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WASHINGTON UPDATE

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Congress Approves “Continuing Resolution,” Allows Key TANF Fund to Expire

On September 30, the House of Representatives approved a “[Continuing Resolution](#)” (CR) to fund federal government operations through December 3, following Senate passage on September 29. The measure (HR 3081) is necessary because Congress failed to pass any appropriations bills for Fiscal Year (FY) 2011, which starts October 1. The bill mostly extends funding for existing programs at current FY 2010 levels and does not include significant new funding or policy changes.

Because a CR is generally viewed as “must-pass” legislation—failure to pass the measure would effectively shut down the federal government—some policymakers and advocates had hoped to insert additional funding in the bill to support a range of priorities, including money to cover shortfalls in the Pell Grant program and additional funding for the Obama administration’s signature “Race to the Top” grant program. However, House Republicans [indicated](#) they were unwilling to accept these additions, and legislators on both sides of the aisle have been increasingly reluctant to push for additional federal spending for fear of increasing the deficit during an election cycle.

Despite strong advocacy efforts from the workforce and antipoverty communities, the CR does not include an extension of the popular Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF), which expires on September 30. The ECF, which was created as part of the American Recovery and Reinvestment Act, provides funding to states to cover additional costs for certain TANF activities, including subsidized employment programs. Nearly forty states established programs serving approximately 250,000 low-income parents and youth, but without the extension many states intend to shut down or substantially reduce their programs. Senators John Kerry (D-MA), Richard Durbin (D-IL), and Robert Casey (D-PA) attempted to introduce [legislation](#) on September 28 that would have extended the program on a temporary basis, but this effort was defeated on procedural grounds.

The CR does include an extension of the TANF block grant program, but only for the duration of the CR, meaning lawmakers will have to extend the program again in early December. The block grant was slated to expire on September 30.

Final FY 2011 appropriations for all federal programs—including programs under the Departments of Labor (DOL) and Education (ED)—will likely be rolled into an omnibus appropriations package later this year (as part of a “lame duck” legislative session) or early next year. It is difficult to predict what will ultimately be included in



an omnibus. With Republicans potentially retaking the House and making significant gains in the Senate, congressional Democrats are expected to try to pass a bill before the end of the year, but may find it difficult to get the votes necessary to move such a measure through both chambers. If Congress does not complete the appropriations process before the end of the year, they will be required to pass another CR and push consideration of an omnibus to the next Congress.

If Congress is able to advance an omnibus package this year, it is likely that overall discretionary funding levels will remain at or near current levels, although there may be room for modest increases for certain key agencies. The Senate appropriations committee approved a draft bill in July that may provide a blueprint for DOL and ED funding under the omnibus bill. Read National Skills Coalition's [summary](#) of the Senate bill here.

Congress Recesses for Elections, Leaves Much Work Unfinished

With the mid-term elections looming and many members of Congress anxious to get home to focus on campaigning, Congress has recessed until after the elections. Unable or unwilling to break the on-going legislative logjam, Congress plans to return for a “lame duck” post-election session to take up a number of bills they were unable to finish prior to the recess.

In addition to an omnibus appropriations bill, Congress may also take up a range of other outstanding measures during a lame duck session, including several of interest to the workforce development community:

- An extension of Trade Adjustment Assistance (TAA) programs authorized under the Recovery Act, including the TAA for Workers program, which provides training and other employment services for a broad range of trade-impacted workers; and the TAA for Communities program, which established three new grant programs to support trade-affected communities, including the Community College and Career Training Grant Program and the Industry or Sector Partnership Grant Program for Communities Impacted By Trade. These provisions are set to sunset in December 2010; if they are not extended, TAA programs will revert to pre-Recovery Act authorization and funding levels.
- An extension of the expanded federal Unemployment Insurance (UI) program. In July, Congress approved a \$34 billion extension of UI programs and policies enacted under the Recovery Act—including the Emergency Unemployment Compensation (EUC) program and 100 percent federal funding for the Extended Benefits program—but the authorization for these provisions ends in November. Congress has extended these provisions three times in 2010, but in each instance has faced strong resistance from fiscal conservatives, leading to temporary lapses in program coverage. Although the national unemployment rate remains at nearly ten percent it is unclear whether sufficient political support exists for further extensions.



As critical as these programs are, several factors will complicate efforts to take them up during the lame duck session. Congress is expected to give highest priority to the omnibus bill and to an extension of the Bush-era tax cuts set to expire at the end of the year, and debate on these issues will take up a considerable amount of time. Congress must also consider whether to take up numerous other bills left unfinished during the regular session, with Members of Congress advocating for consideration of a wide variety of bills. The calendar will also be impacted by the election results: if Republicans reclaim one or both chambers, it is unlikely that they will support efforts by the outgoing majority to pass any significant legislation, preferring to wait until the new Congress to tackle key issues.

Workforce development advocates should continue to weigh in with lawmakers to educate them about the importance of job training and worker support programs as part of our nation's economic recovery efforts. National Skills Coalition will continue to monitor these bills and other legislative developments impacting the workforce development field, and provide updates as new information becomes available.

House Passes SECTORS Act

On July 19, the House passed the [SECTORS Act](#) (HR 1855) on a unanimous bi-partisan vote, demonstrating that investing in the skills of America's workers and industries is an issue that cuts across party lines.

House leadership fast-tracked the SECTORS Act as part of on-going efforts to promote and support our nation's economic recovery. Members on both sides of the aisle recognize the need to address skill mismatches in the labor market, such as those highlighted in a recent [New York Times article](#) about businesses that are ready to hire but can't find workers with the right technical skills amidst a 9.5 percent unemployment rate. With strong bi-partisan support for the measure the bill was placed on the suspension calendar, which allowed it to bypass committee, but required a two-thirds vote on the House floor.

The SECTORS Act was developed by National Skills Coalition with state and national partners, and lead sponsors Representatives Dave Loebsack (D-IA) and Todd Platts (R-PA) in the House and Senators Sherrod Brown (D-OH), Patty Murray (D-WA) and Olympia Snowe (R-ME) in the Senate. Co-sponsored by 20 Representatives and 6 Senators, and endorsed by [168 organizations](#) (including [75 employers](#)), the bill allows businesses, unions, the public workforce system, and education and training providers to develop and implement plans that target job training at the current and anticipated skill needs of industries within a geographic region. An [independent evaluation](#) of these programs recently released by Public/Private Ventures shows strong outcomes for workers participating in these programs.

National Skills Coalition thanks our members across the country—employers, union affiliates, community colleges, community based organizations, and public workforce and higher-education agencies—that helped to develop and move this vital



piece of legislation forward. We look forward to working with Congress to advance the SECTORS Act and ensure that federal policy supports the planning and implementation of sector partnerships at the state and local level.

National Skills Coalition Comments on Proposed “Gainful Employment” Definition

In September, National Skill Coalition submitted [comments](#) to the U.S. Department of Education on a recent [Notice of Proposed Rulemaking](#) (NPRM) that would establish new requirements for occupational training and other postsecondary programs to participate in federally-funded student aid programs. Title IV of the Higher Education Act of 1965 requires nearly all programs at for-profit institutions and most vocational non-degree programs at public and private nonprofit institutions to show that they prepare students for “gainful employment in a recognized occupation,” although the term was left undefined and the requirement has never been enforced. The proposed regulations would define “gainful employment” by setting minimum standards for loan repayment rates and debt-to-income ratios of former students. Programs that failed to satisfy the proposed tests would be ineligible to participate in Title IV programs, while programs that partially satisfy the tests would be subject to enrollment limitations and required to provide evidence from local employers on the need for the program.

The NPRM is the product of a year-long [negotiated rulemaking process](#) initiated by the Department of Education to address “program integrity” issues, and comes at a time of increased scrutiny for postsecondary occupational training programs—particularly in the fast-growing for-profit sector. The Department issued a separate [NPRM](#) in June that included provisions enhancing the agency’s ability to crack down on institutions engaging in misleading marketing and recruitment practices, and eliminating a range of “safe harbor” provisions allowing institutions to provide incentive payments to admissions recruiters based on enrollment.

National Skills Coalition strongly supports efforts to ensure that federal investments in higher education lead to meaningful opportunities for skill development and credential attainment for all students, particularly low-income individuals and other underserved populations. We also strongly support efforts to crack down on predatory or misleading marketing and recruitment practices that can lead students to take on excessive student loan debt in order to pursue substandard postsecondary education and training. However, we are concerned that the proposed rules may inadvertently limit postsecondary access for vulnerable student populations—the agency estimates that as many as 300,000 students would be enrolled in programs found ineligible under the new gainful employment definition during the first year of implementation—without providing meaningful alternatives for individuals seeking skill development and career advancement opportunities.

National Skills Coalition strongly supports a long-term goal of expanding capacity within the public and private nonprofit postsecondary educational sectors to ensure that all students have access to high-quality, affordable education and training necessary to get and keep well-paying jobs. In the short term, however, we are

concerned that a significant number of students enrolled in programs that will be found ineligible under the proposed regulations may simply be left without access to educational opportunities.

In the comments submitted to the Department, National Skills Coalition urges the agency to recognize that the proposed rule can only be a first step in addressing the broader challenges of promoting access and completion for all students, and we encourage the agency to ensure that any loss of postsecondary access under the new regulations is minimized through efforts to create pathways and expanded capacity to serve all students across a range of institutions. In particular, we recommend that the Department:

- Work with Congress to develop a transition plan to ensure any students displaced by the rules can continue to access postsecondary education and training;
- Develop additional measures of “gainful employment” (beyond the loan repayment and debt measures) to ensure that programs are delivering high-quality education or training leading to successful employment outcomes for individuals; and
- Enable students to make informed decisions about education and training options by ensuring that information about student loan repayment rates and debt-to-income ratios are available to current and prospective students for all programs that are covered by the proposed rule, and making sure this information is available in other venues where individuals might seek career information and guidance.

The Department of Education had been expected to issue the final gainful employment definition in November, but the agency [recently announced](#) that it will delay release of certain components of the regulation until early 2011, while conducting a series of public sessions in the interim to gather additional input from stakeholders. The Department expects that the final regulations will still be implemented in July 2012, as originally planned.

It is also possible that Congress will take further steps to address the use of federal student aid at for-profit institutions. The Senate HELP committee already held two oversight hearings this year to examine recruitment and marketing practices in the sector, and is scheduled to hold a [third hearing](#) on student success rates at proprietary schools on September 30. In August, following the release of a Government Accountability Office (GAO) [investigation](#) that showed evidence of fraud and misrepresentation in a number of recruiting offices in for-profit institutions, HELP committee chairman Tom Harkin (D-IA) issued a [document request](#) to thirty companies operating proprietary institutions seeking to obtain data on student debt levels, program completion rates, and other data. Harkin is not expected to introduce legislation on the issue this year, but may seek to do so early next year.

BLS Releases “Green Jobs” Definition

Congress and the Obama administration have invested significant resources in green jobs, including \$500 million in competitive grants for green job training under the Recovery Act and \$40 million in FY 2010 funding for the Department of Labor’s Green Jobs Innovation Fund. However, it has been difficult to accurately assess the size and scope of the green job market because there is no widely accepted definition of the term. To address this, Congress appropriated \$8 million in FY 2010 for the Bureau of Labor Statistics (BLS) to develop and implement data collection on green jobs. On September 21, BLS released the [official definition](#) of “green jobs” that they will use as part of two planned surveys next year to identify the number of current and projected green jobs in the U.S. economy, the wages associated with such jobs, and their distribution across industries, occupations, and geographic regions. The surveys are expected to provide policymakers and workforce development professionals with a clearer picture of the current and projected demand for green jobs, and provide data to support the development and evaluation of green job policies and programs.

In establishing their definition, BLS has identified two types of green jobs: A) jobs in businesses that produce goods and services which benefit the environment or conserve natural resources; and B) jobs in which workers’ duties involve making their establishment’s production processes more environmentally friendly or use fewer natural resources.

Green goods and services (category A) fall into one or more of five groups:

- 1) Energy from renewable sources. Electricity, heat, or fuel generated from renewable sources. These energy sources include wind, biomass, geothermal, solar, ocean, hydropower, landfill gas, and municipal solid waste.
- 2) Energy efficiency. Products and services that improve energy efficiency. Included in this group are energy-efficient equipment, appliances, buildings, and vehicles, as well as products and services that improve the energy efficiency of buildings and the efficiency of energy storage and distribution, such as Smart Grid technologies.
- 3) Pollution reduction and removal, greenhouse gas reduction, and recycling and reuse. These are products and services that:
 - Reduce or eliminate the creation or release of pollutants or toxic compounds, or remove pollutants or hazardous waste from the environment.
 - Reduce greenhouse gas emissions through methods other than renewable energy generation and energy efficiency, such as electricity generated from nuclear sources.



- Reduce or eliminate the creation of waste materials; collect, reuse, remanufacture, recycle, or compost waste materials or wastewater.
- 4) Natural resources conservation. Products and services that conserve natural resources. Included in this group are products and services related to organic agriculture and sustainable forestry; land management; soil, water, or wildlife conservation; and stormwater management.
 - 5) Environmental compliance, education and training, and public awareness. These are products and services that:
 - Enforce environmental regulations.
 - Provide education and training related to green technologies and practices.
 - Increase public awareness of environmental issues.

BLS has identified a total of [333 industries](#), covering more than 2 million establishments, which are likely to produce green goods and services. Data collection on these jobs is expected to begin in early 2011, with data published annually beginning in 2012.

Green technologies and practices (category B) fall into one or more of four groups:

- 1) Energy from renewable sources. Generating electricity, heat, or fuel from renewable sources primarily for use within the establishment. These energy sources include wind, biomass, geothermal, solar, ocean, hydropower, landfill gas, and municipal solid waste.
- 2) Energy efficiency. Using technologies and practices to improve energy efficiency within the establishment.
- 3) Pollution reduction and removal, greenhouse gas reduction, and recycling and reuse. Using technologies and practices within the establishment to:
 - Reduce or eliminate the creation or release of pollutants or toxic compounds, or remove pollutants or hazardous waste from the environment.
 - Reduce greenhouse gas emissions through methods other than renewable energy generation and energy efficiency.
 - Reduce or eliminate the creation of waste materials; collect, reuse, remanufacture, recycle, or compost waste materials or wastewater.

- 4) Natural resources conservation. Using technologies and practices within the establishment to conserve natural resources. Included in this group are technologies and practices related to organic agriculture and sustainable forestry; land management; soil, water, or wildlife conservation; and stormwater management.

BLS is developing a special employer survey to test the feasibility of collecting data on jobs associated with green technologies and practices. Data collection is expected to begin next summer, with the data scheduled for publication in 2012. National Skills Coalition will continue to provide updates as additional information becomes available.