Career Coaching Grant Program and Fund: The bill establishes the Career Coaching Grant Program and Fund. It provides that the Governor's Workforce Cabinet shall administer the grant program and fund.

Skills Enhancement Fund: The bill provides that the Skills Enhancement Fund may be used to support cooperative arrangements between school corporations or charter schools and businesses if the cooperative arrangement leads to: (1) a postsecondary credential for a new hire; or (2) an increase of wages and a postsecondary credential for an incumbent employee.

Perkins Funds: The bill provides that the Governor's Workforce Cabinet shall receive, distribute, and account for all funds received for career and technical education under the Carl D. Perkins Vocational and Applied Technology Act.

WorkINdiana Grant: The bill increases, from $500 to $1,000, the maximum WorkINdiana Grant amount that may be awarded.

Supplemental Payment for Certain Teachers: It provides that a teacher who teaches a career or technical education course may be eligible to receive a pay supplement.

Career Standards Curriculum: This bill also provides that each school in a school corporation and each charter school shall submit as part of a school's improvement plan to the Department of Education (DOE) a summary of how the school will implement the career standards curriculum. It provides that the DOE shall review the submitted plans every two years and may review a plan at random to review the relevancy of the plan to the changing economy. The bill also provides that the DOE shall assist schools in incorporating best
practices regarding the career curriculum from around the state.

Course Requirement: The bill provides that each student is required to enroll, in either grade 9 or grade 10, in either: (1) a course to prepare the student for college or a career; or (2) an introductory level career and technical education course.

Graduation Plan: It provides that a graduation plan should include the postsecondary goals of the student.

Open Door Law: It also provides that a contract between a career and technical education center and a school or school corporation is a public document under Indiana's open door law.

School Corporations Operating Joint CTE Programs: The bill provides that a school corporation that has entered into an agreement for a joint program of career and technical education may add a new career and technical education course to its curriculum without being approved by the joint program board or the governing body overseeing the joint program if the course is being offered in partnership with certain entities that are eligible to receive funding under the federal Workforce Innovation and Opportunity Act (WIOA) and are listed on the Department of Workforce Development's (DWD) eligible training provider list on the DWD's Internet web site.

CTE Funding: The bill makes changes to the career and technical education funding formula.

Next Level Jobs Employer Training Grant Program: The bill provides that if the General Assembly appropriates money to the DWD for career and technical education innovation and advancement in the biennial state budget for state fiscal years beginning July 1, 2019, and ending June 30, 2021, the DWD shall allocate $20 M from money appropriated to the DWD for career and technical education innovation and advancement for purposes of providing Next Level Jobs Employer Training Grants.

The bill provides that the Next Level Jobs Employer Training Grant Program is established to provide grants to reimburse training costs to employers for newly trained employees which leads to: (1) a postsecondary credential for a new hire; or (2) an increase of wages and a postsecondary credential for an incumbent employee.

Workforce Ready Grant: The bill also provides that a Workforce Ready Grant may be used at a State Educational Institution. (Current law provides that a workforce ready grant may be used at Ivy Tech Community College or Vincennes University.)

The bill resolves a conflict between HEA 1074-2018 and HEA 1002-2018.

The bill makes appropriations.

The bill makes technical corrections.

Effective Date: Upon passage; July 1, 2019.

Explanation of State Expenditures: Summary—The bill makes appropriations for the Career Coaching Grant Fund, Workforce Ready Grants, and the WorkINdiana Program totaling $14 M over the FY 2020 to FY 2021 biennium. The bill also makes changes to CTE course funding and transfers the administration of the federal Carl D. Perkins grant [$50 M over the biennium] from the State Board of Education to the
Governor’s Workforce Cabinet. It also allocates the potential for $40 M in funding for the Next Level Jobs Employer Training Grant Program. The bill establishes the Career Coaching Grant Program, and increases workload at the Governor’s Workforce Cabinet. Other provisions in the bill change program eligibility for various training and education courses, and impact state agency and school corporation workload. Ultimately, the total cost of the provisions will depend upon legislative and administrative action.

**Workforce Ready Grant:** The bill appropriates $4 M in FY 2020 and $4 M in FY 2021 to the Commission for Higher Education to provide Workforce Ready Grants.

**Career Coaching Grant Program and Fund:** The bill appropriates $2 M in FY 2020 and $2 M in FY 2021 to the Career Coaching Grant Fund. Remaining balances at the end of a fiscal year do not revert to the General Fund. The Career Coaching Grant Program may award grants to establish or implement a career coaching model.

**WorkINdiana Program:** The bill appropriates $1 M in FY 2020 and $1 M in FY 2021 to the Department of Workforce Development for the WorkINdiana Program. The bill increases the maximum grant amount made as reimbursements for employer provided adult education through the WorkINdiana Program from $500 to $1,000.

**Next Level Jobs Employer Training Grant Program:** If the General Assembly appropriates money to the DWD for career and technical education innovation and advancement in the biennial state budget for FY 2020-2021, the bill requires the DWD to allocate $20 M in FY 2020 and $20 M in FY 2021 to provide Next Level Jobs Employer Training Grants. The bill places limits the type of training that is eligible for grants.

**Governor’s Workforce Cabinet:** The bill’s provisions represent an additional workload on the Governor’s Workforce Cabinet, and existing staffing and resource levels, if currently being used to capacity, may be insufficient for full implementation. The bill requires the Governor’s Workforce Cabinet to establish, administer, and report on the Career Coaching Grant Program and Fund. In addition, the bill transfers responsibility for receiving, distributing, and accounting for federal funding from Perkins grants from the State Board of Education to the Governor’s Workforce Cabinet. Beyond administrative duties, in order to receive federal Perkins funds, states must prepare a state plan, collect accountability data, and prepare the Consolidated Annual Report. Dedicated staff will be needed to meet administrative and reporting requirements. The additional funds and resources required could be supplied through existing staff and resources currently being used to administer Perkins funds by the State Board or with new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

**Course Requirement:** The bill’s provision that each student must take a course to prepare them for college or a career or an introductory CTE course in 9th or 10th grade could increase enrollment in introductory CTE courses. These courses are funded under current law and this bill at $300 per enrolled student. If enrollment in introductory CTE courses increases, state expenditures would increase as well.

**CTE Funding:** For FY 2021, the bill eliminates funding for foundational CTE courses. In FY 2019, the state expenditures for foundational CTE courses is about $11 M. It also subdivides the high, moderate, and less-than-moderate value categories into level 1 and level 2 courses, changing the funding for those courses. Finally, it increases the funding for apprenticeship courses from $150 to $300 per enrolled student. In FY 2019, state expenditures for apprenticeship courses is about $750,000. [To the extent LSA receives more information on CTE course enrollments by categories, this fiscal note will be updated.]
Career Standards Curriculum: The bill’s requirement that the DOE review every school’s plan regarding the implementation of the career and college planning curriculum represents an additional workload on the agency. Existing staffing and resource levels, if currently being used to capacity, may be insufficient for full implementation. The additional funds and resources required could be supplied through existing staff and resources currently being used in another program or with new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

State Board of Education: Shifting the administration of federal Perkins funds from the State Board of Education to the Governor’s Workforce Cabinet represents a decrease in workload for the State Board.

State Educational Institutions: The bill allows Workforce Ready Grants to be used at all State Educational Institutions rather than only at Ivy Tech and Vincennes. This change could increase enrollments at other State Educational Institutions. Under the current higher education funding formula, changes to enrollment could affect higher education appropriations in future bienniums. The impact is probably minor and would depend on the higher education formula used in the future.

Skills Enhancement Fund: Limiting eligibility for grants may reduce the number of grants made and expenditures from the Skills Enhancement Fund. In FY 2017 businesses were reimbursed for a portion of training costs for 34,280 employees at a cost of $16.4 M.

Indiana Economic Development Corporation, Department of Workforce Development, Commission for Higher Education: Making eligibility and provider changes to the Skills Enhancement Fund, the Next Level Jobs Employer Training Grant Program, the Work Indiana Grant, and the Workforce Ready Grant should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Explanation of State Revenues:

Explanation of Local Expenditures: Usage of CTE Grants: The bill requires that at least 80% of the CTE grant a school receives must be used for CTE courses. This would not increase total expenditures but could shift expenditures.

Supplemental Payment for Certain Teachers: The bill allows school corporations to provide a supplemental payment outside of the amount that is collectively bargained to a CTE teacher. This is likely to have minimal impact on schools’ total expenditures. Supplemental payments are constrained by the availability of funds to pay supplementary salaries. The bill adds to a list of potential recipients of the available funds, but it does not increase the funds available for supplemental salaries.

Career Standards Curriculum: The bill’s requirement that schools submit a plan to DOE outlining how they will implement the required curriculum for career and college planning resources is a workload increase for public schools.

Explaination of Local Revenues: Course Requirement: The bill’s provision that each student must take a course to prepare them for college or a career or an introductory CTE course in 9th or 10th grade could increase enrollment in introductory CTE courses. These courses are funded under current law and this bill at $300 per enrolled student. If enrollment in introductory CTE courses increases, public school revenue would increase as well.
State Agencies Affected: Governor’s Workforce Cabinet, Department of Education, Department of Workforce Development, State Board of Education.

Local Agencies Affected: Public schools.

Information Sources: Indiana Department of Education, Commission for Higher Education, Department of Workforce Development.