

## HB 1346 -- HIGHER EDUCATION FUNDING

This bill creates the "Rewarding Workforce Readiness in Institutions of Higher Education Act" which provides a new funding mechanism for public two year and four year colleges and universities based on the calculations of earnings for graduates of these institutions.

The bill defines "long-term and short-term earnings ratio", "long-term and short-term access ratio" and "long-term and short term student" for both four year and two year state funded institutions of higher education. The bill provides a calculation to determine a long-term and short-term scaled base measure, and the rewarding workforce readiness score for each institution. The calculations will be used by the Department of Higher Education and Workforce Development (DHEWD) to determine the two year or four year institution's share of state funding by comparing the enrollment-weighted score for all institutions.

Beginning in 2025, 50% of state funding for two year institutions will be allocated using the rewarding workforce readiness calculation and in 2026 100% of state funding will be allocated via this calculation. Beginning in 2025, 20% of the state aid to four year institutions will be allocated using this calculation and over the succeeding three years the percentage will increase to 100% in 2028. DHEWD may determine earnings data for individuals by utilizing unemployment insurance earnings records or the state wage interchange system.