MASS WORKFORCE ASSOCIATION
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Massachusetts Workforce Association
Public Policy Committee Meeting Notes
Tuesday, May 16, 2023, 2PM - 3PM

In attendance: Ron Iacobucci, Ron Marlow, Rebecca Bialecki, Judi Vigna, Karen Pelletier, Sezan McDaniel, Chris Albrizio-Lee, Mary Sarris, Maura Geary, Kelly Joseph, Raija Vaisanen

Notes:

FY24 Budget Update

- State -
    - Senate Ways and Means released their budget, which set most workforce line items to the Governor's H1 budget level, except for WCTF which was set at $20M, and Connecting Activities which was set $500K below H1. The Career Center Line Item was set to $5.96M and in the Exec. Summary there is language saying that the CC line item has $18M from the FY22 ARPA bill. EOLWD doesn't know where this statement came from, unless A&F added money EOLWD spent on Upskilling Navigators at Career Centers using ARPA dollars. Still, that wouldn't be anywhere close to $18M and the Career Centers are spending the $15M in FY23 state funds. No federal dollars have been put into the line item. MWA has communicated this confusion to SWM staff, and other key Senate leaders. Sen. Jehlen filed the amendment to bring the CC Line item up to $15M. Sen. Collins filed the amendment for Connecting Activities to bring it up to $9M. MWA and WSG are currently asking members and colleagues to co-sponsor amendments to get some of the line items up to higher levels. The Senate will start debate on their budget next Tuesday and following that the budget will head to conference committee.
- Federal - see end of notes for update from Chris Andresen.

Stipends - We've had lots of questions from legislators on whether or not this is moving forward. According to Jenn James, this is back on the front burner and moving forward to use ARPA dollars to provide stipends for Future Skills programs (state funded). Some regions have already begun using other funding to test stipends.

Federal to State Allocations - Dislocated Worker funds down 7-9%, WIOA Adult and Youth up about 7-9%, Wagner-Peyser flat (down 0.5%). State to local coming out in the next few weeks.

National Skills Coalition Skills Summit - Major themes included:

- Looking at customers/job seekers/students from a holistic view point - using a “Whole Person” approach to understanding how to support their success.
- Data - the importance of improving data collection and data systems to understand program effectiveness
- Immigration - increasing numbers of migrants to U.S. who have to wait up to a year to receive formal work authorization - can we offer training during that wait? Need waivers or changes to federal regulations.

SkillWorks Fellowship - Advocacy Academy Update - In the process of securing lead facilitators and will be developing application. Hope to kick off in October 2023.

Other Items

- DOL and Dept. of Commerce Grants - Building Pathways to Infrastructure Jobs, EDA Regional Technology and Innovation Hubs, local areas interested in grants but have little capacity for grant writing/management and fiscal management right now. Will be topics at the Annual Meeting. Could a UMass be the coordinator/manager and partner with community colleges and MassHire?
- MWA Annual Meeting - Draft Agenda out

Federal Update From Chris Andresen 5/16/23:

Good morning,

I am sure you have been receiving questions from your members around impacts to the current debt limit negotiations on Capitol Hill. This situation is different than a government shutdown which impacts funding and operations within the federal government. Appropriations/funding for WIOA programs was set by the FY2023 omnibus, passed by Congress in December. If Congress fails to increase the debt ceiling in the coming weeks, your traditional federal funding sources would not be impacted during this fiscal year.

However, the broader national and international impacts would be catastrophic – millions of jobs lost, stock market crash, interest rates skyrocketing, etc. Good news in DC is that no congressional members are predicting that. Nonetheless, negotiators with congressional leadership and the Biden Administration have not come to a deal. Moving forward, a deal to raise the debt ceiling could impact Fiscal Year 2024 appropriations and beyond. A few elements to a potential debt ceiling deal are:

- ***Federal spending caps*** *– In the House Republican Debt Limit legislation, FY2024 would go back to FY22 levels (~$130 billion cut) with 10 year spending caps with a 1% annual increase year to year.*
    - *A compromise on this could lead to spending caps but in shorter duration. This will likely result in ‘real’ cuts to federal workforce/job training programs given current inflation, etc. But as we discuss during our meetings, another indicator that increases in workforce funding will not come from annual appropriations*
- ***Energy Permitting Reform*** *– This seems to be the ‘lowest hanging fruit’ in negotiations. It is politically important for Republicans and Democrats have shown they are willing to negotiate on that in past agreements/issues.*

- ***Rescinding Unspent COVID Dollars*** *– This is another area of broad-ish agreement. It is still unknown exactly how much money (and which money) would be subject to this requirement. I have been told that the estimates out there, between $90-120 billion, are larger than the actual funding which may be closer to ~$30 billion.*
- ***Work Requirements*** *– This is where negotiations get really sticky/tricky. Hose Democrats were always going to be in a different spot than the Administration on these negotiations but congressional Democrats appear to be more opposed to new work requirements in SNAP and TANF than the Administration (who is at least waiting for the Republican proposal). This will be an area of vigorous discussion over the next few days.*

In short, the debt limit will not impact current FY23 funding. However, be aware if federal spending caps are enacted as part of a bigger debt limit deal. The Office of Management & Budget (OMB) released this memo about the impact to FY24 under the Republican proposal which proposes to go back to FY22 levels WITHOUT impacting Defense, Veterans Affairs, or DHS. Their estimates show the remainder of the federal budget would have to absorb a 30% cut to make that a reality. Now, this is very unlikely to happen (nearly impossible) but wanted you all to have this information as you get questions internally and externally.

The Administration also released several key workforce initiatives today (in line with the DOL 2030 Conference) that I wanted to flag for you below:

Roadmap to Support Good Jobs

Invest in America Agenda