

NEWS FROM WASHINGTON

Presented By

Bob Knight

Director,
Government Relations
and Workforce Policy



Agenda

Year One of COVID

- Begins with CARES Act—a focus on families and the unemployed
- Ends with American Recovery Plan Act—focus on getting back to normal for employers, workers, families

Year Two of COVID

- New Strategies or Stalemate?

On-Going Business

- Brief Summary of WIOA and TANF Reauthorizations (see separate workshop on WIOA reauthorization)

Questions/Comments

Massive Bills in Response to COVID

- **Coronavirus Preparedness and Response Act**
 - \$8.3 Billion to Help Government and Health Care Systems Gear Up to the Challenge
- **The Families First Coronavirus Act**
 - Additional Funding for Medicaid and Nutrition Programs
 - Mandates on Large Employers for Family Leave Benefits
 - Temporary Lifting of Work Requirements for SNAP
 - Additional Funds for UI
 - Estimated Cost \$175 Billion
- **CARES Act**
 - Extended Benefits and New Groups Eligible for UI
 - Payroll Protection Program for Small Businesses and Their Workers
 - Stimulus Payments to Most Americans
 - These and a Number of Other Provisions Cost About \$2 Trillion

March 2020 to March 2021

From a workforce perspective, what was noteworthy about the CARES ACT?

- ❑ Big Changes in Unemployment Insurance
- ❑ PPP—Saving Jobs? Saving Small Businesses?
- ❑ Stimulus Checks to Most Taxpayers

What about the American Recovery Plan Act (ARPA)?

- ❑ UI Provisions From CARES Act Extended
- ❑ Money to States, Cities, and Counties May Be Used to Address Certain Workforce Issues in Public and Private Sectors
- ❑ PPP, Support for Child Care, Restaurant Grants, Stimulus Payments
- ❑ Child Tax Credits, Expansion of EITC and Medicaid

ARPA Support for State and Local Governments

Total for governments -- \$350 Billion

States -- \$195.3 Billion

All Counties Share -- \$65.1 Billion

Metropolitan Cities -- \$45.6 Billion
Smaller Cities share -- \$19.5 Billion

Funds may be used for:

- Revenue replacement for the provision of government services
- Address economic impacts to small businesses, households and hard-hit industries such as tourism, travel and hospitality and economic recovery
- Premium pay for essential workers
- Investments in water, sewer and broadband infrastructure

SETA State Government Support

Alabama -- \$2.12 Billion

Mississippi -- \$1.81 Billion

Florida -- \$8.82 Billion

North Carolina -- \$5.44 Billion

Georgia -- \$4.85 Billion

South Carolina -- \$2.5 Billion

Kentucky -- \$2.18 Billion

Tennessee -- \$3.73 Billion

Infrastructure Bill

- ✓ Passed Senate 69-30 with support from 19 Republicans
- ✓ A bit over \$1 Trillion; \$550 Billion is new spending spread over five years
 - \$66 Billion for Rail
 - \$55 Billion for Water
 - \$65 Billion for Broadband
 - The Bill References Workforce in Several Places
- ✓ Moves now to House where its fate is complicated but likely to see eventual approval

American Jobs Plan

\$100 billion for new workforce initiatives over 10 years

Community College Training Partnerships

- **\$9 billion** for capacity building grants to every public community college, seeding partnerships between community colleges, employers, public workforce system entities, unions and community-based organizations to build high-quality workforce training programs.

Comprehensive Supports for Dislocated Workers

- **\$18 billion** for States to provide comprehensive wraparound services to enable dislocated workers to participate in high-quality training programs that build new skills leading to in-demand jobs.

Reentry Training Program

- **\$1 billion** to expand the provision of workforce development services to justice-involved individuals.

Sectoral Employment through Career Training for Occupational Readiness (SECTOR)

- **\$22 billion** for competitive grants to spur creation of sector-based training programs equipping workers with the skills they need to fill the high-growth jobs of the future.

Subsidized Jobs Program

- **\$4 billion** for subsidized jobs to workers with barriers to employment.

Support for Phasing out 14(c)

- Provides **\$2 billion over six years** for grants to states to transition individuals with disabilities from subminimum wage to competitive integrated employment.

Registered Apprenticeship and Pre-Apprenticeship

- **\$10 billion** creating one to two million new Registered Apprenticeship slots.

Shifting White House Strategy

- Portions of American Jobs Plan and American Families Plan combined in \$3.5 trillion package
- Dems plan to use a process known as “reconciliation” to pass spending bill
- Budget resolution passed Senate 50-49 (budget resolutions and reconciliation bills can’t be filibustered under Senate rules)
- Now both packages must be passed in House
- Assuming that happens, a Bill appropriating the money will go the reconciliation route later this year
- This fall, Congress also must pass normal funding bills for Fiscal Year 2022 and debt ceiling increase

Help Committee Share of \$3.5 Trillion BBB

\$726 billion over 10 years for...

- Universal Pre-K for 3- and 4-year-olds
- Childcare for working families
- Tuition-free community college
- Investments in HBCUs, MSIs, HSIs, TCUs and ANNHIs
- Increase the maximum Pell grant award
- School infrastructure, student success grants and educator investments
- Investments in primary care, including Community Health Centers, the National Health Service Corps, the Nurse Corps and Teaching Health Center Graduate Medical Education
- Health equity (maternal, behavioral and racial equity health investments)
- Pandemic preparedness
- ***Workforce development and job training***
- Labor enforcement and penalties
- Civilian Climate Corps funding
- Research infrastructure, including for HBCUs, MSIs, HSIs, TCUs, and ANNHIs

Meanwhile, House Education and Labor Committee Goal for Workforce Funding

\$80 Billion including:

- WIOA Adult \$15 Billion
- WIOA DW \$16 Billion
 - ❖ At least 20% of Adult and DW used for career services
 - ❖ 10% (Adult) and 20% (DW) minimum for supportive services
 - ❖ 50% for training with expansion of transitional jobs and incumbent worker services included
- WIOA Youth \$9.1 Billion
 - ❖ 75% of funds to be used for paid work experience
- Wagner-Peyser \$1.25 Billion
- Ex-Offender \$3.6 Billion
- Apprenticeships \$5 Billion
- High-wage \$2 Billion
- Industry/Sector Partnerships \$10 Billion

Program	FY 2021 Actual	FY 2022 Proposed	Change FY 21-22
WIOA Adult	\$862,649,000	\$899,987,000	4.3%
WIOA Youth	921,130,000	963,837,000	4.6%
WIOA Dislocated Worker	1,061,553	1,155,278,000	8.8%
WIOA National Reserve ¹	280,859,000	380,859,000	35.6%
YouthBuild	96,534,000	145,000,000	50.2%
Ex-Offender Reintegration	100,079,000	150,000,000	49.9%
Community Service Employment for Older Americans (CSEOA)	405,000,000	405,000,000	--
Job Corps Operations	1,603,325,000	1,603,011,000	--
Apprenticeships	185,000,000	285,000,000	54.1%
National Youth Employment <small>New program for year-round and summer jobs</small>	--	50,000,000	--
Training Program for Veterans/Spouses <small>New program focused on clean energy jobs</small>	--	20,000,000	--
Native American Programs	55,500,000	58,000,000	4.5%
Migrant & Seasonal Farmworker Programs	93,896,000	96,711,000	3.0%
W-P Employment Service	648,639,000	677,449,000	4.4%

Coming Up: WIOA/TANF/HEA Reauthorizations

WIOA Oversight Topics in House:

- Youth
- Adult/Dislocated Worker
- “Returning Citizens”

Improvements in Pell Grants?

- Short-term certificate training
- Increase grant payments
- Add living wage placement requirements for programs to retain eligibility
- Change Pell formula to favor lower income students or single with dependents, etc.

TANF Improvements?

- Focus on outcomes, not process
- Provide comprehensive health and social assessments
- More wrap around services for those with barriers to employment
- Increase investments in education and training
- Intergenerational approaches

Where Does Workforce Go From Here?

- Funding increasingly outside of the WIOA streams?
- Greater focus on work-based learning, business partnerships, sector strategies?
- Use of job creation strategies reminiscent of CETA era but more focused on skills and private sector needs?
- Comprehensive career centers replaced by community-based services (big box versus small business)?
- Greater focus on incumbent workers in low-wage and unskilled jobs?
- Longer term relationships between customers and professional staff?
- Anti-poverty intergenerational goals as well as skill shortage strategies?
- Community recovery and growth as well as good jobs for customers?
- Other ideas?



Questions and Comments?

