Webinar Update: Federal Workforce Development Policy in 2014

January 17, 2014
Our Vision

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

• 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.
Federal Funding
Bipartisan Budget Act

• Sets overall spending levels for FY 2014 and 2015 (will avoid budget resolution fights common in recent years)

• Very modest agreement

• $63B in sequester relief, mainly in 2014 and a little bit in 2015 (equally divided between defense and nondefense)

• Return to regular order, allowed appropriations process to move forward
FY 2014 Appropriations

- $1.012T top-line total allocation for all appropriations
- Below $1.132T FY 2013 sequester level
- Above $967B FY 2014 sequester levels
- Below FY 2009 overall spending levels
FY 2014 Workforce Funding

• Almost all workforce programs funded *above* FY 2013 post-sequester level (exceptions are ABE and Wagner/Peyser)

• Almost all programs funded *below* FY 2013 pre-sequester level

• Bottom line: FY 2014 funding doesn’t make the problem worse, but also doesn’t make it any better
Policy Changes in Omnibus

- WIA statewide set-aside (governor’s set aside) increased from 5 percent to 8.25 percent
- Transfer authority between WIA Adult and DW increased to 30 percent
Funding Prospects

• Budget deal a temporary reprieve
• Sequester mostly back in effect in 2015, completely back in effect in 2016
• Budget deal reflects agreement that sequester should be undone, but also difficulty in doing so
Workforce Development Policy in Congress
A Kinder, Gentler 2014?

- Hard lesson learned during government shutdown
- Some encouraging signs of bipartisanship: budget deal, FY 2014 funding bill
- Still some discouraging signs, though: UI extension highly partisan
- Debt ceiling will be next big test
Lots of Talk about Skilled Workforce

- **New Skills for New Jobs** (Stabenow)
- **OJT Act** (Shaheen/Cochran)
- **CAREER Act** (Portman/Bennet)
- **Manufacturing Jobs for America**—includes SECTORS ACT (Coons + 25 Democratic Senators)
- **Community College to Career** (Franken/Miller)
- **WISE Investment Act** (Bonamici)
- **America Works** (Hagan)
- ...and many more
More Talk Brings New Challenges, too

• Lots of new interest in skills
• Increased visibility means increased scrutiny
• Less clear what vehicles could move these pieces of legislation
• Enter WIA…
All Roads Lead to WIA

- Significant congressional focus on WIA reauthorization
- Much closer to reauthorization than in recent past
- Likely that some stand-alone bills will be introduced as amendments
- Motion to proceed filed in Senate
- Harkin, Kline have made WIA a top priority for 2014
Senate Beginning to Move

- Senators have begun work on WIA amendments
- NSC meeting with Senate offices now
- Likely to see amendments on consolidation, training set-asides, expanded Pell
- Less Senate support for SKILLS Act approach – but “SKILLS” amendments likely
House, Senate Eyeing WIA, Perkins, HEA

- House committee staff publicly stating that WIA, Perkins are two of the committee’s three 2014 priorities
- House has begun hearings on Perkins and HEA reauthorization, could have legislation sometime this year
Unfinished Business: EUC & TAA

- Senate, House attempts to extend EUC have been highly partisan
- Some interested in seeing more workforce development in UI
- TAA expired at the end of last year
  - Reverted back to 2002 amendments on Jan 1
- Baucus, Collins 7-year TAA extension – doesn’t include TAACCCT
More Unfinished Business: SNAP E&T

- Farm bill, which authorizes SNAP E&T, expired in September
- Disagreement mainly over SNAP benefit cuts
- Senate, House conferees reportedly moving toward agreement
Workforce Development Policy and the Administration
“Skills Agenda”

• White House promoting skills agenda

• Highlighted in SOTU and the budget?

• Five “buckets”: high school reform; college access; data issues (consumer facing); long-term unemployed; demand-driven training

• Looking for things they can do without Congress

• Influencing a number of agencies
Department of Labor

• New leadership: Secretary Perez; Portia Wu (current DPC staff) recently nominated to lead ETA; Eric Seleznov Deputy Assistant Secretary at ETA

• Administering Youth CareerConnect grants, likely see other grants soon
Department of Education

- OVAE developing strategy to address basic skills problem
- Currently doing listening session, plan to have blueprint by April
- DOE issued recent requests for proposals on new ways to administer financial aid and develop rating systems for postsecondary institutions ("college report cards")
Department of Commerce

- New leadership: Secretary Pritzker, long history of working on skills issues
- Announced four-part agenda that includes new focus on meeting the skill needs of employers
- Working closely with DOL and DOEd to align resources and initiatives
Department of Agriculture

- Increased focus on SNAP E&T
- Actively promoting expanded programs with much greater attention to training
- Looking for potential sites where they can work with local community to test new models
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