



NATIONAL SKILLS COALITION  
Every worker. Every industry. A strong economy.

# Audio Update: Federal Policy Year- End Wrap-up

December 15, 2011

# Our Vision

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We seek an America that grows its economy by investing in its people, so that every worker and every industry has the skills to compete and prosper.



# Our Mission

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- We **organize** broad-based coalitions seeking to raise the skills of America's workers across a range of industries.
- We **advocate** for public policies that invest in what works, as informed by our members' real-world expertise.
- And we **communicate** these goals to an American public seeking a vision for a strong U.S. economy that allows everyone to be part of its success.

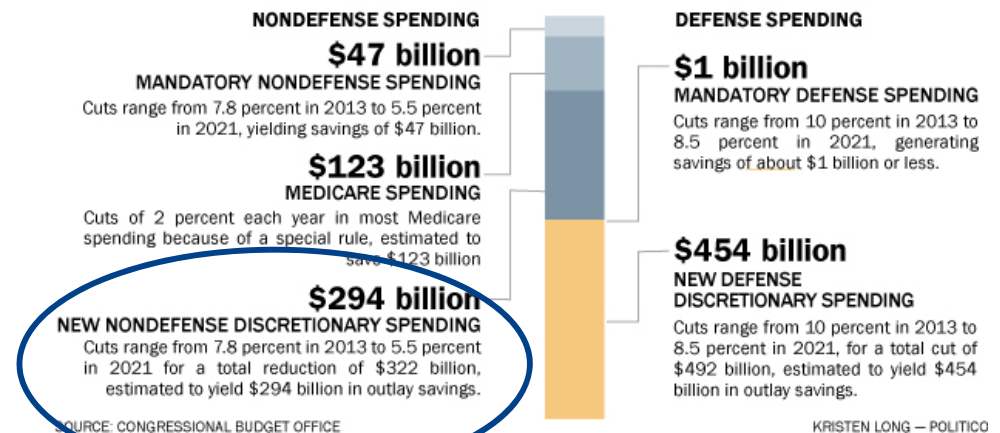


# Super Committee

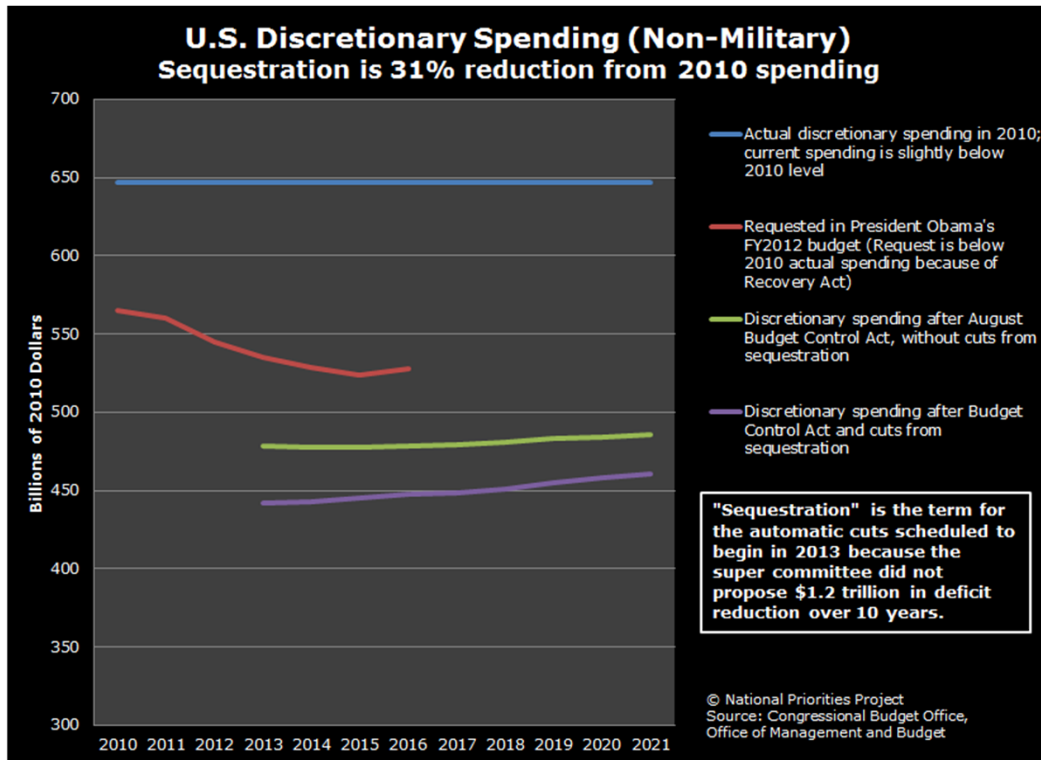
- Failed to reach agreement on deficit reduction plan
- Triggers \$1.2 trillion in across-the-board cuts (“sequesters”) starting January 2013, through 2021

## PULLING THE TRIGGER ON BUDGET CUTS

The mandatory cuts to the federal budget are shaping up — the cuts are split almost equally between defense and nondefense spending.



# Super Committee



- Non-defense discretionary programs cut 9 percent in 2013
- Hawks will fight defense cuts



# FY 2012 Appropriations – DOL

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- Senate: \$300m below FY 2011 levels, flat funds most DOL programs
- House: \$4 billion below FY 2011 overall, \$2.2 billion from ETA incl. \$1.9 billion from WIA formula
  - ❖ Shift from PY to FY cycle
  - ❖ Elimination of advance funding
  - ❖ 6.5 million jobseekers could lose access to services



# FY 2012 Appropriations - Pell

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- 2012 shortfall of \$11.3B; \$10B provided under BCA
- Senate: eliminate six-month interest subsidy grace period (\$2.3B in savings over 2 years)
  - ❖ \$900M short according to CBO
- House: \$44B in cuts over ten years through permanent changes:
  - ❖ Eliminating eligibility for ATB, LTHT students
  - ❖ Rollback of income protection allowances, Automatic Zero EFC
  - ❖ Retroactive reduction in lifetime eligibility – 18 to 12 semesters



# FY 2012 Appropriations—End in Sight?

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- Current CR expires Friday (Dec. 16)
- Omnibus spending package expected, short-term CR possible
- Will likely include at least some cuts to workforce, changes in Pell eligibility
- Passage linked to year-end “extenders” package?



# UI/Payroll “Extenders” Bill

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- Expanded UI, payroll tax holiday, TANF set to expire Dec. 31
- “Extenders” bill (HR 3630) passed by House Tuesday:
  - ❖ Reduce max UI from 99 weeks to 59 weeks
  - ❖ New HS/GED requirement
  - ❖ \$5 deduction for reemployment services
- TANF extended through September
- Senate unlikely to pass, President has threatened veto...but clock running out



# Consolidation in Extenders Mix?

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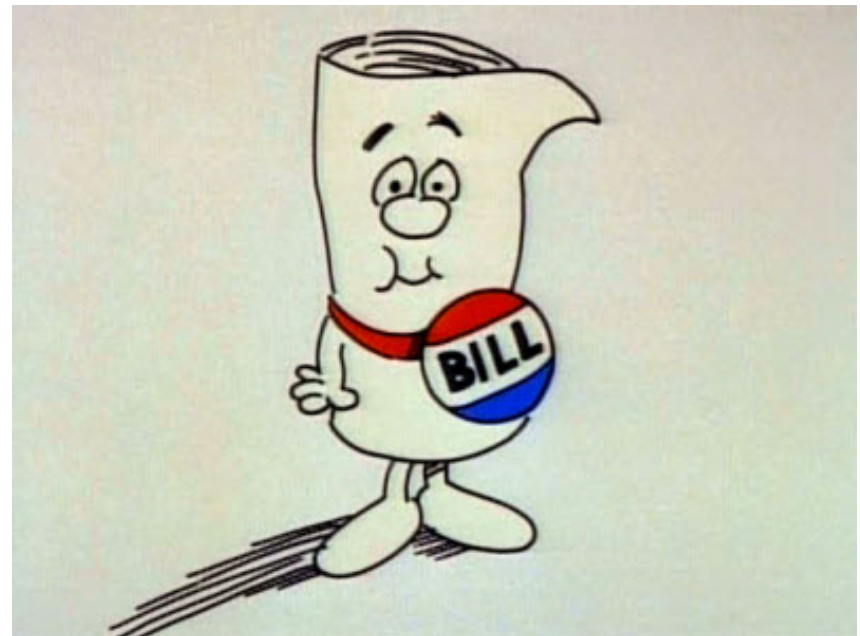
- McCaskill-Collins alternative extenders proposal includes job training consolidation provision
- Won't be taken up, but shows consolidation argument gaining traction



# WIA BILL: Streamlining Workforce Development Programs Act (HR 3610)

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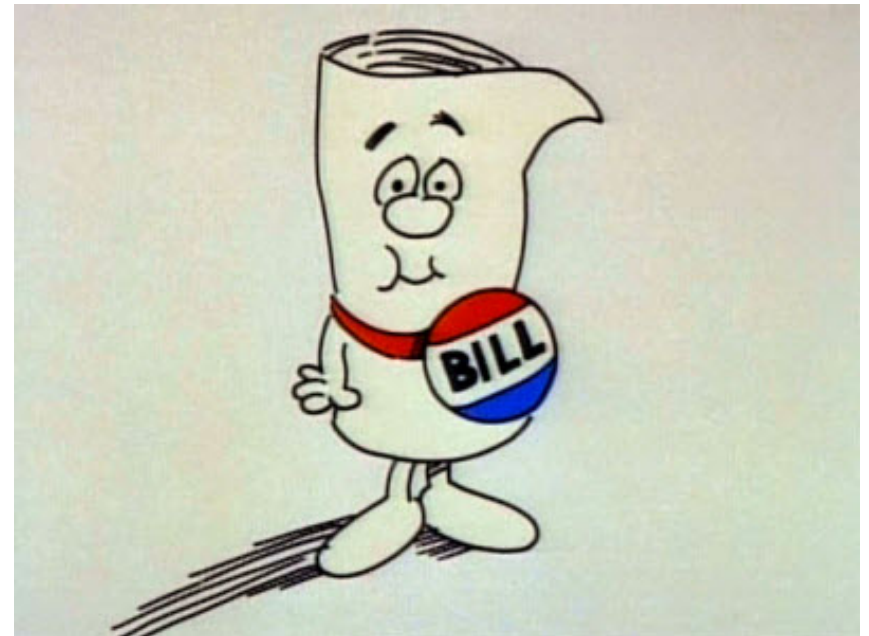
- Introduced by Rep. Foxx (R-NC), subcommittee chair
  - ❖ Strengthens state role in workforce system
  - ❖ Requires 2/3 business majority on state WIB, eliminates partner requirements
  - ❖ Eliminates current local workforce areas, governor can designate new areas
  - ❖ Establishes common performance measures across new Title I funds, Title II, VR programs
  - ❖ Allows new unified state plan, can consolidate funds under unified plan



# Streamlining Workforce Development Programs Act (cont.)

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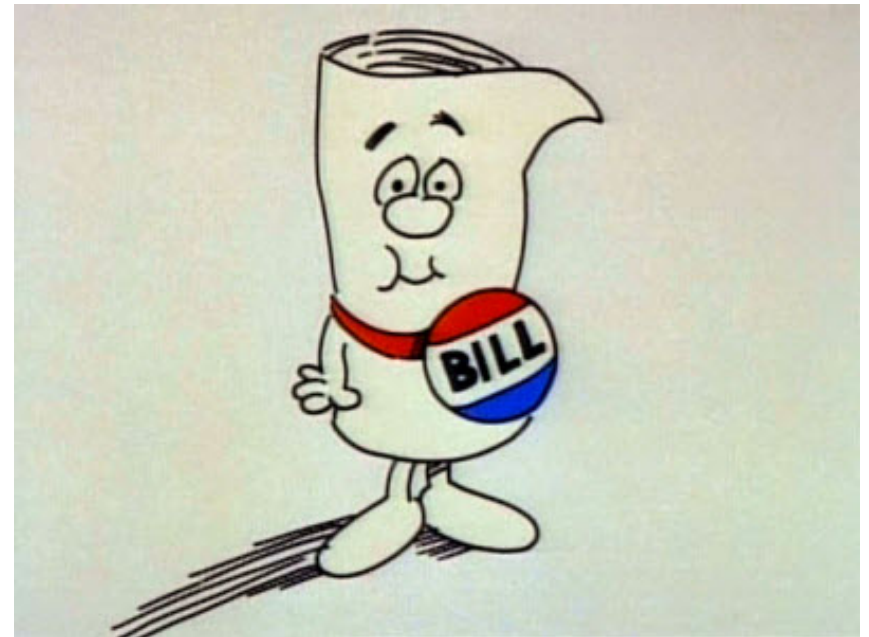
- Creates new funding structure by consolidating 33 federal programs into four new funding streams
  - ❖ **Workforce Investment Fund:** \$4.3B formula grants for general E&T activities
  - ❖ **State Youth WIF:** \$1.9B for state competitive grants;
  - ❖ **Veterans WIF:** \$218M for veterans activities;
  - ❖ **Targeted Populations WIF:** \$581M for refugees and entrants, ex-offenders, farmworkers, Native Americans
- \$7B authorized for FY 2013-2018 (capped)



# WIA BILL: Local JOBS Act (HR 3611)

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- Introduced by Rep. Heck (R-NV);
- Requires 2/3 business majority for local WIBs
- Requires “sector partnerships,” but little guidance on implementing
- Mandates minimum training percentage on local level



# Next Steps

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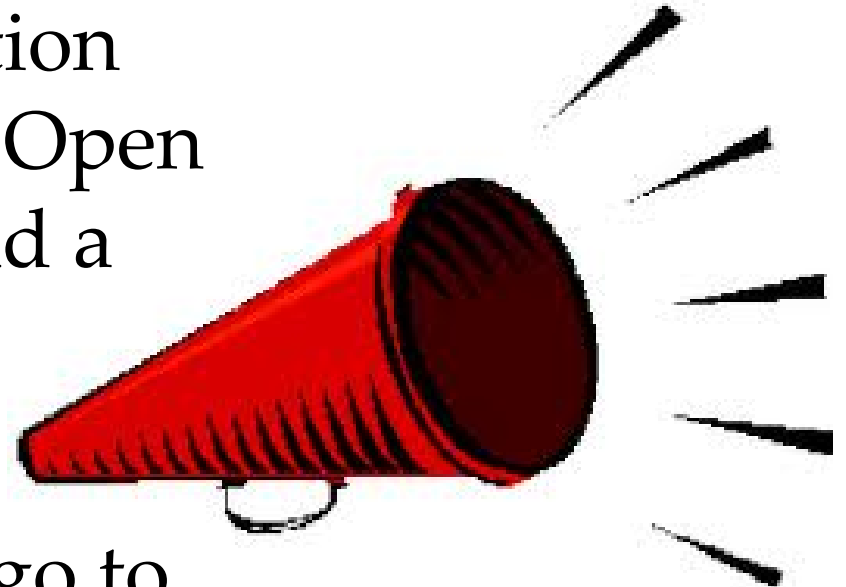
- Committee expects to mark-up early next year
- E&W Democrats expected to introduce reauthorization bill soon(?)
- Senate mark-up in January?



# Get the Word Out—Take Action!

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Most of you received an action alert from us this morning. Open it and follow the link to send a letter to your Senators!



If you didn't get the email, go to <http://www.nationalskillscoalition.org/TakeAction> to take action.

# Get the Word Out—Tweet!

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Go to <http://tweetcongress.org/members/> to find out if your Members of Congress are on Twitter.

- Sample Tweet for Workforce Champions in Congress  
@YourMOC thank you for your commitment to America's workers, please continue to stand up for investments in #wkdev and job training
- Sample Tweet for Other Members of Congress  
@YourMOC with 14 million unemployed workers, now is not the time to cut investments in #wkdev. Please oppose Labor-H cuts!



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# Contact

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