

H.R. 5587, THE STRENGTHENING CAREER AND TECHNICAL EDUCATION FOR THE 21st CENTURY ACT

COMMITTEE REPORT

PURPOSE

H.R. 5587, the *Strengthening Career and Technical Education for the 21st Century Act*, amends the *Carl D. Perkins Career and Technical Education Act of 2006* (Perkins Act) to help more Americans enter the workforce with the skills necessary to compete for and succeed in high-skilled, in-demand careers.

COMMITTEE ACTION

H.R. 5587 is the culmination of efforts by the Committee on Education and the Workforce (Committee) throughout the 113th and 114th Congresses to amend and improve the Perkins Act in order to reflect the current realities and challenges facing students, workers, and employers. The legislation builds on the Committee's reforms to both K-12 education and workforce development systems passed into law through the *Every Student Succeeds Act* (ESSA) and the *Workforce Innovation and Opportunity Act* (WIOA).

113th Congress

Hearings – First Session

On September 20, 2013, the Committee on Education and the Workforce Subcommittee on Early Childhood, Elementary, and Secondary Education held a hearing in Washington, D.C., entitled “Preparing Today’s Students for Tomorrow’s Jobs: A Discussion on Career and Technical Education and Training Programs.” The purpose of the hearing was to provide members an opportunity to explore ways the federal government can support state and local initiatives to improve career and technical education. Testifying before the Subcommittee were Mr. Alvin Bargas, President, Pelican Chapter Associated Builders & Contractors, Inc., Baton Rouge, Louisiana; Dr. Sheila Harrity, Principal, Worcester Technical High School, Worcester, Massachusetts; Mr. John Fischer, Deputy Commissioner, Transformation & Innovation, Vermont Agency of Education, Montpelier, Vermont; and Mr. Frank Britt, Chief Executive Officer, Penn Foster Inc., Scranton, Pennsylvania.

On November 19, 2013, the Committee on Education and the Workforce held a hearing in Washington, D.C. entitled “Preparing Today’s Students for Tomorrow’s Jobs: Improving the *Carl D. Perkins Career and Technical Education Act*.” The purpose of the hearing was to discuss proposals to strengthen career and technical education through reauthorization of the Perkins Act. Testifying before the Committee were the Honorable Brenda Dann-Messier, Assistant Secretary for Adult and Vocational Education, United States Department of Education, Washington, D.C.; Mr. Stanley S. Litow, Vice President of Corporate Citizenship & Corporate Affairs, IBM Corporation, Armonk, New York; Dr. Blake Flanders, Vice President of Workforce

Development, Kansas Board of Regents, Topeka, Kansas; and Dr. Bryan Albrecht, President, Gateway Technical College, Kenosha, Wisconsin.

Hearings – Second Session

On March 18, 2014, the Committee on Education and the Workforce held a field hearing in Las Vegas, Nevada entitled “Reviving Our Economy: How Career and Technical Education Can Strengthen the Workforce.” The purpose of the hearing was to hear from students, educators, and state and local education and business sector leaders about the challenges and opportunities that exist in career and technical education. Testifying before the Committee were Ms. Felicia Nemcek, Principal, Southwest Career and Technical Academy, Las Vegas, Nevada; Dr. Michael Spangler, Dean of the School of Advanced & Applied Technologies, College of Southern Nevada, North Las Vegas, Nevada; Ms. Kacy Qua, Founder and Chief Executive Officer, Qualifyor, Las Vegas, Nevada; Mr. Alan Aleman, Student, College of Southern Nevada, North Las Vegas, Nevada; Professor Angela Morrison, Visiting Professor, William S. Boyd School of Law, University of Nevada Las Vegas, Las Vegas, Nevada; and Mr. Frank R. Woodbeck, Director, Nevada Department of Employment, Training and Rehabilitation, Las Vegas, Nevada.

114th Congress

Hearings – First Session

On October 27, 2015, the Committee on Education and the Workforce Subcommittee on Early Childhood, Elementary, and Secondary Education held a hearing in Washington, D.C. entitled “Improving Career and Technical Education to Help Students Succeed in the Workforce.” The purpose of the hearing was to learn about economic and skills-related challenges facing students entering today’s workforce and ways to improve career and technical education programs to ensure students have the knowledge and skills necessary to succeed when entering the workforce. Testifying before the Subcommittee were Dr. Denece G. Huftalin, President, Salt Lake Community College, Salt Lake City, Utah; Dr. Douglas Major, Superintendent/CEO, Meridian Technology Center, Stillwater, Oklahoma; Dr. Irelene Ricks, Director of Diversity in Life Science Programs, Keystone Symposia on Molecular and Cellular Biology, Silverthorne, Colorado; and Mr. Tim Johnson, Director of Government Relations, National Center for Construction Education and Research, Baton Rouge, Louisiana.

Hearings – Second Session

On May 17, 2016, the Committee on Education and the Workforce held a hearing in Washington, D.C. entitled “Helping Students Succeed by Strengthening the Carl D. Perkins Career and Technical Education Act.” The purpose of the hearing was to discuss ways to reform the Perkins Act to strengthen support for all Americans and young Americans in particular. Testifying before the Committee were the Honorable Tim Kaine, United States Senator for Virginia; Mr. Paul Tse, Project Manager, Shapiro & Duncan Inc., Rockville, Maryland; Mr. Jason Bates, Manager, Toyota – Bodine Aluminum Inc., Jackson, Tennessee; and Dr. Monty

Sullivan, President, Louisiana Community and Technical College System, Baton Rouge, Louisiana.

Legislative Action – Second Session

On June 28, 2016, Reps. Glenn Thompson (R-PA) and Katherine Clark (D-MA), along with Reps. Bradley Byrne (R-AL), Carolos Curbelo (R-FL), James Langevin (D-RI), and Richard Nolan (D-MN), introduced H.R. 5587, the *Strengthening Career and Technical Education for the 21st Century Act*. The bipartisan bill reauthorizes and reforms the *Carl D. Perkins Career and Technical Education Act* and will help more Americans enter the workforce with the skills necessary to compete for and succeed in high-skilled, in-demand careers.

On July 7, 2016, the Committee on Education and the Workforce considered H.R. 5587 in legislative session and reported it favorably, as amended, to the House of Representatives by a vote of 37-0. The Committee considered and adopted the following amendments to H.R. 5587:

- Rep. Glenn Thompson (R-PA) offered an amendment in the nature of a substitute to clarify that “eligible postsecondary institutions” refer to those institutions offering a technical skill proficiency, industry-recognized credential, certificate, or associate degree; restore the 100 percent maintenance of effort requirement and allow states to establish a new baseline of fiscal effort; increase coordination between research and evaluation activities; add representatives of Indian tribes and associate degree-granting Minority-Serving Institutions and Historically Black Colleges and Universities as stakeholders with whom states must consult during state plan development; and other technical changes. The amendment was adopted by voice vote.
- Rep. Joe Heck (R-NV) offered an amendment to replace the current Fiscal Year (FY) 1998 hold harmless provision for purposes of allocating Basic State Grant program funding with a 90 percent prior-year hold harmless provision beginning in FY 2020. The amendment was adopted by voice vote.
- Rep. Elise Stefanik (R-NY) offered an amendment with Rep. Suzanne Bonamici (D-OR) to expand the allowable use of funds at the state and local levels to include, where appropriate, the integration of arts and design skills. The amendment was agreed to by voice vote.
- Rep. Mark Takano (D-CA) offered an amendment to allow, but not require, eligible recipients to consider strategies to establish or utilize existing flexible learning and manufacturing facilities, such as “makerspaces,” as part of their needs assessment. The amendment was agreed to by voice vote.

The Committee further considered the following amendments to H.R. 5587:

- Rep. Susan Davis (D-CA) offered an amendment to define “equity gaps” for purposes of student performance. The amendment was withdrawn.
- Rep. Frederica Wilson (D-FL) offered an amendment to alter the “special populations” definition to include ex-offenders. The amendment was withdrawn.

- Rep. Suzanne Bonamici (D-OR) offered an amendment to strike all authorization levels and replace them with “such sums.” The amendment was withdrawn.

SUMMARY

Since 1984, the Perkins Act has provided federal support to state and local career and technical education (CTE) programs. These programs—created and operated by state and local leaders—offer students the knowledge, skills, and experience necessary to compete for and succeed in careers in a broad range of fields.

COMMITTEE VIEWS

In its 2006 reauthorization of the Perkins Act, Congress enacted a number of reforms to strengthen local program accountability, including through the required use of valid and reliable data for the purpose of determining state and local performance. Congress also emphasized the use of programs of study and strengthened the link between secondary and postsecondary career and technical education. The *Strengthening Career and Technical Education for the 21st Century Act* (H.R. 5587) builds on these reforms and will modernize federal support for career and technical education by: (1) improving program accountability; (2) providing states more flexibility to meet changing education and economic needs; (3) ensuring career and technical education prepares all students to pursue high-skill, high-wage occupations (including occupations in nontraditional fields); (4) improving alignment with in-demand jobs; and (5) increasing the emphasis on employability skills, work-based learning opportunities, and credential attainment so students are better prepared to enter the workforce.

Career and Technical Education Definition

H.R. 5587 amends the definition of “career and technical education” to include recognized postsecondary credentials. The Committee intends this change to signal that career and technical education can be incorporated into sequences of courses extending beyond an associate’s degree. The Committee does not intend for Perkins Act funding to be used to support CTE activities related to attainment of baccalaureate degrees. The Committee made corresponding changes to the definition of “eligible institution” in order to maintain the focus of the Perkins Act on sub-baccalaureate education.

H.R. 5587 further amends the definition of “career and technical education” to support the integration of employability skills into CTE programs and programs of study. An increased emphasis on employability skills will help all students learn the foundational skills necessary for success in the labor market for all employment levels and in all sectors.

Programs of Study Definition

It is the intent of the Committee in providing a definition of “programs of study” within career and technical education to emphasize the importance of sequential coursework leading to a recognized postsecondary credential. The Committee does not intend to reconfigure programs of study currently operating at the state and local level. Programs of study may operate in a

coordinated manner across secondary and postsecondary agencies and institutions. To underscore the Committee's intent, the new definition provides for multiple entry and exit points that incorporate credentialing in programs of study with attainment of a recognized postsecondary credential as the expected final outcome.

Alignment with State and Local Workforce Development Efforts

H.R. 5587 ensures eligible agencies and eligible recipients are able to use *Perkins Act* funding to support the development of an educated and skilled workforce. This includes efforts to provide students with the education, support, and skills necessary to pursue and succeed in careers in in-demand industry sectors or occupations.

The Committee recognizes effective preparation of students for the workforce requires attention to current and future labor market demands. H.R. 5587 ensures educators and administrators are provided the labor market information needed for program planning, and encourages state and local leaders to provide workforce development services, including career and technical education, through a coordinated strategy. H.R. 5587 amends the *Wagner-Peyser Act* to ensure state educational agencies and local educational agencies receive relevant information regarding state and local employment opportunities. The Committee intends CTE providers to be viewed as customers of state agencies supported by *Wagner-Peyser Act* funding.

Under current law, states are required to create workforce development plans and career and technical education plans of disparate length. In order to facilitate integrated planning efforts and the use of combined plans, H.R. 5587 sets four years as the duration of state plans, consistent with the workforce development plan length established in WIOA. Moreover, H.R. 5587 integrates the strategic planning elements of WIOA unified and combined plans into state plans developed as part of the Perkins Act. The Committee believes improved alignment of state career and technical education and workforce development planning requirements and permitting states to submit combined plans as a single, unified document will allow states to deliver career and technical education and workforce development services to their citizens in a seamless manner.

H.R. 5587 also allows for more effective coordination between career and technical education and workforce development efforts through a focus on in-demand industry sectors or occupations. These sectors or occupations—identified by state, regional, or local workforce development boards—have substantial current or potential economic impact on that state or region. Eligible agencies must consider the integration of in-demand industry sectors and occupations in local needs assessments when approving local applications. Eligible recipients will describe the alignment of CTE programs to these industry sectors or occupations except in cases where the program is designed to meet alternative local education or economic needs. Finally, state leaders are provided the opportunity to directly support CTE programs aligned to in-demand industry sectors or occupations. The bill expands the state reservation of funds from 10 percent to 15 percent and requires this funding be used to support either CTE programs aligned to in-demand industry sectors or occupations or innovation in the delivery of CTE programs.

Under WIOA, local workforce development boards are responsible for the creation of career pathways, and H.R. 5587 supports the alignment of CTE programs of study with this workforce development strategy. Similar to programs of study, career pathways provide individuals with education, training, and career or education counseling aligned to a specific occupation or career. Eligible agencies may approve career pathways for use as programs for study, are required to make information on approved career pathways available to students and parents, and will coordinate with the state workforce development board to support the development of career pathways at the local level.

Program Performance

H.R. 5587 aligns the core indicators of the Perkins Act with those included in ESSA and WIOA. The use of these streamlined performance measures will ensure CTE programs deliver results for all students and taxpayers and will guarantee parents, students, and stakeholders a voice in setting performance goals and evaluating the effectiveness of the program.

Existing core indicators of performance related to graduation and academic achievement are updated to reflect policies in ESSA. The problematic “skill proficiency” indicator is eliminated and replaced with a state-developed quality indicator that includes at least one of three components: (1) the percentage of career and technical education students participating in work-based learning; (2) the percentage of career and technical education students receiving a recognized postsecondary credential aligned with their program or program of study; or (3) the percentage of career and technical education students receiving postsecondary credit aligned with their program or program of study. Given that programs of study culminate in the attainment of a recognized postsecondary credential, H.R. 5587 clarifies the core indicator relating to student participation in non-traditional fields measures participation within a program or program of study. The core indicator measuring student attainment of a secondary school diploma, GED, or proficiency credential is eliminated because it is duplicative of the indicator measuring student graduation.

At the postsecondary level, the existing core indicators of performance are eliminated and replaced with core indicators aligned to those used for youth programs authorized under WIOA. These indicators include the percentage of CTE students in education or employment following program completion, the median earnings of career and technical education students employed after program completion, and the percentage of students who receive a recognized postsecondary credential within a year of program completion. H.R. 5587 clarifies the core indicator relating to student participation in programs or programs of study leading to non-traditional fields should measure participation within a program of study.

Eligible agencies, after consulting with a broad range of representatives, are required to establish levels of performance and adjusted levels of performance. The levels of performance must be sufficiently ambitious to evaluate program quality and meet the purpose of the Perkins Act. The public is guaranteed the opportunity to comment on the proposed levels of performance either in-person or through written comment. Eligible agencies are no longer required to negotiate adjusted levels of performance with the Secretary.

Levels of performance are to be submitted to the Secretary of Education by eligible agencies as part of the state plan along with any comments submitted by members of the public. For subsequent program years, states will revise their levels of performance and consider the extent to which these adjusted levels of performance promote meaningful program improvement. H.R. 5587 maintains the Secretary's existing discretion to disapprove a state plan if the plan fails to meet the requirements of the Perkins Act. If the Secretary disapproves a plan for failing to meet the requirements of the Perkins Act, including disapproval due to failure to meet the requirements of Sections 113 and 122 the Act, H.R. 5587 requires the Secretary to immediately notify the state in writing rather than through a *de facto* informal negotiation process.

Under current law, eligible agencies consider the extent to which local adjusted levels of performance promote continuous improvement. Instead, H.R. 5587 requires eligible agencies to consider the extent to which local levels of performance advance the goals set forth in the local application. In determining levels of performance, eligible agencies must now also consider local economic conditions in addition to the characteristics of participants and the services provided. The Committee believes this change offers eligible recipients needed flexibility to more effectively improve CTE programs.

H.R. 5587 clarifies that eligible recipients are accountable for the performance of CTE concentrators rather than participants. The use of the uniform definition of concentrator will increase program transparency and allows for the evaluation of program effectiveness. Career and technical education serves multiple roles in our nation's schools; to provide students opportunities for career exploration, core academic instruction through an applied model, and the opportunity to delve deep into a subject in order to prepare immediately for a chosen career or profession. The definition of career and technical education concentrator contained in H.R. 5587 reflects these multiple purposes by giving schools credit for serving students exploring multiple professions as well as students pursuing a single program or program of study. The Committee encourages eligible agencies to consider how career and technical education programs are implemented by eligible recipients when negotiating levels of performance with eligible recipients. For purposes of determining actual levels of performance, the Committee intends students who have completed two or more courses in a non-traditional field to be considered concentrators in a CTE program leading to a nontraditional field. While H.R. 5587 includes both student taking three or more CTE courses and students engaged in a sequential CTE program as concentrators, the Committee does not intend for the creation of a bifurcated performance system with multiple categories of concentrator.

To empower effective local stakeholder oversight of career and technical education programs, H.R. 5587 requires both eligible recipients and eligible agencies to publicly report actual levels of performance. Consistent with ESSA, eligible agencies are required to widely disseminate this information. Moreover, the bill also aligns the Perkins Act with ESSA by requiring the disaggregation of student performance by the subgroups of students enumerated under the law. However, data is not reported for individual students, and disaggregated data shall not be reported if personally identifiable information would be revealed or the number of students in a category would be insufficient to yield statistically reliable information.

Should an eligible agency or eligible recipient fail to achieve 90 percent of its adjusted level of performance on any core indicator, H.R. 5587 requires the creation and implementation of a performance improvement plan developed solely by the eligible agency or recipient (along with the local stakeholder consultation required of an eligible recipient). If after two years an eligible agency fails to show improvement in meeting the adjusted level of performance on the indicator or indicators for which the improvement plan was developed, the eligible agency must revise the relevant performance improvement plan and leave it in place until 90 percent of the adjusted level of performance is met. H.R. 5587 requires eligible recipients to consult with local stakeholders in developing improvement plans and clarifies that such plans shall be developed solely by the eligible agency or the eligible recipient. The Department of Education may provide technical assistance and support in revising such plans and to improve program performance. H.R. 5587 removes the authority of the Secretary to withhold funding from eligible agencies for failure to achieve 90 percent of the adjusted level(s) of performance during implementation of the improvement plan. In addition, H.R. 5587 makes no changes to the enforcement authority afforded the Secretary under the General Education Provisions Act when grant recipients fail to comply with statutory requirements. The length of time before which eligible recipients are required to amend a local improvement plan is left to the discretion of eligible agencies. Eligible recipients may request eligible agencies waive the requirements of this section.

State-Based Program Delivery

H.R. 5587 replaces the state leadership activities required under current law with activities closely aligned with the purpose of the program. These activities include development of statewide programs of study, approval of locally developed programs of study, establishment of articulation agreements aligned to programs of study, support for CTE services for individuals in state institutions, and professional development. The requirement that states support the preparation of students for non-traditional fields in professions that expose students, including special populations, to high-skill, high-wage occupations is preserved from current law. In addition, the overall administrative burden for the state is reduced as state planning requirements now correspond directly to state leadership activities included in H.R. 5587.

States have flexibility in how to use state leadership funding to support innovative strategies and effective program delivery. These uses include the creation, implementation, and support of pay-for-success initiatives; support for CTE programs for adults and out-of-school youth; the development and support of competency based curricula; integration and alignment of programs of study and career pathways; and increasing the amount of federal funding states can dedicate to provide career and technical education opportunities to individuals in state-run institutions or juvenile justice facilities. H.R. 5587 supports state-driven program innovation by allowing states to use the expanded funding reservation to identify and promote promising and proven career and technical education strategies. Additionally, the bill ensures state agencies may use funds to support an educated, and skilled workforce, including using funds to address workforce shortages in critical and in-demand fields.

Local Activities

To better coordinate federal CTE funding with local economic and education needs, H.R. 5587 replaces the onerous local planning requirements with a streamlined local application process built on a biennial assessment of local needs. As part of the local needs assessment, eligible recipients will evaluate student performance, the effectiveness of the career and technical education programs in meeting local economic or educational needs, strategies needed to overcome barriers in access to and success in CTE programs for special populations, and recruitment of career and technical education educators. In addition to the comprehensive local needs assessment, the local application should include a description of the programs and programs of study offered, a description of how the eligible recipient will prepare special populations to pursue occupations leading to self-sufficiency, and how the eligible recipient will prepare CTE participants for non-traditional fields. Eligible recipients will also describe the guidance and academic counseling services offered to students before enrolling and while participating in a CTE program. The needs assessment will be updated annually to ensure CTE programs meet the needs of students and keep pace with the changing demands of the workforce. Additionally, the bill ensures that local agencies may use funds to support an educated, and skilled workforce, including using funds to address workforce shortages in critical and in-demand fields.

The uses of funds required under current law are replaced with a streamlined list of uses of funds: providing career development and career exploration activities, integrated academic content, professional development, and activities to provide students the skills necessary to pursue high-skill, high-wage occupations. H.R. 5587 preserves the flexibility of current law in allowing eligible recipients to determine how to use their Perkins Act funding after the recipient has met the required uses.

The Committee is committed to improving the participation of members of special populations in CTE programs that lead to high skill, high wage occupations, including homeless individuals and youth with a parent who is a member of the armed forces. H.R. 5587 includes reforms that will help ensure teachers have the professional development support necessary to improve achievement and close participation gaps among underrepresented student populations; provide students, including special populations, with the skills necessary to pursue high-skill, high-wage jobs; and allow nontraditional students the opportunity and increased access to participate in CTE programs. Additionally, the bill contains provisions to ensure members of special populations have a voice in the development of CTE plans by eligible recipients, eligible agencies, and at the national level. Moreover, H.R. 5587 requires the Governmental Accountability Office to conduct a study to evaluate the strategies, components, policies, and practices used to assist racial or ethnic minorities in pursuing and completing programs or programs of study aligned to high-skill, high-wage occupations in which that race or ethnicity is underrepresented.

H.R. 5587 updates the Perkins Act prohibition on federal curricula mandates reflect the prohibitions on federal mandates, direction or control put in place by ESSA.

Innovation and Evaluation

H.R. 5587 reforms the national activities provisions to better align the research and evaluation activities occurring at the national level with the needs of state and local educators and program participants. As part of this effort, H.R. 5587 directs the Secretary of Education, through the Director of the Institute of Education Sciences, to ensure independent and non-partisan research. The Committee intends for the National Center for Education Statistics to continue current work related to career and technical education through its regular survey projects in order to maintain data collection on and evaluation of key enrollment and outcome trends.

To ensure that parents, students, and educators are involved in developing the research and evaluation agenda, H.R. 5587 requires an independent advisory panel that will be consulted during development of the single plan for research, development, dissemination, and evaluation. H.R. 5587 maintains the Perkins Act requirement that educators, experts, parents, counselors and representatives from business and labor be included on that panel. Representatives of special populations and individuals with expertise in addressing inequities in access to, and opportunities for, academic and technical skill development are now required members of the panel.

H.R. 5587 requires the Secretary to carry out a series of research and evaluation initiatives aligned to the single plan through grants to institutions of higher education, or a consortium including one or more institutions of higher education. The Committee acknowledges that the Secretary may establish one or more national research centers to oversee the initiatives. In order to ensure applicability and relevance of their research, these initiatives are required to use the most recently available data whenever possible.

To support these research efforts, H.R. 5587 provides the Secretary with the authority, as part of the single plan, to award grants specifically designed to identify and support innovative strategies and activities to improve career and technical education and align workforce skills with labor market needs. Under such authority and as part of the single plan, the Secretary may award grants to support the use of CTE programs and programs of study to address identified employer needs and workforce shortages. The Committee believes a workforce shortage can exist when available workers do not possess the skills and knowledge necessary to meet the needs of employers and/or individuals served by that workforce. The Committee wants to make clear that addressing any workforce shortage under state or local plans or activities, or the national innovative activity added under section 113 of the bill, can include providing both the current and future workforce with the education and skills necessary to perform at a high level.

Eligible entities receiving grants to identify and support innovative strategies and activities are to include at least two CTE providers or state agencies and may include employers, community-based organizations, or qualified intermediaries. In order to ensure geographic diversity, 25 percent of any funds made available through this grant authorization are reserved to support CTE programs serving rural local educational agencies. The Secretary is also required to give priority to eligible applicants intending to serve high need students. The financial matching requirement may be waived due to exceptional circumstances.

Conclusion

Evolving workforce and business needs have increased the demand for CTE programs that better reflect the realities of our modern economy. Federal policy authorizing support for CTE is outdated and misaligned with recently updated federal education and workforce policies. The Committee believes H.R. 5587 will provide a better way to ensure all Americans are equipped for today's workforce. H.R. 5587 includes reforms that will better prioritize student needs and local economic needs and opportunities. Updating the law will help more Americans, especially young Americans, enter the workforce with the tools and knowledge necessary to compete for and succeed in high-skilled, in-demand jobs.

SECTION-BY-SECTION ANALYSIS

Section 1. Short Title.

Designates the bill as the “*The Strengthening Career and Technical Education for the 21st Century Act*”.

Section 2. Table of Contents

Lists the sections of the bill. The legislation is organized into three titles: (1) Career and Technical Education Assistance to the States; (2) General Provisions; and (3) Amendments to the Wagner-Peyser Act.

Section 3. References

Clarifies the following amendments and repeals are, unless otherwise stated, being made to the *Carl D. Perkins Career and Technical Education Act of 2006*.

Section 4 – Effective Date

Sets effective date at July 1, 2017

Section 5 – Table of Contents of the Carl D. Perkins Career and Technical Education Act of 2006

Amends the table of contents of the Perkins Act.

Section 6 – Purpose

Amends the purpose of the law to include developing the academic knowledge and technical and employability skills of students who are enrolled in career and technical education (CTE) programs and programs of study.

Section 7 – Definitions

The bill removes six definitions from current law including “individual with limited English proficiency,” “postsecondary education tech prep student,” “school dropout,” “scientifically based research,” “secondary education tech prep student,” and “tech prep program.”

The bill changes or adds 24 definitions: “area career and technical education school,” “career and technical education,” “career guidance and academic counseling,” “career pathways,” “CTE concentrator,” “CTE participant,” “dual or concurrent enrollment,” “early college high school,”

“eligible entity,” “English learner,” “evidence-based,” “in-demand industry sector or occupation,” “industry or sector partnership,” “local workforce development board,” “paraprofessional,” “out-of-school youth,” “pay for success initiative,” “program of study,” “recognized postsecondary credential,” “specialized instructional support personnel,” “special populations,” “support services,” “universal design for learning,” and “work-based learning.”

Of the definitions added, 12 are aligned to definitions contained in ESSA or WIOA: “career pathways,” “dual or concurrent enrollment,” “early college high school,” “evidence-based,” “in-demand industry sector or occupation,” “industry or sector partnership,” “local workforce development board,” “paraprofessional,” “pay for success initiative,” “recognized postsecondary credential,” “specialized instructional support personnel,” and “universal design for learning.”

Section 8 – Transition Provisions

Updates the transition provisions.

Section 9 – Prohibitions

Strengthens the existing prohibition on federal curriculum, program, or allocation mandates to mirror the ESSA prohibitions on incentivizing the adoption of any specific curriculum.

Section 10 – Authorization of Appropriations

Replaces such sums authorization with levels consistent with the annualized change in the budget caps.

Title I – Career and Technical Education Assistance to the States

Part A – Allotment and Allocation

Section 111 – State Allocation

Increases the state reservation of funding from 10 percent to 15 percent and allows the funding to be used to support career and technical education programs aligned with in-demand industry sectors or occupations or for state-based innovation to provide states with greater flexibility in determining how to allocate the funding and allow them to target state-specific education and economic needs.

Adds juvenile justice facilities to the list of state institutions eligible for funding from the state leadership account and clarifies that state institutions must be correctional or educational. The bill increases the maximum amount of leadership funding states are allowed to spend on these institutions to 2 percent from 1 percent.

Section 112 – Accountability

Streamlines existing performance indicators and brings the indicators into alignment with ESSA and WIOA.

Secondary level:

Decreases the number of core indicators required at the secondary school level from six to five: (1) the percentage of CTE concentrators who graduate high school; (2) the

percentage of CTE concentrators who meet the state-developed academic standards; (3) the percentage of CTE concentrators who are employed, in training, military service, or postsecondary education after graduations; (4) a state-developed indicator of quality that includes one of the following the percentage of CTE concentrators receiving recognized post-secondary credentials, having participated in work-based learning, or having obtained post-secondary credits in their program of study; and (5) the percentage of CTE concentrators in CTE programs leading to non-traditional fields.

Eliminates the requirement for schools to report on student attainment of diplomas, GED credential, or proficiency credentials. Aligns the student academic achievement and graduation rate indicators with the requirements of the *Every Student Succeeds Act* (ESSA). Replaces the problematic technical skill proficiency indicator with a state-determined quality indicator, which must include student participation in work-based learning, attainment of postsecondary credits through dual or concurrent enrollment, or attainment of recognized postsecondary credentials.

Postsecondary level:

Decreases the number of core indicators required at the postsecondary level from five to four and aligns these indicators to those under WIOA. The new, WIOA-aligned indicators are: (1) student participation in education, training, or unsubsidized employment after program completion; (2) the median earnings of students in unsubsidized employment; (3) and the percentage of career and technical education students receiving a recognized postsecondary credential. The final indicator is simplified to only consider the percentage of CTE students in non-traditional fields.

Replaces the one-size-fits-all continuous improvement requirement with the requirement that performance levels for each indicator must be sufficiently ambitious to allow for meaningful evaluation of program quality.

Eliminates negotiation with the Secretary on levels of performance required in current law.

Aligns program reporting requirements with ESSA.

Requires the consideration of local economic conditions and the ability of the local recipient to collect cost-effective data in setting local levels of performance.

Section 113 – National Activities

Eliminates the annual performance report.

Requires that the single plan for research, development, dissemination, and evaluation be carried out by an independent grantee. The Secretary must act through the Director of the Institute for Education Sciences (IES) to evaluate CTE activities. Adds representatives of special populations to the existing independent advisory panel.

Provides the Secretary authority to issue demonstration grants specifically designed to identify or support innovative strategies and activities to improve career and technical education and align workforce skills with labor market needs, so long as such grants are aligned with the single plan.

Replaces “such sums” authorization with levels consistent with the annualized change in the budget caps.

Section 114 – Tribally Controlled Postsecondary Career and Technical Institutions.

Replaces “such sums” authorization with levels consistent with the annualized change in the budget caps.

Section 115 – Occupational and Employment Information

Repeals section 118 of current law.

Part B – State Provisions

Section 121 – State Plan

Clarifies the ability of states to submit a combined plan together with the state workforce development plan submitted under WIOA. Sets plan length at four years to align with the WIOA combined plan.

Requires states to consult with stakeholders and allow for public comment in developing the targeted performance levels submitted as part of the state plan.

Streamlines the required contents of state plans from 52 items to 28 items.

Like in ESSA, requires the Secretary to approve a state plan unless the Secretary deems the state plan fails to meet the requirements of the Act, which includes the requirement to set sufficiently ambitious levels of performance.

Section 122 – Improvement Plans

Eliminates the authority of the Secretary to withhold funding from the states for failure to meet 90 percent of their adjusted levels of performance after one year and instead requires states to develop performance improvement plans, the development of which the states are solely responsible. If a state fails to make improvement on the indicator or indicators identified in the improvement plan over the course of two years, the state must revise the improvement plan to address the reasons for that failure. At the local level, improvement plans must be developed in consultation with local stakeholders and states have the discretion to determine how many years may pass before revisions are required. Local grant recipients may request a waiver from state agencies to waive the requirements of this section, subject to approval by the state.

Section 123 – State Leadership Activities

Streamlines the required and allowable uses of funds while preserving state flexibility.

Part C – Local Provisions

Section 131 – Local Application for Career and Technical Education Programs

Replaces the lengthy local plan in current law with a local application including specific requirements.

Requires local recipients to consult with local stakeholders to perform biennial needs assessments to determine how the program is aligned with community needs

The assessment is to be updated on an annual basis to ensure the program is responsive to community employment needs and allow for employer input.

Sec. 132 – Local Uses of Funds

Streamlines the required and allowable uses of funds while preserving local flexibility.

Title II – General Provisions

Section 201 – Federal and State Administrative Provisions

Preserves the requirement that states maintain 100 percent of fiscal effort, but provides additional flexibility by allowing states to establish a new baseline of fiscal effort.

Removes the previously required written request for private school students to participate in CTE programs and activities and expands the area for which local recipients can serve private school students, subject to discretion of the local agency.

Repeals Title II of current law and re-designates Title III as Title II.

Section 201 – Study on Programs of Study Aligned to High-Skill, High-Wage Occupations

Requires a study on the strategies, components, policies and practices used to assist students in pursuing programs of study aligned to high-skill, high-wage occupations, including for populations underrepresented in those occupations.

Title III – Amendments to the Wagner-Peyser Act

Sec. 301 – State Responsibilities

Requires states to consult with Perkins eligible agencies and with providing such agencies with the information needed to meet the needs of secondary and postsecondary school students.

EXPLANATION OF AMENDMENTS

The amendments, including the amendment in the nature of a substitute, are explained in the body of this report.

APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104-1 requires a description of the application of this bill to the legislative branch. H.R. 5587 reauthorizes and reforms the *Carl D. Perkins Career and Technical Education Act* and will help more Americans enter the workforce with the skills necessary to compete for and succeed in high-skilled, in-demand careers.

UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act, P.L. 104-4) requires a statement of whether the provisions of the reported bill include unfunded mandates. This issue is addressed in the CBO letter.

EARMARK STATEMENT

H.R. 5587 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of House Rule XXI.

ROLL CALL VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee Report to include for each record vote on a motion to report the measure or matter and on any amendments offered to the measure or matter the total number of votes for and against and the names of the Members voting for and against. [insert]

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause (3)(c) of House Rule XIII, the goal of H.R. 5587 is to help more Americans enter the workforce with the skills necessary to compete for and succeed in high-skilled, in-demand careers.

DUPLICATION OF FEDERAL PROGRAMS

No provision of H.R. 5587 establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

DISCLOSURE OF DIRECTED RULE MAKINGS

The committee estimates that enacting H.R. 5587 does not specifically direct the completion of any specific rule makings within the meaning of 5 U.S.C. 551.

STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the committee's oversight findings and recommendations are reflected in the body of this report.

NEW BUDGET AUTHORITY AND CBO COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the committee has received the following estimate for H.R. 5587 from the Director of the Congressional Budget Office: **[insert]**

COMMITTEE COST ESTIMATE

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison of the costs that would be incurred in carrying out H.R. 5587. However, clause 3(d)(2)(B) of that rule provides that this requirement does not apply when the committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italic and existing law in which no change is proposed is shown in roman): **[insert]**