

Summary of the Strengthening Career and Technical Education for the 21st Century Act

In July 2018, Congress passed H.R. 2353, the Strengthening Career and Technical Education for the 21st Century Act. The bill provides a six-year authorization of the Carl D. Perkins Career and Technical Education Act. The reauthorization bill reforms and modernizes some areas of the current law, while retaining much of the existing structure. The authorization period begins on July 1, 2019 and includes a one-year transition period to allow eligible entities to submit a transition plan.

Funding Allocations – The bill authorizes funding for fiscal year (FY) 2019 at \$1.229 billion for basic state grants. Each year that authorization increases, however funding levels are ultimately determined by the annual appropriations process.

Under the bill the overall federal-to-state and state-to-local funding allocation formulas largely remain the same as they exist in current law. State agencies would still determine how local funding would be split between secondary and postsecondary programs.

Changes include an increase in the percentage of state reserve funds that a state may devote to rural areas, localities with a large number of CTE students, or areas with disparities in performance. The bill raises that reserve fund from 10 to 15 percent. The bill also increases the set-aside for state corrections from one to two percent and creates a set-aside for recruiting special populations that can be as much as \$50,000.

The hold-harmless provision is changed from current law by eliminating requirements that states receive no less than they did in FY 1998. Under the new provision if Congress were to cut funding for basic state grants below FY 2018 funding levels then each state would see a corresponding reduction in funding of the same percentage. The state allotment formula for increased funding remains the same as under current law.

State and Local Plans – The bill requires eligible agencies to submit a four-year state plan (under current law the required plan is six-years) and a one-year transition plan. The plan can be a combined plan for both CTE and the Workforce Innovation and Opportunity Act (WIOA), but this is not required. The state plan must include performance targets, division of funding, strategic goals, a plan to address employer needs, and strategies to address performance disparities and serve special populations. The Secretary of Education must approve the state plan unless it fails to meet all the required elements.

Local education providers will submit an application every four-years. This new local application process will include a biennial needs assessment to determine how CTE programs are serving students and meeting local economic needs. The needs assessment also requires that local recipients engage business, industry, and community stakeholders in the planning process.

Accountability - The bill updates current accountability measures relying on four core indicators that are more closely aligned with the indicators under WIOA. The indicators focus on employment outcomes, earnings, completion rates, and the percentage of CTE concentrators in non-traditional fields. All indicators now rely on evaluating ‘CTE concentrators’ defined as individuals who have earned at least 12 cumulative credits within a career and technical education program. The goal in this change was to focus on outcomes while more accurately measuring program success.

Federal Oversight – The bill provides states with more control over CTE implementation and planning. Under the bill, performance levels will be set by individual states and it is no longer required that states negotiate levels with the Secretary of Education.

The bill does include a maintenance of effort provision that requires state to supplement and not supplant funding, and to maintain the same level of fiscal support.

Innovation - The bill includes the creation of a small competitive grant to support innovation through reform of the current National Activities section of the Perkins Act. Authorized at \$7.6 million, CTE National Activities are aimed at CTE research and evaluation.