



Analysis of National Politics and Workforce Advocacy

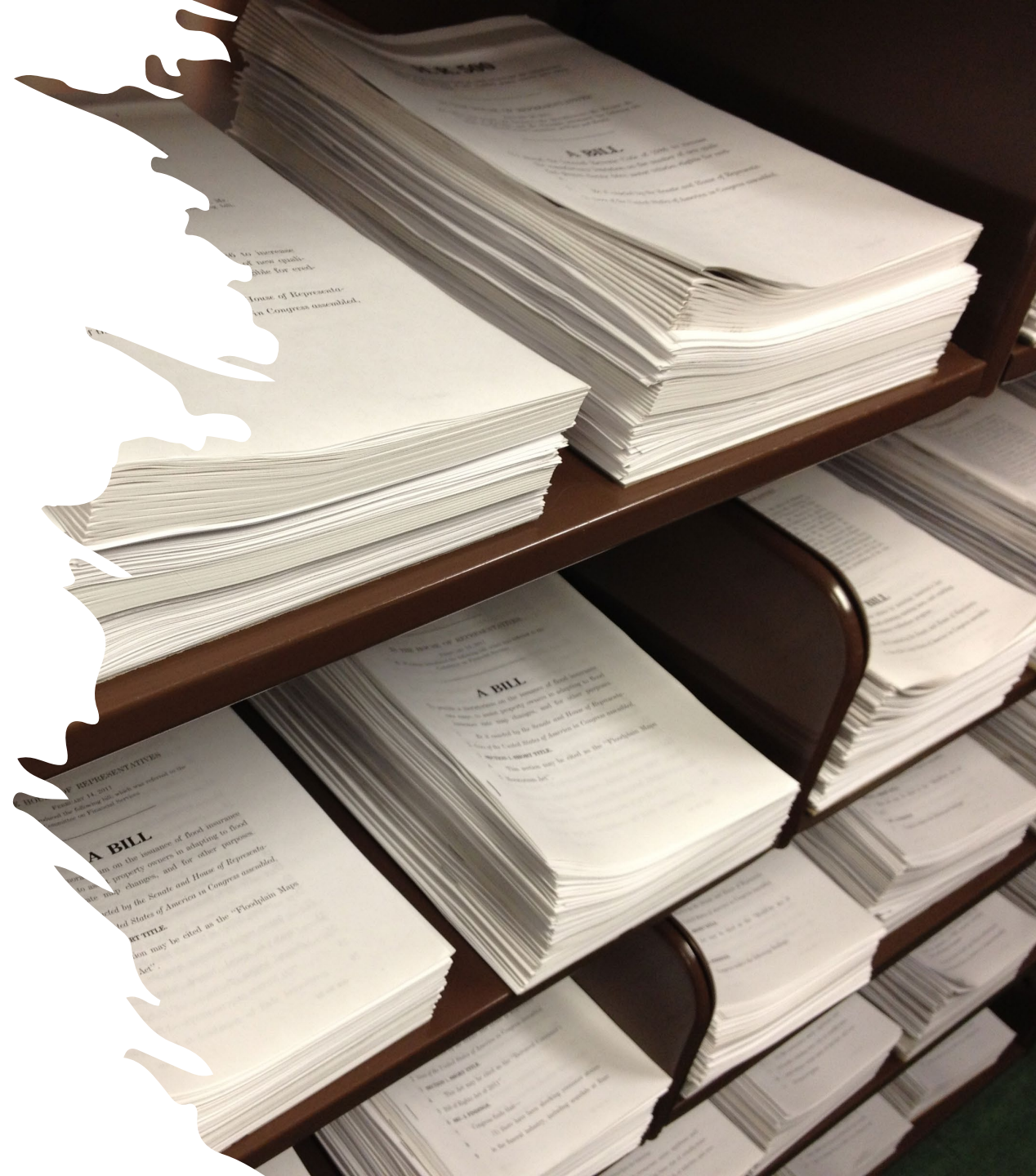
2021 MAWB Annual Meeting

August 4, 2021

Presented by: Chris Andresen,
Dutko Government Relations

So Many Topics to Cover

1. What's At Stake for Remainder of 2021
2. Opportunities for Workforce Development Policy and Funding
 1. Bipartisan Senate Infrastructure Package
 2. Budget Reconciliation Package
 3. WIOA Reauthorization
 4. Fiscal Year (FY) 2022 Labor, HHS, Education Spending
3. Action Needed from Local Workforce Stakeholders
4. That Time Again – 2022 Elections



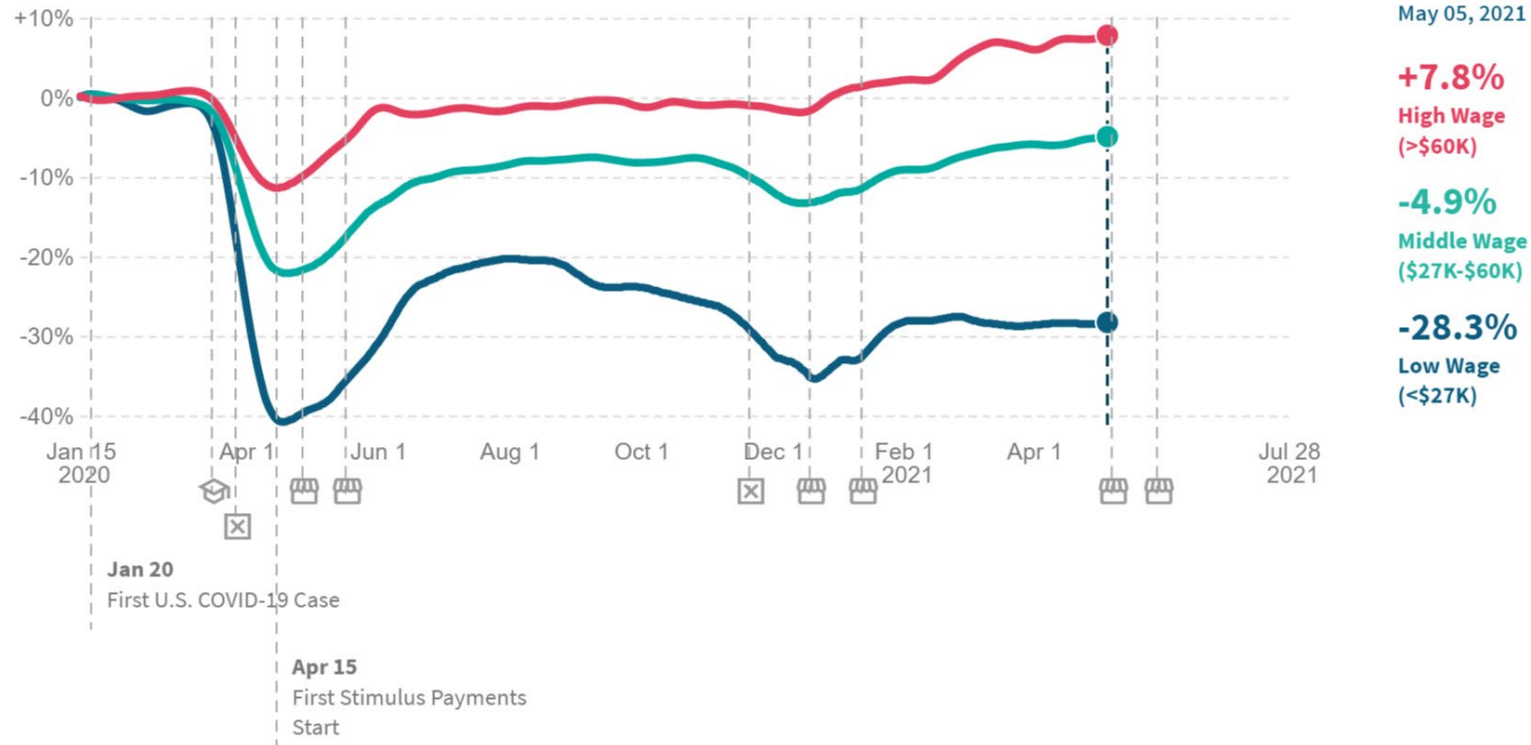


What's At Stake

- The Biden Administration and Congress have shifted from rescue to economic recovery legislation
- President Biden outlined his priorities in the American Jobs and Families Plans
- American Jobs Plan contains infrastructure, broadband, housing, and manufacturing spending proposals as well as \$100 billion for workforce development (over 10 years)
 - This represents a transformational investment as the workforce in Minnesota and across the country adjusts to COVID-19 and other factors like automation
- In addition to this funding advocacy, important to recognize the 'long game' with WIOA reauthorization
- Collectively, we all need to build greater understanding and support for the workforce system

Percent Change in Employment*

In **Minnesota**, as of **May 05 2021**, employment rates among workers in the bottom wage quartile **decreased by 28.3%** compared to January 2020 (not seasonally adjusted).



data source: **Earnin, Intuit, Kronos, Paychex**

*Change in employment rates (not seasonally adjusted), indexed to January 4-31, 2020. This series is based on payroll data from Paychex and Intuit, worker-level data on employment and earnings from Earnin, and timesheet data from Kronos. The dotted line is a prediction of employment rates based on Kronos and Paychex data.

last updated: **July 09, 2021** next update expected: **July 30, 2021**

Workforce Position in Current Legislation

- Bipartisan Senate Infrastructure Deal does not contain direct workforce development funding
- Next steps on infrastructure legislation are unclear in the House
- Speaker Pelosi has repeatedly said she will not bring the infrastructure deal for a vote until the Senate passes reconciliation (could take 2-3 months)
 - Moderate House Democrats will increase pressure for a House vote
- State and local Departments of Transportation will receive significant project funding
 - Proactive outreach from local workforce development boards is critical to enhance partnerships



Budget Reconciliation

The budget reconciliation process deals primarily with federal spending and revenues

- Procedurally, it allows for a simple majority vote in the Senate
- 50-50 Senate presents challenges for Democrats to keep their conference together

Senate Democrats are moving forward with a \$3.5 trillion budget resolution which would implement key parts of the American Jobs and Families Plans

- Following agreement on a high-level budget resolution, drafting and consideration of legislative text could take 2-3 months

Workforce development funding is a key priority for an equitable recovery in this legislative vehicle

- The Senate HELP Committee and House Education and Labor Committee will be critical stakeholders developing the funding and programs within this larger package

WIOA Reauthorization

- Both House Education and Labor and Senate HELP Committee leadership have agreed to pursue WIOA Reauthorization in a bipartisan manner
 - Positive place to start!
- The House Education and Labor Committee held a series of hearings on various WIOA Reauthorization topics
 - Committees have received comments from stakeholders but have not made significant progress on broad reauthorization topics
- The legislative calendar is very challenging/crowded so WIOA Reauthorization has moved down the priority list
- Department of Labor is a willing partner to congressional offices in this effort
- There will likely be more substantive consideration in Fall 2021



FY2022 Labor, HHS, Education Funding

Programs	FY21 Omnibus - Labor, HHS, Education	FY22 Department of Labor Budget Request	Difference	FY22 House Labor, HHS, Education
Workforce Innovation and Opportunity Act Title I – State Formula Grants	\$2,845,332,000	\$3,019,102,000	\$173,770,000	\$3,095,332,000
WIOA Adult	\$862,649,000	\$899,987,000	\$37,338,000	\$923,174,000
WIOA Dislocated Worker	\$1,061,553,000	\$1,155,278,000	\$93,725,000	\$1,183,554,000
WIOA Youth	\$921,130,000	\$963,837,000	\$42,707,000	\$988,604,000
Wagner-Peyser/Employment Service Grants	\$692,370,000	\$721,180,000	\$28,810,000	\$727,449,000
Workforce Data Quality Initiative Grants	\$6,000,000	\$6,000,000	\$0	\$7,250,000
Apprenticeship Grants	\$185,000,000	\$285,000,000	\$100,000,000	\$285,000,000
DW National Reserve	\$280,859,000	\$380,859,000	\$100,000,000	\$435,859,000
Native American Programs	\$55,500,000	\$58,000,000	\$2,500,000	\$58,000,000
Ex-Offender Activities	\$100,079,000	\$150,000,000	\$49,921,000	\$150,000,000
Migrant and Seasonal Farmworkers	\$93,896,000	\$96,711,000	\$2,815,000	\$96,711,000
YouthBuild	\$96,534,000	\$145,000,000	\$48,466,000	\$145,000,000
Senior Community Service Employment Program	\$405,000,000	\$405,000,000	\$0	\$450,000,000
Trade Adjustment Assistance	\$597,485,000	\$551,000,000	(\$46,485,000)	\$551,000,000
National Youth Employment Program *new for FY22		\$50,000,000		\$50,000,000
Veterans Clean Energy Training Program *new for FY22		\$20,000,000		\$20,000,000
Career and Technical Education State Grants	\$1,334,848,000	\$1,354,848,000	\$20,000,000	\$1,384,848,000
Adult Education State Grants and National Leadership Activities	\$688,667,000	\$713,667,000	\$25,000,000	\$700,000,000
Combined CTE and Adult Ed	\$2,030,936,000	\$2,183,936,000	\$153,000,000	\$2,238,981,000
Vocational Rehabilitation	\$3,675,021,000	\$3,719,121,000	\$44,100,000	\$3,719,121,000

Call to Action - Advocacy

- Given all the potential legislative vehicles AND the importance of workforce development to the broader economic recovery, now is the time to connect with your House and Senate offices to highlight local successes
- This outreach can impact these funding conversations/decisions but also advance WIOA Reauthorization priorities
- Throughout COVID-19 policy development, workforce development has not been addressed
- Don't let it happen again!





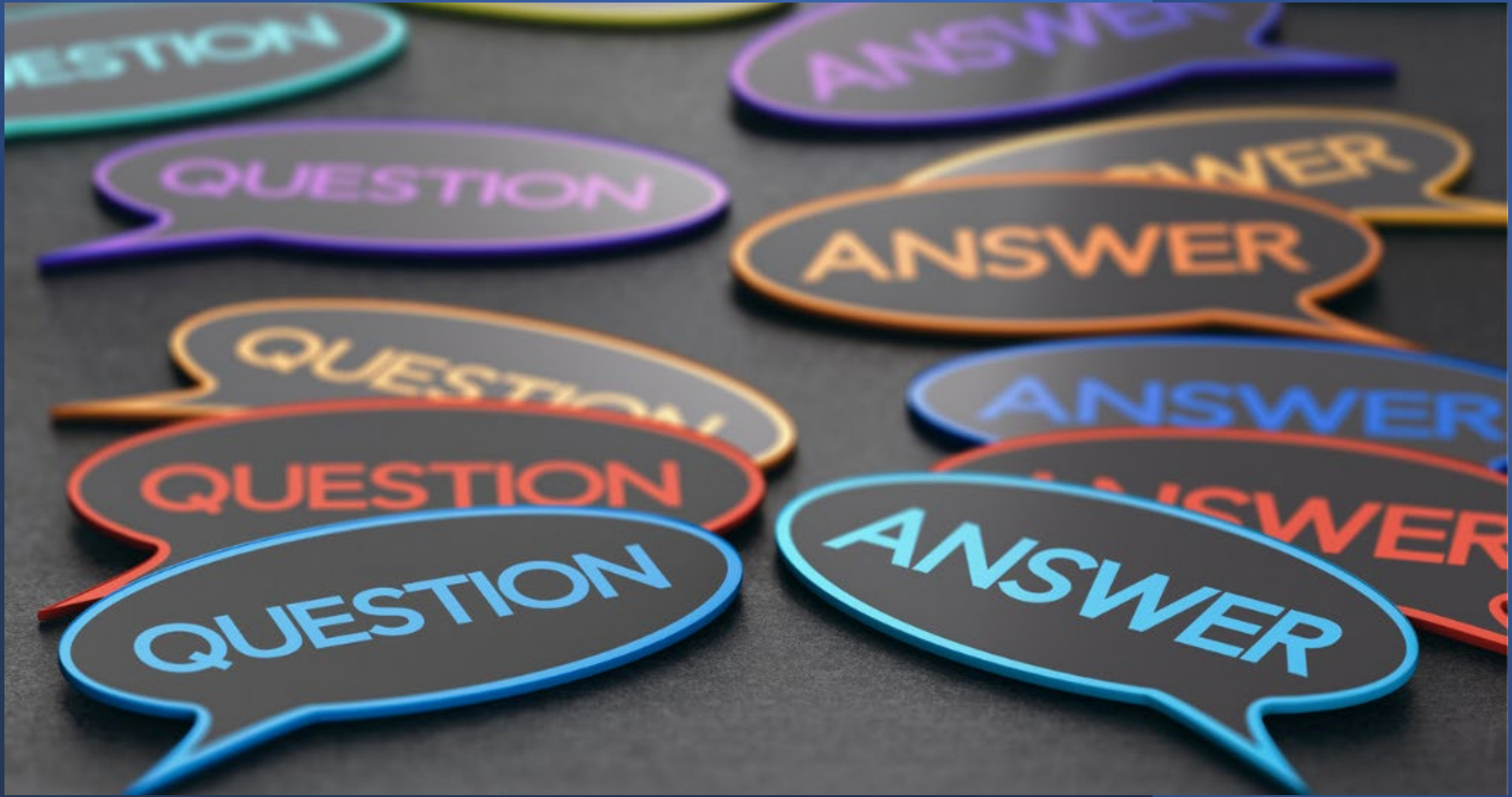
2022 Elections

House Control

- Since the end of World War II, the presidential party has lost an average of 27 House seats in midterm elections
 - Republicans are set to fully control redistricting for about two-fifths of all House seats, while Democrats will only hold sway over one-tenth of them

Senate Control

- 50-50 Senate leaves little room for error
 - Republicans defending 20 out of 34 seats
- Key states will be NC, NV, NH, GA, AZ, OH, PA, WI, FL



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