

2014 State Legislative Round Up

June 2014

Middle-skill jobs – jobs that require education beyond high-school but not a four-year degree – make up the largest part of the skilled labor market. Yet employers in key industries can't always find enough trained workers to fill these jobs. At least 15 states that have ended their 2014 legislative session enacted new legislation to close this middle-skill gap¹. In 2014, states increased access to career pathways, invested in job-driven training and sector partnerships, and set policies to coordinate activities and collect outcomes data across education, workforce, and other programs. Some states took action on more than one of these issues, adopting multiple policies to address the needs of workers and employers. This paper summarizes key legislative and budgetary actions that states took to close the skills gap in 2014.

Career Pathways

Career pathways align adult basic education, job training, higher education and support systems so workers can earn postsecondary credentials and get middle-skill jobs. In 2014, Alabama, Colorado, and Iowa all provided funding for career pathways.

- [Alabama Senate Bill 184](#) requires the State Board of Education to distribute \$200,000 in seed funding to regional councils to identify local skills needs, develop educational pathways and align funding with workforce needs.
- [Colorado House Bill 1085](#) provides \$960,000 in state funds for adult basic education and literacy programs. The funds will support adult education providers that partner with postsecondary training and workforce development providers to help adults gain basic literacy and numeracy skills, earn credentials, and find skilled work.
- [Iowa Senate Bill 2347](#) provides \$5 million to support the state's Pathways for Academic Career and Employment (PACE) Fund. Started in 2013, PACE funds sector-specific career pathway projects provided through partnerships between community colleges, industry and nonprofits.

Tuition assistance is also critical to ensuring that career pathways lead to postsecondary credentials, particularly for part-time, working students. In 2014, Georgia, Indiana, and Tennessee created or expanded tuition assistance programs that will help occupationally-focused students.

¹ This paper highlights examples from 2014 state legislative sessions and does not represent an exhaustive review of middle-skill policies adopted by the 50 states and the District of Columbia. It should be noted that some states were still in legislative session at the time this paper was issued.



- [Georgia House Bill 697](#) establishes the Zell Miller Grant for technical college students who maintain a 3.5 GPA. The Zell Miller Grant covers the full cost of tuition for eligible students in certificate or diploma programs at the state’s technical colleges. The State of Georgia also increased the Strategic Industries Workforce Development Grant by \$5 million in fiscal year 2015 to provide more tuition assistance to students enrolled in certain industry training programs.
- [Indiana Senate Bill 330](#) requires the Commission for Higher Education to direct at least half of the state’s part-time student financial aid funding to adults enrolled in programs of study that lead to high-demand, high-wage jobs. To better understand the needs of part-time students, the bill also requires the Commission to produce a report that reviews the size, financial needs and completion rates of part-time students attending postsecondary institutions in Indiana.
- [Tennessee Senate Bill 2471](#) creates the “Tennessee Promise Scholarship,” which will allow students to attend community or applied technology college for free. To be eligible for the scholarship, students must attend their postsecondary program full-time after graduating from a state high school or Tennessee home school program. Residents who earn a high school diploma equivalency before turning 19 years old can also participate.

Job-Driven Training and Sector Partnerships

In 2014, states also made a range of investments in job-driven training and sector partnerships. Job-driven training prepares workers for jobs available in the region’s economy. It often supports sector partnerships, which organize stakeholders in an industry – employers, unions, training providers, workforce boards and community-based organizations – to address the sector’s skill gap.

- [Connecticut Senate Bill 29](#) supports the manufacturing industry by creating the Connecticut Manufacturing Innovation Fund. The fund can be used for several activities that advance the state’s manufacturing industry, including education and training programs to meet the sector’s anticipated skills needs. Connecticut also appropriated [\\$3.6 million in fiscal year 2015](#) to connect long-term unemployed residents to in-demand jobs. The funds will be used to expand statewide the Platform to Employment program, offering support services, training and subsidized employment to those who have exhausted unemployment benefits.
- [Iowa House File 2460](#) creates an Apprenticeship Training Program Fund and allocates a \$3 million appropriation to it annually, starting on July 1, 2014.
- [Wisconsin 2013 Act 139](#) allocates \$35.4 million in workforce training program funds to the state’s “Fast Forward” program. The allocated funds will be used for three different grant programs, including grants to technical colleges to reduce waitlists for programs in high-demand fields.



- Rhode Island’s State Senate passed [Senate Resolution 2863](#) directing the community college system to review and expand programs that provide credentials recognized by the state’s in-demand industries.

System Alignment and Outcomes Data

Several states adopted policies to align workforce and education programs with the labor market, and to measure the outcomes of these programs. By coordinating programs with each other and the labor market, states can maximize the impact of their human capital investments. Similarly, by collecting information on program outcomes and creating data systems across programs, states can assess the individual and collective impact of their programs.

In 2014, at least three states enacted legislation to direct state agencies and institutions to coordinate workforce and education programs around skill needs.

- [Alabama Senate Bill 217](#) creates a state workforce council to promote industry-focused coordination between its pre-K-12 system, higher education and businesses.
- [Idaho House Concurrent Resolution 53](#) directs its State Board of Education and the state Departments of Commerce and Labor to create a working group to address skill needs.
- [Oregon Senate Bill 1566](#) amends the functions of its state workforce investment system with a focus on aligning workforce development, education and economic development.

Other states established systems to measure and report outcomes across agencies and/or programs.

- [Indiana House Bill 1003](#) creates a governor-appointed Executive Director position and a governance committee of state education and workforce officials to oversee and administer the state’s longitudinal data system, the Indiana Network of Knowledge (INK). INK integrates and analyzes education, workforce and business data to help policymakers, schools and programs respond to employer needs.
- [Iowa Senate File 2347](#) appropriates \$200,000 in fiscal year 2014-2015 to the Department of Education to support a reporting system on the educational and employment outcomes of workforce preparation programs.
- [Minnesota House File 3172](#) requires the Department of Employment and Economic Development Commissioner to establish uniform outcome measures and a reporting system for certain publicly funded adult workforce programs. It also requires the Commissioner to contract with an independent party to regularly conduct net impact and cost-benefit analyses of workforce programs. The Commissioner must report the findings of these analyses to relevant state assembly committees, and the report must also be made publicly available. The bill appropriated one-time funding of \$300,000 in fiscal year 2015 to support this effort.
- [Utah Senate Bill 34](#) appropriates funding to support a statewide data system for public education, higher education and workforce



Finally, Kentucky and Maine each put in place requirements for postsecondary institutions to report on their education and employment outcomes.

- [Kentucky House Bill 87](#) directs the Office of Education and Workforce Statistics to develop and disseminate information on the employment and earnings of public postsecondary institution graduates as part of the state's education and workforce data system.
- [Maine Legislative Document 1746](#) establishes a State Education and Employment Outcomes Task Force and charges it with developing procedures for maintaining and providing information on key outcomes of Maine's postsecondary institutions.

Conclusion

During the 2014 legislative session, governors and state legislatures worked together to adopt policies aimed at closing their states' middle-skill gap. Specifically, states invested in career pathways, job-driven training and sector partnerships, and systems and data alignment. Through these investments, states are addressing the skills needs of their workers and businesses.