

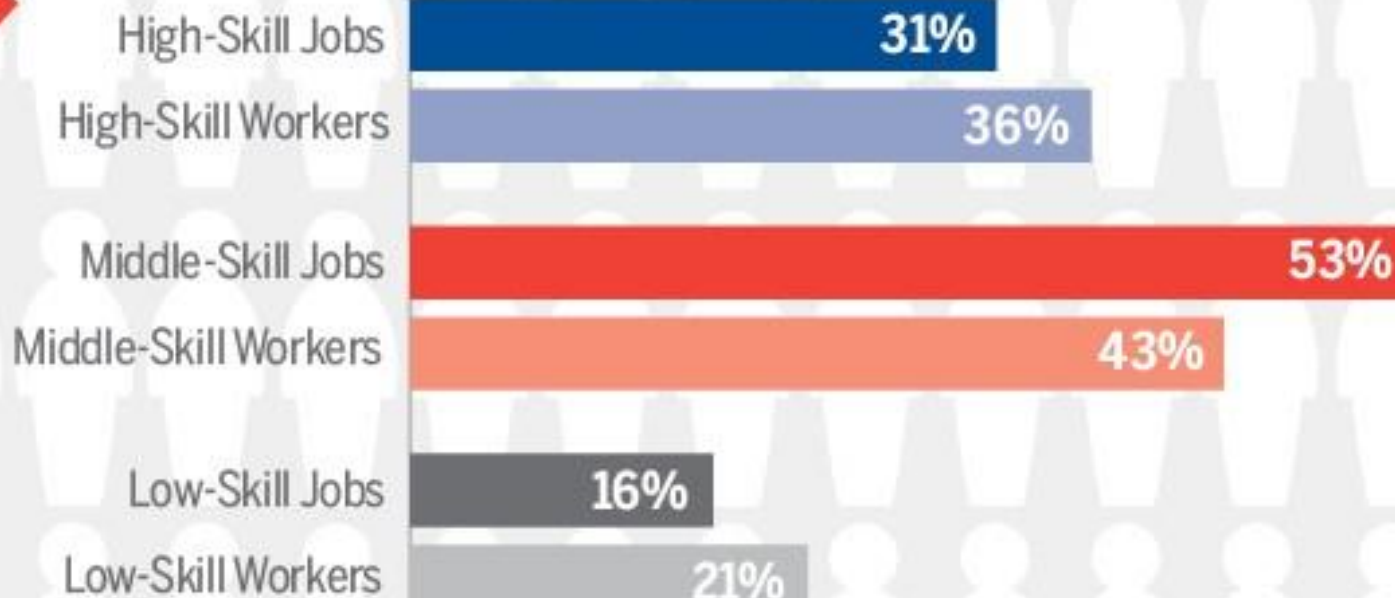
Federal Education and Workforce Policies

**Indiana Skills2Compete Meeting
Indianapolis, IN
July 26, 2018**



A middle-skill gap

United States
jobs and
workers by
skill level
2015



www.nationalskillscoalition.org

Key Federal Workforce and Education Policies

- ✓ **Workforce Innovation and Opportunity Act (WIOA)**
- ✓ **Carl D. Perkins Career and Technical Education Act (Perkins)**
- ✓ **Higher Education Act (HEA) – includes Pell Grants, federal student loan programs**
- ✓ **SNAP Employment and Training (SNAP E&T)**
- ✓ **Apprenticeship/work-based learning**



Workforce Innovation and Opportunity Act (WIOA)

- ✓ **Signed into law July 2014, replaced the Workforce Investment Act (WIA)**
- ✓ **Implementation began July 1, 2015**
- ✓ **Focus on **alignment** across federal workforce, education programs**



Four Titles – One Plan

- ✓ **Title I – Workforce Development Activities**
- ✓ **Title II – Adult Education and Family Literacy Act (AEFLA)**
- ✓ **Title III – Wagner-Peyser Act (Employment Services)**
- ✓ **Title IV – Rehabilitation Act of 1973 (vocational rehabilitation)**

- ✓ **WIOA requires state “unified plans” – set vision and strategy across all six “core” programs**



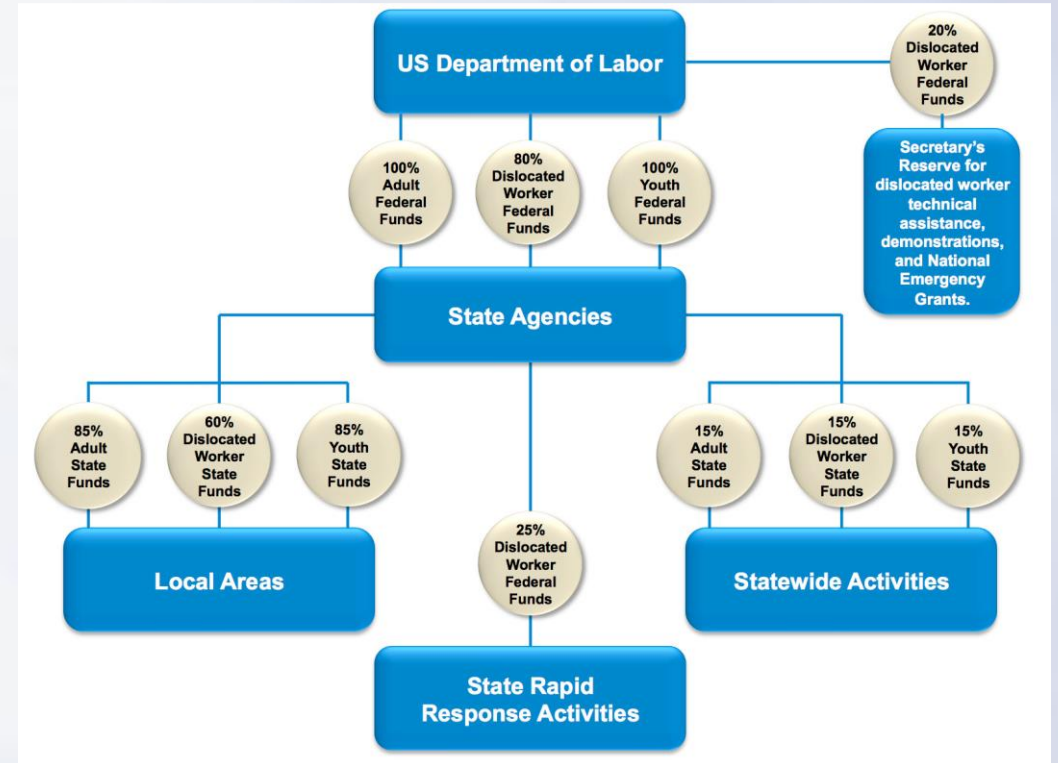
WIOA Title I – Workforce Training

“Core” programs - formula grants to states; in PY’18 IN receives:

- **\$13M for adult activities**
- **\$14.1M for dislocated workers**
- **\$14.2 M for youth activities**

National programs include:

- **YouthBuild**
- **Job Corps**
- **Native American grants**
- **Migrant and Seasonal Farmworker grants**
- **Reintegration of Ex-Offenders**



WIOA Performance Accountability

Creates a single set of common performance measures across core programs, including:

- **Unsubsidized employment (2nd Q and 4th Q);**
- **Median earnings;**
- **Receipt of a secondary diploma or recognized postsecondary credential;**
- **Measurable skills gains toward a credential or employment; and**
- **Employer engagement**

PY'18 is first year that states will negotiate performance rates for all core programs



WIOA Governance and Infrastructure

- ✓ **Requires establishment of business-led state* and local workforce development boards (WDBs)**
- ✓ **Local WDBs** oversee one-stop system, select providers of adult and youth services
- ✓ **American Job Centers – must provide universal access to core programs, other federal workforce programs**

* **Indiana has waiver for state WDB membership requirements in PY 2018-2020**



WIOA Title II – adult education grants

- ✓ **State formula grants for adult and family literacy (IN receiving \$10.7m in FY 2018)**
- ✓ **Funding applications must be reviewed by local WDBs to ensure alignment with local plans; services must be accessible through one-stops**
- ✓ **Strong emphasis on **integrated education and training (IET)** and **career pathways****



Carl D. Perkins Career and Technical Education Act

- ✓ **Primary federal investment in CTE; in FY'17, IN received \$24.5M**
- ✓ **Can be utilized for both secondary and postsecondary programs (IN secondary \$13.6M; postsecondary \$7.1M)**
- ✓ **Not tuition – utilized for institutional capacity (equipment, teacher salaries, etc.)**



Carl D. Perkins Career and Technical Education Act

Reauthorization status:

- **Passed by Senate Monday; House vote by end of week**
- **Largely maintains current law, but does provide increased funding, greater emphasis on career pathways, industry partnerships, work-based learning**
- **Better alignment with WIOA performance metrics though final bill reflects some compromises**



Higher Education Act

- ✓ **Primary federal investment in higher education**
- ✓ **Title IV – federal student aid programs, include grants (e.g. Pell), loans, and federal work-study**
- ✓ **Pell Grants:**
 - ✓ **Maximum award: \$6,095**
 - ✓ **Means-tested – based on expected family contribution (EFC)**
 - ✓ **Limited to programs at least 600 hours/15 weeks**
- ✓ **Last reauthorized in 2008 – potential updates next Congress**



Higher Education Act

Reauthorization status – House Republican bill (PROSPER) passed committee early 2018, but no floor vote; Senate unlikely to take up

House Dems bill (Aim Higher Act) introduced Tuesday; Senate definitely won't take up

Key issues for next year: expanding aid to short term programs (JOBS Act); outcomes data (College Transparency Act); strengthening employer roles; student debt, “risk-sharing”



SNAP E&T

- ✓ **Training funds to support services SNAP recipients; all states required to operate E&T program (IN received \$1.8m in FY'17, plus \$2.9m in reimbursements)**
- ✓ **Programs can be voluntary or mandatory; voluntary programs generally have stronger outcomes**
- ✓ **Able-bodied adults without dependents (ABAWDs) subject to work requirements, but not guaranteed E&T services**



SNAP E&T

- ✓ **June: House bill approved 213-211; Senate bill approved 86-11**
- ✓ **Very different approaches:**
 - ✓ **House bill would expand work requirements for broad range of SNAP recipients, but significantly increase E&T funding (\$90m to \$1B)**
 - ✓ **Senate bill makes no major changes to eligibility, would increase funding for pilot grants but otherwise maintain current funding**



Temporary Assistance for Needy Families

- ✓ **Primary federal cash assistance program for low-income parents; \$16.5B in federal funding**
- ✓ **Recipients are subject to work requirements, states must meet “work participation rate”**
- ✓ **States can invest TANF in training, but not all do:**
 - ✓ **Indiana received \$206M in federal TANF funds in FY’16 (plus \$113M in state MOE funds), of which:
\$18.6M went to cash assistance
\$8.5M went for education and training.**



Apprenticeship/Work-Based Learning

- ✓ **WIOA strengthened role of apprenticeship**
- ✓ **Apprenticeship Executive Order in June 2017, calls for expanded approval process; task force appointed**
- ✓ **Congressional funding for apprenticeship has increased to \$145m for FY'18, must be used for registered programs**
- ✓ **Other policies – HEA, etc. – will likely include greater emphasis on work-based learning if reauthorized**

