Democrats Announce \$3.5 Trillion Budget Resolution Package



WEEKLY NEWSLETTER

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Washington Update

Budget Resolution Package

On Tuesday, July 14 the Senate Budget Committee announced a \$3.5 trillion budget deal that includes major investments in climate initiatives, funds universal pre-K, and extends the child tax credit expansion. Last Thursday, Senate Majority Leader Chuck Schumer (NY) said he wants the caucus to come to a final agreement on the \$3.5 trillion package by this Wednesday, July 21, which is the same day he plans to force a vote on the accompanying bipartisan infrastructure deal. The package is expected to include parts of President Biden's \$1.8 trillion 'families' plan and \$2.3 trillion 'jobs' plan that are not included in the separate bipartisan infrastructure deal, including paid family and medical leave, funds for child care, worker safety measures, expanded unionization protections and more. On Tuesday, July 13, Congressman Bobby Scott (VA) and Senator Patty Murray (WA) held a call with reporters to underscore the importance of using this partisan package to invest in child care. Biden's plan includes \$200 billion on universal pre-K and another \$225 billion into the broader child care sector.

The package also includes new tax breaks for wind, solar and other renewable energy, as well as electric vehicles, a 'methane reduction fee' and funding for a civilian climate corps, modeled after New Deal-era programs, to create jobs in addressing climate change and conservation, according to lawmakers. The plan does not specify how much money will be allocated to the various programs. To offset costs the plan is to tap three major areas: health care savings, including on prescription drugs; tax code changes for high-income individuals and corporations; and long-term economic growth. The plan says it prohibits tax increases on families making under \$400,000 a year, small businesses and family farms.

Appropriations

On Thursday, July 15, the House Appropriations committee, on a vote of 33-25, approved its Labor-HHS-Education bill outlining FY22 funding. On Wednesday, July 14, DOL Secretary Marty Walsh testified before the Senate on FY22 spending before the

Administration, an increase of \$1.6 billion.

The bill's total funding for the Department of Education is \$102.8 billion, a 41 percent increase over FY21 enacted levels. The proposal would boost Title I spending by \$36 billion, increase special education funding by \$3.1 billion and raise the maximum Pell grant award by \$400. The measure also expands federal student aid eligibility to undocumented students who are protected from deportation by the Deferred Action for Childhoods Arrivals program.

The bill now heads to the full House, where the bill is expected to be included in a sevenbill spending package House Democrats are planning to bring to the floor in two weeks. On Thursday, July 15, House Majority Leader Steny Hoyer (MD) said in a letter to colleagues that the full House will take up that appropriations minibus starting the week of July 26. Senate appropriators have not yet begun releasing their proposals for funding the government, and some top Senate leaders have suggested that Congress will likely rely on a stopgap funding bill to fund the government beyond September.

Opening Doors for Youth Act

On Tuesday, July 13, House Education and Labor Committee Chairman Bobby Scott (VA), along with Congresswoman Frederica Wilson and Congressmen Mondaire Jones and Chuy Garcia, introduced the Opening Doors for Youth Act of 2021, which they will work to incorporate into the reauthorization of the Workforce Innovation and Opportunity Act (WIOA). The legislation expands opportunities for the nation's at-risk youth by putting youth to work and supporting community efforts to keep youth connected to school and training by authorizing \$6.75 billion over six years.

<u>Click here</u> to access a fact sheet of the legislation.

<u>Click here</u> to access a section-by-section analysis.

<u>Click here</u> to access the full legislation.

Department of Labor Confirmation

On Tuesday, July 13, the Senate voted along party lines to confirm Julie Su to serve as Deputy Labor Secretary - nearly three months after the Senate Health, Education, Labor, and Pensions (HELP) committee approved her nomination. Fifty Democrats voted in favor while 47 Republicans opposed her nomination. In her most recent role as head of California's labor department, Su oversaw the implementation of some of the most progressive labor policies in the country, including those dealing with workplace safety and worker classification. Many GOP lawmakers opposed Su's nomination over concerns about California's struggle with unemployment insurance fraud, among other things.

<u>Click here</u> to read a press release from the Department of Labor on Su's confirmation.

Initial Jobless Claims

In the week ending July 10, the advance figure for seasonally adjusted initial claims was 360,000, a decrease of 26,000 from the previous week's revised level. This is the lowest level for initial claims since March 14, 2020 when it was 256,000. The previous week's level was revised up by 13,000 from 373,000 to 386,000. The 4-week moving average was 382,500, a decrease of 14,500 from the previous week's revised average. This is the lowest level for this average since March 14, 2020 when it was 225,500. The previous week's average was revised up by 2,500 from 394,500 to 397,000. The advance seasonally adjusted insured unemployment rate was 2.4 percent for the week ending July 3, unchanged from the previous week's unrevised rate.

<u>Click here</u> to access the full report.

Department of Labor Announces More Than \$92 Million in Funding for Training, Employment Services, Wage Subsidies for Workers Harmed by Foreign Trade

On Thursday, July 15, the U.S. Department of Labor (DOL) announced \$92.6 million in funding to 47 states to provide training and employment services to eligible workers affected adversely by foreign trade. Administered by the department's Employment and Training Administration, the Trade Adjustment Assistance for Workers Program supports training, employment and case management services, job search and relocation allowances, and income support during training. In addition, the program provides a subsidy to workers, aged 50 or older, whose reemployment wages are lower than the wages earned in their prior trade-affected employment. This distribution follows an initial allocation of \$240.8 million provided to states in January 2021.

<u>Click here</u> to read the full press release.

Helping People with Disabilities Secure Their Financial Future

Each July we celebrate the anniversary of America's Declaration of Independence as a nation rooted in freedom and self-determination. We also celebrate a major milestone in affirming its core principles: the passage of the Americans with Disabilities Act, signed into law on July 26, 1990. We know for many people in this country, work can bring about economic empowerment, which can help a person exert their agency, and the ADA says Americans with disabilities have the same right as all Americans to pursue that economic empowerment. But in the wake of the COVID-19 pandemic, many people — including many Americans with disabilities — must make employment decisions based on new economic realities. This may be particularly true for young people with disabilities just starting out in the workforce. Regardless of what career stage they are in, job seekers with disabilities need clear and accurate information to understand their options. To help, a new resource, Secure Your Financial Future: A Toolkit for Individuals with Disabilities, explores common concerns and provides resources for people with disabilities as they strive to obtain or maintain employment and the financial stability and freedom it provides.

<u>Click here</u> to read the full article.

State Employment and Unemployment Summary

On Friday, July 16, the U.S. Department of Labor (DOL) Bureau of Labor Statistics (BLS) released the State Employment and Unemployment Summary for June. According to the report, unemployment rates were lower in June in 7 states and the District of Columbia, higher in 3 states and stable in 40 states. Forty-nine states and the District had jobless rate decreases from a year earlier. The national unemployment rate, 5.9 percent, was little changed over the month but was 5.2 percentage points lower than in June 2020. Nonfarm payroll employment increased in 25 states, decreased in 1 state, and was essentially unchanged in 24 states and the District of Columbia in June 2021. Over the year, nonfarm payroll employment increased in all states and the District.

<u>Click here</u> to read the full report.

WDC In The News

Governor Evers Invests \$130 Million in Federal Funding to Address Workforce Challenges

Governor Tony Evers announced he will invest \$130 million in federal funds into grant programs aimed at addressing workforce challenges facing the state that has worsened since the pandemic. Evers \$130 million plan includes three new programs, Workforce Innovation, Workers Advancement, and Worker Connection all aimed to improve Wisconsin's workforce. Evers announcement comes as Republican lawmakers and the state's chamber of commerce have urged him to address what they call a wor to kforce crisis in Wisconsin. \$100 million will go to a Workforce Innovation grant program to opportunities with local employers to unemployed individuals; and \$10 million for a Worker Connection Program, which will provide workforce career coaches who will connect with individuals attempting to re-engage in the workforce post-pandemic.

<u>Click here</u> to read the full article.

American Rescue Plan Money to Go Toward Workforce Development

The nation's economy took a hit when the pandemic began, and Milwaukee was no exception. The federal government is hopeful that the American Rescue Plan Act will help give cities the boost they need to get their economies rolling. Mayor Tom Barrett is submitting a proposal to the Common Council regarding ARPA funding and which programs and issues it should go toward. Barrett is hoping to fund workforce development; and announced his intention to invest \$13.8 million to promote job readiness and employment opportunities during a press conference on Monday, July 12.

Milwaukee is receiving just over \$390 million through ARPA and the city received the first installment in late May, Barrett said. So far, \$3.8 million dollars has been allocated for summer youth employment, but this is only the beginning.

"Without a doubt, workforce development and job readiness are two key challenges that we face here in the City of Milwaukee, particularly coming out of the pandemic" Barrett said. "It is for that reason that my Recovery and Resilience Plan will invest \$13.8 million to promote job readiness and employment opportunities."

Click here to read the full article.

Reports & Articles

New from Brookings

Removing Policy Obstacles to Competitive Labor Markets

Modern Labor Markets can be difficult places for workers to navigate: it is hard to conduct a careful job search and go through multiple recruitment processes, often while holding down a full-time job and managing household responsibilities. There is sometimes little information available to workers exploring new job opportunities regarding a potential job's working conditions or its typical pay. In some places and occupations - particularly in rural areas - there are few employers to choose from, putting workers at even more of a disadvantage. On top of all this, public policy gets in the way when it throws up obstacles to workers in the form of poorly designed occupational licensing rules and enforceable non-compete contracts.

Click here to read the full article.

New from New America

Community Colleges Can Use this U.S. Department of Energy-Sponsored Map to Guide Students into 'Energy Efficiency' Careers That Don't Require Degrees

President Biden has prioritized combatting climate change as a central tenet of his administration, and community colleges and job seekers have a new resource to engage at the intersection of President Biden's hopes to combat climate change, support infrastructure, and bolster the workforce. Energy efficiency has a key role to play at the intersection of these goals but access to workers remains a challenge in this sector. A new green buildings career map, developed by the non-profit Interstate Renewable Energy Council (IREC) and funded by the U.S. Department of Energy, aims to address this gap.

The map shows career paths across fifty-five jobs in the green buildings and energy efficiency industry, which employs more than two million workers. These workers design,

<u>Click here</u> to read the full article.

Fast Fact

According to the Pew Research Center, during the pandemic summer of 2020, teen summer employment in the United States plunged to its lowest level since the Great Recession, with fewer than a third (30.8%) of U.S. teens having a paying job last summer.



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