



August 12, 2024

The Honorable Bernie Sanders  
Chairman  
U.S. Senate Committee on Health,  
Education, Labor and Pensions  
Washington, D.C., 20510

The Honorable Bill Cassidy  
Ranking Member  
U.S. Senate Committee on Health,  
Education, Labor and Pensions  
Washington, D.C., 20510

Dear Chairman Sanders and Ranking Member Cassidy:

On behalf of the National Association of Counties (NACo), the National Association of Workforce Boards (NAWB), the National League of Cities (NLC), the U.S. Conference of Mayors (USCM), and the U.S. Workforce Associations (USWA) we write to provide recommendations for the reauthorization of the Workforce Innovation and Opportunity Act (WIOA). WIOA is a critical tool that empowers local governments, workforce boards, and other vital local stakeholders to connect individuals with in-demand skills training and education needed by employers.

A thoughtful reauthorization of WIOA—one that balances the needs of workers, learners, employers, and their communities—is critically important to our members who serve an integral function in the legislation’s implementation.

As the committee continues to discuss how to best modernize our nation’s workforce system for the future, we urge you to consider the following:

**Sufficiently Resource the Public Workforce System**

Currently, there are about 6.5 million Americans seeking employment, with an estimated 8.7 million openings that businesses are struggling to fill. Through Local Workforce Development Boards (LWDBs), and the more than 2,000 American Job Centers across the nation, our members are helping nearly 3 million jobseekers access quality training and supportive services needed to secure family-sustaining employment. Unfortunately, funding for core Title I WIOA programs has eroded steadily over the past several decades, and inflationary pressures have significantly compounded these trends. Increasing the investment in WIOA remains an essential way for Congress to ensure that employers have the skilled talent they need to be successful while also supporting some of our most vulnerable and underserved populations’ participation in the wider economy. This is especially important as the national labor force participation rate has yet to rebound to pre-pandemic levels.

Adequate funding for the public workforce system will also help the committee realize other goals of reauthorization, including increasing the availability of high-quality education and training opportunities and ensuring that state and local workforce systems can respond to immediate and longer-term challenges.

As [recently highlighted in the Senate’s hearing on WIOA reauthorization](#), a newly updated WIOA must substantially strengthen the investment in our nation’s public workforce ecosystem to sufficiently meet the needs of workers and businesses today. Unfortunately, the House’s WIOA reauthorization proposal (H.R. 6655) authorizes only a three percent increased investment in WIOA and it remains unclear what level of funding is envisioned in the Committee’s most recent draft proposal. We therefore urge the Senate to authorize annual funding levels for core WIOA Title I programs of at least \$15 billion to meet current demand for skilled talent and future needs driven by further technological innovation and disruption. Future WIOA legislation could meet this goal by gradually increasing funding levels for each year during the law’s authorization period. These proposed funding levels for core WIOA Title I programs have broad support, including several analyses highlighting that funding for WIOA could and likely should be even higher—not only to account for these existing needs but to also keep pace with other developed nations that dedicate considerably higher percentages of GDP for workforce development than the United States.<sup>1</sup>

### **Training Requirement for Adult and Dislocated Worker Formula Funds**

Our organizations share the goal of improving the efficiency of the publicly funded workforce system and maximizing the availability of training services. We therefore applaud the committee for excluding a federal training mandate in its recent discussion draft. We strongly believe that a federal mandate would not achieve its intended objective and would be counterproductive, harming some of the nation’s most vulnerable and underserved populations that WIOA prioritizes. This risk is particularly acute when such a mandate does not allow for the inclusion of supportive or wraparound services which are critical to successful completion of education and training programs funded under WIOA. Additionally, a federal training mandate runs counter the core principles of federal workforce development legislation, which is designed to foster a coordinated and aligned workforce development system under the management of state and local entities best equipped to understand and respond to the distinct needs of the communities that they serve.

Our organizations’ members understand the unique employment needs of the diverse communities they serve, and a federal mandate would remove the local authority necessary to tailor WIOA services to reflect the unique needs of local communities. Furthermore, the populations that are primarily served by WIOA often face barriers outside of skills and education training, requiring supportive services to successfully complete their program.

While we are appreciative of the new funding from H-1B visa fees proposed in draft WIOA legislation to date, we remain concerned that these funds are inadequate to meet the significant new demand for training that would be precipitated by a new federal training mandate and other new activities envisioned for future WIOA legislation.<sup>2</sup> Given such funds are fee-based, resources available from

---

<sup>1</sup> See also: <https://www.nlc.org/resource/how-hard-to-fill-infrastructure-jobs-impact-building-our-future/>; <https://info.jff.org/hubfs/Policy/240321-Policy-SE-WorkforceDevelopmentRecs-FullDesign-JA-v6.pdf>; <https://www.brookings.edu/articles/should-the-federal-government-spend-more-on-workforce-development/>.

<sup>2</sup> <https://www.dol.gov/sites/dolgov/files/ETA/Performance/pdfs/WSR-Accessible-05-28-2024.pdf>, “H-1B Skills Training Grants” expenditure data, pp 7.

this source are likely to fluctuate with future changes to immigration policy and would be difficult to predict on an annual basis and complicates the ability to plan for the future. We strongly recommend that a federal training mandate not be included in WIOA reauthorization for these reasons. If a mandate is included, we strongly recommend that such a mandate be substantially lower than previous proposals and that the underlying definition be expanded to recognize the critical role supportive services and other key functions of the public workforce system have in ensuring successful access to and completion of training experiences.

### **Local Workforce Development Area (LWDA) Redesignation and Single State Designations**

Workforce development boards and related local areas necessarily reflect the communities they were created to serve and provide locally developed solutions. We therefore strongly oppose the redesignation and single state designation processes as structured in current WIOA reauthorization proposals. As outlined, these provisions circumvent the voice of local stakeholders, job seekers, and employers. If a redesignation provision must be maintained, we believe a third so-called “fallback” option must be included that allows local stakeholders to negotiate and propose alternative LWDA to be considered as part of a wider redesignation process. Any fallback option for LWDA redesignation must necessarily garner the support of a majority of LWDBs within a state to ensure that the needs of local communities are prioritized.

Taken together with other aspects of current WIOA reauthorization proposals, such as pilot authorities outlined elsewhere in current draft legislation, we remain extremely concerned that these provisions will eliminate aspects of current WIOA law that are intended to ensure underserved and marginalized populations are effectively and equitably served by the public workforce system, regardless of where they may reside within a state.

To address this risk, we believe that any provisions intended to facilitate changes to LWDA or eliminate local workforce system infrastructure entirely must result in improved outcomes for participants and employers, including the ability to maintain or exceed current levels of service delivery. States that elect to pursue LWDA redesignation or similar efforts must be required to attest to these broader objectives and must be evaluated based on these measures within a timeframe that feasibly allows for the reconstitution of an LWDA should a state fail to meet their goals for participant outcomes and service delivery. Finally, we strongly recommend that guardrails around single state designation be substantially strengthened—clarifying that only states with a population of one million or fewer, or three or fewer LWDBs, may do this—to ensure that rural communities and other historically underserved areas within states are not harmed.

### **State-level Set-Asides**

In addition to the existing Governor’s 15 percent Reserve Fund, WIOA reauthorization legislation currently under consideration would allow for an additional 10 percent of WIOA Title I funding to be reserved at the state level for a variety of uses. This has the practical effect of increasing the overall state-level set-aside allowance to 25 percent and would leave even fewer resources for local entities to implement WIOA with fidelity. While we appreciate that certain local stakeholders could be eligible applicants for some of these funds, we remain concerned that these provisions will further reduce resources available at the local level further exacerbating the challenges noted elsewhere in this letter. We also remain concerned that allowing states to use WIOA’s existing Governor’s reserve funding to meet the related state matching requirements erodes the ability of WIOA to leverage additional state funding for training and employment opportunities.

Our organizations therefore strongly recommend that the current 15 percent Governor’s Reserve—which was increased in the last reauthorization after states struggled to fully spend these funds under WIA—should be maintained.

### **Digital Literacy**

Digital literacy skills are crucial in today's workforce as they enable employees to effectively navigate, evaluate, and utilize digital tools and information, fostering efficiency, innovation, and adaptability in a rapidly evolving technological landscape. We strongly support expanding the definition of foundational skills needs to explicitly include digital literacy skills.

### **Eligible Training Provider Lists**

To ensure all eligible training providers (ETPs) and programs position youth and adults to secure high-quality employment opportunities, WIOA should be amended to include specific and more consistent requirements for providers that are seeking inclusion on the Eligible Training Provider List (ETPL). We recommend that clear thresholds and incentives be established to ensure that all providers and programs are providing quality training opportunities that adequately prepare individuals for jobs and career advancement opportunities. We believe that such criteria and accountability measures be attainable, applicable to all ETPs regardless of type, and reflect the populations that are predominantly served by WIOA and the public workforce system.

### **Additional Flexibility for Local Governments and Workforce Boards**

Flexibility for local governments and workforce boards is crucial as it allows them to tailor workforce development strategies to meet specific needs and respond swiftly to evolving economic conditions and employment challenges. We support the clarification of LWDBs’ budgetary authority over the administration of adult, dislocated workers, and youth workforce development activities within LWDBAs, as well as the increases for incumbent worker and on-the-job training caps included in current legislative proposals. We also support allowing for public outreach and marketing of federally funded workforce initiatives to increase the public’s awareness of and familiarity with these opportunities.

Despite these encouraging aspects of current WIOA reauthorization proposals, we remain concerned regarding proposals to mandate new standing committees for LWDBs. Such proposals are inconsistent with other elements of proposed WIOA legislation and would divert valuable staff time and resources to the administration and management of these committees. We therefore continue to support making the creation of such committees optional, at the discretion of states and local entities, as negotiated in current law and previous iterations of federal workforce development legislation.

Our organizations also support a more inclusive definition for opportunity youth (OY) and the ability to use ITAs for youth populations. While we were encouraged to note that the mandated split of funds between eligible youth populations has been slightly modified, we believe greater flexibility should be provided regarding this requirement. In addition, we remain extremely concerned regarding the overly prescriptive approach to youth work experiences outlined in legislative proposals to date. Greater flexibility is needed to successfully operationalize this provision and create high-quality career exposure and experiential work-based learning opportunities for youth participants. As currently structured, such requirements may present a significant disincentive for employers to engage with public workforce systems. We therefore recommend greater flexibility be afforded to local stakeholders to implement these requirements.

## One-Stop Delivery System

Our organizations were encouraged to note that the House-passed WIOA proposal would allow LWDBs to serve as one-stop operators and believe this change must be included in any final legislative proposal for WIOA reauthorization. We also believe it is critical that future legislation provide greater flexibility for LWDBs to expand access to services through using a network of affiliated locations, such as libraries and community colleges, and by allowing for the use of virtual services where appropriate. However, we continue to strongly recommend providing dedicated funding for the physical infrastructure costs of one-stop centers mandated by WIOA. Dedicated funding for this purpose would have the additional benefit of freeing up more funding for training and supportive services.

We are appreciative of the work the Senate has undertaken to date to reauthorize WIOA. We look forward to working with you to thoughtfully and meaningfully update our nation's public workforce system. If you have any questions or would like to discuss these recommendations further, please do not hesitate to reach out to our staff: Mike Matthews (NACo) at [mmatthews@naco.org](mailto:mmatthews@naco.org), Gail Ravnitzky Silberglied (NAWB) at [silbergliedg@nawb.org](mailto:silbergliedg@nawb.org), Stephanie Martinez-Ruckman (NLC) at [martinez-ruckman@nlc.org](mailto:martinez-ruckman@nlc.org), Kathy Amoroso (USCM) at [kamoroso@usmayors.org](mailto:kamoroso@usmayors.org), or Chris Andresen [Chris.Andresen@dutkogr.com](mailto:Chris.Andresen@dutkogr.com).

Sincerely,



Matthew D. Chase  
CEO and Executive Director  
National Association of Counties



Bradford Turner-Little  
President and CEO  
National Association of Workforce Boards



Clarence E. Anthony  
CEO and Executive Director  
National League of Cities



Tom Cochran  
CEO and Executive Director  
U.S. Conference of Mayors



Ryan Hundt  
Director  
U.S. Workforce Associations

CC: Members of the Senate Health, Education, Labor and Pensions Committee