This document contains a model policy to implement a tiered career and technical education (CTE) funding grant. Download this model policy as an editable Microsoft Word document.

**SUMMARY**

The purpose of this legislation is to incentivize alignment between CTE pathways and in-demand, middle- and high-level wage careers through a tiered CTE incentive grant.

**ADDITIONAL CONSIDERATIONS**

It is recommended that this policy be implemented after a rigorous CTE audit has been conducted. The model policy on conducting an annual review of CTE offerings can be found here. The annual review of CTE offerings helps determine the alignment of existing CTE offerings with employer demand, postsecondary degree or certificate programs, and professional industry certifications. The audit identifies CTE offerings that are linked to occupations that are in high demand by employers, require high-level skills and provide middle- and high-level wages. Additionally, ExcelinEd’s CTE playbook Funding for Value: Maximizing the Impact of Career and Technical Education Funding outlines a comprehensive way to look at CTE funding.

**MODEL POLICY - CAREER AND TECHNICAL EDUCATION INCENTIVE GRANT**

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

Section 1: [Title]

A. There is hereby established a Career and Technical Education (CTE) Initiative Grant to increase the number of students participating in CTE pathways that align with high-wage, high-demand careers.

Section 2: [Foundational Elements]

A. As used in this section, the term qualifying CTE pathway has the following meaning:
   a. “Qualifying CTE pathway” means a CTE course of study that is:
      i. Linked to an occupation with wages of at least seventy (70) percent of the average annual wage in this state (high-wage); and
      ii. Identified as high-demand by the (Department of Workforce Development) and business and industry.
   B. The CTE Incentive Grant shall be available for two available funding options:
      a. CTE Investment: Local education agencies (districts) may apply for startup funding to begin a qualifying CTE pathway.
      b. Reimbursement: Local education agencies may apply to reimburse, at a set-rate, funds for students in qualifying CTE pathways. Local education agencies must demonstrate an increase in the number of students participating in the qualifying CTE pathway to be eligible.
   C. The (Department of Education) shall publish the list and tiers of qualifying CTE pathways by (date). The list must include the criteria utilized to identify the qualifying CTE pathways and criteria for inclusion in each tier. The (Department of Education), (Department of Higher Education), (Department of Workforce) and business and industry must collaborate on the creation of the list of qualifying CTE pathways and the definition of high-wage, high-demand careers.
   D. For (year) legislature shall appropriate the annual funding amount of ($ dollars).
   E. The (Department of Education) shall promulgate all criteria (including percent increase to be eligible for Reimbursement listed in Section 2(B)(b), grant amounts by qualifying CTE pathway and tier, and processes for the CTE Incentive Grant by (date).
   F. In the review process, the (Department of Education) shall award additional weight to local education agencies located in rurally distressed counties and local education agencies with the highest percentages of low socio-economic status students.
G. The (Department of Education) must annually publish a report which, at a minimum, includes:
   a. Number of local education agencies and total grant amounts awarded; and
   b. Number and percent growth of students by receiving and non-receiving local education agencies who participated in, and completed, qualifying CTE pathways.

Section 3: [Effective Date]

The Act becomes effective ______________________.