This document contains a model policy for the creation of an incentive to increase the offering and attainment of high-value, in-demand industry-recognized credentials. Download this model policy as an editable Microsoft Word document.

**SUMMARY**
The industry-recognized credential incentive grant provides additional funding to school districts and postsecondary institutions where students obtain qualifying industry-recognized credentials. Qualifying industry credentials are high-wage and in-demand, that have been third-party validated by a national or international industry or business association. The policy also proposes the development of articulation agreements to award college credit for approved industry-recognized credentials.

**ADDITIONAL CONSIDERATIONS**
It is recommended that this policy should accompany legislation to convene partners across K-12, higher education, and workforce/industry for the development of the list of approved high-value, in-demand (qualifying) industry-recognized credential (see model policy here). Additionally, it is recommended that the proof of industry-re credential be obtained directly from the certifying body and not from self-reported school and district-level data.

**MODEL POLICY - INDUSTRY-RECOGNIZED CREDENTIAL INCENTIVE GRANT**

Be it Enacted by the Legislature of the (state):

Section 1:

A. It is hereby established an industry-recognized credential incentive grant that provides funds for local education agencies (districts) and institutions of higher education with students obtaining qualifying industry-recognized credentials.

B. As used in this section, the terms have the following meanings:
   a. “Industry-recognized credential” means a voluntary process through which students are assessed by an independent, third-party certifying entity using predetermined standards for knowledge, skills, and competencies, resulting in the award of a credential that is nationally or internationally recognized and must be at least one of the following:
      i. Within an industry that addresses a critical local, regional, or statewide economic need;
      ii. Linked to an occupation that is included in the State Department of Employment Security’s occupations in high demand list; or
      iii. Linked to an occupation that is identified as emerging in workforce demand.
   b. “Qualifying industry-recognized credential” means an industry-recognized credential that is
      i. Linked to an occupation with wages of at least seventy percent of the average annual wage in this state unless the industry-recognized credential is stackable to another postsecondary or professional credential which is linked to an occupation which does meet the wage criterion; and
      ii. Identified as in-demand by the (department of workforce development) and business and industry.
   c. “Institution of higher education” means
      i. A state university or college, community college, local district college, or area technical college; or
      ii. A postsecondary career and technical education program.

C. Beginning in fiscal (year) and subject to available funding, the (department of education) shall pay an industry-recognized credential incentive grant to the public school for each student enrolled in the public school who earns a qualifying industry-recognized credential. The amount per student for the industry-recognized
credential incentive grant shall be ($ amount). The maximum amount appropriated for local education agency (district) incentives is ($ amount).

D. Beginning in fiscal year, (year) and subject to available funding the (department of higher education) shall pay an industry-recognized credential incentive grant to the institution of higher education who earns a qualifying industry credential. The amount per student for the industry-recognized credential grant for institutions of higher education shall be ($ amount). The maximum amount appropriated for institutions of higher education is ($ amount).

E. If the maximum amount appropriated in any fiscal year is insufficient to pay the full amount under Section 1(C) or Section 1(D), the (department of education) and (department of higher education) shall prorate the amount of its payments among local education agencies (districts) and institutions of higher education eligible for an incentive grant under this section.

F. The grants may be used for qualifying industry-recognized credential examination fees, professional development for teachers in career and technical education programs under this section, student instructional support for programs that lead to qualifying industry-recognized credentials, or to increase access to qualifying industry-recognized credentials. Any grants awarded under this section may not be used to supplant funds provided for the basic operation of the career and technical education programs.

G. The industry-recognized credential incentive grant shall be paid at times as established by the (department of education) and the (department of higher education).

H. The (department of education’s) and (department of higher education’s) qualifying industry-recognized credential list must be published annually on or before (date). The list must be developed and approved in collaboration with representatives from institutes of higher education, (department of workforce development), and business/industry. If the occupations identified in the list are not substantially the same as those occupations identified in the prior year, the (department of education) shall provide reasonable notice of the changes to school districts.

I. On or before (date) of each year, the (department of education) and (department of higher education) jointly shall submit a report to the Governor, the (President of the Senate), and the (Speaker of the House of Representatives) on items such as:
   a. The number of students who enrolled in a career and technical education course or program that leads to a qualifying industry-recognized credential.
   b. The number of students who earned a qualifying industry-recognized credential by credential.
   c. The amount of career and technical education incentive grants awarded by school, local education agency (district) and institution of higher education.
   d. The amount of career and technical education incentive grants awarded per student.
   e. Aggregated demographic data on the students who earned a qualifying industry-recognized credential including the qualifying industry-recognized credentials earned by historically underserved students and rural and urban students.

J. On or before (date) the (department of education) and (department of higher education), in collaboration with (department of workforce development) and business/industry must sign articulation agreements agreeing upon college credit for agreed upon industry-recognized credentials.

Section 2:

The Act becomes effective ______________________.