



LEGISLATIVE ALERT

May 7, 2024

The Honorable Bernie Sanders, Chairman
The Honorable Bill Cassidy, M.D., Ranking Member
U.S. Senate Committee on Health, Education, Labor and Pensions (HELP)
428 Senate Dirksen Office Building
Washington, D.C. 20510

Dear Chairman Sanders and Ranking Member Cassidy:

I am writing to you on behalf of the AFL-CIO regarding the reauthorization of the Workforce Investment and Opportunity Act (WIOA). As the Committee continues to work through its WIOA reauthorization process, we hope to engage in meaningful discussions with staff on ways to incorporate organized labor priorities in the Senate's final reauthorization bill.

As you are aware, the House recently passed the "A Stronger Workforce for America Act" (H.R. 6655), which includes significant changes to WIOA. While we acknowledge the House bipartisan efforts thus far, there are several areas where we sought improvements to no avail. Our focus has simply been on ways to ensure that labor becomes an equal partner to business in the workforce development system. We strongly believe that full and active participation of unions in our nation's workforce development system is critical if programs are to provide high quality training and career pathways, particularly for underrepresented workers, leading to family sustaining jobs.

While the House bill includes some positive aspects, such as the requirement for Wagner-Peyser Employment Services to be delivered by merit-staff, it falls short in several areas critical to labor engagement. The bill neglects to include several of our labor priorities, including: no improvements in expanding labor representation on State and Local Workforce Development Boards; no changes to the definition of "industry or sector partnerships" to ensure full labor representation or allow for inclusion of K-12 career and technical education programs; no labor consultation or improved labor concurrence language; and contains no requirements for priority consideration to funding labor intermediaries and joint labor-management programs. We ask that the Senate revisit these missed opportunities not included in the House bill.

First and foremost, labor should be given equal representation on State and local Workforce Development Boards (WDBs). Currently, unions and labor management representatives constitute only 20% of State WDBs, with limited representation on local boards. The AFL-CIO has repeatedly recommended that labor representation on local boards be expanded to equal that of employers.

Full participation by labor representatives on state and local boards enhances worker voice and leverages the invaluable firsthand knowledge workers possess about their jobs and their industries.

Labor participation on workforce boards amplifies the engagement of those who are being served by public workforce programs, promotes equity and inclusion and fosters collaboration with government, employers and education and community organizations.

We have also recommended that labor organizations representing workers in the sectors where training is being proposed be fully consulted in the design and development of programs and require these boards to obtain written concurrence of the bargaining agent where a collective bargaining agreement exists with a participating employer covering occupations in which training is proposed.

Consulting with unions representing workers in sectors where training is proposed provides the workforce system with firsthand knowledge of occupations and industries including skill requirements, workplace conditions, technology and sector trends. Labor consultation and concurrence when a bargaining agreement is affected will ensure that these programs preclude worker displacement and are both effective and sustainable.

While the House bill includes a requirement that 50% of WIOA funding be spent on training, training funds should only be allocated to employers who pledge to remain neutral in labor organizing, and criteria for selecting training providers should prioritize high-wage, high-quality jobs. Performance standards should be directly linked to job quality and include high wages, including prevailing wages, benefit measures that include health coverage, paid leave and retirement, worker agency, safe working conditions, career pathways, and support services.

Joint labor-management training partnerships should receive priority consideration for funding and technical assistance funds should support labor and joint-labor management intermediaries. Joint labor-management partnerships, labor and joint labor-management intermediaries are well-positioned to identify the skills and training needs within specific industries or sectors. Labor and management representatives bring a comprehensive understanding of industry trends, technological advancements, and changing job requirements. By prioritizing funding for joint partnerships, including Registered Apprenticeship, the workforce system can ensure that training programs are aligned with the current and future needs of employers and industries. It is also important that any funding for apprenticeship only be provided to Registered Apprenticeship programs.

Additionally, we have concerns regarding the provision restructuring H-1B training program funding. As the Committee is aware US DOL H-1B Skills Training Grant Funds are authorized by Section 414(c) of the American Competitiveness and Workforce Improvement Act of 1998 (ACWIA), as amended (29 USC 3224a). These grants are supported by user fees paid by employers seeking high-skilled foreign workers under the H-1B visa program. Funds are then used to assist U.S. workers in gaining the skills and competencies needed to obtain or upgrade employment in high-growth industries or economic sectors, reducing dependence on foreign labor.

H.R. 6655 would restructure H-1B funding and allot the funds to the states and then to local areas by formula. Funds are to be used for ITAs for dislocated workers eliminating any national funding to assist U.S. workers in securing the training for these growing sectors.

Given the continuing shortfalls in funding for dislocated workers including TAA funding we are concerned that these mandatory funds are being used in lieu of addressing the serious need to provide full funding to assist dislocated workers.

In recent years US DOL has used H-1B funding to support the Biden Administration's federal investments including energy, transportation, and broadband by providing funds for training in information technology, professional and technical services and related occupations. Redirecting H-1B funds as proposed could severely limit these important initiatives and limit opportunities for training US workers in these high demand occupations.

In regard to Career and Technical Education (CTE), WIOA reauthorization presents a historic opportunity to better align and integrate our nation's K-12 career and technical education systems with workforce systems as noted by AFT and the National Education Association (NEA). The better positioned school districts are to tailor their CTE programming to areas of economic growth and prosperity and to inform their students about the workforce skills development opportunities that exist, the better equipped students will be. AFT and NEA have provided recommendations to improve alignment with CTE and workforce development that are not included in H.R. 6655, namely including K-12 CTE systems in state or local workforce development boards or their subcommittees and in the range of workforce partnerships as well as incentivising consultation with local education agencies in the Strengthening Community College Grant applications.

H.R. 6655 proposes block grant models as well. We have concerns that block grants pose significant risks related to accountability, equity, coordination, and responsiveness to changing needs. The federal-state-local structure of the current workforce development system helps ensure tailored solutions, flexibility, accountability, collaboration, inclusivity, coordination, and efficiency, all of which are essential for ensuring quality and targeted programs that effectively meet the needs of employers and workers across diverse communities.

Finally, we would be remiss if we didn't acknowledge that H.R. 6655's authorization levels fail to provide adequate funding for the nation's workforce development systems and would ask that the Senate take a more serious approach to funding the system.

Collectively the labor movement urges the Senate HELP Committee to prioritize labor engagement in workforce development legislation and address the key priorities outlined above. By ensuring equal representation and meaningful participation for labor organizations, we can create a more inclusive and effective workforce development system that benefits all Americans.

Sincerely,



Jody Calemine
Director, Advocacy