

**Written Testimony of Laura K. Scheibe, State Career and Technical Education Director, South Dakota Department of Education and President, Advance CTE
Subcommittee on Labor, Health and Human Services, Education, and Related Agencies**

Good morning Chairman Aderholt, Ranking Member DeLauro, and members of the subcommittee. Thank you for the opportunity to appear before you today to share a bit of the national landscape on Career and Technical Education (or CTE) and the success South Dakota's technical colleges have had in meeting rural workforce needs.

CTE marries student interest and abilities with business and industry demand. It is no longer an "either/or" proposition between technical training and a four-year university degree but rather a "yes, and;" a pathway along a continuum that can meet learners where they are – both literally and figuratively – with stackable credentials that have workplace and personal value.

Nationally, employers view CTE positively in a manner that sets CTE up to shine. It is a widely held perception, with nearly 80% of respondents in a recent survey indicating our country needs more CTE to prepare our students for the jobs of today and tomorrow.

So what does this look like on the ground in a state?

South Dakota is where rural gets real. With fewer than a million residents and one area code that covers the entire state, our expanses are vast but our economy and our people are thriving. With 2.0% unemployment and 70% labor force participation, we do not have room to *not* get workforce right. The state's technical college system plays a vital role in this equation.

In the years that COVID-19 hit college enrollment hard, our technical college system barely skipped a beat. We actually gained students – over a five-year period South Dakota's unduplicated enrollment has increased nine percent, while nationally two-year public college enrollment declined by more than 19% and in our region, by 14%. Across the system we retain 78% of students and 67% of students graduate. The system's placement rate is 98% -- with 89% choosing to stay in state and 93% of those employed in their field of study.

So what's our secret?

In South Dakota, the technical college label is deliberate. Most every program is eligible for funding from the Carl D. Perkins Career and Technical Education Act (Perkins), the primary federal investment in CTE which promotes responsiveness to both industry and learner needs. Out of our four technical colleges, in 2023 three were named to the top 15% of all two-year colleges in the country. The fourth? Lake Area Technical College won the Aspen award as *the* best in 2017, and therefore is no longer eligible for that ranking. It is an endorsement that it is not just me saying our technical colleges are great.

The skills learners at the state's technical colleges master help our rural communities thrive and our economy grow. Whether it is independent contractors looking to meet skyrocketing demand or long-term care facilities trying to stay open, CTE is often the answer. Western Dakota Tech offers health sciences to meet the health care needs of Philip, a regional hub town of not even 800. But for that program, residents would have to drive more than an hour to Rapid City. In this satellite campus and others like it throughout the state, adults keep their community ties, reskill into high demand fields, and industry gains the workforce needed to keep doors open.

Our colleges are also intentional in meeting the needs of adults – juggling full-time work, dependents, and life generally – for whom traditional schedules might not work. Campuses are building online, HyFlex, and even competency-based education options to meet learners literally where they are – complete with labs and clinicals on campus on the weekend, or with business partners in the learner's community. Scheduling and options accommodate working adults to keep them engaged, keep them connected, and keep them moving forward to a credential.

While these delivery options can get a student to enrollment, our supports keep them there. Learners move through their programs as a cohort – a built-in support and accountability network of their peers to help them persevere. Additionally, Perkins-funded Student Success Coordinators meet not just educational counseling needs, but transportation, affordable housing, and navigating postsecondary as a first-generation student. For learners facing barriers, this can make all the difference to move from poverty into a family-sustaining career.

To achieve these results takes resources. A CTE classroom looks like a workplace and requires modern equipment to keep pace with industry. Although the investment in our future workforce pays off, doing CTE well is costly. That is where our colleges are good stewards of the taxpayer funding they do receive and leverage those dollars to attract industry investment.

Perkins funding plays a significant role in helping us deliver affordable high-quality education. Our Fiscal Year 2023 allocation is \$6 million, with \$2.3 million in formula grants to postsecondary. This federal investment means our students learn on modern, industry-grade equipment so they come out workforce ready. Additionally, our state's Reserve Fund, a flexible portion of Perkins, is a critical tool that allows us to further expand activities benefiting our rural communities. At the secondary level, this funding supports innovation and equipment not otherwise possible for small districts. Perkins formula funds, while vital, simply are not enough. The Reserve Funds help fill that gap.

As a state, South Dakota invests general dollars into the CTE system, including supporting tuition freezes and a dedicated salary fund to help pay closer to industry wages for industry professionals in the classroom – ensuring CTE programs can compete for that talent pool. In January the governor announced \$10 million of state funds for equipment grants – matching two-to-one. Perkins, and industry, will help our schools leverage that match.

One of our most successful programs, the Build Dakota Scholarship, speaks directly to student and industry partners. In 2015 the state and a donor came together to fund full-ride scholarships in high-wage, high-demand areas for students who would then work in the state in their field for three years. Industry has long supported our students and stepped forward to partner on this initiative too. Last year 81% of awardees benefitted from \$3.1 million in industry commitments. This has stretched the state's funding, grown the number of awards per year, and is guaranteed workforce for those employers – a sure thing in an economy when little is certain. Students graduate debt free, free to build their career and their lives rooted in a community. And in fact, one of our original Build Dakota scholars has started his own company and is now sponsoring a student himself. That's the power of partnerships.

Industry steps up to the plate to sponsor scholars. But you will also find them helping shape programs and bringing their own workforce needs to colleges. Southeast Tech boasts more than 300 companies who advise on programs. And the college has set up ten new programs in three years – including a teleconstruction diploma to meet the 5G tower needs of our country – each the result of relationships with industry. Businesses provide Mitchell Tech with millions of dollars of state-of-the-art technology and equipment at no or low cost, attracting students and companies alike. Lake Area Tech partners with national equipment companies to train students on service and repair.

Our placement rates and industry partnerships speak to our strong industry alignment. But alignment does not start at postsecondary. We are deliberate in supporting CTE in middle school, high school, through to technical colleges and even our university system.

As I have spoken to, South Dakota's technical colleges serve nontraditional adult learners, looking to reskill into a career that can better meet their needs where they are. But we

also need traditional aged-adult learners on campus who come to us confident in their career choices, fresh from their high school diplomas. Both ways are vital to meeting the state's workforce needs. And South Dakota excels at each.

All but one of our 149 public school districts offer approved CTE, which can give students a pathway into technical colleges (and in fact some of the coursework is technical college dual credit). Half of any given graduating class has taken a CTE course of study. Industry and technical colleges help write academic content standards, they collaborate on equipment and coursework, and for one-third of our districts, a technical college actually runs the Perkins consortium which makes their CTE programming possible. This innovation, which came out of Perkins V and is supported by Perkins funding, has been a game changer to revitalize smaller programs throughout the state. Why does this matter? Research from 2021 indicates that South Dakota CTE concentrators are faster to graduation, faster out of the gate into postsecondary and faster to a two-year credential. Which means faster into building their career and our workforce.

This is deliberate investment in our K-12 students. By exposing students to options and empowering them with experiences and skills, we help them confidently choose a path. CTE also lowers the risk for employers who choose to sponsor students' programs, because both sides enter those partnerships with clear expectations of outcomes.

In sum, I hope you take away that these keys to success are not secret, and can and do work throughout the country. CTE is achieving real results for learners across the country and the federal investment is vital to that success. We are proud of how we in South Dakota are working together to meet the needs of learners and industry, to create an economic future that values both urban and rural alike.