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## Vocational Education: Legislation to Reauthorize the Carl D. Perkins Vocational and Applied Technology Education Act

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### ABSTRACT

This report presents background on the Carl D. Perkins Vocational and Applied Technology Education Act, provides a funding history of the Act, and tracks and analyzes legislation during the 105<sup>th</sup> Congress to revise and reauthorize the Perkins Act. Specifically the report examines H.R. 1853 as passed by the House and H.R. 1385 as passed by the Senate. Key issues include whether and how to change state and substate formulas; what percentage of funds to reserve for statewide activities and administration; and how best to ensure services for “special populations,” such as students with disabilities. The report will be updated as legislative action warrants.

Related CRS reports: CRS Report 97-534, *Adult Education and Literacy: Legislation in the 105<sup>th</sup> Congress*, by Paul M. Irwin; CRS Report 97-536, *Job Training Reform: Legislation in the 105<sup>th</sup> Congress*, by Ann Lordeman; CRS Report 94-224, *Rehabilitation Act: Major Programs, 105<sup>th</sup> Congressional Legislation, and Funding*, by Carol O’Shaughnessy.

# Vocational Education: Legislation to Reauthorize the Carl D. Perkins Vocational and Applied Technology Education Act

## Summary

The Carl D. Perkins Vocational and Applied Technology Education Act provides federal assistance for secondary and postsecondary vocational education. The Perkins Act was authorized through fiscal year 1996; nevertheless, FY1997 and FY1998 appropriations have been provided for the Act. On July 22, 1997, the House passed **H.R. 1853**, which would reauthorize the Perkins Act. On May 5, 1998, the Senate passed **H.R. 1385** in lieu of **S. 1186**, which would also reauthorize the Perkins Act, among other provisions. This report presents background on vocational education, on the Perkins Act, and on related action during the 104<sup>th</sup> Congress. The report concludes by comparing major features of H.R. 1853 and the Senate version of H.R. 1385.

The Perkins Act, currently funded at \$1.1 billion, is the main source of **specific** federal funds for vocational education, although these funds account for a small percentage of the total spent on vocational education in the United States. The main purposes of the Perkins Act are to improve the quality of vocational education and to provide access to quality vocational education for “special populations,” such as disadvantaged and disabled students. The last reauthorization of the Perkins Act in 1990 made several significant changes to the Act. These included the creation of new programs, most notably the tech-prep program, aimed at coordinating secondary and postsecondary vocational education; the requirement of within state formulas based mainly on poverty measures for the distribution of secondary and postsecondary federal vocational education funds; the elimination of most set-asides of funds for various “special populations”; and the requirement that states develop and implement performance standards and measures.

**Key differences between the House and Senate bills** include: the House would provide somewhat less targeting based on poverty in the state formula and in the secondary substate formula; the Senate would retain current formulas. The House would allocate 90% of state funds directly to the local level; the Senate would allocate 75%. The House would provide for set-asides for grants to local rural and urban areas; the Senate would not. The House would eliminate required funding at the state level for a “sex equity coordinator” and reduce state administration funds from 5% to 2% of the state grant; the Senate would retain funding for the sex equity coordinator and increase funding for state administrative activities to 10%. The House would require a state-determined board of vocational education to fulfill requirements of the Act, such as submission of the state application; the Senate would have the “eligible agency,” the sole state agency that administers vocational education policy, fulfill these requirements. The House would require states to identify “quantifiable benchmarks;” the Senate would require the Secretary of Education to establish “performance measures.” The Senate would authorize the Secretary to make incentive grants to states exceeding performance measures established under the Act; the House has no provision for incentive grants.

**Latest action: The Senate passed H.R. 1385 in lieu of S. 1186 on May 5, 1998, by a vote of 91 to 7.**



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# Vocational Education: Legislation to Reauthorize the Carl D. Perkins Vocational and Applied Technology Education Act

**Latest developments:** The House passed H.R. 1853 on July 22, 1997, by a vote of 414 to 12. P.L. 105-78 increased overall funding for the Perkins Act by 0.7%. The President has requested less than a 0.3% increase (\$3 million) in appropriations for FY1999. The Senate substituted S. 1186 for H.R. 1385 and passed the latter on May 5, 1998, by a vote of 91 to 7;

The Carl D. Perkins Vocational and Applied Technology Education Act, currently funded at \$1.1 billion, provides federal assistance for secondary and postsecondary vocational education. The Perkins Act was authorized through FY1996; nevertheless, FY1997 and FY1998 appropriations have been provided for the Act. The House has passed H.R. 1853, and the Senate passed H.R. 1385 in lieu of S. 1186.<sup>1</sup> Both bills would reauthorize and revise the Perkins Act. This report presents background on vocational education, on the Perkins Act, and on the attempt by the 104<sup>th</sup> Congress to include the Perkins Act in a workforce and career development block grant to states. The report concludes with key features of H.R. 1853 and Title I of the Senate version of H.R. 1385.

## Overview of Vocational Education

Vocational programs provide occupational preparation mostly at the high school level and at less-than-4-year postsecondary institutions, such as community colleges. These programs are aimed mainly at the three-quarters of high school students who do not go on to earn bachelors' degrees.

At the high school level, vocational courses can be classified into three groups:

- consumer and homemaking education;
- general labor market preparation, such as career exploration and word processing; and

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<sup>1</sup> The Senate substituted the language of S. 1186 for the House language of H.R. 1385, which deals with adult education and training, but not with vocational education. Title I of the Senate version of H.R. 1385 deals with vocational education, as does H.R. 1853. This report compares Title I of the Senate-passed version of H.R. 1385 with the House-passed version of H.R. 1853.

- specific labor market preparation in occupational fields, such as agriculture, health care, trade and industry, electronics, and computer repair.<sup>2</sup>

Most **secondary vocational education** takes place in comprehensive high schools, although there are other providers such as area vocational-technical schools (AVTSs), vocational high schools, and career academies.<sup>3</sup> Nearly all high school students complete at least one vocational education course. Far fewer (about one-quarter) could be classified as “vocational concentrators,” completing three or more related vocational courses.<sup>4</sup>

**Postsecondary vocational education** has a broader array of options, some of which are in sophisticated high technology areas such as computer programming and engineering technology. Most postsecondary vocational education takes place at community colleges; for-profit proprietary schools are also an important provider.<sup>5</sup> In school year 1989-90, approximately one-half of all students in nonbaccalaureate postsecondary institutions reported that they were majoring in vocational areas.<sup>6</sup>

## Overview of the Perkins Act

Named in honor of a former chairman of what was then the House Education and Labor Committee, the Carl D. Perkins Vocational and Applied Technology Education Act provides funds for secondary and postsecondary vocational education. The main purposes of the Act are to improve the quality of vocational education and to provide access to quality vocational education for “special populations,” such as disadvantaged and disabled students.

**1990 Reauthorization.** The last reauthorization of the Perkins Act in 1990, P.L. 101-392, made several significant changes in the Act. The 1990 Amendments:

- **Created new programs**, most notably **tech-prep education**, aimed at combining and coordinating secondary and postsecondary vocational education activities into a coherent sequence of courses.
- **Changed the allocation of funds** between states and localities by reserving a higher maximum percentage of funds for state programs — 25% instead of 20% — while reducing state discretion over these funds and lowering the percentage that can be used for state administration from 7% to 5%.

<sup>2</sup> U.S. Department of Education. National Center for Education Statistics. *Vocational Education in the United States: The Early 1990s*. Washington, 1995, figure 1, p. 3. (Hereafter cited as *Vocational Education in the United States*).

<sup>3</sup> AVTSs are regional vocational schools that usually serve more than one school district. Vocational high schools are similar to AVTSs but usually serve students in one large school district. Career academies usually focus on preparing students one or two career clusters such as health or finance.

<sup>4</sup> *Vocational Education in the United States*, p. 7-9 (based on 1992 high school students).

<sup>5</sup> *Ibid.*, figure 2, p. 6.

<sup>6</sup> *Ibid.*, p. 8.



- **Specified substate formulas** that require at least 75% of each state’s basic grant to be distributed based mainly on poverty measures to local recipients for secondary, postsecondary, and adult vocational programs and specifying minimum local grant levels — \$15,000 for secondary programs, \$50,000 for postsecondary and adult programs.
- **Removed most set-asides** for “special populations,” but required states and local recipients to assure that members of these populations be given equal access to high-quality programs, and required local recipients to spend federal funds for the combined objectives of services for “special populations” and program improvement.
- **Required states to develop and implement performance standards and measures**, such as program completion and job placement, to assess gains in learning and in program performance.<sup>7</sup>

**Basic State Grants.** Perkins basic state grants account for nearly 90% of the funding for the Act.<sup>8</sup> These grants are distributed by formula to states based mainly on population, with adjustments for state per capita income and for a minimum grant amount.<sup>9</sup> The central purposes of these grants are to improve the overall quality of vocational education and to provide access for members of “special populations” to high quality vocational education. These populations include disadvantaged and disabled students, limited English proficient, and those in programs to eliminate sex bias. Perkins funds support vocational education for these students by providing, for example, equipment and classroom modifications, tutors, instructional devices, counselors, and sex equity coordinators.

The basic state grant program supports program improvement by:

- Focusing funds on programs that integrate academic and vocational education in a coherent sequence of courses;
- Supporting tech-prep programs, which aim to combine high school and postsecondary vocational education; and
- Requiring states to develop performance standards and measures.

**Funding.** The Perkins Act is the main source of **specific** federal funding for vocational education.<sup>10</sup> Currently funded at \$1.15 billion, the Act probably provides

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<sup>7</sup> For further information, see CRS Report 91-675, *Vocational Education: Major Provisions of the 1990 Amendments (P.L. 101-392)*, by Paul M. Irwin and Richard N. Apling.

<sup>8</sup> Others parts of the Act include “special programs” for targeted purposes, such as tech-prep, and “national programs” for data collection, evaluation, etc.

<sup>9</sup> See page 8 for further discussion of the current Perkins Act basic state grant formula.

<sup>10</sup> Considerably more federal funding is provided for postsecondary vocational education through loans and grants to students attending community colleges and proprietary schools

less than 10% of national spending on vocational education, although no precise calculation of the amount the U.S. spends on vocational education is available.

As Table 1 shows, Perkins Act funding has increased modestly since the Act was reauthorized in 1990. Total funding was about \$1.01 billion in FY1991 and about \$1.15 billion in FY1998 (a 13.5% increase). Appropriations for Perkins basic state grants increased 19.0% (from \$848 million to \$1.0 billion). Between FY1991 (its first year of funding) and FY1998, tech-prep appropriations jumped from \$63 million to \$103 million (more than a 62% increase). The President has requested an additional \$3 million for the Perkins Act for FY1999, less than a 0.3% increase.

### **Action During the 104<sup>th</sup> Congress**

**H.R. 1617.** The 104<sup>th</sup> Congress gave extensive consideration to consolidating various federal job training and education programs. To accomplish this, the final bill — the Workforce and Career Development Act of 1996 (WCDA), H.R. 1617 — would have repealed the Perkins Act, the Job Training Partnership Act (JTPA), the School-to-Work Opportunities Act, and the Adult Education Act and consolidated the funding and functions of these programs into a single workforce and career development block grant to the states. Although H.R. 1617 was reported by a conference committee, the conference version did not reach the floor of either the House or the Senate; and the 104<sup>th</sup> Congress adjourned without taking final action.<sup>11</sup> While H.R. 1617 would have authorized a single block grant to states, the bill provided specific set asides of funds for vocational education and other program activities. Of all funds allocated to states, at least 26% would have been used for vocational education activities. Of this amount, 15% would have been used for state activities and administration and 85% for local activities.

**Consolidation Through Appropriations.** Although final action on H.R. 1617 was never completed, the 104<sup>th</sup> Congress did accomplish some program consolidation by eliminating appropriations for some smaller programs authorized by the Perkins Act while slightly increasing total funding. Appropriations for FY1995 eliminated funding for:

- Community-based organizations,
- Consumer and homemaking education,
- Bilingual vocational training and
- Demonstrations.

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who enroll in vocational programs.

<sup>11</sup> For further discussion of H.R. 1617, see CRS Report 96-690, *Employment and Training: Workforce and Career Development Act of 1996 (H.R. 1617 Conference)*, by Richard N. Apling and Ann Lordeman. See pages 15-17 of that report for a discussion of vocational education provisions.

Table 1. Perkins Act Appropriations (dollars in \$000's)							
Programs	Fiscal Year					% of Total for 1998	% Change 1991 to 1998
	1991	1996	1997	1998	1999 Request		
<b>Basic grants</b>							
Basic State grants (title II) <sup>a</sup>	\$848,360	\$962,976	\$1,004,904	\$1,009,852	\$1,010,522	88.0%	19.0%
Territorial set-aside (sec. 101A) <sup>b</sup>	1,776	1,970	2,072	2,082	e	0.2%	17.2%
Indian & Hawaiian natives set-aside (sec. 103) <sup>c</sup>	13,325	14,773	15,543	15,616	20,128	1.4%	17.2%
Subtotal (basic grants)	\$863,461	\$979,719	\$1,022,519	\$1,027,550	\$1,030,650	89.6%	19.0%
<b>Special programs</b>							
Community-based organizations (title III-A)	11,711	-	-	-	-		-100.0%
Consumer and homemaking education (title III-B)	33,351	-	-	-	-		-100.0%
Tech-prep education (title III-E)	63,433	100,000	100,000	103,000	106,000	9.0%	62.4%
Facilities and equipment State grants (title III-F)	-	-	-	-	-		
Tribally controlled postsecondary voc. institutions (title III-H)	2,440	2,919	2,919	3,100	f	0.3%	27.0%
State councils (sec. 112)	8,783	-	-	-	-		-100.0%
<b>National programs</b>							
Research (title IV-A) <sup>d</sup>	7,010	5,177	13,676	13,497	13,497	1.2%	92.5%
Demonstration (title IV-B)	12,970	-	-	-	-		-100.0%
Data systems (title IV-C, sec. 442)	4,880	-	-	-	-		-100.0%
Subtotal (national programs)	\$24,860	\$5,177	\$13,676	\$13,497	\$13,497	1.2%	-45.7%
Bilingual vocational training (title IV-E)	2,888	-	-	-	-		-100.0%
<b>Total</b>	\$1,010,927	\$1,087,815	\$1,139,114	\$1,147,147	\$1,150,147	100.0%	13.5%
<p><sup>a</sup>Includes \$6,848,000 through FY1997 from permanent appropriations (Smith-Hughes Act)</p> <p><sup>b</sup>Includes \$14,000 through FY1997 from permanent appropriations (Smith-Hughes Act)</p> <p><sup>c</sup>Includes \$107,000 through FY1997 from permanent appropriations (Smith-Hughes Act)</p> <p><sup>d</sup>Includes \$179,000 through FY1997 from permanent appropriations (Smith-Hughes Act)</p> <p><sup>e</sup>President's request would include with basic grants</p> <p><sup>f</sup>President's request would include with Indians and Native Hawaiians</p> <p>Note: P.L. 105-33 (the Balanced Budget Act of 1997) repealed the Smith-Hughes Act</p> <p>Sources: Annual Department of Education "Press Releases" (FY92-FY99)</p>							

In addition to this list, appropriations for FY1996 eliminated funding for state councils and data systems. Consequently, by FY1998, funded programs included basic grants plus 3 smaller programs compared with basic grants plus 9 smaller programs in FY1991.

### **Key Differences Between H.R. 1853 (House) and H.R. 1385 (Senate)**

The 105<sup>th</sup> Congress is again considering vocational education and training legislation. The House vocational education bill (H.R. 1853) is separate from its training and adult education bill (H.R. 1385), which also amends the Rehabilitation Act of 1973 and the Wagner-Peyser Act. The Senate bill (H.R. 1385) contains vocational education, adult education, and training program provisions, and amends the Rehabilitation Act and Wagner Peyser.<sup>12</sup> In addition to the dissimilar structures of the two bills, key differences between the House and Senate bills include:

- The House bill would provide somewhat less targeting based on poverty in the state formula and in the secondary substate formula; the Senate bill would retain current Perkins Act formulas.
- The House bill would allocate 90% of state funds directly to LEAs and eligible postsecondary institutions; the Senate bill would allocate 75%.
- The House bill would provide for state set-asides for grants to local rural and urban area; the Senate bill would not.
- The House bill would allocate 8% of state funds for “state leadership” activities; the Senate bill would allocate 14%.
- The House bill would eliminate the current 1% set aside for vocational education for incarcerated individuals; the Senate bill would retain it.
- The House bill would eliminate required funding at the state level for a “sex equity coordinator” and reduce state administration funds from 5% to 2% of the state grant; the Senate bill would retain funding for the sex equity coordinator and increase state funding for administrative activities to 10%.
- The House bill would require a state-determined board of vocational education to fulfill requirements of the Act, such as submission of the state application; the Senate bill would have the “eligible agency,” defined as the

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<sup>12</sup> Title I of the Senate bill deals with vocational education. Title II of the Act deals with adult education and literacy. Titles VI and VII deal with vocational rehabilitation. For a discussion of Title II, see CRS Report 97-534, *Adult Education and Literacy: Legislation in the 105<sup>th</sup> Congress*, by Paul M. Irwin. For information on Title III, which deals with training programs, see CRS Report 97-536, *Job Training Reform: Legislation in the 105<sup>th</sup> Congress*, by Ann Lordeman. For information on vocational rehabilitation, see CRS Report 94-224, *Rehabilitation Act: Major Programs, 105<sup>th</sup> Congressional Legislation, and Funding*, by Carol O’Shaughnessy.

sole state agency that administers or supervises policy for vocational education, fulfill these requirements.

- The House bill would require states to identify “quantifiable benchmarks” to gauge statewide progress; the Senate bill would require the Secretary of Education to establish “performance measures.”
- The Senate bill would prohibit funds provided by the Act from being spent for activities authorized by the School-to-Work Opportunities Act; the House bill does not mention that Act or school-to-work in general.
- The Senate bill would authorize the Secretary to make incentive grants to states exceeding performance measures established under the Act; the House bill has no provision for incentive grants.

## Features of the House and Senate Bills

**H.R. 1853**, the Carl D. Perkins Vocational-Technical Education Act Amendments of 1997 would amend and revise the Perkins Act. It would rename the Act the Carl D. Perkins Vocational-Technical Education Act and would authorize \$1.3 billion for FY1998 and “such sums as may be necessary” for fiscal years 1999 through 2002 for Perkins Act programs and activities. The bill refers to **vocational-technical education** rather than vocational education. The overall purpose of the Act would be “to develop more fully the academic, occupational, and technical skills of individuals participating in vocational-technical education programs.”

**H.R. 1385 (Senate)** is entitled the “Workforce Investment Partnership Act of 1997.” Title I of the Act,<sup>13</sup> the Carl D. Perkins Vocational and Applied Technology Education Act of 1997, would repeal the current Perkins Act and replace it with the new Perkins Act. The bill retains the use of the term **vocational education**. The overall purposes of the Act would be to develop “more fully the academic, technological, vocational, and employability skills of secondary students and postsecondary students who elect to enroll in vocational education programs.” What follows compares selected provisions of the current Perkins Act with provisions of the House and Senate bills.

**Authorizations and Reservation of Funds.** Current law authorized \$1.6 billion for the Perkins Act (for FY1991)<sup>14</sup> and specifies amounts to be taken from the total for “special programs,” such as tech-prep. After subtracting these specified amounts from the total authorized amount, specified percentages are applied to the remainder to determine amounts for basic state grants, territorial grants, programs for Indian and Hawaiian natives, and national programs.

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<sup>13</sup> Unless otherwise noted, references to the Senate bill or to the Senate version of H.R. 1385 throughout the remainder of this report are references to Title I of that bill.

<sup>14</sup> Current law authorized “such sums” for FY1992-FY1995.

**The House bill** authorizes \$1.3 billion for the Perkins Act for FY1998 and “such sums” for FY1999 through FY2002. Percentages of the total authorization are specified for territorial grants, Indian and Hawaiian natives programs, and tech-prep. In addition, the bill separately authorizes “such sums” for national programs.<sup>15</sup>

**The Senate bill** separately authorizes tech-prep at “such sums” and the remainder of the bill’s programs and activities at “such sums” for FY1999 through FY2004.<sup>16</sup> Percentages are specified for territorial grants, Indian and Hawaiian native programs, programs for tribally controlled postsecondary vocational institutions, national programs, and incentive grants.

Although the details of the two bills’ authorizations and funding reserves differ, the results would be quite similar. For example, applying the specifications of the two bills to FY1998 appropriations for the Perkins Act would result in an appropriation for basic state grants that is 87% of the total for the House bill and 88% for the Senate bill. (FY1998 appropriations for basic state grants is 88% of the total appropriations.) The main difference between the two bills would result for the tech-prep allocation, which would be about 10% of the total appropriation under the House bill and about 9% under the Senate bill. FY1998 appropriations for tech-prep is about 9% of the total.<sup>17</sup>

**State Formula Changes.** The **current Perkins Act state formula** (Section 101) is based on **three** population groups: individuals ages 15 to 19, individuals ages 20 to 24, and individuals ages 25 to 65. Subject to other formula provisions, 58.8% of the funds is distributed in proportion to a state’s share of the national total of the first group, 23.5% in proportion to a state’s share of the second group, and 17.6% in proportion to a state’s share of the third group. States’ allotments are adjusted based on states’ per capita income (PCI), with the maximum adjustment ratio being 0.6 (for states with PCI’s substantially below the national average) and the minimum adjustment being 0.4 (for states with PCI’s substantially above the national average). Distribution of funds is also subject to a minimum grant provision of 0.5% of the total grant amount, with constraints on increases states can receive because of the minimum grant provision.<sup>18</sup>

**The House bill** state formula (Section 101) would be based on **two** populations groups: individuals ages 15 to 19 and individuals ages 20 to 24. Subject to other formula provisions, 50% of the funds would be distributed in proportion to a state’s share of the first group, and 50% would be distributed based on a state’s share of the second group. States’ allotments would be adjusted based on states’ per capita

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<sup>15</sup> The House bill authorizes \$4 million for Tribally Controlled Postsecondary Vocational Institutions for FY1998 and “such sums” for the next four years.

<sup>16</sup> The Senate bill separately authorizes \$25 million for FY1999 and “such sums” for the next 5 years for a demonstration tech-prep program to locate secondary schools at community colleges.

<sup>17</sup> For further discussion of authorizations and reservation of funds, see Appendix A.

<sup>18</sup> The current minimum grant is about 0.4% of appropriations for state grants because of constraints on the application of the minimum grant provision.

**Table 2. FY1998 Perkins State Grants and Estimated State Grants Under the House and Senate Bills**  
(dollars rounded to the nearest \$1,000)

State	FY1998 Perkins Act Allocations (and Senate Bill Estimates)	Estimated Allocations Under the House Bill	Estimated Allocation Under the Senate Bill	% Change (House Bill vs. Current Law)	% Change (Senate Bill vs. Current Law)
Alabama	\$19,175,000	\$18,345,000	\$19,175,000	-4.33%	0.00%
Alaska	4,215,000	4,215,000	4,215,000	0.00%	0.00%
Arizona	18,079,000	17,931,000	18,079,000	-0.82%	0.00%
Arkansas	11,404,000	10,714,000	11,404,000	-6.05%	0.00%
California	108,186,000	110,716,000	108,186,000	2.34%	0.00%
Colorado	13,400,000	13,362,000	13,400,000	-0.28%	0.00%
Connecticut	8,355,000	8,239,000	8,355,000	-1.39%	0.00%
Delaware	4,215,000	4,215,000	4,215,000	0.00%	0.00%
District of Columbia	4,215,000	4,215,000	4,215,000	0.00%	0.00%
Florida	46,304,000	46,109,000	46,304,000	-0.42%	0.00%
Georgia	29,560,000	30,257,000	29,560,000	2.36%	0.00%
Hawaii	5,049,000	5,049,000	5,049,000	0.00%	0.00%
Idaho	6,000,000	5,714,000	6,000,000	-4.76%	0.00%
Illinois	38,934,000	39,350,000	38,934,000	1.07%	0.00%
Indiana	23,688,000	24,105,000	23,688,000	1.76%	0.00%
Iowa	11,964,000	11,840,000	11,964,000	-1.03%	0.00%
Kansas	10,245,000	10,368,000	10,245,000	1.20%	0.00%
Kentucky	17,906,000	16,843,000	17,906,000	-5.94%	0.00%
Louisiana	21,042,000	19,859,000	21,042,000	-5.62%	0.00%
Maine	5,053,000	5,049,000	5,053,000	-0.07%	0.00%
Maryland	14,812,000	14,573,000	14,812,000	-1.62%	0.00%
Massachusetts	17,324,000	17,324,000	17,324,000	0.00%	0.00%
Michigan	35,015,000	35,350,000	35,015,000	0.96%	0.00%
Minnesota	16,685,000	16,553,000	16,685,000	-0.79%	0.00%
Mississippi	13,364,000	12,818,000	13,364,000	-4.08%	0.00%
Missouri	20,940,000	21,047,000	20,940,000	0.51%	0.00%
Montana	4,912,000	5,049,000	4,912,000	2.79%	0.00%
Nebraska	6,817,000	6,941,000	6,817,000	1.82%	0.00%
Nevada	5,072,000	5,049,000	5,072,000	-0.44%	0.00%
New Hampshire	5,049,000	5,049,000	5,049,000	0.00%	0.00%
New Jersey	21,030,000	20,725,000	21,030,000	-1.45%	0.00%
New Mexico	8,017,000	7,473,000	8,017,000	-6.79%	0.00%
New York	51,362,000	51,362,000	51,362,000	0.00%	0.00%
North Carolina	28,781,000	29,322,000	28,781,000	1.88%	0.00%
North Dakota	4,215,000	4,215,000	4,215,000	0.00%	0.00%
Ohio	42,750,000	43,180,000	42,750,000	1.01%	0.00%
Oklahoma	15,094,000	14,197,000	15,094,000	-5.95%	0.00%
Oregon	12,410,000	12,320,000	12,410,000	-0.73%	0.00%
Pennsylvania	40,723,000	40,541,000	40,723,000	-0.45%	0.00%
Puerto Rico	18,458,000	17,947,000	18,458,000	-2.77%	0.00%
Rhode Island	5,049,000	5,049,000	5,049,000	0.00%	0.00%
South Carolina	16,635,000	15,811,000	16,635,000	-4.95%	0.00%
South Dakota	4,215,000	4,496,000	4,215,000	6.67%	0.00%
Tennessee	21,457,000	21,647,000	21,457,000	0.88%	0.00%
Texas	80,684,000	83,355,000	80,684,000	3.31%	0.00%
Utah	11,495,000	11,284,000	11,495,000	-1.84%	0.00%
Vermont	4,215,000	4,215,000	4,215,000	0.00%	0.00%
Virginia	23,247,000	23,785,000	23,247,000	2.31%	0.00%
Virgin Islands	568,000	693,000	568,000	22.05%	0.00%
Washington	19,584,000	19,570,000	19,584,000	-0.07%	0.00%
West Virginia	8,429,000	7,927,000	8,429,000	-5.96%	0.00%
Wisconsin	20,242,000	20,279,000	20,242,000	0.18%	0.00%
Wyoming	4,215,000	4,215,000	4,215,000	0.00%	0.00%
Totals	\$1,009,852,000	\$1,009,852,000	\$1,009,852,000		

income, with the maximum adjustment ratio being 0.55 and the minimum adjustment being 0.4. Distribution of funds would also be subject to a minimum grant provision of 0.5% of the total grant amount, with constraints (similar to current law) on increases states could receive because of the minimum grant provision. **The Senate bill** state formula (Section 111) would be **the same as current law**.

Overall, as Table 2 shows, estimated allocations (based on FY1998 appropriations) for the Senate bill formula would be identical to current law. Estimated changes from current law resulting from the House bill state formula are relatively modest (for the most part ranging from gains of about 7% to losses of about 7%). The exception would be the gain in funding for the Virgin Islands, which would continue to be defined as a state for the purposes of the basic state formula.<sup>19</sup> These losses and gains are due to changes in the population groups in the formula and in the PCI adjustments. Since the House bill formula would increase the percentage allocated on a state's share of individuals ages 20 to 24, one would expect those states to gain funds that have a large share of individuals ages 20 to 24 (as does California). Finally one would expect states with much lower-than-average PCI's, such as Mississippi and Arkansas (that would receive the maximum PCI adjustment) to receive fewer funds, since the maximum PCI adjustment would be less than in current law.

**Allocation of State and Local Funds.** Section 102 of the current Perkins Act specifies the following allotments of states' basic grants:

- at least 75% for secondary, postsecondary, and adult vocational education;
- 10.5% for programs for single parents, displaced homemakers, and single pregnant women (not less than 7% for these programs) and for sex equity programs (not less than 3% for these programs);
- not more than 8.5% for state programs and state leadership;
- not more than 5% for administration of the state plan including not less than \$60,000 for a "sex equity coordinator;" and
- 1% for programs for criminal offenders.

Under **the House bill** (Section 102), states would allot their state grants as follows:

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<sup>19</sup> The Virgin Islands allocation would increase because its allocation is based on one of the formula constraints: the prohibition that a state grant not be below 0.5% of the overall appropriation for state grants **or** 150% of the "national average per pupil payment," whichever amount is less. The latter is almost certain to be the lesser amount for the Virgin Islands. The calculation of this amount is based on a different population base in the House formula than it is under current law or under the Senate bill (individuals ages 15 to 24 rather than 15 to 65). Since the Virgin Islands' share of individuals ages 15 to 24 is greater than its share of individuals ages 15 to 65, the Virgin Islands allocation, which is too small to be subject to other constraints in the formula, would increase substantially.



- not less than 90% for secondary, postsecondary, and adult vocational education of which a state could reserve up to 5% of these funds (i.e., 4.5% of the overall state grant) for grants to rural areas and up to 5% for urban areas;<sup>20</sup>
- not more than 8% for state programs and activities; and
- not more than 2% and not less than \$250,000 for administration of the state plan.

Under **the Senate bill** (Section 122), states would allot their state grants as follows:

- 75% for secondary, postsecondary, and adult vocational education;
- not more than 14% for state leadership activities;
- not more than 10% (or \$300,000, whichever is greater) for developing the state plan, reviewing local applications, monitoring and evaluating the program, providing technical assistance, and assuring compliance with applicable federal laws;<sup>21</sup> and
- 1% (or the amount expended in fiscal year 1997, whichever is greater) for programs for criminal offenders.

The House bill would make significant changes in how states allocate their state grant funds. First, at least 90% of these funds (rather than 75% under current law and under the Senate bill) would be made available for LEAs and eligible postsecondary institutions.<sup>22</sup> The House bill would eliminate certain set asides (for gender equity, displaced homemakers,<sup>23</sup> and prisoners) in current law and create others — for grants (at state discretion) to rural and urban areas. The House bill would slightly reduce the percentage states could reserve for state activities from 8.5% to 8% and would substantially reduce the percentage for administration from 5% to 2%.

Like the House bill, the Senate bill would eliminate set-asides for sex equity and dislocated homemakers programs but would retain the 1% set-aside for criminal

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<sup>20</sup> The bill defines “rural area” as “an area that is not in a metropolitan statistical area” and an “urban area” as “an area that serves a central city in a metropolitan statistical area.” “Central city” and “metropolitan statistical area” are defined by reference to Section 10952 of the Elementary and Secondary Education Act of 1965.

<sup>21</sup> \$60,000 of these funds would be required to be used for oversight of gender-equity activities.

<sup>22</sup> At least 81% of the state grant would be distributed locally by specified substate formulas; as much as 9% of the state grant would be distributed locally to rural and urban areas at states’ discretion.

<sup>23</sup> Representative Mink introduced a floor amendment to require local recipients of funds under the Perkins Act to reserve the same amount of funds for these programs as they reserved from FY1997 funds. This amendment failed by a vote of 207 to 214.

offender programs.<sup>24</sup> Unlike the House bill, which shifts current set-aside funds to local grants, the Senate bill would keep the allocation for local grants the same as current law (75% of the state grant) and shifts most funds for current set asides to “state leadership” (14%, vs. 8% under the House bill) and state administrative activities (10%, vs. 2% under the House bill).

**Substate Formulas.** As previously noted, one of the major changes in the 1990 reauthorization of the Perkins Act was the specification of substate formulas. Under current law, states decide the percentages to be allocated to secondary and to postsecondary vocational education<sup>25</sup> and then distribute these amounts by specified substate formulas. The **current secondary formula** (Section 231) is based 70% on an LEA’s share of the state’s total Elementary and Secondary Education Act (ESEA) Title I basic grants; 20% based on an LEA’s share of disabled students with individual education programs under the Individuals with Disabilities Act (IDEA); and 10% based on an LEA’s share of total enrollment in schools and of adults enrolled in training programs. The minimum grant amount is **\$15,000**, subject to LEAs forming consortia or receiving waivers because of geographic isolation.

Under **the House bill** states would decide whether and how much of the 90% of Perkins funds for local vocational-technical programs would be allocated for rural grants (up to 5% of the 90%) and for urban grants (up to 5% of the 90%). Of the remaining amount (at least 81% of the total), states would then decide how much to allocate to secondary vocational-technical programs and to postsecondary vocational-technical programs. The House bill would gradually reduce the reliance on a poverty factor in the **formula allocating secondary funds** to LEAs as follows:

In **FY1998**, funds would be distributed under the current Perkins Act secondary formula with a minimum grant of **\$10,000**:

- 70% of the funds would be allocated according to each LEA’s share of the state’s Title I basic grant;
- 20% of the funds would be allocated according to each LEA’s share of disabled students; and
- 10% of the funds would be allocated according to each LEA’s share of overall enrollment.

In **FY1999 and 2000**, Perkins funds designated for secondary programs would be allocated as follows:

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<sup>24</sup> The Senate bill (Section 168) has a definition of “gender equity,” which deals with access for men and women to vocational education related to high-skill, high-wage occupations.

<sup>25</sup> States’ percentages vary from nearly 100% for secondary programs to nearly 100% for postsecondary programs. On average, about 60% of funds are allocated for secondary programs.

- The portion of the amount designated for secondary vocational-technical programs that is **less than or equal** to the amount the state designated for secondary programs in FY1997 would be distributed as follows:

70% of these funds would be distributed based on each LEA's share of individuals ages 15 to 19 from poor families and

30% would be distributed based on each LEA's share of the state's total population ages 15 to 19.

- The funds for secondary programs that **exceed** the amount the state allocated for secondary programs in FY1997 would be allocated as follows:

60% of the funds would be allocated based on each LEA's share of individuals ages 15 to 19 from poor families and

40% would be allocated based on each LEA's share of population ages 15 to 19.

In **FY2001**, funds for secondary vocational-technical education would be allocated as follows:

- 65% of the funds would be allocated based on each LEA's share of individuals ages 15 to 19 from poor families and
- 35% would be allocated based on each LEA's share of population ages 15 to 19.

In **FY2002**, funds for secondary vocational-technical education would be allocated as follows:

- 60% of the funds would be allocated based on each LEA's share of individuals ages 15 to 19 from poor families and
- 40% would be allocated based on each LEA's share of population ages 15 to 19.

The minimum grant amount would be **\$10,000** except for LEAs in rural areas or charter schools that could not form consortia to meet the minimum grant provision. The Secretary of Education could grant waivers to a state for an alternative secondary formula if it "more effectively targets funds on the basis of poverty."<sup>26</sup>

The **Senate secondary program funds formula** (Section 131) would be virtually the same as current law. The minimum grant amount would be increased to **\$25,000** from the \$15,000 under current law. LEAs would be permitted to enter into consortia in order to meet the minimum grant requirement. The eligible agency could waive the minimum grant requirement for LEAs located in rural, sparsely

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<sup>26</sup> Current law does not authorize alternative secondary substate formulas.

populated areas. The Senate bill makes no provision for an alternative secondary formula.

The House bill would make several changes in the formula distributing secondary vocational education funds to LEAs. Most notably, the formula factors would gradually change from 70% based on a proxy for poverty (i.e., share of Title I allocation) to 60% based on share of poor individuals ages 15 to 19 and 40% based on share of all individuals ages 15 to 19. Second, the House bill would reduce the minimum grant from \$15,000 to \$10,000. Third, the House bill would make certain charter schools<sup>27</sup> explicitly eligible to receive Perkins Act funding. Finally, the House bill would permit alternative secondary substate formulas. The Senate bill substate formula for secondary vocational education would differ from current law mainly in the increase of the minimum grant from \$15,000 to \$25,000.

The **current Perkins Act postsecondary and adult formula** (Section 232) is based on “eligible institution’s” share of recipients of Pell grants (Higher Education Act, Title IV, Part A, Subpart 1) or recipients of assistance from the Bureau of Indian Affairs. The minimum grant is **\$50,000**.

Like current law, the **House bill postsecondary and adult formula** (Section 222) would be based on “eligible institution’s” share of Pell grant recipients or recipients of assistance from the Bureau of Indian Affairs. The minimum grant would be **\$35,000** to eligible institutions or consortia. Like current law, the House bill would permit alternative formulas that result “in a distribution of funds to the institutions or consortia . . . that have the highest numbers of economically disadvantaged individuals.”

The **Senate postsecondary and adult formula** (Section 132) would differ from the House bill (and from current law) mainly in that the minimum grant would be **\$65,000**, which could be waived due to location in a rural, sparsely populated area. The Senate bill would continue to provide the Secretary with authority to approve alternative postsecondary formulas.

The main change in the formula for distributing postsecondary vocational funds to eligible institutions would be the reduction of the minimum grant from \$50,000 to \$35,000 in the House bill and an increase of the minimum grant to \$65,000 in the Senate bill.

The **Senate bill** (Section 135) would permit an LEA and a postsecondary institution to form a consortium as long as the sum of their grants was at least \$65,000. The **House bill** states more generally that there is nothing in the Act that would prohibit an LEA and a postsecondary institution from working together.

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<sup>27</sup> The House bill has no definition of charter schools. In general, “charter schools are a relatively new type of public school that is released from many of the forms of regulation that normally apply to public schools, in return for increased accountability in terms of outcomes for pupils.” CRS Report 97-519, *Charter Schools: State Developments and Federal Policy Options*, by Wayne Riddle, James Stedman, and Steven Aleman, p. 1.

**State Governance.** The **current Perkins Act** (Section 111) requires states to designate or create a state board of vocational education to oversee the program. Among its duties, the state board is to consult with the various individuals, groups, and agencies that are involved in the planning and implementation of vocational education programs. States must also designate a “sex equity coordinator” to oversee sex equity provisions and programs. Current law also requires that a state’s plans must be reviewed by the “sex equity coordinator” and individuals at the state level responsible for IDEA, Title I, and bilingual education to assess compliance with guarantees for members of those “special populations.” Section 112 requires states to establish a state council on vocational education, which is to be consulted on the development of the state plan and is to evaluate vocational education in the state.<sup>28</sup>

**The House bill** (Section 111) would retain the requirement to designate or create a state board to oversee the program. With regard to the board’s consultative role, the House bill would add the Governor to the list of individual, groups, and agencies to be consulted on vocational education programs. The bill would remove the requirement for the “sex equity coordinator” and for plan review by various state special program administrators. Finally, the House bill would repeal the requirement for a state council.

**The Senate bill** would make the “eligible agency” in each state responsible for administering activities authorized by the bill. This agency is defined as “the sole entity or agency in a state . . . responsible for administering or supervising policy for vocational education . . . consistent with the law of the state” (Section 2(11)). The Senate bill would require the eligible agency to develop the state plan with representatives of secondary and postsecondary institutions; with representatives of parents; with representatives of various population, such as students with disabilities; with representatives of businesses; and through consultation with the Governor. The Senate bill would also repeal the state council.

The House bill would keep the overall state governance structure by recognizing that states differ regarding which state entities have authority over vocational education. Thus the House bill would leave to states (as does current law) the designation of which state entity would serve as the “state board of vocational education” to oversee the program. The major changes the House bill would make to state governance would be the elimination of the “sex equity coordinator” and the plan review roles of various state administrators. Under current law, the role of the coordinator is intended to help improve gender equity in vocational education. The plan review role for special program administrators is intended to help ensure that “special populations” participate in vocational education and that their needs are met. The repeal of the state councils is a formal recognition of their elimination through the appropriations process beginning in FY1996. The approach in **the Senate bill** differs from the House bill and current law but still recognizes that governance structures for vocational education differ from state to state. Funding for oversight of sex-equity activities would still be required.

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<sup>28</sup> State councils are no longer funded, and appropriations language stipulates that states are no longer required to operate such councils.

**State Planning/Application Process.** The **current Perkins Act** (Section 113) requires states desiring to receive funds under the Act to submit a state plan to the Secretary of Education. The initial plan was for 3 years; subsequent plans are for 2-year periods. The state plan details how the state proposes to meet the requirements of the Act. Perhaps most notable are the extensive assurances of equal access to vocational education for members of “special populations.”<sup>29</sup>

The state plan is submitted to the Secretary (Section 114), who must approve the plan within 60 days if it “meets the requirements of Section 113 [the state plan section] and is of sufficient quality to meet the objectives of this Act . . . and [the Secretary] shall subsequently take appropriate actions to monitor the state’s compliance with the provisions of its plan and the requirements of this Act on a regular basis.”

**The House bill** (Section 112) would require a state application, rather than a state plan, to be submitted to the Secretary of Education. The application would cover, at a minimum, a 5-year period. The application would detail how the state would propose to achieve various objectives and requirements. For example, states would describe how the use of technology would be expanded; how parents, teachers, business, and employee representatives would be involved in planning, implementing, and evaluating vocation-technical education programs; and how academic and vocational components of vocational-technical education programs would be improved. With respect to “special populations,”<sup>30</sup> the states would describe how programs would “lead to high skill, high wage careers for members of special populations . . . and ensure that members of special populations meet state benchmarks . . . and are prepared for postsecondary education, further learning, and high skill, high wage careers.” The Secretary (Section 113(c)) would be required to approve the state application, within 90 days, unless he or she determined “that the application is in violation of the provisions of this Act.”

**The Senate bill** (Section 124) would require eligible agencies to submit a state plan to the Secretary every 3 years with annual revisions as necessary.<sup>31</sup> The plan would include, for example, activities designed to achieve required state performance measures (such as student achievement of academic, job readiness, and vocational skills); a description of how parental involvement would be encouraged; a

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<sup>29</sup> Section 118 of the Act details “criteria for services and activities for individuals who are members of special populations.”

<sup>30</sup> The definitions of “special populations” in current law and in the House bill differ in some respects (as indicated by the **bold** text). The current-law definition includes individuals with handicaps, **educationally** and economically disadvantaged individuals (**including foster children**), individuals of limited English proficiency, **individuals who participate in programs designed to eliminate sex bias**, and **individuals in correctional institutions**. The House bill definition includes individuals with disabilities, economically disadvantaged individuals, individuals of limited English proficiency, and individuals participating in nontraditional training and employment.

<sup>31</sup> Title V of the Senate bill would permit states to develop a unified plan covering one or more programs authorized in the bill (e.g., training or vocational education) and one or more other programs listed in the bill (e.g., title V of the Older Americans Act).

description of how business and labor involvement would be encouraged; a description of the use of funds to promote gender equity; a description of how technology would be used and expanded; and a description of programs for populations including:

- students from low-income families,
- individuals with disabilities,
- single parents and displaced homemakers, and
- individuals with other barriers to educational achievement, including individuals with limited English proficiency (LEP).<sup>32</sup>

The plan would detail how equal access to vocational education would be provided for these populations and how discrimination against these populations would be avoided.<sup>33</sup>

In addition, the Senate bill would require that the state plan contain a description of how duplication would be avoided and how coordination among programs authorized in the Act and related training programs would be ensured. The vocational education state plan would also have to provide information on how services for postsecondary students and for school dropouts would be accessible through the one-stop system authorized in Title III, what contribution would be made to funding for the one-stop system, and how the state would assist in developing agreements among local “one-stop partners” for the operation of the one-stop system.<sup>34</sup> The Secretary would be required to approve the plan if it met plan requirements and if performance measures and levels were “sufficiently rigorous to meet the purpose of this title.”

The House bill would require states to submit an application to the Secretary of Education. The application would differ in several respects from the currently required state plan to reflect different emphases in The House bill and in the current Perkins Act. For example, the state application would detail how states would bolster technology, involve parents and business, and improve academic and vocational components. The House bill would reduce the number of currently required assurances regarding “special populations.” Finally, the Secretary’s ability to approve and disapprove applications and to monitor the program apparently would be limited.

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<sup>32</sup> The Senate bill does not contain a definition of “special populations.” This list would appear to be populations to be given special consideration.

<sup>33</sup> Section 134(b)(4) of the Senate bill would have similar requirements for local applications.

<sup>34</sup> The Senate bill has a number of other requirements aimed at promoting coordination among and avoiding duplication with education and training programs. For example, the eligible agency would be represented in the statewide partnership. This partnership, which would be led by the Governor and is described in Title III of the Act, would develop the state’s workforce plan, advise the Governor on the development of the statewide workforce investment systems, and assist in monitoring and improving these systems, among other functions.

The Senate bill state plan would appear to place somewhat more emphasis than the House bill on services to special populations by requiring the eligible agency to describe the development of strategies to serve these populations. The Senate bill also appears to have more extensive requirements concerning coordinating vocational education programs with adult education and workforce development programs authorized in Titles II and III of the Act.

**Performance Appraisal.** The **current Perkins Act** (Section 115) requires each state board to “develop and implement a statewide system of core standards and measures of performance for secondary and postsecondary vocational education programs.” Each system must include “measures of learning and competency gains” and measures of at least one of the following:

- competency attainment;
- job or work skill attainment;
- retention in or completion of secondary school; and
- placement in additional training or education.

Current law also requires each secondary, postsecondary, and adult program that receives Perkins funds to conduct annual evaluations of their program’s effectiveness using the standards and measures required in Section 115. Recipients failing to meet these standards and measures must develop a local improvement plan. If “sufficient progress” is not shown, a joint state and local plan for improvement is required.

**The House bill** (Section 114) would require states to identify in their applications “proposed quantifiable benchmarks” to measure statewide progress,<sup>35</sup> including measures of:

- challenging state academic proficiencies,
- high school diploma or equivalent attainment, and
- placement, retention, and completion rates in further training or placement and retention in the military, employment, or apprenticeship programs.

Section 114(b) would require states that fail to meet their benchmarks to develop a program improvement plan. The Secretary would be authorized to reduce or withhold all or a portion of a state’s funding if it failed to meet its benchmarks and did not submit an improvement plan. States would be required to report annually to the Secretary on their performance. The report “shall include a description of how special populations participating in vocational-technical education programs have met the . . . benchmarks.” The Secretary and the states would be required to make information from state reports widely available.

**The Senate bill** (Section 112) would require the Secretary, after consulting with various interested parties, to publish performance measures to assess state and local progress with regard to:

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<sup>35</sup> Alternatively, states could use performance indicators or benchmarks already developed.



- Student attainment of academic skills;
- Student attainment of job readiness skills;
- Student attainment of vocational skill proficiencies;
- Receipt of postsecondary degrees or certificates;
- Secondary school retention and completion; postsecondary entry, retention, and completion; and entry and retention in employment and in the military; and
- Participation in and completion of vocational education programs that lead to “nontraditional” employment.

Through the state plan approval process, eligible agencies would establish levels of performance with the Secretary. The Secretary would be required (Section 162(d)) to withhold state funds if an eligible agency is found “not making sufficient progress” based on the performance measures and levels of performance. Eligible agencies would be required to assess the performance of LEAs and eligible postsecondary institutions based on these standards. Poor performing LEAs and postsecondary institutions would be required to enter into improvement plans and continue to evaluate their performance.

Beginning in FY2001, the Senate bill would authorize the Secretary of Education to make incentive grants to states that exceed performance measures established under the Act. Incentive grant funds would be used “to carry out innovative vocational education, adult education, and workforce investment programs as determined by the state.”

Although the House bill refers to benchmarks rather than standards and measures, the major difference between the bill and current law would appear to be that the bill provides the Secretary of Education with authority to withhold funding; current law only requires the development and implementation of improvement plans. The Senate bill performance measures would differ from the House bill benchmarks and standards and measures under current law in that the Secretary (rather than the states) would develop these measures. Finally, the Senate bill would authorize the Secretary to provide incentive grants to states that exceed performance measures established in the Act. Neither current law nor the House bill authorize such grants.

**Uses of State Funds.** The **current Perkins Act** (Section 210(b)), **the House bill** (Section 201(b)), and **the Senate bill** (Section 123) all specify certain **required** uses of state “leadership” funds as shown in Table 3. All three require states to use funds for professional development of teachers and other personnel; and all three

require states to conduct program assessment or evaluation. While current law and the House bill have four required uses,<sup>36</sup> the Senate bill has more than twice that

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<sup>36</sup> The House bill would prohibit any of these funds from being used for administration. In addition, the House bill would prohibit use of any funds provided under the Act for programs for **students below the 7<sup>th</sup> grade**, except for purchase of equipment or facilities.

<b>Table 3. Required uses of state “leadership” funding</b> (similar uses are in <b>bold</b> )		
Current Law (8.5% of state grant)	The House Bill (8% of state grant)	The Senate Bill (14% of state grant)
<ul style="list-style-type: none"> <li>● <b>provide professional development,</b></li> <li>● <b>assess programs,</b></li>   <li>● develop and disseminate curriculum, and</li> <li>● develop standards and measures.</li> </ul>	<ul style="list-style-type: none"> <li>● <b>provide professional development</b></li> <li>● <b>provide program assessment,</b></li>   <li>● improve and expand the use of technology, and</li> <li>● strengthen academic component of vocational-technical education.</li> </ul>	<ul style="list-style-type: none"> <li>● <b>provide professional development,</b></li> <li>● <b>monitor and evaluate supported activities ,</b></li>   <li>● develop and disseminating curriculum,</li> <li>● promote gender equity in vocational education,</li> <li>● support tech-prep,</li> <li>● improve and expand use of technology,</li> <li>● support partnerships among local providers of vocational education and others, such as employers and labor organizations, and</li> <li>● serve individuals in correctional institutions.</li> </ul>

number (presumably because the Senate bill has included as required uses some activities that currently have set-asides, namely, supporting gender equity and serving individuals in correctional institutions). In addition, the Senate bill requires states to spend funds on tech-prep programs, which is permitted but not required under current law and under the House bill.

In addition to required uses, current law and the two bills list various **permitted** uses of state funds. For example, current law and the two bills permit use of state funds to support vocational student organizations. In addition, current law and the House bill have permitted uses that the Senate bill would require, such as support for tech-prep and for promoting partnerships with business. Overall, the House bill lists 11 programs and activities, more than twice the number of either the current Perkins Act or the Senate bill. One reason for this length is that the House bill includes some permitted activities that have set asides under current law and that would be required by the Senate bill, such as programs for corrections education.<sup>37</sup> In addition, the House bill has permitted uses that current law and the Senate bill do not include, perhaps most notably support for vocational charter schools.

**Uses of Local Funds.** As with uses of state funds, the **current Perkins Act** (Section 235), **the House bill** (Section 225), and **the Senate bill** (Section 133) specify certain required uses of local funds as shown in Table 4. Current law requires that local funds be used for vocational education **programs** with certain characteristics, namely those of sufficient size, scope, and quality to be effective; those that integrate academic and vocational education; and those that provide equitable participation for members of special populations.

The Senate bill has three similar requirements. In addition, the Senate bill has a general requirement to use funds for quality vocational education. Finally the Senate bill has other required uses, such as linking secondary and postsecondary vocational education (for example, supporting tech-prep programs) that are permitted, but not required, under current law.

The House bill has no “size, scope, and quality” requirement for use of funds.<sup>38</sup> Although it requires funds to be used for strengthening academic and technical skills and for strengthening the academic component of vocational-technical education, it apparently would not require funds to be used explicitly to integrate academic and vocational education. Regarding “special populations,” the House bill would require local assessment of how well needs of these groups were being met and how their performance compares to benchmarks rather than requiring the explicit use for funds to provide equitable participation or access of these students. The House bill would

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<sup>37</sup> Programs for corrections education apparently would be both a required use of state leadership funds and a set-aside of 1%.

<sup>38</sup> The House bill would require that local applications for funds include assurances that the program to be provided “is of such size, scope, and quality as to bring about improvement in the quality of vocational-technical education programs.”

<b>Table 4. Required Uses of Local Funding</b> (similar uses in <b>bold</b> )		
Current Law	The House Bill	The Senate Bill
<p>local recipients must use funds for vocational education programs that:</p> <ul style="list-style-type: none"> <li>● <b>are of sufficient size, scope, and quality to be effective,</b></li> <li>● <b>integrate academic and vocational education, and</b></li> <li>● <b>provide equitable participation for members of “special populations.”</b></li> </ul>	<p>general requirement: “<b>improve vocational-technical education programs;</b>” specifically required uses:</p> <ul style="list-style-type: none"> <li>● <b>develop, improve, and expand the use of technology;</b></li> <li>● <b>provide professional development;</b></li> <li>● strengthen voc.-technical students’ academic and technical skills; and strengthen academic component of voc.-technical education programs; and</li> <li>● assess programs, including whether needs of “special populations” are met, and how performance of these pops. compare to state benchmarks.</li> </ul>	<ul style="list-style-type: none"> <li>● <b>initiate/improve/expand/modernize quality voc. ed. programs</b></li> <li>● <b>provide services and activities that are of sufficient size, scope, and quality to be effective,</b></li> <li>● <b>integrate academic and vocational education for vocational students,</b></li> <li>● <b>provide programs that provide access to quality vocational education, including members of special populations,</b></li> <li>● <b>promote gender equity,</b></li> <li>● <b>improve and expand the use of technology,</b></li> <li>● <b>provide professional development activities,</b></li> <li>● link secondary and postsecondary vocational education, and</li> <li>● develop and implement performance management systems and evaluations.</li> </ul>



require local uses not required in current law, such as developing, improving, and expanding the use of technology and providing professional development.<sup>39</sup> In addition, current law, the House bill, and the Senate bill all have lists of permitted uses of local funds, with some overlapping uses.<sup>40</sup> Finally, the Senate bill would prohibit funds provided by the Act from being spent for activities authorized by the School-to-Work Opportunities Act; the House bill does not mention that Act or school-to-work in general.

**Tech-Prep.** As mentioned previously, a major change resulting from the 1990 reauthorization of the Perkins Act was the authorization of the tech-prep program. Funding for the program has grown to \$103 million—a 62.4% increase over its funding in FY1991. **The House bill** would maintain a separately authorized tech-prep program, which would be authorized to receive 10% of appropriated funds for the Act under Section 3(a). For FY1998, this would be \$130 million (10% of the \$1.3 billion FY1998 authorization). Specifics of the program would be similar to current law. **The Senate bill** would also continue a separately authorized tech-prep program similar to current law with an unspecified authorization level. The Senate bill also would authorize a demonstration tech-prep program to locate secondary schools at community colleges.

**Program Elimination.** Except for tech-prep and funding for tribally controlled postsecondary vocational institutions, the House bill would repeal all the “special programs” authorized under Title III of the current Perkins Act, which are:

- Support for programs conducted by community-based organizations\*;
- Consumer and Homemaking Education\*;
- Comprehensive Guidance and Counseling Programs;
- Business-Labor-Education Partnership for Training;
- Supplementary State Grants for Facilities and Equipment\*;
- Community Education Employment Centers; and
- Vocational Education Lighthouse Schools.

None of these programs are currently funded. Only those programs marked with an asterisk (\*) have ever received funding. **The Senate bill**, by repealing the Perkins Act, would also eliminate these programs.<sup>41</sup>

**National Programs.** The **current Perkins Act** authorizes national programs in the following categories:

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<sup>39</sup> These two uses would also be required by the Senate bill.

<sup>40</sup> Current law limits use of local funds for administrative costs to 5%. The House bill would limit use of funds for administrative costs to not more than 2%. The Senate bill apparently would not place a limit on use of local funds for administrative costs.

<sup>41</sup> In addition, the House bill would have repealed the Smith-Hughes Act. Originally enacted in 1917, the permanent appropriations under this Act (recently \$7.1 million per year) have been combined with the Perkins Act funds for nearly 30 years. The repeal provision in the House bill is no longer needed because the Balanced Budget Act of 1997 (P.L. 105-33) repealed the Smith-Hughes Act.

- Research and development, which includes authorization for a national assessment of vocational education programs and a national center or centers for research in vocational education;
- Demonstration programs, for example, materials development for telecommunication and programs for dislocated workers;
- Vocational education and occupational information data systems, which include national and state occupational information coordinating committees (NOICC and SOICC);<sup>42</sup> and
- Bilingual vocational training, which authorizes programs such as training for bilingual vocational instructors and research on bilingual vocational education.

As Table 1 indicates, research is the only national program receiving funding in FY1998. Funding for the NOICC and SOICCs comes through the U.S. Department of Labor only.

**The House bill** would:

- Require the Secretary of Education to develop a single plan for evaluation, assessment, research, demonstration, and dissemination;
- Authorize a national assessment of vocational education;
- Require the Secretary to collect and disseminate information on states' benchmark efforts;
- Authorize a national center or centers for research on vocational education;
- Authorize the Secretary to carry out demonstrations and dissemination;
- Reauthorize provisions for data systems; and
- Repeal bilingual vocational education.

In all cases, the House bill authorizes "such sums as may be necessary" to carry out these programs and activities.

**The Senate bill** would permit the Secretary (directly or through grants, contracts, or cooperative agreements) to conduct "research, development, dissemination, evaluation, capacity-building, and technical assistance." The bill would require a national assessment of vocational education, permit the Secretary to establish one or more national research centers on vocational education, and require the Secretary to maintain data systems. By repealing the current Perkins Act and

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<sup>42</sup> For a discussion of NOICC and SOICCs, see CRS report 97-964, *Labor Market Information: An Overview*, by Linda Levine.



remaining silent on the NOICC and SOICC's, the Senate bill would eliminate specific authority for these committees in the Perkins Act.

## **Legislative History**

### **H.R. 1803 (Clay, by request)/S. 993 (Kennedy, by request)**

Carl D. Perkins Career Preparation Education Act is the Administration's proposal for amending and reauthorizing the Perkins Act. Introduced and referred to the House Committee on Education and the Workforce on June 5, 1997. Introduced and referred to the Senate Committee on Labor and Human Resources on July 8, 1997. As used in the Act, Career Preparation Education is meant to support state school-to-work systems. Priorities under the Act would include ensuring that all students, including members of special populations, have "the opportunity to achieve a combination of strong basic and advanced academic skills;" promoting the integration of academic and vocational education; supporting links between secondary and postsecondary education (including a separately authorized tech-prep program); providing students with work-related experiences; and ensuring employer involvement in designing and implementing the program.

### **H.R. 1853 (Riggs)**

Carl D. Perkins Vocational-Technical Education Act Amendments of 1997. Introduced June 10, 1997; House Subcommittee on Early Childhood, Youth, and Families considered, marked-up, and referred to the House Education and the Workforce Committee June 12, 1997 by voice vote; ordered reported (amended) by the Education and the Workforce Committee June 25, 1997, by a vote of 20 to 18 (H.Rept. 105-177). Passed House July 22, 1997, by a vote of 414 to 12.

### **H.R. 1385 (DeWine, Jeffords, Kennedy, and Wellstone)**

Carl D. Perkins Vocational and Applied Technology Education Act of 1997 (Title I of the Workforce Investment Partnership Act of 1997). Introduced Sept. 17, 1997; Senate Committee on Labor and Human Resources marked-up and ordered reported (amended) by voice vote, September 24, 1997 (S. Rept. 105-109); passed Senate as H.R. 1385 in lieu of S. 1186 by a vote of 91 to 7 on May 5, 1998.

## Appendix A: Authorizations and Reservations of Funds

Table A-1 summarizes authorizations of appropriations and reservations of funds for various programs and activities under current law<sup>43</sup> and under the House bill and the Senate bill. For comparison, the table also shows FY1998 appropriations for various Perkins programs and activities.

**Current law** originally authorized a total of \$1.6 billion for the Perkins Act (row 12) and specifies amounts to be taken from the total appropriations for “special programs” (rows 6-11), such as tech-prep. After subtracting these specified amounts from the \$1.6 billion, specified percentages are applied to the remainder to determine amounts for basic state grants (row 1), territorial grants (row 2), programs for Indian and Hawaiian natives (row 3), and national programs (row 4).

The column containing FY1998 appropriations shows that these percentages have been applied for the territorial grants and Indian and Hawaiian Natives programs. However, funding for national programs is about 1.3% rather than 2.5% of the specified subtotal and basic state grants at 96.7% rather than 95.8%.

**The House bill** authorizes \$1.3 billion for the Perkins Act for FY1998 and “such sums” for the next 4 fiscal years (FY1999-FY2002). In addition, the bill separately authorizes aid to tribally controlled postsecondary vocational-technical institutions (\$4 million for FY1998 and “such sums” thereafter) and for national programs (“such sums”). Unlike current law and the Senate bill, the House bill provides for a percentage (10%) of the total authorization (not including separately authorized amounts) for tech-prep. In addition, although the percentages for territorial grants and for Indian and Hawaiian native programs are the same as current law, these percentages are taken from the total authorization (including tech-prep) in the House bill. In current law, tech-prep is excluded from the base amount used to determine these grants.

**The Senate bill** separately authorizes tech-prep at “such sums” and the remainder of the bill’s programs and activities at “such sums” for FY1999-FY2004. Percentages are specified for territorial grants, Indian and Hawaiian native programs, programs for tribally controlled postsecondary vocational institutions, national programs, and incentive grants. Beginning in FY2001, the Senate bill would lower the percentage for national programs (which is 2.5% in current law and 1.3% in appropriations) to 0.65% and add 0.65% for incentive grants. Like current law but unlike the House bill, these percentages are based on a total that does not include the tech-prep authorization, which has a separate authorization of “such sums.”

Because current law and the two bills apply percentages to different base amounts to authorize appropriations for various programs and activities, it is difficult to compare authorizations in the two bills to current law. Table A-2 aims to make such comparisons easier by recalculating percentages based on total FY1998

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<sup>43</sup> Authorizations under current law are for FY1991. Current law authorizes “such sums” for FY1992-FY1995.

**Table A-1. Authorizations and Reservations of Funds Under the Perkins Act, the House Bill, and the Senate Bill**

Row	Program/ Activity	FY1991 Authorizations (last year for which authorizations were specified)	FY1998 Appropriation	The House Bill (as passed) Authorizations	The Senate Bill (as passed) Authorizations
1	Basic state grant	95.8% of (row 12 minus rows 6-11)	\$1,009,852,000	Row 12 minus (rows 2, 3, 4, 7, & 9)	Row 12 minus (rows 2-5, 7, and row 9)
2	Territories	0.2% of (row 12 minus rows 6-11)	2,082,000	0.2% of (row 12 minus rows 4 & 9)	0.2% of row 12 minus row 7
3	Indians & Hawaiians	1.5% of (row 12 minus rows 6-11)	15,616,000	1.5% of (row 12 minus rows 4 & 9)	1.5% of row 12 minus row 7
4	National programs	2.5% of (row 12 minus rows 6-11)	13,497,000	separate authorization of such sums	0.65% of row 12 minus row 7
5	Incentive grants (FY2001-5)	na	na	na	0.65% of row 12 minus row 7
6	State councils	9,000,000	0	na	na
7	Tech-prep	125,000,000	103,000,000	10% of (row 12 minus rows 4 & 9)	separate authorization of such sums plus \$25 million for demonstration program
8	Other "special" programs	193,500,000	0	na	na
9	Tribally controlled postsec. voc. inst.	4,000,000	3,100,000	4,000,000 (separately authorized)	0.30% of row 12 minus row 7
10	Other national program (other research)	3,000,000	0	na	na
11	Bilingual voc. ed.	10,000,000	0	na	na
12	Total	\$1,603,000,000	\$1,147,147,000	\$1,304,000,000 plus row 4	such sums + \$25 million

"na" means not applicable.

Program/Activity	Current law FY 1998		House Bill	Senate Bill	House Bill vs. Current Law (% pt. diff.)	Senate Bill vs. Current Law (% pt. diff.)
	Amount (\$000)	Percent of Total	Percent of Total	Percent of Total		
Basic state grant	\$1,009,852	88.03%	86.95%	88.06%	-1.08%	0.03%
Territorial set-aside	2,082	0.18%	0.20%	0.18%	0.02%	0.00%
Indian and Hawaiian set-aside	15,616	1.36%	1.48%	1.37%	0.12%	0.00%
National programs	13,497	1.18%	1.18% *	0.59%	0.00%	-0.58%
Incentive grants (FY2001-2005)	na	na	na	0.59%	0.00%	0.59%
Tech-prep	103,000	8.98%	9.85%	8.98% *	0.87%	0.00%
Tribally controlled postsec. voc. inst.	3,100	0.27%	0.35%	0.23%	0.08%	-0.04%
<b>Total</b>	<b>\$1,147,147</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0.00%</b>	<b>0.00%</b>

\*separately authorized such sums; assumes same % as current appropriations  
na = not applicable

appropriations for the Perkins Act. For programs for which the bills provide separate but unspecified amounts (for national programs in the House bill, for tech-prep in the Senate bill),<sup>44</sup> the current percentage of the total appropriation is assumed. Specified percentages in the two bills are applied to subtotals of the FY1998 appropriations. For the House bill, this is the total appropriation minus the specified authorization for tribally controlled postsecondary vocational-technical institutions and the assumed amount for national programs. For the Senate bill, this is the total appropriation minus the assumed amount for tech-prep. These amounts are then divided by the total FY1998 appropriations. These calculations produce percentages that are usually somewhat different from those specified in the bills. For example, the Senate bill specifies a percentage of 0.65% for incentive grants, but this is based on a subtotal of funding that does not include tech-prep. Thus the estimated percentage of the overall appropriations for incentive grants is 0.59%.

The last two columns of Table A-2 compare the bills to percentage allocations under current appropriations. The main conclusion is that percentage allocations differ very little. The House bill would allocate slightly less to basic state grants—mainly because it would allocate more to tech-prep. The allocations under the Senate bill are virtually the same as those under the FY1998 appropriations for the Perkins Act. The major exception is that funding for national programs would be lower because the Senate bill would lower this amount to provide incentive grants.

<sup>44</sup> The \$25 million authorized for a tech-prep demonstration is not reflected in the table under the assumption that appropriations under the new act would be the same as under current law.

