

Dear Senator:

I am writing about the reauthorization of the Workforce Innovation and Opportunity Act (WIOA).

The Minnesota Association of Workforce Boards (MAWB) serves, supports, and represents the 16 Workforce Development Areas in Minnesota, that are charged with implementing WIOA. Our state system serves thousands of career seekers and employers annually. Minnesota has historically exceptional results in our performance measures, deep partnerships with educational partners, community-based organizations, and employers, and truly serves individuals most in need of workforce services, effectively providing avenues for family-sustaining careers.

While our local workforce development areas (WDA's) are excited about the potential passing of a modernized workforce development bill, I write to share our community's significant disappointment that the House-passed bill (H.R. 6655) as written, which included several provisions that undermine local communities in their efforts to promote economic vitality.

Positive aspects of the bill include updating the eligibility for youth services, allowing us to serve more young people in most need of our services. Repurposing H1-B fee revenue and allocating through states down to the local areas will also assist in adding capacity to serve more dislocated workers in our areas. Raising cap on "incumbent worker training" will also allow us to better meet the employer demand and provide avenues for employer-led solutions to workforce challenges.

However, there are areas of significant concern that would substantially *decrease* the impact, number of individuals served, number of businesses served, and even close locations all across the country, if included in the Senate version of the bill:

For example, the House-passed bill includes a mandate directing 50% of Title I Adult and Dislocated Worker funds to be spent on training, which is very narrowly defined and would redirect funding, which has eroded significantly over the last several decades, away from where they are most needed. The House bill would severely limit the funds available for both business services and supportive services—such as childcare or transportation—which hundreds of thousands of job seekers need to help them find—or get trained for—a job.

The House bill also contains a provision that increases statewide set-asides of WIOA funding to 25% of all formula resources available under Title I of the law, which would further diminish funding available to address local community needs. Finally, H.R. 6655 would, as structured, allow for negative impacts to local workforce development areas which have been established to identify and address these needs.

I urge the Senate to take a different approach and pass a WIOA reauthorization bill that will:

Strengthen Local Capacity: Funding for WIOA has eroded considerably over the last several decades and future legislation must substantially authorize additional funding to address the significant employment needs in communities across the country. In addition, future WIOA legislation should remove restrictions on skills development experiences contained in WIOA that allow local workforce development boards (LWDBs) and partners to provide training opportunities that fit their communities' needs.

Promote Flexibility: Broaden the underlying definition for what “counts” as training services to better enable successful participant completion (e.g. “training enabling” services such as transportation and childcare). Such efforts could also include other legislative approaches that more holistically account for the training opportunities LWDBs help to facilitate every day.

Improve Operational Efficiencies: Provide dedicated funding for one-stop center infrastructure costs, based on actual system needs, and eliminate onerous infrastructure funding agreement provisions in current law that disincentivize state and local collaboration. These efforts should include greater flexibility for the use of affiliated one-stop center sites and allowances for the virtualization of services provided under WIOA.

Maintain local decision-making: As it relates to local workforce area designation requirements, halfway through the legislation’s reauthorization period in ASWA, governors are directed to start a redesignation process for local workforce development areas (LDWAs). The bill provides three options:

- 1) Governors can propose to maintain existing LDWAs; or
- 2) Governors can propose new designations which require approval from all local workforce boards effect the change; or
- 3) Reducing local workforce areas into single statewide areas remains.

This provision circumvents the will of mayors, jobseekers and employers and eliminates local control. We urge you to maintain the current local area designation language as it appears in WIOA.

Enhance Data Quality and Infrastructure: Future WIOA legislation should codify and modernize the Workforce Data Quality Initiative, ensure robust access to individual-level employment data needed to report on program efficacy, and provide substantial new investments for the public workforce system to provide and make use of quality labor market information.

Thank you in advance for considering my recommendations. I welcome the opportunity to discuss these and other recommendations to improve WIOA at your convenience.

Sincerely,