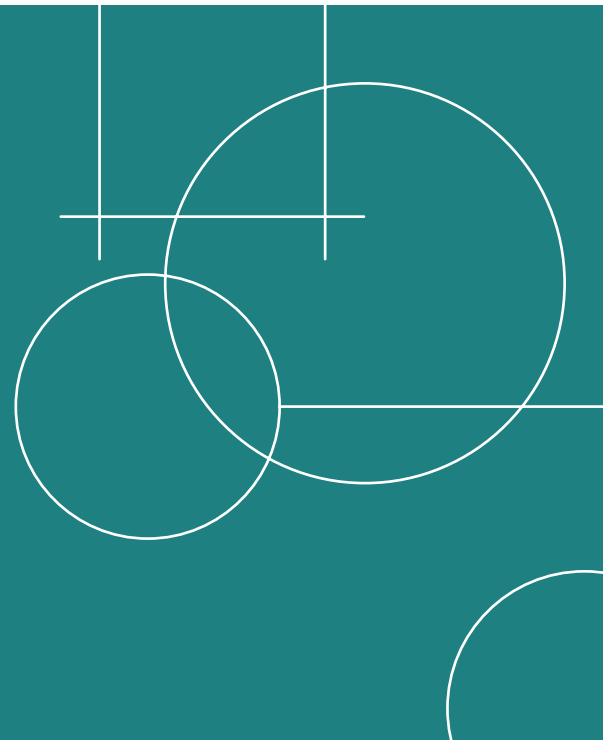




*A 2024 Update of State Investments in **Short-term Credential Pathways***

By: Stephanie M. Murphy, Ph.D.





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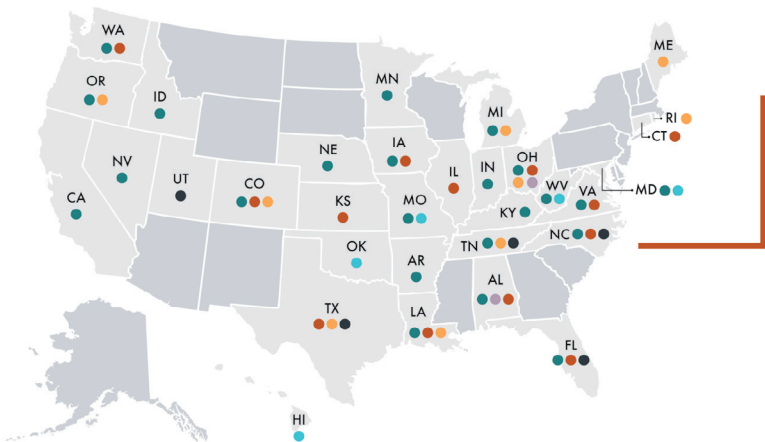
This is an update of [A Typology and Policy Landscape Analysis of State Investments in Short-term Credential Pathways](#), originally published in 2023.

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STATE INVESTMENTS IN SHORT-TERM CREDENTIALS SURGE: A GROWING COMMITMENT TO SKILLS-BASED EDUCATION

This report provides an update to HCM Strategists’ [2023 typology and policy landscape analysis](#) of recent state investments in short-term credential initiatives across the United States. States continue to embrace skills-based education as a key component of workforce development, with growing bipartisan support.

Billions in Funding for Short-term Credentials as State Investments Soar



\$5.6 Billion

70 Short-term Credentials Initiatives

Across 32 states

As of November 2024, states have invested in excess of \$5.6 billion in short-term credential initiatives



Over the last year alone, 10 new state-funded short-term credential initiatives in 8 states have launched, increasing total investments by roughly \$1.7 billion — from \$3.8 billion to \$5.6 billion.

Types of State Funding for Short-term Credentials Initiatives

- Student – Financial Aid
- Institution – For Capacity-building
- Institution – For Student Supports/Aid
- Part of State Outcomes-based Funding Formula
- Private Provider
- Other

Our most recent analysis reveals the rapid growth of state investments in short-term credential pathways. Total investments now exceed **\$5.6 billion** across **70 initiatives in 32 states** (Table 1). This represents a significant increase from 2023, when there were 59 state-led programs with nearly \$4 billion in funding. The geographic diversity of these investments — ranging from traditionally conservative states to more liberal ones — underscores the broad appeal of skills-based education as a critical element of workforce development.

Table 1 below presents a comprehensive list of the initiatives identified, including the program type and the total amount allocated by the state to date for each program. **New state programs added in 2023-24 are bolded.**

Table 1: Comprehensive Catalog of State-Funded Initiatives¹

STATE	PROGRAM	WHO'S FUNDED	TOTAL APPROPRIATION
AL	Alabama Workforce Stabilization Grant Program	Student	\$17.8 million
		Private Provider	
	Short-term Credential Scholarship Program (SB 175)	Student	\$1 million
	Alabama Career Roadmap System	Institution: Student Supports/Tuition	\$2 million
AR	Workforce Challenge Scholarship*	Student	\$123 million
CA	Golden State Education and Training Grant	Student	\$500 million
CO	Career Development Incentive Program	Institution: Student Supports/Tuition	\$117.4 million
	SB22-192 Opportunities For Credential Attainment	Institution: Capacity-building	Unconfirmed
	House Bill 23-1246	Institution: Capacity-building	\$45 million
	House Bill 24-1340 Incentives for Post-Secondary Education	Student	\$92.6 million (through FY 26-27)
CT	CareerConneCT	Institution: Student Supports/Tuition	\$70 million
FL	Rapid Credentialing Grant	Institution: Student Supports/Tuition	\$35 million
	Open Door Grant	Student	\$70 million
	Senate Bill 98	Outcomes-based Funding	At least \$91.5 million
HI	Promising Credentials in Hawai'i	Other: Research	Information unavailable to the public due to private contracts with partners
ID	Idaho Launch	Student	\$70.8 million
IL	Workforce Equity Initiative	Institution: Student Supports/Tuition	\$112.2 million

¹ The information presented in this report reflects the best available data we could find through our research as of November 2024. It is important to note that given the lack of consistent and comprehensive data systems to track short-term credential programs at the state level, we acknowledge that we may have missed some state-funded initiatives. We invite readers to contact Stephanie Murphy at stephanie_murphy@hcmstrategists.com to report any additional initiatives that may not have been captured in this study.

STATE	PROGRAM	WHO'S FUNDED	TOTAL APPROPRIATION
IN	Workforce Ready Grant	Student	\$24 million
	Career Scholarship Account (CSA)	Student	\$15 million
IA	GAP Tuition Assistance Program	Institution: Student Supports/Tuition	\$18 million
	Skilled Workforce Shortage Tuition Grant (Kibbie Grant)	Student	Unknown
	Vocational-Technical Tuition Grant	Student	Unknown
KS	Accelerating Opportunity Kansas	Institution: Student Supports/Tuition	At least \$1.9 million
KY	Work Ready Kentucky Scholarship Program*	Student	\$58.5 million
LA	MJ Foster Promise Program	Student	\$14 million
	Completers Fund	Student	\$13.3 million
	Reboot LA 2.0	Institution: Capacity-building	\$20 million
	Jumpstart Louisiana	Institution: Student Supports/Tuition	At least \$66.2 million
ME	Maine Quality Centers (MQC) Program	Institution: Capacity-building	\$122.5 million
MD	Maryland Community College Promise Scholarship*	Student	\$45 million
	Non-credit Workforce Completers System	Other: Dataset	Unknown
	Workforce Development Sequence Scholarship (Sequence Scholarship)	Student	\$7 million
MI	Michigan New Jobs Training Program	Institution: Capacity-building	\$50 million
	Skills Scholarship (Part of Michigan Reconnect)	Student	\$1.5 million
	Futures for Frontliners*	Student	At least \$30 million
	Michigan Reconnect Short-Term Training Program	Student	\$6 million
MN	Workforce Development Scholarship*	Student	\$18 million
MO	FastTrack Workforce Incentive Grant	Student	
	Upskill Credential Training Fund (House Bill 417)	Other: Employers	\$6 million
NE	Community College Gap Assistance Program	Student	\$21.2 million
NV	Promise Scholarship*	Student	\$21.3 million


STATE	PROGRAM	WHO'S FUNDED	TOTAL APPROPRIATION
NC	GEER Scholarship	Student	\$14.5 million
	Short-term Workforce Development Grant Program/RAISE Scholarship	Institution: Student Supports/Tuition	\$8 million
	Propel NC	Outcomes-Based Funding	Unknown - Amount Pending
OH	Short Term Certificate Grant Program	Student	\$7.5 million
	TechCred Program	Private Provider	\$138.7 million
	Individual Microcredential Assistance Program (IMAP)	Institution: Student Supports/Tuition	\$7.2 million
	Ohio Work Ready Grant	Student	\$20 million
	Ohio Talent Ready Grant Program	Institution: Capacity-building	\$20 million
OK	UpskillOK.org	Other: Pathways Tool	\$5.4 million
OR	Future Ready Oregon	Student	\$200 million
		Institution: Capacity-building	
RI	Rhode Island Reconnect	Student	\$8.4 million
TN	Outcomes-based Funding Formula, The Complete College Tennessee Act of 2010 (CCTA)	Outcomes-Based Funding	At least \$1.25 million
	Tennessee Promise	Student	\$361.1 million
	Tennessee Reconnect*	Student	\$100,363
	Wilder-Naifeh Technical Skills Grant	Student	\$221.4 million
	"Project Calypso" — Reimagining the Community College Experience Program	Institution: Capacity-building	\$2.2 million
TX	Reskilling Support Fund Grant Program	Institution: Student Supports/Tuition	\$37.8 million
	Texas Reskilling and Upskilling through Education (TRUE) Grant Program 2022	Institution: Capacity-Building	\$80.5 million
		Institution: Student Supports/Tuition	
	Returned Value Formula at TSTC Campuses	Outcomes-based Funding	\$2.1 billion
	Accelerating Credentials of Purpose and Value Grant Program	Institution: Capacity-building	\$94.6 million
	House Bill 8, Revised State Community College Funding Model	Outcomes-based Funding	At least \$428 million

STATE	PROGRAM	WHO'S FUNDED	TOTAL APPROPRIATION
VA	New Economy Workforce Credential Grant (Formerly: FastForward)	Student	\$94.5 million
		Institution: Student Supports/Tuition	
UT	Senate Bill 117	Outcomes-based Funding	At least \$58 million
WA	Washington State Opportunity Grant	Student	Unknown - Up to \$50 million annually
	Washington State Worker Retraining Program	Institution: Student Supports/Tuition	\$39.8 million
WV	Job Jumpstart Program	Student	\$20 million
	Workforce Component of the Higher Education Adult Part-Time Students (HEAPS) Grant Program*	Student	\$25 million
	Credential WV	Other	\$125,000 (additional funding forthcoming in July 2025)

*The programs supported by these initiatives partially fit our working definition of short-term credentials because, although they lead to industry-recognized certificates, diplomas, or associate degrees, they are eligible for the Pell Grant. Nevertheless, we have included them in our typology because they provide funding for shorter-term certificates and industry-recognized certifications that meet Lumina Foundation's quality benchmarks. That is, they lead to meaningful employment, serve as a stepping stone to career advancement, higher pay, and future opportunities, and provide a pathway to continued education training and lifelong learning.

Since 2023, eight additional states — **Alabama**, **Colorado**, **Indiana**, **Michigan**, **Missouri**, **North Carolina**, **Ohio**, and **West Virginia** — have launched new initiatives aimed at supporting short-term credential programs. These initiatives reflect varied approaches to ensuring that learners and workers have access to affordable, targeted education and training opportunities. Below is a summary of selected new programs introduced in five states:

1. **Alabama: Short-term Credential Scholarship** — Alabama established its **Short-term Credential Scholarship Program** in FY25 with a \$1 million appropriation. The program, created through Alabama Act 2023-539 and supported by Governor Kay Ivey's economic development strategy, provides residents up to \$4,500 in reimbursements for tuition, fees, and materials to pursue short-term credentials aligned with in-demand occupations. The initiative, administered by the Alabama Community College System, aims to enhance workforce competitiveness and will run until December 2028 unless extended.

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2. **Colorado: HB24-1340 (Incentives for Postsecondary Education)** – Colorado’s [HB 24-1340](#), signed into law in May 2024, introduced a tax credit for low- and middle-income residents enrolled in public postsecondary institutions. This initiative offers complete reimbursement of tuition and fees for eligible recent high school graduates, making short-term credential pathways more accessible for them. Students must maintain at least a 2.5 GPA to qualify for the credit, which is refundable and available to those with family incomes under \$90,000.
 3. **Missouri: Upskill Credential Training Fund** – Missouri’s [Upskill Credential Training Fund](#), established by House Bill 417, provides competitive grants to small and medium-sized businesses that offer short-term credential training to their employees. The fund, capped at \$6 million annually, ensures equitable distribution of grants across various business sizes. Employers must support employees’ pursuit of short-term industry-recognized credentials, with reimbursements managed by the Missouri Department of Economic Development.
 4. **Ohio: Work Ready and Talent Ready Grants** – Ohio’s [House Bill 33](#) created two grant programs to promote short-term credentialing. The Work Ready Grant offers students up to \$3,000 for participation in eligible programs, while the Talent Ready Grant supports sub-30-credit-hour workforce credential programs. The Ohio Department of Higher Education oversees both initiatives, which are designed to enhance workforce readiness and provide targeted support to community college and technical center students.
 5. **West Virginia: Credential WV** – In October 2024, West Virginia launched [Credential WV](#), a microcredential initiative designed to equip students and workers with targeted, stackable credentials to meet the state’s evolving labor market demands. The program will roll out over three years, with institutions first identifying resources to create workforce-aligned microcredentials, then expanding offerings and revising the funding formula, and finally standardizing the process for awarding credit for prior learning across the state. Ultimately, Credential WV aims to boost career competitiveness and workforce participation across various populations.

Each of these new programs highlights the strategic investments states are making in short-term credential pathways, reflecting the growing recognition of their value in equipping individuals with the skills needed for today’s labor market. As states continue to refine and expand these initiatives, they are laying the groundwork for a more adaptable and skilled workforce.

