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2023 Year-in-Review Legislative Update December 19, 2023

As we close out 2023, we wanted to look back at the first year of the 118th Congress. As Congress worked to address its various legislative priorities this year, we were working to ensure that they prioritized CTE! Below, you will find a summary of CTE-related federal policy activities in 2023, and a preview of what to expect next year.

FY 2023 Appropriations

After a few continuing resolutions, Congress finally passed a **fiscal year (FY) 2023 appropriations package** in late December 2022. The Labor, Health and Human Services, Education and Related Agencies portion was given a 7.1% overall increase from FY 2022, including a \$50 million increase for the Perkins Basic State Grant program. This increase for CTE state grants was slightly more than proposed in the original House draft bill and a significant improvement over the President's budget request, making it yet another year of modest yet critical growth in investment in CTE. In addition to the Basic State Grant, this bill allocated \$25 million in additional funds to Perkins Innovation and Modernization Grants (Section 114(e) of Perkins V). This program provides competitive grants to spur innovation in CTE, and additional funds were included to support the Administration's proposal for "Career-Connected High Schools."

Debt Limit Negotiations

Lawmakers then turned their attentions to the debt limit. In May, congressional leaders and the White House reached a deal on a legislative package, the **Fiscal Responsibility Act**, that would suspend the debt ceiling until January 2025, set limits on federal spending in FY 2024 and 2025 for defense and non-defense programs, rescind some unspent COVID relief funding, change some Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) rules that would limit eligibility for some and reallocate some of the Internal Revenue (IRS) funding provided in the Inflation Reduction Act. Notably, the Fiscal Responsibility Act will place caps on FY 2024 and FY 2025 non-defense funding, which includes funding for education and workforce development programs. After several adjustments, the deal will hold non-defense spending roughly flat in FY 2024 and increase it by 1% in 2025.

FY 2024 Appropriations

Shortly before President Biden signed the Fiscal Responsibility Act into law, he released his budget request for FY 2024 (the funding that will be allocated to schools for the 2024-25 school year). The budget proposed a \$43 million increase to the Perkins Basic State Grant, representing a 3% increase over the current FY 2023 funding level.

In July, the House Appropriations Committee **released its Fiscal Year (FY) 2024 Labor, Health and Human Services, and Education Appropriations bill**, including funding for education and workforce development programs. The bill was **approved** by the House Appropriations Subcommittee on Labor, Health and Human Services, Education and Related Agencies later that month on a party-line vote. In a small victory for CTE, the legislation maintains level funding for the Perkins Basic State Grant. However, the bill proposed many cuts to the Departments of Education and Labor, including:

- 80% cut for Every Student Succeeds Act (ESSA) Title I state grants to local education agencies
- Eliminated funding for Magnet School program
- Eliminated funding for Teacher Quality Partnerships
- Eliminated funding for Federal Work-study Program
- Eliminated funding for ESSA Title II – Supporting Effective Instruction State Grants
- Eliminated funding for Department of Labor WIOA Youth and cuts Adult training programs
- Eliminated funding for the Women’s Bureau
- Eliminated funding for Job Corps program
- Cut Occupational Safety and Health Administration (OSHA) by \$95 million

On the other side of the Capitol, the Senate Appropriations Committee in July **released and approved its FY 24 Labor, Health and Human Services (HHS), and Education Appropriations bill** on a bipartisan vote. The bill contained an additional \$40 million for the Perkins Basic State Grant program while maintaining flat funding for the majority of programs at the Department of Education.

Given the large disparities between the funding approaches of the two chambers, Congress has not been able to finalize the appropriations bills. In Order to keep government funding flowing after the federal fiscal year ended on on September 30, Congress passed two continuing resolutions (CR). The second CR was a laddered approach that broke government funding into two deadlines. Under the bill, funds would expire for the Departments of Veteran Affairs, Agriculture, Transportation, and Housing and Urban Development on January 19. The remaining departments, including the Departments of Education and Labor, will expire on February 2.

Short-Term Pell

During the first year of the 118th Congress, lawmakers introduced several different short-term Pell Grant proposals. Notably, Sens. Tim Kaine (D-VA) and Mike Braun (R-IN) along with Reps. Bill Johnson (R-OH), Lisa Blunt Rochester (D-DE), Mikie Sherrill (D-NJ) and Michael Turner (R-OH) reintroduced the Jumpstart Our Businesses by Supporting Students Act of 2023 (H.R. 793/S.161), or the **JOBS Act**. ACTE has endorsed the JOBS Act for several Congresses.

Later in the year, Rep. Elise Stefanik (R-NY) along with Reps. Bobby Scott (D-VA), Virginia Foxx (R-NC) and Mark DeSaulnier (D-CA) introduced H.R. 6586, the **Bipartisan Workforce Pell Act**, which would also allow Pell Grant funding for short-term postsecondary degree programs with the goal of aligning education opportunities with workforce needs. The House Education and the Workforce Committee approved the bill in a bipartisan vote in early December. This proposal is now awaiting action on the House floor and potential negotiations with the Senate.

WIOA

At the same time lawmakers were working on the short-term Pell proposal, they were also negotiating on a reauthorization of the Workforce Innovation and Opportunity Act (WIOA). Reps. Virginia Foxx (R-NC) and Bobby Scott (D-VA) introduced **H.R. 6655, A Stronger Workforce for America Act, on Dec. 7**. The legislation would make significant changes to core aspects of this legislation including eligible training provider lists and the provision of training services by

the system. Specifically, this bill would require that 50% of the adult and dislocated worker funding go toward upskilling workers through individual training accounts (ITAs), streamlines the eligible training provider list requirements to focus on outcomes and ensure eligible programs are aligned with the skill and hiring demands of employers, establishes a demonstration authority to provide several states and local workforce boards the flexibility to reimagine their workforce system. It also facilitates skills-based hiring by validating workers' competencies gained through prior experience and authorizing state and local boards to provide technical assistance to employers on implementing skills-based hiring practices. The House Education and the Workforce Committee took the bill up in December and approved it in a bipartisan 44-1 vote. At this point, there has been no formal WIOA-related action in the Senate.

Apprenticeships

Lawmakers were particularly active in crafting legislation around apprenticeships this year. In addition to bills to reauthorize the **National Apprenticeship Act**, lawmakers introduced bills on pre-apprenticeships and youth apprenticeships. In the Senate, there was enough momentum around some of the bills that Health, Education, Labor and Pensions Committee Chair Sen. Bernie Sanders scheduled a markup in August and even included the JOBS Act. However, the markup was cancelled at the last minute and was not rescheduled for 2023. The Administration has also released new proposed regulations to make their own updates to apprenticeship programs, and comments are due on these proposals early in 2024. In the meantime, ACTE is currently working on a list of apprenticeship priorities and will be releasing them in 2024 as this issue continues to generate attention amongst federal policymakers.

Education Sciences Reform Act

In December, Sens. Bernie Sanders (I-VT) and Bill Cassidy (R-LA) introduced S. 3392, the **Advancing Research in Education Act**. This bill would reauthorize the Education Sciences Reform Act (ESRA), last updated by Congress in 2002. ESRA is the law that authorizes the federal government to collect information and conduct research on the U.S. education system, including through agencies such as the Institute of Education Sciences. The new ESRA bill makes strong strides toward including CTE more overtly and focusing on both education and workforce outcomes of students, and ACTE endorsed the bill.

Educator Pipeline Legislation

The national teacher shortage has become an increasingly large focus for policymakers as many schools and regions of the country struggle to recruit and

retain educators across many subjects, including CTE. ACTE has been working with Congress and the Biden Administration to ensure that the nuances of the CTE teacher workforce are represented in any federal legislation or programs. Specifically, ACTE has endorsed the **RAISE Act**, which would provide federal tax income reimbursements for all K-12 teachers, and the Loan Forgiveness for Educators Act, which would expand the Teacher Loan Forgiveness program to CTE teachers at low-income schools. ACTE has also endorsed the **RETAIN Act** which also provides a tax credit for teachers, paraprofessionals, mental health providers, and other professionals in Title I schools and early childhood education (ECE) programs.

Congressional CTE Caucus

ACTE continued its work with the bipartisan House and Senate CTE Caucuses this year on a number of activities. Both Caucuses introduced annual resolutions celebrating CTE Month®, and resolutions in both chambers received broad bipartisan support. Additionally, ACTE, District of Columbia Public Schools (DCPS) and the National Association of Home Builders (NAHB) hosted a school visit in celebration of CTE Month 2023 at Jackson-Reed High School in Northwest Washington, DC. Representatives from the Department of Education’s Office of Career, Technical and Adult Education (OCTAE), DC State Superintendent of Education, DCPS leadership, local and national organizations, media and congressional staff joined the event.

Also early in the year, both the House and Senate Caucuses hosted “CTE 101” briefings for new congressional staff, and in March, they hosted our NPS Hill reception featuring CTSO students.

In July, the Senate CTE Caucus organized a **briefing** at the Capitol with the National FFA Organization highlighting agricultural education.

Administration Activities

The Biden Administration was very active in 2023 on issues related to CTE and workforce development. Perhaps most notably, in September, the Department of Education released its **final Gainful Employment (GE) rule**. The rule is set to take effect July 1, 2024, and the final GE rule would apply to all certificate programs at public institutions, including community and technical colleges, and all programs at for-profit institutions. These programs would be subject to two new measures of performance. First, there is a new debt-to-earnings rate that compares the median annual payments on loan debt borrowed for the program to the median earnings of its federally aided graduates. For a program to pass, the debt payments must be no more than 8% of annual earnings or 20% of discretionary

earnings. The final rule also includes a new earnings premium test, which would require at least half of program graduates to have higher earnings than a typical high school graduate between the ages of 25 and 34 in their state's labor force who never enrolled in a postsecondary institution. If a program fails either metric in a single year, they will be required to provide warnings to current and prospective students that their program could be at risk of losing federal funding. If a program fails the same metric in two of any three consecutive years, it will no longer be eligible to participate in federal student aid programs.

The Administration also spent a significant amount of time helping states think through next steps for the implementation of Perkins V, and produced guidelines for updating state plans and performance targets. Original state plans are set to end next year, so each state had to make a decision about continuing their current activities or making updates.

Work also continued on the Department of Education's **Unlocking Career Success initiative**, including through new memos and resource repositories and a series of events around the country during late summer/early fall.

Looking Ahead to 2024

As Congress heads into an election year in 2024, many are expecting the same partisanship that plagued lawmakers in 2023 to continue. However, that will not stop ACTE from continuing to advocate for the best possible policies surrounding CTE, starting with urging lawmakers to support the largest possible investment in the Perkins Basic State Grant as they attempt to wrap up work on the FY 2024 appropriations bills

In addition, with the recent introduction of the Bipartisan Workforce Pell Act, ACTE is encouraged by the continuing dialogue on short-term Pell and will keep pushing for the expansion of Pell Grant eligibility.

Educator shortages and potential solutions and legislation will continue to be a focus of ACTE Public Policy staff during 2024. This includes further expanding support for existing legislation and identifying more opportunities to support the CTE teacher pipeline through federal activities.

In addition, ACTE will be monitoring several potential bill reauthorizations, including the Farm Bill, National Apprenticeship Act (NAA), Workforce Innovation and Opportunity Act (WIOA) and the Higher Education Act (HEA). Stay tuned to the **CTE Policy Watch blog** and other ACTE communication vehicles for all the latest information!