

Your Question

You asked about financial incentives for students earning industry credentials while in high school.

Our Response

States have adopted a range of incentive and financial support programs for students and educational institutions for students' attainment of industry credentials. Often the programs are focused on specific fields or industry sectors that the state has identified as being in high demand or high need. As it relates to incentives for credential attainment for high school students, states have adopted policies that create incentives and financial support in three general ways:

- Financial incentives to school districts for students earning industry credentials.
- Funding and reimbursement for specific credentialing costs.
- Financial incentives for teachers of students who progress toward and earn industry credentials.

Financial Incentives to School Districts

At the secondary level, states consider financial incentives to support students' pursuit of industry credentials, advanced course work and work-based learning opportunities. The state often dictates the way districts must spend the funds; however, some state policies provide more flexibility on the allowable expenditures. States that dictate the expenditures generally allow districts to either use the funds to cover costs associated with exams or the costs associated with offering programs.

State Examples

Colorado: The [Career Development Incentive Program](#) provides financial support to school districts and charter schools for students in grades 9 through 12 who complete qualified industry credential programs, internships, residencies, construction pre-apprenticeship or construction apprenticeship programs or qualified Advanced Placement courses. Under the program, the department provides up to \$1,000 for each student who completes a qualified activity. Each year, the department provides a [list of approved programs](#) eligible for the incentive. The program began as a pilot program, but through [2018 legislation](#), the sunset date is now 2024.

Ohio: The [Innovative Workforce Incentive Program](#) seeks to increase the number of high school students who earn industry-recognized credentials. The state appropriated \$12.5 million for fiscal years 2020 and 2021 to provide incentives to school districts. For each qualified credential earned by students, a school will receive \$1,250. The district must use the funds to invest in materials, facilities and administrative costs associated with implementing eligible credential programs. Funds cannot pay for the costs of exams for students. Districts receive funds outside of the incentive program to cover exams and related student costs. In addition to receiving the financial incentive, the school receives credit on the Ohio School Report Card for students who earn approved industry-recognized credentials or groups of credentials from the department's [list of approved credentials](#)

Providing Funding for Specific Credential Costs

The cost associated with students earning credentials can be a burden for students and their families as well as districts. To address the cost and encourage credential attainment, some states have provided funds that reimburse or pay for costs incurred by the school and students in obtaining industry credentials. While not direct incentives for credentials attained, the funding and reimbursement directly addresses costs associated with student credential attainment.

State Example

Louisiana: The Louisiana Department of Education established the Career Development Fund that provides financial support for high-quality CTE programs. The funds can be used for expenses incurred to offer CTE courses and pathways to credentials. Allowable expenses include, among others, the cost of student statewide industry-based credentials, the cost to license software related to statewide credentials and costs to license software systems that provide students with access to experts in high-demand industry sectors. The state department of education 2021-22 Career Development Fund [guidelines](#) can provide additional information on allowable allocation.

Financial Incentives for Teachers

Teachers play an important role in providing instruction that supports students in earning industry credentials. To encourage credential attainment and incentivize teachers to guide students toward credential attainment, states have provided varying levels of funds based on student progress toward industry credentials.

State Example

North Carolina: In 2018, the state enacted [legislation](#) that provided funding for bonuses for teachers of students who earned an industry credential. A bonus of \$25 or \$50 was provided to teachers who provided instruction in a course that led to attaining an industry certification or credential. The maximum allowable amount per teacher for bonuses for industry certifications and credentials was capped at \$3,500 per year.

Additional Resources

[Building Credential Currency: Resources to Drive Attainment across K-12, Higher Education, and Workforce Development](#) (Education Strategy Group, 2019): This brief provides a range of examples of state incentive programs and guidance on structuring incentives for credential attainment. Some state examples are dated, but they show the range of incentives states have considered in support of credential attainment.

[State Information Request: Work-Based Learning Incentives](#). While not specific to credential attainment, this response highlights three general types of incentives that states provide to support and encourage participation in work-based learning.

[State Information Request: Expanding Opportunity and Access to Career and Technical Education](#). This response includes information on general areas of focus among states, including credential attainment in high school.