

Policy Brief

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# The Role of States in Credential Transparency

Seven state leadership organizations and five workforce, education and data advocacy/technical assistance experts have come together to build awareness, understanding, and demand for how policy can integrate credential transparency into education and workforce development state strategies. This brief is one amongst a series of policy briefs that explore the ways that credential transparency can be supported, integrated, and leveraged within states. These briefs stem from the thought leadership of these organizations to extend the recommendations found within the *State Roadmap and Action Guide for Transparency*.

Specifically, this partnership:

- Builds awareness among state policymakers around the importance of credential transparency to their own state workforce and education goals and strategies;
- Elevates a common language about credentials for use in state policy;
- Increases demand among policymakers for credential transparency; and
- Provides specific actions policymakers can consider using to support integrating credential transparency into their larger human capital development efforts.

**Members of the State Policy Partnership include:**



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# Acknowledgements

The rich partnership between these twelve state leadership, workforce, education, and data advocacy organizations has greatly shaped the ideas, priorities, and practices shared across the various policy briefs in this series. We are grateful for the time and dedication these organizations have devoted to ensuring we can gather and provide greater access to timely, reliable, and transparent credential information. Through your combined thought leadership and expertise, we have created useful resources that others can apply within their contexts to work towards greater credential transparency. Your collective guidance and leadership are both needed and appreciated as we work to map the credential landscape to make it easier for people to find pathways to new opportunities and meet state needs.

While thought leadership from the overall partnership is what leads us to success, we want to recognize six partner organizations who helped to co-author this brief: the Council of Chief State School Officers (CCSSO), Education Commission of the States (ECS), National Association of State Workforce Agencies (NASWA), National Conference of State Legislatures (NCSL), National Governors Association (NGA), and State Higher Education Executive Officers (SHEEO) Association.

Finally, thank you to Alabama, Connecticut, Minnesota, Vermont, and the New England Board of Higher Education for serving as examples that demonstrate how state leaders can work to advance credential transparency. Their dedication to this work serves as timely and informative examples for others to learn from and follow.

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# The Role of States in Credential Transparency

There's tremendous demand today for actionable information around educational pathways of promise. The COVID-19 pandemic and resulting economic crisis are putting a premium on upskilling—giving workers new skills to meet new workforce demands—and on greater transparency around the skills and knowledge required for in-demand jobs.

To meet this demand, nearly all states have an attainment goal—a targeted threshold for the percent of residents holding a high quality postsecondary credential. Many have spent years building more robust [P-20W data systems](#) that collect information about learners and workers—from early childhood through high school, postsecondary education and into the workforce—and the systems and programs that serve those lifelong learners.

But most of those systems do not include vital information about the credentials available within a state, including the credential program's length and cost; competencies included in the credential, and their links to job skills; pathway information; and earnings and employment outcomes. When this information is included, it is rarely described using a common language to enhance search, discovery, and comparability. And it is rarely connected to other data sets, such as job listings, financial aid, and support services to provide tailored, timely and actionable information to employers, education and training providers and opportunity seekers.

This lack of uniformity is confusing for all stakeholders: Opportunity seekers do not always know which credentials align with the jobs they want. Education and training providers don't always match their curricula with the needs of the workforce. And employers don't always understand which credentials have the specific skills and knowledge they need from their workers.

With such data, states themselves will have a single, canonical source of information about all credentials, competencies, quality indicators, outcomes, transfer value, pathways, links to jobs, and more, which can be used, for example, to determine eligibility for public funding, conduct ROI calculations, review of quality indicators, align credential offerings with economic needs, and support digital transcripts and comprehensive learner records.

The current economic climate reinforces the urgency of states to: 1) Align their educational offerings with the needs of employers; 2) create clear pathways among credentials of quality to meet workforce demands; and 3) communicate those pathways to both learners and employers.

There are solutions emerging, however, and states are leading the way. Governors' workforce task forces and P-20W councils are figuring out how to build better data governance to meet the information needs of all stakeholders. They are also focusing on pathways that require breaking down silos so that systems can work in partnership to meet the needs of people. A critical part of dealing with these realities is focusing on making data on credentials, competencies and occupational skills fully transparent and interoperable, including data on skills which are in greatest demand and where such skills are being taught. A common language around credentials and competencies, something that captures and describes the knowledge, skills, and abilities they convey—is central to states' efforts to bring actionable data into the labor market.

One of the most comprehensive and cost-effective ways to achieve this is through **credential transparency**—using linked, open and interoperable data formats to shine light on information about all credentials. Credential transparency allows anyone, at any time and anywhere, to access uniform, trusted, and timely information about credentials, competencies, quality, pathways and outcomes. That makes it easier for learners and workers to find the right program and for employers to hire the most-qualified workers. And it makes it easier for the state to understand, manage, and ensure the most efficient, effective, and equitable education and training.

Adopting a common language makes this possible. The [Credential Transparency Data Language](#) (CTDL) is the Rosetta Stone to transform data states already collect into a format most beneficial in modern, web-based, linked-data tools and services, such as those we use daily for searching travel options, navigating road directions, or car shopping. States can also create their own [Credential Registry](#), an easily accessible cloud-based library that holds detailed information about credentials of all kinds to provide greater transparency around which education and training providers offer which credentials.

All stakeholders win when information about credentials can be easily accessed, understood, compared, and connected to other critical education and workforce data. Students will be better able to determine which program best suits their needs. Education and training providers will know what training and skills to include in their curricula. Employers can be more clear in their efforts to recruit candidates for critical positions. And most importantly, states will have a single, common source of comprehensive data about all credentials offered in their jurisdiction to improve their ability to manage and meet postsecondary attainment goals, quality and eligibility reviews, and alignment to economic needs.

## The Role of States

States have always been identified as a major—if not the major—strategic partners for Credential Engine. This is true for a number of reasons, including, but not necessarily limited to:

- States have extensive oversight of and regulatory responsibilities over credentials and the programs, providers and funding associated with them.
- States have extensive public mechanisms for delivering education, from K-12, community colleges, colleges and universities and workforce programs.
- States directly manage substantial federal funding across the entire spectrum of credentials.
- States collect and deliver data to students, learners, workers, employers, educators and others about credentials, quality, outcomes, pathways, and links to jobs.
- States have essential quality assurance interests and roles across the entire spectrum.
- States have reporting and tracking obligations both within the state and to the federal government.
- States prioritize access to equitable economic, education and employment opportunities through quality credentials.
- States have set aggressive attainment goals related to credentials of quality.

- States can act with agility and be more relevant given they are closer to local economic conditions and educational offerings than the federal government.

Leadership matters. Governors, agency leadership, and legislators play an essential role in efforts to increase credential transparency, which will ultimately help states reach completion and workforce goals. Support from these policy leaders is all the more critical in a climate of competing priorities, agendas, and budgets—particularly as states continue to respond to the coronavirus pandemic and the related increases in unemployment, poverty, the need for reskilling, and the availability of short-term, online offerings that have little outcome data.

States can build a culture that encourages all parts of government—along with employers and education and training providers—to work together to meet their completion and workforce goals.

Each state policy leader has a role to play in credential transparency. Following are key roles for governors, legislators, and education and workforce agency leaders.

## Governors

Governors can include credential transparency as part of a strategic vision to align education and workforce goals, demonstrating both political and financial support for this statewide effort. For example, the State of Connecticut released their [2020 Workforce Strategic Plan](#) with the goal of providing every resident the opportunity to benefit “from equitable, life-long access to pathways for career advancement that fit their interests and capabilities while providing job opportunities that meet the needs of our employers.” The Governor has followed-up with proposed legislation to establish full credential transparency with a state-specific registry of all credentials offered in the state.

A state’s strategic vision should align education and workforce goals, and ensure that alignment of those goals includes strengthening and [leveraging a P-20W data infrastructure](#). Governors have the ability to bring agency leaders together to align data systems and ensure that credential transparency becomes part of a larger agenda for establishing a culture of information and decision-making based in data and evidence. Questions that such data can help answer may include: Which credentials align best for effective pathways to good jobs? How should state funding be best allocated to advance credentials of quality? Which credentials should be eligible for public funding under various state or federal legislation?

## State Example:

In [Alabama](#), the Governor’s Office of Education and Workforce Transformation is leading a cross-agency effort to advance credential transparency statewide. Leaders are developing a statewide credential registry and will use the CTDL and CTDL-ASN as the foundation for important skill development work to advance the success of all Alabamians. Strengthening this labor market information state infrastructure streamlines data collection and ensures that accurate, up-to-date, and uniform education and workforce data supports multiple stakeholders and purposes. These collective efforts will also contribute to the state’s ambitious goals, which include adding 500,000 credential holders to the workforce by 2025.

Governors can appoint leadership teams that will oversee credential transparency initiatives. These teams must have clear objectives and tactics. For some states, appointing such a leadership team may be a new effort and for other states, such teams may include governance bodies which are already focused on learner and worker issues. No matter how the team is formed, the entity should ensure the state's adoption of the CTDL to describe all credentials. The team should also work to integrate credentials into P-20W dashboards and ensure all credentials are posted to the state's credential registry. [Nineteen states and growing](#) are working towards credential transparency by helping to populate the Credential Registry. Governors can hold teams accountable for coordinating with state agencies to make these goals a reality.

Governors can signal to lawmakers and to the public that the state's future economic health benefits by aligning education and workforce strategies. They can propose and establish policy to shape the state's commitment to credential transparency through the use of linked open data, the CTDL, and a credential registry.

## Legislators

State legislators hold the key to aligning education and workforce strategies by using the power of policy-making to ensure that laws, regulations and the allocation of funds support credential transparency.

Legislators can codify their state's goal for credential attainment. Many [states](#) have already established thresholds for the percentage of residents earning some type of postsecondary credential. Passing legislation that requires those goals creates a greater sense of urgency and sends a message to potential employers that the state is serious about aligning educational opportunities with workforce needs. Lawmakers can require the use of CTDL to describe any credential granted by state educational institutions. The CTDL can help states ensure the relevance and quality of credentials that learners earn, not only the actual number of credentials.

Beyond making laws, state legislators serve as leaders in their local communities. Lawmakers can work with leaders of K-12 schools, community colleges, and state university systems to prioritize and define high-value credentials and set thresholds for skills and wages.

State legislators can also create incentives to motivate students to pursue the most in-demand jobs in their states. Where it makes sense, state legislators can work with agency leadership, and institutional provosts to better describe, connect, and communicate the academic credits needed to receive credentials, which can, in turn, help employers better align jobs to academic programs.

## State Example:

In Connecticut, the Governor is proposing a [workforce bill](#) to the state legislature that would require a database of credentials to be developed utilizing CTDL and CTDL-ASN and the regional minimum data policy set by the New England Board of Higher Education to ensure comprehensive and connected credential data is available in the state and across the region.

## Recognizing Credentials: State Policy Approaches

As part of their “[Credentials of Value](#)” conversation, the [National Conference of State Legislatures](#) (NCSL) has identified four main areas of legislative actions that states can take to increase credential transparency. While no single piece of legislation can achieve full transparency on its own, these examples showcase how state efforts can advance this work. For further context, we’ve mapped these four areas to the [State Roadmap and Action Guide for Transparency](#) to show how each of these types of legislative actions can move a state toward full transparency of all credentials, their competencies/skills, value, quality, outcomes, pathways, and links to jobs so that everyone can make more informed decisions.

### State goal or target for credential attainment (Related to Roadmap Step 1)

- [Maryland SB 317](#) (2017) directed the State Board of Education, Maryland Higher Education Commission, and the Governor’s Workforce Development Board to develop statewide attainment goals for industry-recognized credentials.

### Identification of high value credentials (Related to Roadmap Step 5)

- [Kentucky HB 419](#) (2020) requires the Council on Postsecondary Education to annually compile data on in-demand jobs within the state and for each public postsecondary instruction, and each campus of the Community and Technical College System, to compile data relating to student successes and costs, and requires the Council to develop a delivery method to ensure access to information by prospective students.
- [Michigan SB 268](#) (2020) creates the Michigan Reconnect Grant Act providing a financial aid program for certain residents seeking associate degrees of industry-recognized credentials. The bill defines a credential as a certificate or credential that is portable and is sought or accepted by multiple employers within an industry for purposes of recruitment, hiring, or promotion.
- [Indiana SB 198](#) (2017) includes attainment of an industry recognized certification or credential as part of the state’s definition of a workforce-related program.

### Protocol to provide academic credit for credentials (Related to Roadmap Steps 7 and 8)

- [Virginia HB 1592](#) (2017) requires community colleges to develop policies and procedures for awarding academic credit for successful completion of a state-approved credential.

### Incentives or mandates for credential programs (Related to Roadmap Step 9)

- [Minnesota SF 2415](#) (2019) includes requirements that the commissioner of the Office of Higher Education must administer a credential completion program for adult learners as part of the Minnesota Reconnect Program.
- [Utah SB 131](#) (2018) requires the development and analysis of credential programs including stackable credentials.
- [California AB 19](#) (2017) includes increasing credentials and certificates as part of the goal of the California College Promise Program.
- [Louisiana SB 102](#) (2017) includes credential attainment as part of the funding model for workforce training and education programs.

Finally, state legislators can provide funding for projects that support credential transparency, including financial support to create, maintain and improve their state's P-20W data system, support statewide adoption of the CTDL and develop and populate a credential registry in their state.

## Agency Leadership

As states across the country move toward greater credential transparency, leaders of state agencies, such as departments of postsecondary education, workforce development, or economic development, find themselves in a unique position. They must put into practice new priorities set by their governors and state legislatures while also working within existing educational and workforce structures.

Initially, their charge may mean working to ensure every credential is cataloged on their state's credential registry, regardless of whether it is defined by a common language.

Ultimately, however, leaders in K-12, postsecondary education, workforce training, licensing, and other relevant agencies should work toward uniform adoption of the CTDL to describe every credential issued, funded, or overseen in their state. The use of a common language promotes transparency and comparability of the value of credentials. A common language makes it easier for employers and learners to access vital information about educational opportunities and career pathways.

These leaders also can require that information about credentials be included in program approval or review processes. Much like governors and state legislators, they can use the bully-pulpit and talk about the importance of credential transparency in speeches and among key education and workforce leaders in the state. And they can leverage their role to create communications plans to make sure residents, employers and education and training providers understand the importance of and can navigate their state's credential registry.

## Additional Key Stakeholders

States seek to align the skills needed for the jobs of tomorrow with the credentials people earn today. After all, it's in their best interest to ensure their state maintains a robust credential registry—so credential providers can offer the right courses and employers can hire the most qualified workers.

## State Example:

In [Minnesota](#), the work is a partnership by Minnesota State Colleges and Universities, the Department of Employment and Economic Development, the Minnesota Office of Higher Education, and with technical implementation by Minnesota IT Services. Currently, these partners are contributing to the Registry to support Minnesotans looking for education and training options. This amplifies how the state shares information about its learning opportunities, including recognized postsecondary credential programs available to the public. To codify this work, these agencies added language to Minnesota's ETPL terms of use and reviewed how publishing to Credential Engine aligns with state and national efforts, such as WIOA, for transparency.

For education and training providers, that means using the CTDL to describe the credentials and their component competencies, including knowledge, skills, and abilities. They can also publish information about all the credentials they grant on their state’s credential registry, even if they’re not mandated to do so.

For employers, it means using the CTDL to describe the skills, knowledge, and competencies necessary for jobs—then clearly stating them on the registry.

## Concluding Thoughts

Information about credentials provides all stakeholders with powerful, actionable data that can help take the friction out of inefficient labor markets. That’s especially true when credential transparency becomes part of a state’s broader system of managing data. The time has come for state leaders to take education and workforce data out of silos, then coordinate and connect them—which makes the system work smarter and more efficiently.

If you would like more information regarding the contents of this brief, the overall State Policy Partnership, and/or how you can get involved and work towards credential transparency, then please contact Scott Cheney, CEO of Credential Engine, at: [scheney@credentialengine.org](mailto:scheney@credentialengine.org).

*Educators, along with representatives from state chambers of commerce, postsecondary education systems, regional workforce coalitions and local employers, are critical allies in this work toward credential transparency.*

## State Example:

Advance Vermont has established the [Vermont Credential Transparency Project](#), which involves collaboration with institutions, agencies, and organizations across the state. Credential data is published on [MyFutureVT](#), a portal where opportunity seekers can go to discover credentials aligned to in-demand careers. Advance Vermont utilizes Credential Engine’s technical infrastructure to ensure the credential information is transparent, aligning with the New England Board of Higher Education’s [High Value Credentials for New England](#) initiative. These efforts also help the state work toward meeting its ambitious postsecondary attainment goal of 70% of residents having a credential of value by 2025.

## Glossary

**Credential:** diplomas, badges, certificates, apprenticeships, licenses, certifications and degrees of all types and levels that represent unique competencies that signal what a holder can do in the workforce.

**Credential Registry:** a cloud-based library that collects, maintains and connects information on all types of credentials – from diplomas, badges, certificates and apprenticeships to certifications, licenses and degrees of all types and levels. The Registry holds detailed information in an easily accessible format. Users, including employers, job seekers and students, can explore competencies, learning outcomes, up-to-date market values and career pathways.

**Credential Transparency:** making essential information about credentials public in formats humans can read and machines can act upon – such as their competencies, quality, costs, pathways, transfer value and connections to jobs. It is based on the premise that the easier it is to access and use comparable information about credentials, the easier it is for people to find the most cost-effective way to learn the right skills and find the best jobs.

**Credential Transparency Description Language (CTDL):** An open-source language that lets states catalog, organize and compare credentials with uniformity, making it easier to match educational programs with careers.

**P-20W data systems:** Infrastructure that securely brings together specific data so leaders, practitioners and community members can better understand educational opportunities and pathways. This includes key sectors of the education to workforce pipeline beginning with early childhood education and transitioning through K-12, postsecondary education, and ultimately the workforce.



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Credential Engine is a non-profit whose mission is to create credential transparency, reveal the credential marketplace, increase credential literacy, and empower everyone to make more informed decisions about credentials and their value.