



LEGISLATIVE AGENDA FOR THE 118TH CONGRESS

SKILLS TRAINING POLICY RECOMMENDATIONS THAT WILL DRIVE AN INCLUSIVE ECONOMY FOR WORKERS AND BUSINESS

Jobs that require skills training are the very backbone of our economy. Across the country, millions of people have jobs like building and maintaining our roads and bridges; caring for our families when we are sick; or keeping our utilities running. These kinds of jobs often require training or education past high school, but they don't require a bachelor's degree. Hundreds of thousands of people would jump at the opportunity to train for a new or better career in a growing industry like healthcare, medical technology, infrastructure, IT, or advanced manufacturing. At the same time, businesses are looking for workers with the kind of in-demand skills that people hone at career and technical education courses at community colleges; through apprenticeships and work-based learning opportunities; or via job training at community organizations.

Yet, **for decades, too few workers have had access to the skills and training they needed to land in-demand good jobs and too few businesses have access to the pipeline of skilled workers they need to expand.** This skills mismatch hurts working people, the businesses that want to hire them, and our economy at large. Ultimately, the skills mismatch holds us back from a truly **inclusive economy** – one where workers and

businesses who are most impacted by major economic shifts, as well as workers held back by structural barriers of discrimination or lack of opportunity, are empowered to equitably participate in – and benefit from – a growing economy.

Skill needs are **widespread and urgent**. The problem was laid bare during the pandemic when millions of people who lost jobs sought employment in different fields. **Skill needs change at the breakneck pace of technology** – meaning workers need access to training and upskilling over the full course of their careers. In an economy where ninety-two percent of jobs require digital skills, but just two thirds of workers possess them, the skills mismatch is part and parcel of the digital divide.

Major economic shifts such as the rapid pace of technology and AI, climate change, and economic downturns like the one caused by the pandemic tend to exacerbate longstanding structural inequities in our labor market along the lines of race, gender, immigration status, and education. In order to have a truly inclusive economy, workforce policy needs to center on the workers and businesses most affected by economic shifts, as well as on workers most impacted by structural inequities.





RECOMMENDATIONS TO SUPPORT WORKERS AND BUSINESSES IN AN INCLUSIVE ECONOMY

INVEST IN WORKERS' AND BUSINESSES' NEEDS

The U.S. has been underfunding our public workforce system for decades. In order for policy recommendations to truly offer a pathway to an inclusive economy, policymakers must change their posture from one of neglect to one of dynamic investment.

- ▶ According to OECD data, the U.S. invests less in workforce policies than nearly every other industrialized country in the world. We would need to invest \$72 billion more annually just to reach the average investment of other industrial countries. For training alone, we would need to invest nearly 8.5 billion just to reach the OECD average.
- ▶ The World Economic Forum estimates that we would need to double its investment each year for ten years just to adapt to technological change.
- ▶ Congress has steadily cut investments in workforce programs, CTE, and adult education programs over the past twenty years.
- ▶ Congress provided virtually no dedicated funding as part of COVID response or recovery packages to address the needs of our public workforce system.

Increasing investment will enable the U.S. to remain competitive in a global economy, support working people and industries as they adapt to technological change, and foster a truly inclusive economy.

CONGRESS SHOULD ENSURE THAT COST ISN'T A BARRIER TO TRAINING

Working people are most likely to enroll in and complete skills training programs when they can afford the *full* costs of participation – that includes the cost of training itself, but also necessary equipment and supplies, childcare, and transportation. Cost challenges are more likely to impact people of color who may have fewer resources for training due to the racial wealth gap. If we want to create an inclusive economy with a workforce that is prepared to meet the skill demands of a rapidly changing economy (including digital skills and other specialized skills and knowledge that employers are looking for), then policy should ensure that everyone has access to high quality training programs, regardless of their financial circumstances, over the course of their careers.

- ▶ Pass the **Bipartisan JOBS Act**. This bill would provide access to Pell Grants for people enrolled in high-quality shorter-term education and training programs at community and technical colleges.
- ▶ Implement **Skills Training Grants** through WIOA reauthorization. These grants would be available to workers on a sliding scale based on income and would help cover the costs of high-quality skills training offered through community organizations, labor management partnerships, apprenticeship programs, and community colleges, as well as cover costs related to training like childcare, transportation, and housing.
- ▶ Build on the success of the Digital Equity Act by providing formula and grant funding through **Digital Skills at Work Grants** to ensure all workers have access to critical digital skills necessary in their current or future workplace.
- ▶ Leverage Farm Bill Reauthorization to **support workers' access to high-quality skills training, while maintaining nutrition benefits**. Congress should remove SNAP work requirements and make SNAP Employment and Training fully voluntary in all states. To facilitate this transition, Congress should increase the federal reimbursement of SNAP E&T reimbursement grants to 75 percent. These changes would enable more states to increase high-quality skills training opportunities for SNAP participants.

CONGRESS SHOULD HELP WORKERS AND SMALL BUSINESSES ENGAGE IN INDUSTRY PARTNERSHIPS

The most successful training programs are industry specific and are shaped by workers and businesses that have first-hand knowledge of a particular industry's needs. That knowledge is invaluable for identifying skill needs, designing training programs, and shaping worker retention and advancement strategies. Industry partnerships bring together local businesses, unions and worker organizations, community colleges, training providers, and community organizations to develop industry-specific workforce strategies. Partnerships can expand career opportunities for workers by promoting equity and creating pathways to good jobs within particular industries. They can also benefit small and mid-sized businesses, who have fewer staff and less capital to develop internal training programs.

- ▶ **Introduce the SECTORS Act**, which would support convening, expansion and sustainability for industry partnerships and cover training costs for participants in those programs. This funding should support scaling and replicating existing partnerships and starting new partnerships where there is industry demand.
- ▶ **Modernize & Reauthorize TAA** to work for more businesses and more workers. Modernization should include supporting businesses in starting and expanding on-the-job learning opportunities including apprenticeship. This support should build on industry or sector partnerships in business' local areas and empower businesses to hire, upskill and reskill workers.
- ▶ **Reinstate TAA for Community College and Career Training (TAACCCT)** as part of TAA reauthorization and modernize it to align with current investments provided to the U.S. Department of Commerce's Economic Development Administration so that it supports partnerships between training institutions and businesses.

CONGRESS SHOULD SUPPORT STATE AND LOCAL DATA COLLECTION TO MEASURE EQUITABLE OUTCOMES

When we have good data, we can use it to hold our workforce policies accountable for better, more equitable outcomes for working people and small businesses. Good data also helps working people know what training and credentials will help them succeed in growing industries and help them upgrade their skills. Data allows us to measure return on investment and support program improvements when necessary.

- ▶ **Expand outcome metrics and reporting to measure job quality** and training program quality as part of WIOA reauthorization. WIOA performance indicators should be expanded to include measures of quality and economic mobility, such as quality non-degree credential attainment; occupation specific job placement; long-term employment, education, and wage outcomes; and expanded measures on job quality.
- ▶ **Disaggregate participant and outcomes data to identify disparities and close equity gaps** as part of WIOA reauthorization. WIOA should require all training performance outcomes to be disaggregated by race, ethnicity, gender, and other important demographic or socioeconomic factors like English language proficiency, income, and geography while at the same time protecting individual privacy. WIOA should require reporting and disclosure of state workforce performance data by race and other demographic characteristics.
- ▶ **Pass the College Transparency Act** to ensure businesses, students, families, and policymakers have program level data on outcomes from education and training programs offered by institutions of higher education.





National Skills Coalition has launched four issue campaigns that prioritize the ways that federal and state policymakers can most effectively expand high-quality skills training and drive toward an inclusive economy. Skills policy alone can't correct every economic inequity, but investments in inclusive skills policy can begin to address the disproportionate impact of major economic shifts on workers of color, immigrants, and workers with a high school diploma or less; the essential role of small businesses who hire locally and invest in their people; and the moral and economic imperative to dismantle structural racism within workforce education and training. Our country won't achieve an inclusive economy without:



MAKING COLLEGE WORK for students, business, and our economy by adopting higher education policies that fully support working people's needs, career goals and economic mobility – and that help businesses that depend on a pipeline of trained, skilled workers.



SUPPORTING DIGITAL EQUITY @ WORK through developing a national policy strategy for digital equity in the workplace – a strategy that guarantees foundational digital skills for all, lifelong upskilling for current workers, and rapid re-skilling for those who have lost their job.



ADVANCING PEOPLE POWERED INFRASTRUCTURE by enabling states and regions, as part of implementing the Bipartisan Infrastructure Law, the Inflation Reduction Act, and the CHIPS (Creating Helpful Incentives to Produce Semiconductors) and Science Act, to invest in skills training, sector partnerships, supportive services, and local employment strategies that can support an inclusive 21st century infrastructure workforce.



TRANSFORMING OUR WORKFORCE SYSTEM to enable businesses hiring today to meet workforce needs while simultaneously working towards an end to structural racism in the workforce development system; to support our workforce in an equitable and ongoing way, and to arm workers and businesses with access to the skills training they need to be resilient in the face of current and future economic shifts – including globalization, the rapid pace of technological change, climate change and financial crises.