationwide through high-quality CTE programs that are academically rigorous and aligned to the needs of American business and industry.

Investing in CTE has provided substantial benefits for individuals, states and communities across the United States. CTE students have better labor market returns, and states do as well. In Wisconsin, taxpayers receive \$12.20 in returns for every dollar invested in the technical college system. Secondary CTE program completers account for more than \$13 million in annual tax revenues in Tennessee, while every dollar invested in secondary CTE programs in Washington State yields a \$9.00 return.

Students involved in CTE programs also experiences these direct returns—they graduate at higher rates and are more engaged in their education. The average high school graduation rate for students concentrating in CTE programs is 93 percent, compared to the national adjusted cohort graduation rate graduation rate of 83 percent. CTE students were significantly more likely than their non-CTE counterparts to report developing problem-solving, project completion, time management, critical-thinking and other essential skills during high school. Moreover, 81 percent of high school dropouts say relevant, real-world learning opportunities would have kept them in school. The federal government can better target education resources and produce a strong return on the taxpayers' investment by directing more funding toward high-quality CTE programs via the Perkins Act and its foundational state grant program.

Federal support is especially critical now as overall funding for CTE has not kept pace with the demand for CTE. In 2014, Philadelphia reported that it received 11,000 applications for only 2,500 available spaces at CTE programs in the district. A survey of school districts in Massachusetts found that at least 4,600 students were on waiting lists for CTE programs statewide. In a portion of New Jersey's CTE system, there are 2.5 applicants for every available seat. Clearly, more needs to be done to support our nation's high schools, tech centers, community colleges and students.

Congressional appropriations for the Perkins Basic State Grant program, which allocates capacity-building funding to states and local recipients through need-based formulas, have been persistently underfunded despite continued calls from policymakers and the public for expanding career education and skills training opportunities during these challenging economic times. From FY 2007 through FY 2016, total Perkins grant funding to states declined by 13 percent (a 23 percent decline when adjusted for inflation)—nearly \$170 million less in funding available to support CTE.

It is time to reverse this trend of shrinking federal resources for critical education and workforce training programs. A much-needed increase in Perkins investments will support 11 million secondary, postsecondary

and adult students by expanding access to CTE programs of study that create a seamless educational pathway, strengthening the integration of academics and CTE content in the classroom, providing career guidance and academic counseling services, ensuring that CTE classrooms have the latest technology and equipment, and providing professional development and technical assistance for CTE educators. An educated and highly skilled workforce delivers direct benefits to American employers and helps to strengthen the economy as a whole through productivity and innovation. Further, the workers needed to support a massive infrastructure renewal in the United States will require more Americans to gain access to high-quality CTE programs of study in sectors such as Architecture and Construction; Business Management and Administration; Government and Public Administration; Information Technology; Manufacturing; Science, Technology, Engineering and Mathematics and Transportation, Distribution and Logistics.

*ACTION NEEDED: Clearly identify investments in CTE as a priority by including an increase in funding for the Carl D. Perkins Career and Technical Education Act in the Administration's FY 2018 Budget Request.*

Additionally, the Perkins Basic State Grant should remain primarily a formula grant to support all CTE programs that are willing to make a commitment to pursuing high levels of quality and continuous program improvement, and the federal-to-state and state-to-local formula structure should be maintained to ensure equitable access for all students regardless of their zip code.

*ACTION NEEDED: Prioritize funding for Perkins formula grant programs that efficiently send resources to all parts of America, rather than narrowly focused competitive grants that create isolated pockets of success.*

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