



Using State Highway Formula Funds to Support Youth Career Pathways in Construction



As detailed in the Federal Highway Administration’s [“Guidance for Use of Federal-aid State Core Program Funds for Training, Education, and Workforce Development,”](#) section 504(e) of title 23, U.S.C., gives State Departments of Transportation (DOTs) the flexibility to use certain Federal-aid highway program formula funds for a variety of expenditures that support workforce development, training, and education activities, including opportunities to bring underrepresented populations into highway construction jobs. This includes support for youth pathways that begin in high school and can continue through to postsecondary education, including registered apprenticeships. States are encouraged to consider using these highway funding resources to create workforce opportunities, especially for underrepresented populations including women, people of color, and youth with justice system involvement.

Under the Department of Education’s [Unlocking Career Success](#) initiative, there are four primary strategies to strengthen youth career pathways starting in high school: career navigation, workforce credentials, work-based learning, and dual enrollment. This fact sheet is meant to provide some potential examples of how State DOTs can use Section 504(e) to make Federal-aid highway program formula funds available to support career pathway programs and each of these related goals. This fact sheet also provides examples of how these Federal-aid highway program funds can be used to support youth who are disconnected from the traditional education system and from work—often referred to as [opportunity youth](#).

As State DOTs are considering these investments, they can work with their state education agency to identify potential local education agencies and schools for partnerships. [State workforce boards](#) can help State DOTs to identify community-based organizations and others that are receiving federal funding to support opportunity youth. State DOTs can also work with local [YouthBuild](#) and [Job Corps](#) sites. State DOTs can use Section 504(e) funds to:

1 Provide youth with career guidance and career navigation supports.

- Provide labor market information to school counselors and career navigators at youth-serving organizations such as information on the labor market demand for jobs, salary and benefit expectations, job requirements, and career pathways. Information about transportation careers can begin as early as elementary and middle school.
- Provide experiential learning opportunities for career counselors and other educators so that they can better understand career opportunities within the highway construction industry.
- Support career-exploration activities, such as school visits to highway construction sites or career days at highway construction firms, architecture and engineering firms, or a State DOT.

2 Give all youth the option to earn their first industry credential(s).

- Support the development of secondary and postsecondary curriculum that aligns with in-demand construction industry certifications.
- Support teacher externship models or other professional learning activities for educators, school counselors, and other career navigators for youth to help them develop and deliver curriculum aligning with credentials.
- Help provide equipment and materials¹ to schools and youth-serving organizations to support highway construction education and training activities.

3 Expand opportunities for youth to engage in paid work-based learning.

- Provide paid internships to youth or support other work-based learning activities.
- Provide additional funding to [National Summer Transportation Institutes](#), which provide two to four week programs on college campuses to middle and high school students.
- Support registered apprenticeship by taking some of the following actions. More comprehensive information about how State DOTs can support registered apprenticeship can be found in a guide created with the Department of Labor: [Creating a Skilled and Diverse Workforce for Infrastructure Projects through Registered Apprenticeship](#)
 - Partner with key employers in the region to develop a youth apprenticeship program in partnership with unions, employers, educational institutions, the public workforce system, and other community organizations.
 - Provide work-based learning opportunities especially during the summer or through summer youth employment programs that feed into registered apprenticeship opportunities.
 - Develop pre-apprenticeship programs for opportunity youth that feed into registered apprenticeship programs.

4 Expand access to dual enrollment to include academic content and career connected courses.

- Partner with secondary and postsecondary institutions to reduce student costs for dual enrollment, which could include books, tools, transportation, and other supports for students to participate in college courses related to the highway construction industry such as civil engineering, architecture, drafting, transportation planning, etc.
- Sponsor or create a scholarship for students interested in highway construction careers. Scholarships can go beyond tuition and may include costs such as transportation, childcare, and other supports that help students to enter and complete the program of study.
- Connect with states and regions that provide [college promise programs](#) to coordinate supports for financial students that may not currently be covered.

Eligibility for use of Section 504(e) funds will ultimately be determined on a case-by-case basis. Expenses must be necessary and reasonable for the performance of surface transportation workforce development, training, and education activities and must comply with relevant statutory authority and cost principles for Federal awards (see 2 CFR 200.101(d) and 200.403). FHWA divisions will work with States to help determine whether proposed workforce development, training and education activities are eligible under Section 504(e).

As State DOT leadership is considering how they can support youth career pathways in the highway construction industry, they should be aware that in the fall of 2023, State workforce boards and State departments of education will be working on State plans to submit to the U.S. Department of Education and the Department of Labor. This is an opportune time to work with education and workforce leaders to ensure these plans address transportation workforce needs and to develop partnerships that can reach youth.

¹ See generally Question 4 in the Guidance for Use of Federal-aid State Core Program Funds for Training, Education and Workforce Development at: https://www.fhwa.dot.gov/innovativeprograms/centers/workforce_dev/504e_state_core_programs_guidance_0318.aspx.