June 10, 2014

The Honorable Tom Harkin
Chairman
Subcommittee on Labor, Health, Education, and Related Agencies
United States Senate
Washington, DC 20510

The Honorable Jerry Moran
Ranking Member
Subcommittee on Labor, Health, Education, and Related Agencies
United States Senate
Washington, DC 20510

Dear Chairman Harkin and Ranking Member Moran:

On behalf of National Skills Coalition—a broad-based coalition of business leaders, union affiliates, education and training providers, community-based organizations, and public workforce agencies advocating for policies that invest in the skills of U.S. workers—I am writing in support of the $156.773 billion discretionary allocation for the fiscal year (FY) 2015 Labor, Health and Human Services, Education, and Related Agencies (Labor-HHS) appropriations bill, and to urge you to provide as much funding as possible for workforce development programs in the Labor-HHS bill. The Labor-HHS bill maintains funding levels from the previous year, and is an improvement over the House allocation. However, we remain concerned that such levels are insufficient to meet our nation’s needs, and we urge Congress to work together to end sequestration and raise the discretionary spending caps in FY 2016-2021.

By 2018, nearly two-thirds of all job openings are projected to require at least some postsecondary education or training. However, the 2013 U.S. Survey of Adult Skills showed that approximately 36 million adults have low basic literacy and numeracy skills. Expanding access to job training and postsecondary and adult education programs is critical to ensuring that all workers can obtain the skills and credentials required to get and keep good-paying jobs and meet the demands of local and regional employers and industries.

Workforce Investment Act (WIA)-funded workforce programs are a key part of the solution. In 2012, over 8 million individuals received training and other employment services through WIA formula programs. However, despite the high levels of demand – in part also due to still high unemployment – Congress has cut funding for key workforce programs by more than $1 billion since just 2010. These cuts have had impacted programs that serve a range of workers, including returning veterans, the long-term unemployed, low-income seniors, and recent college graduates. As a result of continued disinvestment, service providers have been forced to furlough or lay-off staff, reduce services to employers (such as on-the-job training), enroll fewer participants in job training programs and place more participants on waiting lists for training.
Last month, members of the House Committee on Education and the Workforce and the Senate Committee on Health, Education, Labor and Pensions introduced bipartisan, bicameral legislation to reauthorize WIA. The Workforce Innovation and Opportunity Act (WIOA) would allow for incremental increases in investments in key WIOA-funded programs. The authorization levels established by WIOA send a strong message that current funding levels are insufficient and must be raised to meet the needs of workers and employers.

Though preferable to the House 302(b) allocation, the Senate’s flat 302(b) allocation – which remains approximately 4 percent below FY 2010 levels and nearly 12 percent below, when adjusted for inflation – will require continued cuts to job training, health, and education programs supported by the Labor-HHS bill. We are also concerned that despite a flat allocation, actual funding levels for Labor-HHS programs will be even lower, given that the subcommittee will have to find an additional $1 billion for unaccompanied alien children services and $270 million for student loan servicing costs within the allocation.

NSC supports the subcommittee’s efforts to protect federal job training programs and other Labor-HHS programs from additional cuts. However, the existing austerity frame makes it nearly impossible to meet the funding needs of these and other discretionary programs. The budgetary caps and sequester have made funding levels for discretionary programs too low, forcing the Appropriations committee to set allocations that are unrealistic and out of step with our nation’s needs. We urge members of Congress to work together to end sequestration and raise the caps, not only for FY 2015 but for the long-term.

Sincerely,

Angela Hanks
Senior Federal Policy Analyst