

# INVEST IN WORKFORCE EDUCATION

## Reverse the Higher Education Bias and Invest in the Construction Workforce

### Background:

The construction industry's labor shortages remain severe with most construction firms expecting labor conditions to remain tight, despite firms increasing pay and benefits. According to an AGC [survey](#) that looks at workforce issues, 94 percent of firms report having a hard time finding workers to hire. This is the effect of decades of education policies directing students to attend four-year institutions as the only career option.

### AGC Message:

- **Reverse the Higher Education Bias Against Non-Four-Year Degree Programs.** Although federal funding is available to support skill development, it is not nearly enough. Just \$28.2 billion out of a total \$139.5 billion allocated annually for postsecondary education and training is spent on workforce development. Across all federal programs, annual obligations are less than 0.1 percent of GDP. In contrast, most other industrialized countries spend up to 0.5 percent of GDP on such efforts.<sup>1</sup>
  - **Increase Career and Technical Education Funding (Perkins Act).** Perkins is the primary federal program for developing and supporting career and technical education programs for secondary and post-secondary students. Exposing younger individuals to construction skills and careers is critical. However, these programs are expensive to operate and administer for local schools and face rising inflationary pressure. *AGC supports doubling the federal investment for Perkins in the FY 2025 Labor-HHS funding bill.*
  - **Support Pell Grants Grant Eligibility.** Pell grants provide billions of dollars in federal aid to over seven million students in post-secondary programs. Currently, eligible programs must be a full-time semester in length, which has largely limited student's ability to use them to pursue short-term career education programs. Emphasizing competency and value of a program over instruction time metrics would allow for a host of craft worker industry-recognized certificate programs to become eligible for federal needs-based aid. *AGC supports the JOBS Act and the Bipartisan Workforce Pell Act.*
  - **Ensure Public Workforce System Delivers for Employer Needs.** The federal training and career service program in the Workforce Innovation and Opportunity Act needs to prioritize funding for training rather than administrative costs, base funding on employer demand and outcomes while providing states and localities greater flexibility to invest high performing programs. *AGC supports A Stronger Workforce for America Act to reauthorize and reform the public workforce system.*

### Action Needed:

**Reverse the Higher Education Bias Against Non-Four-Year Degree Programs.** Support increased investment for CTE programs in the FY25 Labor-HHS funding fill, short-term Pell in the JOBS Act ([H.R. 793/S.161](#)) and the Bipartisan Workforce Pell Act ([H.R.6585](#)) and reauthorize and reform WIOA in A Stronger Workforce for America Act ([H.R. 6655](#)).

<sup>1</sup> Building a Stronger Workforce, Federal Spending on Postsecondary Education and Training, [June 2024](#)