

A scenic view of a lighthouse on a pier in Duluth, Minnesota, with the Aerial Lift Bridge in the background. The lighthouse is white with a black top section and a black lantern room. The pier is a long concrete structure extending into the water. The bridge is a large steel arch structure in the distance. The sky is clear and blue.

Federal Legislative Updates

Presented By: Chris Andresen
2024 MAWB Summer Conference
Duluth!



Programs	FY25 House Labor, HHS, Education	FY25 Senate Labor, HHS, Education
Workforce Innovation and Opportunity Act Title I – State Formula Grants		
WIOA Adult	\$1,981,202,000	\$2,929,332,000
WIOA Dislocated Worker	\$173,649,000	\$885,649,000
WIOA Youth	\$1,095,553,000	\$1,095,553,000
Wagner-Peyser/Employment Service Grants	\$0	\$948,130,000
Workforce Data Quality Initiative Grants	\$653,639,000	\$653,639,000
Apprenticeship Grants	\$6,000,000	\$6,000,000
DW National Reserve	\$150,000,000	\$290,000,000
Native American Programs	\$325,859,000	\$302,859,000
Ex-Offender Activities	\$65,000,000	\$60,000,000
Migrant and Seasonal Farmworkers	\$60,000,000	\$115,000,000
YouthBuild	\$97,396,000	\$97,396,000
Senior Community Service Employment Program	\$110,000,000	\$110,000,000
Trade Adjustment Assistance	\$0	\$405,000,000
Career and Technical Education State Grants	\$33,900,000	\$33,900,000
Adult Education State Grants and National Leadership Activities	\$1,449,848,000	\$1,497,269,000
Combined CTE and Adult Ed	\$714,455,000	\$729,167,000
Vocational Rehabilitation	\$2,186,436,000	\$2,226,436,000
	\$4,389,957,000	\$4,219,297,000

FY2025 Funding Proposals

A Stronger Workforce for America Act

- Bipartisan agreement between Committee leaders Virginia Foxx and Bobby Scott
- Approved by House Education and Workforce Committee in December 2023
 - 44-1 vote (only negative vote is new Chair of House Freedom Caucus)
 - Several members expressed 'concern' over certain provisions, but bipartisan agreement remained intact
 - Passed Full House vote 378-26 (overwhelmingly bipartisan) in April 2024



Positive provisions in Stronger Workforce for America Act – local flexibility

- Removal of required one stop operator procurement provision
 - Allows local governments to serve as one stop operator through agreement with Governor
- Increase cap on incumbent worker training dollars
- Increase flexibility for local workforce boards to operate one stops via affiliate sites
- Provides more stable state funding mechanism for infrastructure funding agreements (IFA)
 - Negotiating IFAs at the local level has been a difficult process
- Maintains 100% transferability between Adult and Dislocated Worker accounts
- Provides flexibility on out of school youth definition and priority of service
 - Out of School youth becomes 'Opportunity Youth'
 - Reduces Opportunity Youth required percentage to 65% from 75% (many states had challenge meeting current 75% out of school youth requirement)
- Creates a mandatory funding source, H-1B Visa fees, to fund Individual Training Accounts (ITA) for Dislocated workers
 - ~\$125 million annually distributed directly to local workforce boards via formula



Hold Up!



50% training requirement for Adult and Dislocated Worker funds

Creates a federal, one size fits all, mandate for local workforce boards to spend at least 50% of their funds on training (narrowly defined, mainly to tuition)

- Does not allow local workforce boards to adjust to local conditions and does not count supportive/wraparound supports that help job seekers enroll in and complete training

Increase Governor's Reserve (up to 10%) for 'Critical Industries Fund'

Further reduces local resources available to deliver the very training services newly mandated by the bill

Further, the House bill allows other federal funding, including the Governor's existing 15 percent reserve funding, to be used to meet the state's matching requirement for the creation of the Critical Industry Skills Fund

- This will only serve to further reduce the ability to use the federal investment to leverage additional state funding for training and employment opportunities for workers.

Redesignation Language

This language creates an opportunity for Governors to adversely impact the geography of all local workforce development areas in a state, even if a majority of local workforce development boards (LWDBs) in the state voted against the proposal

- This would potentially eliminate the voice of local job seekers and employers, with the potential to eventually meld all local workforce areas into single state-wide areas
- Furthermore, expecting regions to be static, as they would be in the proposed legislation, is not realistic

Senate HELP Committee – WIOA Bipartisan Discussion Draft



- Does not include a training requirement (strong advocacy against this policy with HELP Committee staff)
- Adds language within performance metrics relating to ‘training or services received’
- Maintains troubling/clunky Redesignation proposal
 - Adds population and local board thresholds for single board state designation
 - Pilot program for block grant (up to 4 states)
- Continues proposal to increase Governor’s Reserve by 10%
- ETPL ‘quality’ metrics for credential rate and job placement
- Significant Youth focus from Chairman Sanders staff

What's Next?

- Senate HELP Committee staff working to reconcile comments received
- Some issues have been addressed
 - Local Board standing committees (now optional)
 - Confusion over ETPL changes
- Others have not –
 - Resignation proposal still in tact
- How will training requirement be settled?
- Can the House and Senate actually come to an agreement in this political environment?





How Does Workforce Factor into 2024 Election?

- Various polling done by NSC, PPI and other orgs shows strong support for skills training programs among voters
- Nearly three-quarters (73%) of voters believe expanding skills training is an extremely or very important way to improve the economy (NSC Polling, May 2024)