



# Invest in Workforce Education



The construction industry continues to face severe labor shortages, with 92 percent of firms reporting difficulty finding qualified workers, according to a 2025 AGC [Survey](#). Despite higher pay and benefits, firms expect conditions to remain tight. These shortages drive up construction costs, can lead to delayed or canceled projects, and slow economic growth. A major cause of the skill shortage is decades of education policies that have prioritized four-year degrees as the primary career pathway, leaving other workforce development options underfunded.

- **Reverse the Higher Education Bias Against Non-Four-Year Degree Programs.** According to a [report](#) AGC commissioned in 2024, 80 percent of federal postsecondary education funding goes to supporting people pursuing 4-year college degrees, yet only 38 percent of Americans will ever receive such a degree. This leaves the majority of the workforce without adequate exposure career opportunities to high-demand fields like construction or equipped with basic skills they need to enter those professions.
  - **Increase Career and Technical Education (CTE) Funding (Perkins Act).** Perkins is the main federal program supporting career and technical education for over 11 million students, yet accounting for inflation the program receives less funding today than it did 20 years ago. This is despite there being more job openings than unemployed individuals and the programs being expensive to operate and administer which require greater funding. Support increased funding for Perkins in Fiscal Year 2026.
  - **Increase Apprenticeship Funding Opportunities.** Expand federal support for apprenticeship and pre-apprenticeships, including youth-focused programs, to create clear career pathways into construction.
- **Reform Public Workforce System (WIOA).** The federal training and career service program in the Workforce Innovation and Opportunity Act (WIOA) needs to:
  - Prioritize funding for training, rather than administrative costs, by requiring at least 50 percent of local funds go directly to skills development;
  - Provide states and localities greater flexibility to invest in high performing programs while strengthening accountability by measuring program effectiveness through employment outcomes; and
  - Encourage and incentivize partnership with employers and allow more funds for incumbent training.
- **Expand the Talent Pool.** Extend and expand eligibility for the Work Opportunity Tax Credit which provides employers with a one-time tax incentive to hire workers from specific disadvantaged groups. The cost of the tax credit is modest compared to training and onboarding costs and is an incentive for employers to expand hiring.

## ACTION NEEDED

1. **Support increased investment for CTE programs and Apprenticeship Programs in the FY26 Labor-HHS funding bill;**
2. **Reauthorize and reform WIOA;**
3. **Support H.R. 1177 and S. 492, the Improve and Enhance the Work Opportunity Tax Credit Act.**