A Skills Strategy within or without Immigration Reform

**Panelists:**

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**Moderator:**

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Associate Director, National Skills Coalition
Federal Workforce Policy and Funding Briefing
Federal Workforce Policy and Funding Update

What's Up?
The Administration and the White House
Skills Agenda

• Part of broader Opportunity for All Agenda
  – Middle class security and opportunity at work
    – Jobs and economic opportunity
  – Schools and education opportunity
Skills Agenda

• Five “buckets”
  1. High school reform ($100M Youth CareerConnect grants)
  2. Data (mostly consumer facing)
  3. College opportunity
  4. Long-term unemployed ($150M Ready to Work grants)
  5. Job-driven training (Vice President’s across-the-board review)
A seriously Big Week for Workforce
State of the Union

“But in this rapidly-changing economy, we have to make sure that every American has the skills to fill those jobs... tonight, I’ve asked Vice President Biden to lead an across-the-board reform of America’s training programs to make sure they have one mission: train Americans with the skills employers need, and match them to good jobs that need to be filled right now. That means more on-the-job training, and more apprenticeships that set a young worker on an upward trajectory for life. It means connecting companies to community colleges that can help design training to fill their specific needs.”
“Message Amplification”

• “I’m just saying you can make a really good living and have a great career without getting a four-year college education as long as you get the skills and the training that you need.” — President Obama, Jan. 30, 2014
Presidential Memorandum

• Vice President to lead across-the-board review of job training programs (labor, commerce, education)
  • 180 days to develop a plan to make “workforce and training system more job-driven, integrated, and effective.”
• Plan to include concrete steps
Ready to Work Grants

• $150M (H-1B visa fees)
• Support “high performing partnerships between employers, non-profit organizations and America’s public workforce system”
• SGA released in mid-February
Ready to Work Grants

• Key elements
  – Focus on reemploying the LTU
  – Work-based training such as OJT, paid internships, registered apprenticeships, paid work experience (can be in combination with other training or services)
  – Deep employer engagement; priority for programs where employer “commits to consider hiring qualified participants”
The Agencies

• On-going working groups to address very specific questions (engage employers, align programs, improve outcomes, data issues)
• Administer discretionary grants
• Other executive action?
• Address formula funded programs?
Congressional Response

Congress of the United States
Washington, DC 20515

January 30, 2014

The President
The White House
1600 Pennsylvania Avenue, Northwest
Washington, DC 20500

Dear Mr. President,

In your State of the Union address on Tuesday night you said, “let’s make this a year of action.” We agree. Of course, under our Constitution, most action requires the Congress and the President to work together. Naturally, we don’t agree with all of the proposals you outlined in your speech, but where there is the potential for agreement we believe it is critical that we come together to advance the interests of the American people. In that spirit, we have identified four initial areas covered in your speech where the House has already acted and we believe we can work together without delay. In each area, a House-passed bill is already sitting in the Senate so there is no reason for further delay.

Skills Training

On Tuesday night you stated:

So tonight, I’ve asked Vice President Biden to lead an across-the-board reform of America’s training programs to make sure they have one mission: train Americans with the skills employers need, and match them to good jobs that need to be filled right now. That means more on-the-job training, and more apprenticeships that set a young worker on an upward trajectory for life. It means connecting companies to community colleges that can help design training to fill their specific needs. And if Congress wants to help, you can concentrate funding on proven programs that connect more ready-to-work Americans with ready-to-be-filled jobs.

We agree, and we don’t believe we need to wait. Last March, the House of Representatives passed the SKILLS Act which would consolidate the myriad of federal job training programs to focus resources on the programs that work, more closely link employment training to available jobs, eliminate red tape that delays individuals from

IN CASE YOU MISSED IT
EDUCATION & THE WORKFORCE COMMITTEE

Congressman John Kline, Chairman

February 3, 2014

WALL STREET JOURNAL

Biden’s 47 Job-Training Flavors
Why not a single program that measures success by workers hired?

President Obama last week asked Joe Biden to lead “an across-the-board reform” of federal job training that roots out ineffective and redundant programs. It’s nice to hear the President admit that some government programs are wasteful, and if he’s serious the spadework has already been done.

Job-training programs originated during the New Deal, expanded under the Great Society and have continued to proliferate despite widespread recognition that they do little good. Since 2011 the

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SNAP E&T
2014 Farm Bill

• Extremely contentious and highly partisan, took Congress 2 years to finish
• SNAP a huge point of disagreement
• SNAP E&T played key role in avoiding TANF-like work requirements
SNAP E&T Provisions in 2014

Farm Bill

- Maintains current funding structure, including 50-50 funds
- Increases 100% funds to $90M (up from $79M)
- 24 months to spend 100% funds (up from 15 months), but FNS must reallocate unspent funds more quickly
- Existing program largely unchanged—new monitoring and reporting requirements added (not outcome measures)
USDA Monitoring Requirements

USDA shall monitor E&T programs and assess effectiveness in:

1. Preparing participants for employment, including basic skills
2. Increasing the number of participants who obtain employment
State Reporting Requirements

USDA (with DOL) shall develop State reporting measures that:

1. Are based on the common measures
2. Include additional measures that reflect challenges facing SNAP recipients
New Pilot Program

- $200M in new funding; $10M in 2014, $190M in 2015 (includes admin, evaluation, and grants)
- Up to 10 sites
- USDA must select pilot sites within 12 months of enactment
- Pilots to last no more than 3 years
- Rigorous evaluation component
Pilot Program

Pilots must:

1. Be geographically diverse
2. Target a range of individuals (low skill or limited work experience, working, subject to time limits)
3. Emphasize education and training, address barriers to employment, rapid attachment to employment, and “mixed strategies”
4. Test mandatory and voluntary programs
Allowable Program Activities

- Long list of “may include” in the bill (signaling effect)
- Bottom line: Anything allowed under current law, including supportive services
- New: Anything allowed under TANF
Food and Nutrition Service (FNS)

- 180 degree change—fully supportive of expanded, robust programs
- Very interested in understanding what makes a good training program for very low-skilled individuals
- New staff capacity and resources
Prospects for Congressional Activity in 2014…and Beyond

• Break in the logjam means there may be more opportunities for action
• The Workforce Investment Act, now 10 years overdue for reauthorization, may get some attention from Congress this year
• Other opportunities for action around adult basic education, and immigration reform
• Congress has dealt with funding for 2014 and 2015, but 2016 could bring historically low funding levels for NDD programs
Washington’s Fever has Broken…For Now

- Budget agreement brokered by Patty Murray (D-WA) and Paul Ryan (R-WI) set spending levels for 2014 and 2015
- Provided some sequester relief for both years; although 2015 relief is significantly smaller
What Does That Mean for Workforce Funding?

• Overall, most workforce programs above FY 13 post-sequester levels, but below FY 13 pre-sequester levels

• Appropriators will work within the caps for FY 2015

• However, keep in mind: sequestration turns back on in 2016
What Does That Mean for Workforce Funding?

• As a result, in 2016, NDD programs will be funded below the FY 2013 post-sequester level.

• Funding for 2016 will be lower than it has been in any other year, post-Budget Control Act.

Figure 6: Budget Agreement Provides Only Temporary Respite from Non-Defense Discretionary Cuts

<table>
<thead>
<tr>
<th>Year</th>
<th>Non-defense discretionary funding in 2014 dollars (billions)</th>
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<tbody>
<tr>
<td>2010</td>
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<tr>
<td>2011</td>
<td>$520</td>
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<td>2013</td>
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<tr>
<td>2014</td>
<td>$492</td>
</tr>
<tr>
<td>2015</td>
<td>$482</td>
</tr>
<tr>
<td>2016</td>
<td>$473</td>
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</table>

Notes: 2013 figure represents Congressional Budget Office (CBO) estimate of actual funding after sequestration. All amounts exclude funding for disasters, emergencies, program integrity, and Overseas Contingency Operations. Source: Congressional Budget Office.
Just How Bad Could it Get?

• Pretty bad. Funding for NDD programs as a share of GDP will hit an historic low if sequestration remains in effect
• Unclear what that means for workforce specifically, but the prospects aren’t good
• Important not to forget about these coming cuts

Source: Center on Budget and Policy Priorities based on Office of Management and Budget and Congressional Budget Office data.
Good News!! Moving Ahead on WIA

• Majority Leader Reid has filed a motion to proceed (necessary step to bring bill to the floor)
• Staff have been “pre-conferencing” since late last year
• Attention from the Administration raises the profile
• Sen. Harkin and Rep. Miller both retiring, and want to finish WIA before they leave
Some Less Good News…

- Policy divide between House and Senate on WIA are vast
- Extra attention is also a double-edged sword
- Lots more scrutiny, additional focus on consolidation
- Long list of “top” priorities on the Hill
- Congress still relatively dysfunctional, other issues could flare partisan divide
What’s Going to Happen?

- The odds that WIA will be reauthorized are higher than they have been in recent years
- Look for movement in Senate in the next few months
- Amendment process will be important – Senate bill still needs improvements (SECTORS, career pathways, data)
Adult Basic Education
2012 Survey of Adult Skills

- In October, OECD released results of the Program for the International Assessment of Adult Competencies (PIAAC) survey
- PIAAC assessed adult literacy, numeracy, and problem solving skills in 23 countries
The Results Are In...

• The US ranked below average in every area tested
• Through the PIAAC, the OECD found that 36 million (one in six) US adults have low basic skills
Some Takeaways from the PIAAC

- Basic literacy and numeracy skills have an impact on employment, earnings and economic mobility
- Tremendous unmet need for ABE in the US
  - 3M low skilled workers want ABE; 6M want to engage more and are unable
- Raising basic skills of immigrants is essential

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How is the PIAAC Playing in Washington?

- PIAAC results went virtually unnoticed by many on Capitol Hill
- ABE funding actually declined this year – even as cuts to other workforce programs resulting from sequestration were restored
- OVVAE has been conducting listening sessions nationwide; will unveil its plan this spring
So, How Do We Fix This?

- OECD report recommends:
  - Linking basic skills programs to employability;
  - Responding more effectively to the diversity of adult learners;
  - Encouraging partnerships between public and private sector;
  - Ensuring data is available to develop these policies.

- Part of the solution is **advocacy**
  - we must be vocal about the need for better and more robust adult education, just as we have with skills training

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Comprehensive Immigration Reform (CIR)
What Does CIR Mean for Skills?

• Comprehensive immigration reform provides an opportunity to improve the skills of immigrant workers and current citizens alike

• Need for changes to immigration policy underscored by PIAAC findings
CIR a Hot Topic for the Administration, Hill

• CIR was President Obama’s top priority going into his second term
• The Senate passed legislation in July
• The House is proceeding more cautiously; just recently released “principles” for CIR (although already backtracking)
• Biggest sticking point has been over citizenship for undocumented workers
In the Senate...

- Senate-passed legislation includes citizenship, lays out a minimum 13-year path
- Requirements include continuous employment OR full-time enrollment in education and training program
- Despite imposing such requirements, *the Senate bill did not put new resources behind meeting the new demand for services*
NSC Weighs in on CIR

4 principles for a skills strategy:
1) Address the **dual stakeholders** in CIR: employers and workers
2) Support **alignment, collaboration, and shared accountability** in the provision of ESL and ABE instruction
3) Support **vital role of CBOs and service providers** as a bridge to the public workforce system
4) Address **plurality of skill levels/employment goals** by individuals impacted by immigration reform

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Opportunities to Increase Resources for Skills Training for All

1) **Career Pathways Employment Fund**: a grant program aimed at strengthening career pathway models through education and training programs that integrate basic literacy and numeracy skills with occupational education or training.

2) **Integration Fund ESOL Grant Program**: a mandatory $1 billion annual set-aside for ESOL and VESL provision.

3) **Employer Skills Investment Fund**: $50 million grant program to be used to incentivize employer and/or philanthropic matches for workplace ESOL.
<table>
<thead>
<tr>
<th>Program</th>
<th>Employer Skills Investment Fund</th>
<th>Integration Fund ESOL Grant Program</th>
<th>Career Pathways Employment Fund</th>
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<tbody>
<tr>
<td>Populations</td>
<td>Employed RPIs and LPRs</td>
<td>RPIs, LPRs seeking to improve English for reasons unrelated to employment</td>
<td>Current citizens or LPRs in low-skilled, low-wage jobs or disconnected from labor market due to low basic skills/limited English</td>
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<tr>
<td>Funding Type</td>
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<td>Amount</td>
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<td>OVAE/USCIS through ONA@EOP</td>
<td>OVAE/DOLETA through ONA@EOP</td>
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<td>Funding Recipient</td>
<td>Individual providers who have secured employer or philanthropic match</td>
<td>State adult education administrators to disburse to providers</td>
<td>Individual providers</td>
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<td>Common measures</td>
<td>Common measures</td>
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<td>Activities</td>
<td>Workplace ESOL and ABE</td>
<td>VESL/Contextual</td>
<td>Citizenship/ESOL</td>
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<td></td>
<td></td>
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<td>Bridge programs and other models linked to occupational training/credentials</td>
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</tbody>
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Prospects for Reform

• House won’t take up or conference with the Senate bill – preference for a piecemeal approach
• Some agreement over “DREAMers” – House KIDS Act
• Although the future of immigration reform in this Congress is unclear, it’s unlikely that the debate over immigration policy will end here
• Administration could undertake some reforms without Congress