Federal Policy Update

- Kermit Kaleba, Federal Policy Director
- Rachel Zinn, Director, Workforce Data Quality Campaign
- Katie Spiker, Policy Analyst
- Amanda Bergson-Shilcock, Senior Policy Analyst

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

2016
NATIONAL SKILLS COALITION
SKILLS SUMMIT
February 7-9, 2016 www.nationalskillscoalition.org
2015 – Key administration efforts

- WIOA implementation
- SNAP E&T Pilots
- American Apprenticeship Initiative
- College Scorecard
- Pell expansion
- “Upskilling” initiative
- WH Task Force on New Americans
2015 – Congress

• New budget deal
• TAA reauthorization
• “Every Student Succeeds Act”
• TANF “discussion” draft
2016 – Climate Changes Ahead?

• Unemployment down but uneven recovery
• Final year of administration
• 2016 elections

Middle-skill jobs are going unfilled
Jobs and workers by skill level, United States, 2012

Policy: What’s Next in DC?

- WIOA implementation
- FY 2017 budget and Appropriations
- Higher Education Act
- Perkins Act (CTE)
- Apprenticeship/work-based learning
- TANF/welfare “reform”
WIOA Implementation

• Began July 1, 2015
• State plans due April 1, 2016
• Final rules June 2016
Workforce funding: status

FY 2016 omnibus

• Overall Labor-H increase of $5.3B
• >$80M increased funding for WIOA Title I
• $90M in new apprenticeship grants
• CTE level funded
Workforce funding: status

- FY 2017 budget to be released tomorrow
- Bipartisan Budget Act – lifted FY’16-17 budget caps by $80B
Workforce funding: status

- President’s budget will include:
  - $5.5B for youth employment
  - $3B for “talent hotspots”
  - $2B for apprenticeship
  - $500M for Workforce Data Science and Innovation Fund
  - $2B for year-round Pell, 15 credit “bonus”
Workforce funding: our priorities

• Fund Title I formula grants at authorized levels (+$250M from 2016 levels)
• Fund CTE state grants at least at FY 2010 levels (+$150M)
Workforce funding: why it matters

Funding is declining, and so is the number of individuals trained

WIA Title I

<table>
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<tr>
<th>Dollars in Thousands</th>
<th>Number of Training Participants</th>
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<tr>
<td>2011-12</td>
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<td>2013-14</td>
<td>1,000,000</td>
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Workforce funding: what’s our ask?

Members of Congress should include full funding for WIOA Title I state grants and Perkins state grants in FY 2017 “member request” letters.
Adult basic education/ESL: status

• Modest increase in Title II funding in FY’16 ($13M)

• State WIOA planning underway
Adult basic education/ESL: our priority

Despite great need, federal funding is on the decline
Federal funding for adult education has decreased by 17% since 2010

• Increase Title II funding in FY 2017 – from $582 million to $1.164 billion

Source: NSC’s analysis of federal appropriations, FY 2010-2015. Figures adjusted for inflation.
Adult basic education/ESL: why it matters

Federal funds don’t match need
Federal funds reach only 1.5 million of the 36 million adults with low basic skills

Adult basic education/ESL: what’s our ask?

Members of Congress should include **doubled funding** for adult education in FY 2017 “member request” letters
Higher Education Act: status

• Last major reauthorization in 2008
• Focus on debt/affordability
• Bipartisan discussions but next steps unclear
Higher Education Act: our priorities

• Increasing access to financial aid for short-term programs
• Improving postsecondary data reporting
Making Pell job driven: why it matters

Pell dollars are not aligned with labor market demand

Pell grant expenditures in 2014

- 60% Bachelor’s or graduate degree
- 20% Associate degree (transfer/not CTE)
- 16% Associate degree (CTE/occupational)
- 4% Short-term/non-degree programs

JOBS Act

• Expands Pell to short-term training programs with industry recognition

• Eligible programs – at least 150 clock hours over 8 weeks, meeting needs of local workforce

• May include basic skills, connect to career pathway
Data reporting – why it matters

- Employment outcomes matter
- Data we need not available

**Students, employers, and policymakers need employment data**

Top 3 reasons students go to college

- Improve employment opportunities: 73% (important), 18% (very important), 91% overall
- Make more money: 70% (important), 20% (very important), 90% overall
- Get a good job: 77% (important), 12% (very important), 89% overall

Source: New America, 2015 College Decisions Survey
Student Right to Know Before You Go Act

• Requires reporting on employment and earnings outcomes
• Mandates data disaggregated by program and student characteristics
• Creates national student record system with links to employment data
Higher Education Act: what are our asks?

• Endorse the JOBS Act to expand Pell eligibility to short-term postsecondary certificates

• Endorse the Student Right to Know Before You Go Act to provide better information about post-college workforce results
Carl D. Perkins Act: status

• Last reauthorized in 2006

• House and Senate processes underway
Perkins Act: our priority

• Expanding capacity through partnerships between CTE, employers, others
Perkins Act – why it matters

• Sector partnerships have demonstrated effectiveness
• WIOA requires, but does not fund
• TAACCT funding has expired
• Can’t take to scale without dedicated resources
Community College to Career Fund Act

• Grants for partnerships between colleges, employers, other stakeholders

• Would strengthen alignment across WIOA, other policies
Perkins Act: what’s our ask?

Endorse the **Community College to Career Fund Act** to provide dedicated support for partnerships between industry and community colleges.
Apprenticeship/work-based learning: status

• American Apprenticeship Grants - $175M, plus $90M for FY 2016
• WIOA emphasizes registered apprenticeship, other WBL strategies
• Bipartisan bills to expand RA programs, slots
Work-based learning: our priority

- Redirecting WOTC to support apprenticeship, work-based learning
Work-based learning: why it matters

• Apprenticeship/WBL work – but limited funding
• Work Opportunity Tax Credit - $1B but only covers hiring and retention
• Redirect resources to skills

Apprentices earn more
Apprentices earn $300,000 more than non-apprentices over the course of their career.
Work-based learning: what’s our ask?

Sponsor legislation redirecting the Work Opportunity Tax Credit to support apprenticeship and work-based learning
TANF: status

• Discussion draft released July 2015
• Positive changes in education/training access
• “Welfare reform” emerging as possible focus for Congress in 2016
TANF: our priority

• Reauthorizing TANF to support training and education pathways
TANF: why it matters

TANF doesn’t support training and other work-related activities as it should
Federal and state TANF spending in 2014

- Work related activities: 6.8%
- All other spending: 93.2%
TANF: what’s our ask?

Sign a Dear Colleague letter to **lift current restrictions on TANF skills training**

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Recapping Tomorrow’s “Asks”