

Your Question:

You asked, what are other states doing to incentivize businesses to participate in work-based learning opportunities?

Our Response:

States have considered a variety of incentives to support the expansion of and student participation in work-based learning. There are three general types of incentives states provide to support and encourage participation in work-based learning:

- **Incentives for employers:** Incentives to employers generally come as tax credits or reimbursements to support work-based learning activities at their business. Additionally, employers and education systems work together to align education and work-based learning to develop individuals' skills. Through close collaboration in the development of education and work-based learning programs, employers can benefit from the education and training to meet their labor demands.
- **Incentives for students:** There are at least two types of incentives states have adopted to encourage students to engage in work-based learning: credit toward high school graduation and waivers for related tuition costs.
- **Incentives for education entities:** Some states provide grants or additional funding to state or local education agencies to build and expand work-based learning programs.

Often states prioritize a [type of work-based learning](#) experience, such as apprenticeships or internships, and provide incentives to grow and expand participation. Over the past several years, there has been a [focus](#) on providing incentives to support and grow apprenticeship and youth apprenticeship programs. Education Commission of the States [tracks](#) state-specific policy related to apprenticeship and work-based learning. Below are a series of state examples that show the breadth of incentives states have related to work-based learning.

Incentives for Employers

Based on a 2017 [report](#) by the National Skills Coalition, 18 states provide a subsidy to employers who participate in work-based learning. Ten of those states provide a grant or reimbursement to employers, and 10 states provide a tax credit, with two providing both. While some incentives focus on a range of work-based learning opportunities, the majority focus on apprenticeships.

Tax Credits

Louisiana: In 2021, the state enacted [legislation](#) to establish the apprenticeship tax credit. For apprentices that complete at least 250 hours of apprenticeship work during the taxable year, a business will receive a tax credit of \$1.25 for each apprenticeship hour worked. The maximum tax credit a company can receive for one apprentice is \$1,250.

Missouri: The Missouri Department of Economic Development offers the [Youth Opportunities Program](#). Through the program, businesses, nonprofit organizations, local government agencies and schools can receive tax credits to administer a qualified youth project. Qualified projects include degree completion, internships and apprenticeships, among others. The tax credit equals 50% of the value of monetary donations and wages paid in an approved

internship, registered apprenticeship or employment project, and 30% of the value of property or equipment used for the project. No more than \$200,000 in tax credits can be awarded to any one project.

South Carolina: The [Apprenticeship Carolina](#) program, a division of the South Carolina Technical College System, offers tax credits to employers that sponsor adult and [youth apprenticeship](#) programs. Through [readySC](#), the technical college system works with employers to design training and educational opportunities that help individuals build skills that are most relevant to the demands of employers now and in the future. The youth apprenticeship program is for high school juniors and seniors. Employers who sponsor an apprentice or youth apprentice can receive a [tax credit of \\$1,000 per apprentice](#). Employers can receive the tax credit for up to four years.

Reimbursement

Oregon: State [statute](#) (344.753) allows employers who enter into written agreements with educational institutions to provide training to youth apprentices or students engaged in other work-based learning programs to receive reimbursement for training expenses. The reimbursement amount is 50% of the actual training cost, not to exceed \$2,500 per student. Reimbursements are provided when a student completes an agreed-upon course of study.

Incentives for Students

Some states have focused on incentivizing students to participate in work-based learning. Two common incentives for students are offering high school credit for work-based learning experiences and offering funding for costs associated with work-based learning experiences. Lack of credit toward graduation and tuition costs for work-based learning experiences are [common barriers](#) for students completing work-based learning experiences.

Graduation Credit

Maryland: In 2018, the state enacted [legislation](#) to allow school boards to award credit toward high school graduation for time spent in work-based training or related classroom instruction as part of registered apprenticeships.

Virginia: In 2020, the state enacted [legislation](#) requiring the board of education to include the option for students to complete dual enrollment courses or high-quality work-based learning experiences in its graduation requirements.

Tuition

California: In 2021, the state enacted [legislation](#) to expand the definition of qualified higher education expense to include registered apprentice programs in the Golden State Scholarshare Trust, the state's 529 plan.

Kentucky: In 2019, the state enacted [legislation](#) to expand the [Kentucky Educational Excellence Scholarship](#) that reimburses approved expenses for apprentice and workforce programs.

North Carolina: Through the State Board of Community Colleges, the state [waives tuition costs](#) for high school students for related instruction associated with registered apprenticeships and youth apprenticeships that the U.S. Department of Labor recognizes.

Incentives for Education Entities

To support the administration and development of work-based learning programs, some states provide incentives to support districts in providing work-based learning programs. In some instances, funds are provided to school districts

by workforce development entities to cover costs associated with work-based learning and related technical instruction required as part of an apprenticeship.

Colorado: In 2016, [legislation](#) passed that provides school districts with \$1,000 for each high school student who earns an industry certificate or completes a qualified internship or pre-apprenticeship program. The state legislature appropriates at least one million dollars each budget cycle for the program. In 2018, the state enacted [legislation](#) to extend the program through 2024.

Texas: State education [code](#) allows the [Texas Workforce Commission](#) to grant funds to public education institutions and apprenticeship committees to support the costs associated with related classroom instruction during registered apprenticeships.

Additional Resources

- [Work-Based Learning Policy 50-State Scan](#)
- [Work-Based Learning Policy Outline](#)
- [Expanding High-Quality Work-Based Learning](#)
- [Work-Based Learning: Model Policy Components](#)
- [Career and Technical Education Policy Snapshot](#)
- [State Strategies for Scaling Work-Based Learning](#)