BEST PRACTICE: PROVIDE FINANCIAL INCENTIVES TO EMPLOYERS AND DEDICATE FEDERAL AND STATE FUNDING TO SUPPORT HIGH SCHOOL WORK-BASED LEARNING

Just over half of all states offer financial incentives like tax credits to offset high school work-based learning (WBL) costs on the employer side and encourage businesses to partner with schools to offer WBL opportunities. However, these programs are often limited to employers offering certain types of WBL (most commonly apprenticeships), rather than being available to employers participating in all types of WBL.

A few states have programs that include a broader set of WBL experiences. Delaware’s Learning for Careers Initiative provides grant funding to engage Delaware’s business community in a planning process that results in the creation or expansion of paid work experiences for youth and adult learners in the state. New Jersey’s Career Accelerator Internship Program provides participating employers with up to 50% of wages paid to new interns, up to $3,000 per student.

The Vermont Training Program provides performance-based workforce grants for pre-employment training, training for new hires, and training for incumbent workers. Grants may cover up to 50% of training costs. The program includes employers that partner with a school or education program to employ and train high school students participating in WBL experiences. In addition, the Vermont Department of Labor’s Vermont Internship Program provides grants to organizations that support or connect Vermont employers with student interns from regional technical centers or postsecondary educational institutions.

The federal government provides dedicated funding for work-based learning (WBL) at both the secondary and postsecondary level through the Carl D. Perkins Career and Technical Education Act (reauthorized as the Strengthening Career and Technical Education for the 21st Century Act, or Perkins V) and the Workforce Innovation and Opportunity Act. Under Perkins, states receive block grants of funding that can be allocated to financially support all facets of career and technical education (CTE) programs of study and career pathways programs, including costs associated with WBL. WIOA funds employment and training services for adults, dislocated workers, and youth.

In 2020, each state was required to submit a Perkins V State Plan to the US Department of Education covering FY 2020-23. Perkins V gave states the option to select one or more program quality indicators in their plans; 29 states selected “the percentage of CTE concentrators graduating from high school having participated in work-based learning.” While Perkins funds can be used to support WBL whether or not the state selected WBL as a program quality indicator, selection of this indicator suggests that WBL will be a focus of states’ CTE programs and thus those states will use their Perkins funds explicitly to support and expand WBL. For some states, like Connecticut, participation in WBL is the only performance quality indicator they will report as part of their Perkins V plans. Other states, such as West Virginia, plan to report multiple indicators including attainment of postsecondary credentials and attainment of postsecondary credits.
In addition to federal funding, some states use state categorical and foundational per-pupil funds to pay for WBL efforts. About half of all states also use grant funds or other time-bound sources of funding for WBL. While these programs can provide an important infusion of cash to support schools, districts, or other organizations to launch WBL programs, these funds are not a consistent source of support, meaning that districts and organizations may have difficulty sustaining WBL programs beyond the duration of the grant period. A smaller handful of five states have taken the additional step of inserting a line item in the state budget or creating dedicated funding streams solely or primarily focused on creating and expanding WBL opportunities. In Washington, the 2019 Workforce Education Investment Act authorized $25 million in dedicated state funding to operate initiatives that support and scale WBL and other career-connected learning opportunities, as well as $11 million in capital and transportation funding to support these initiatives.

South Carolina provides dedicated funding to districts to support WBL. With these funds, districts can hire a WBL coordinator, integrate academic and CTE programming, provide staff development related to WBL, transport students, and more. In Rhode Island, the state’s three-year action plan, PrepareRI, is supported by a $2 million grant from JPMorgan Chase and a $1.5 million grant from American Student Assistance. Real Skills for Youth is a state-funded WBL and career exploration program through the Governor’s Workforce Board that is part of PrepareRI and currently funded by the state at about $2.5 million per year; it coordinates paid WBL experiences for high school juniors.

In Iowa, the Legislature appropriated $1.45 million to the Iowa DOE to develop and implement a statewide network comprising 15 regional WBL intermediary networks (one for each community college). In addition, districts can access funding through the governor’s STEM BEST program. Most recently, Governor Reynolds announced two grant opportunities to create or expand registered apprenticeships. In Massachusetts, the state provides annual funding to its Connecting Activities initiative — a statewide network of 16 workforce boards charged with supporting WBL and other career development education activities for students — through a line item in the state budget.