State Workforce Development Policies

Sarah Pingel

What Is the Issue, and Why Does It Matter?

Connecting postsecondary education to workforce development persists as a high-interest area of state policy. In 2019, for example, state leaders in 49 states considered at least 258 bills related to the topic, and in 2020, the trend persisted with over 300 bills considered in 41 states plus the District of Columbia. As state policy leaders seek to support a highly skilled and competitive workforce, connections to postsecondary education systems are key.

Evidence from Education Commission of the States’ policy tracking indicates that bridging the gap between education and workforce development is a top concern for state legislatures. To do so, state policy generally addresses four main areas:

1. **DATA AND INFORMATION**  
   Many proposed and enacted state policies address the collection, connection and sharing of student- and worker-level data. State policies may also require regular analysis and presentation of education and workforce-related data.

2. **FINANCIAL INCENTIVES**  
   State legislation frequently proposes financial incentives to postsecondary institutions, employers or students to participate in workforce development initiatives. This may be in the form of reimbursements for training programs, direct aid to learners seeking training or other incentive-based programs.

3. **GOVERNANCE AND PLANNING**  
   States frequently consider shifts in the leadership and planning of work- and education-related governing and coordinating bodies. Legislation in this area most frequently addresses the composition and responsibilities of workforce development boards, requirements for future planning or analysis, and recommendations of policy approaches to consider in the future.

4. **EDUCATION, WORK EXPERIENCE AND CREDENTIALING**  
   State legislation also addresses opportunities for learners to gain work experience concurrent with education and training, most often through apprenticeships. Less frequently, state policies also address credentialing, most often at the sub-associate degree level.

This Policy Snapshot provides a brief overview of state legislative activity connecting postsecondary education to workforce development followed by examples of enacted state legislation.
How Many States Considered Legislation in the 2020 Legislative Session?

Based on a review of 2020 legislative activity concerning workforce development:

At least **308** bills were **INTRODUCED** in **41 states** plus the District of Columbia.

At least **43** bills were **ENACTED** in **18 states**.

<table>
<thead>
<tr>
<th>State</th>
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<tbody>
<tr>
<td>California</td>
<td>S.B. 74, S.B. 116</td>
<td>Iowa</td>
<td>H.F. 2629</td>
<td>North Carolina</td>
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<td>Indiana</td>
<td>H.B. 1153, H.B. 1419, S.B. 272, S.B. 398</td>
<td>Nebraska</td>
<td>LB 1160</td>
<td>West Virginia</td>
<td>H.B. 4519, S.B. 781</td>
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Data and Information

Four states — Colorado, Kentucky, Louisiana and Nebraska — enacted policies related to data and information issues. In most cases, these bills require data-sharing agreements across state agencies, usually with the intention of connecting information about high-need workforce fields with schools, postsecondary institutions and learners.

Examples of Enacted Legislation

**KENTUCKY**  [H.B. 419](#) requires the Council on Postsecondary Education to annually compile data on in-demand jobs within the state, beginning July 1, 2021. Each campus of the Kentucky Community and Technical College system, the University of Kentucky and the University of Louisville must collect and share information on student success and cost. Data collected must include information such as tuition cost, loan default rates, student loan amounts for attendees, number of students completing an apprenticeship program and the median range of starting salary for graduates. The Council on Postsecondary Education must ensure the data is accessible to prospective students.

**NEBRASKA**  [L.B. 1160](#) requires the department of labor to execute a memorandum of understanding with the Nebraska Statewide Workforce and Educational Reporting System to ensure the exchange of available department of labor data throughout the pre-K to postsecondary education to workforce continuum. The legislation requires NSWERS to issue recommendations on its status, including but not limited to additional data, stakeholder needs and potential future funding.

Financial Incentives

States can use funding to incentivize employers, schools or postsecondary institutions to provide workforce training opportunities, or they can provide funding directly to learners to support their training experience and encourage completion. Seven states enacted legislation in 2020 to fund targeted workforce development efforts.

Examples of Enacted Legislation

**MICHIGAN**  [H.B. 5576](#) provides scholarships and grants to Michigan residents to pursue an associate’s degree or industry-recognized certificate or credential. Recipients must be Michigan residents, have graduated high school or have obtained a GED and not currently hold an associate’s or bachelor’s degree. To maintain eligibility for scholarship or grants, students must maintain a 2.0 GPA, participate in an institution’s career readiness program and complete the FAFSA on time. As of the COVID-19 pandemic spread, it was no longer possible to locate funding for this program as it was initially conceived. As such, Gov. Whitmer has refocused the program on
providing funds to frontline workers, allowing the state to use federal CARES Act funding, specifically Governor’s Emergency Education Relief Fund dollars to fund the program.

OHIO  H.B. 2 creates the TechCred Program, which provides reimbursements to employers for training costs related to providing micocredentials to current or prospective employees. The legislation defines a microcredential as an industry-recognized credential or certificate that can be completed in one year or less. Finally, the enacted bill also creates the Individual Microcredential Assistance Program, which reimburses training providers that grant microcredentials.

Governance and Planning

As states continue to refine their workforce development efforts, eight states have enacted legislation in 2020 related to governance and/or planning. Most commonly, states enact legislation to create work groups or require the study of workforce development-related issues.

Examples of Enacted Legislation

GEORGIA  S.R. 833 creates the Joint Study Committee on Preparing Our Future Workforce. The membership consists of three members from each chamber of the legislature, the governor or their designee, state school superintendent, chancellor of the state university system, commissioner of the technical college system and business representatives appointed by the governor. The study committee must produce a report on their findings prior to Dec. 1, 2020.

INDIANA  H.B. 1153 requires the Governor’s Workforce Cabinet to create a comprehensive strategic plan to ensure alignment of Indiana’s primary, secondary and postsecondary education systems with Indiana’s workforce training programs and employer needs. As part of the strategic plan, the cabinet is required to include early childhood education in the cabinet’s systematic and comprehensive review of Indiana’s educational system’s alignment with employer needs.

MISSISSIPPI  S.B. 2564 changes the composition of the Mississippi State Workforce Investment Board, requiring that a majority of the 19 governor-appointed members be representatives of businesses in the state. The bill also adds the president of the state community college association as a board member. Finally, the duty of the workforce investment board beyond the requirements under the Workforce Innovation and Opportunity Act are outlined.
Education, Work Experience and Credentialing

Eight states enacted legislation related to providing postsecondary education, work experience, and/or credentials to learners. Legislation in this area commonly address topics such as apprenticeship and postsecondary credit for work experience.

Examples of Enacted Legislation

- **CALIFORNIA**
  - **S.B. 116** encourages community college districts to expedite the development of targeted credit or noncredit short-term workforce training programs. The legislation also specifies that an existing program that funds regionally prioritized projects can include short-term workforce training programs.

- **COLORADO**
  - **H.B. 20-1002** requires the department of higher education to conduct a study regarding awarding academic credit for prior learning opportunities by Sept. 1, 2021. In 2022, the department must create, adopt and implement a plan to award postsecondary academic credit for courses in guaranteed transfer pathways or a statewide transfer agreement for learning from work-related experience. The policies must be responsive to workforce demands and growing industries identified by the most recent Colorado Talent Pipeline Report.

Related Resources

- [50-State Comparison: Education and Workforce Development Connections](#)
- [Principles of Policy Design for Connecting Education to Work](#)
About the Author

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Sarah supports the research and analytical capacity of the policy team in her role as a senior policy analyst at Education Commission of the States. Sarah has extensive experience in student financial aid programs and supports the organization’s portfolio related to connecting education and workforce policies. Contact Sarah at spingel@ecs.org.