

## *Community College to Career Fund Act—Summary*

Senator Al Franken

The Community College to Career Fund established by this new legislation will help create partnerships between two-year colleges and businesses to train two million Americans for jobs in high-demand industries, such as health care, advanced manufacturing, clean energy, and information technology.

**The Problem.** Hundreds of thousands of jobs around the country are currently unfilled because employers can't find qualified applicants. This is known as the "skills gap." By 2018, 63% of the more than 46 million jobs that will need to be filled in the U.S will require at least some postsecondary education. What's more, as the economy continues to evolve, so will the jobs. Workers will have to retrofit their current skills, acquire and apply interdisciplinary knowledge and skills, or be able to engage in non-routine tasks.

Community colleges are the first place many Americans turn to gain new skills. But America's community colleges are severely underfunded. The annual **\$2 billion** in direct federal support for community colleges pales in comparison to the **\$20 billion** allocated to public four-year universities and **\$60 billion** spent on K-12 education. This funding disparity is especially stark given that community college students make up 44 percent of all undergraduates.

**The Community College to Career Fund Act.** The Community College to Career Fund Act will create a competitive grant program that will fund partnerships between businesses and two-year colleges to address the skills gap. These partnerships will focus on valuable job training-related efforts, such as registered apprenticeships, on-the-job training opportunities, and paid internships for low-income students that allow them to simultaneously earn credit for work-based learning in a high-skill field.

The Fund will support "Pay for Performance" strategies, where training providers, community colleges, and local workforce organizations are rewarded for more effectively helping trainees find permanent jobs. These strategies would also provide stronger incentives to effectively place individuals with greater barriers for employment.

The Fund will encourage businesses to locate and invest in the U.S. because of training available to quickly skill up the workforce. By matching training local workers with the skills businesses need, it will also help communities, especially rural communities, keep local talent in their community. The Fund will also support pathways to entrepreneurship for small business owners, including training courses on entrepreneurship.