



Workforce Development Council
Annual Meeting
Providence, RI

Legislative Update
June 12, 2009

Introduction

In the five short months since the opening of the 111th Congress, legislators have worked tirelessly to advance the bold new agenda of “change” promised in the election. And so far, the news is good: Congress has had one of its most productive starts in years. Despite the numerous problems inherited from the previous Administration – Congress has enacted laws that many hope will stabilize the economy and spark job creation.

On February 13, 2009, by a supermajority vote of 60, the Senate sent the American Recovery and Reinvestment Act of 2009 (H.R. 1) to President Obama for signature. This urgently-needed legislation was passed in an effort to generate and/or save up to 3.5 million jobs; cut taxes for the middle class; and invest in America’s future.

On April 29, 2009 the Senate approved the Conference Report to the Fiscal Year 2010 Budget Resolution (S. Con. Res. 13). This budget addresses the fiscal and economic crises that have been inherited and hopes to return the country to a sound fiscal course by cutting the federal budget deficit in half by 2012 and by two-thirds by 2014.

American Recovery and Reinvestment Act

Competitive Grants for Green Job Training

The American Recovery and Reinvestment Act included \$750 million for a competitive grant program under the U.S. Department of Labor (DOL) to support worker training in high growth and emerging industries. The law required that \$500 million be used to support projects to train workers for jobs in the energy efficiency and renewable energy sectors. DOL intends to fulfill the green jobs goal through a series of grants, with Solicitations for Grant Applications for each program to be announced in June 2009.

On May 15, the Employment and Training Administration (ETA) issued a *Training and Employment Notice (TEN)* outlining the Department’s initial plans for awarding these funds “so that interested organizations can begin to plan for the application process and can strengthen or build partnerships to be successful applicants.”

The complete TEN can be found in Appendix I.

FY 2010 Budget

On April 29, the House and Senate passed the \$3.56 trillion FY10 budget conference report, largely along party-lines. The legislation passed in the House on a 233-193 vote with no Republican support, after House Speaker Nancy Pelosi (CA) and House Majority Leader Steny Hoyer (MD) sent a letter to conferees pledging to follow pay-as-you-go rules to secure House Blue Dog support.

The budget resolution later passed in the Senate on a 53-43 vote with all Republicans and three Democrats voting against it. The resolution provides \$1.086 trillion in discretionary spending;

\$10 billion less than the Administration requested, and \$556.1 billion for defense. The legislation assumes the deficit will drop to \$523 billion by FY 2014, from \$1.2 trillion in FY 2010.

The conference report includes reconciliation instructions for health care and student loan reform. Under reconciliation, healthcare and education legislation would only need 51 votes, preventing a Senate filibuster. The non-binding resolution sets the parameters for spending and tax bills throughout the year and caps the total allocation for annual Appropriations measures.

President Barack Obama released the details of his \$3.7 trillion budget proposal for FY10 on May 7th. The President's Budget for the Department of Labor calls for \$3.83 billion in funding for Workforce Investment Act (WIA) programs – a \$200 million increase over FY 2009 funding levels. WIA Adult, Dislocated Worker and Youth formula funding streams remain level funded from FY09.

Highlights of the budget include:

- \$861.5 million for Adult Training (no increase over FY 2009)
- \$1.413 billion for Dislocated Workers Employment and Training Activities (no increase over FY 2009)
- \$924 million for WIA Youth Activities (no increase over FY 2009)
- \$114 million for YouthBuild (\$44 million increase over FY 2009)
- \$115 million for ex-offender activities, of which \$88.5 million shall be for youthful offender activities (\$7 million increase over FY 2009)
- \$135 million for a Career Pathways Innovation fund (formerly Community Based Job Training Grants)
- \$15 million for a Workforce Data Quality Initiative (new in FY 2010)

FY 2010 Appropriations

On June 1, Congress returned for a four-week period in which Democratic leaders hoped for quick progress in writing the twelve regular appropriations bills. House and Senate leaders say they are optimistic that Congress can pass all twelve appropriations bills before the end of the fiscal year, avoiding the need for an omnibus spending bill for the first time since 2005.

The House's goal is to pass all twelve bills before leaving for the August recess. The Senate acts after the House on spending bills. According to Senate Staff, Senate Appropriations Committee Chairman Daniel K. Inouye (HI) has set a goal of passage for all the spending bills by September 30, the end of the 2009 fiscal year.

On June 4, the House Commerce-Justice-Science Appropriations Subcommittee held the first markup of the FY 2010 Appropriations bills, approving the \$64.4 billion spending measure. Senate Majority Leader Harry Reid (NV) announced this week that he wants to pass two appropriations bills – the Legislative Branch and Homeland Security – before breaking for the Fourth of July recess. Reid pledged to consider more during the five-week July work period and assured Monday and Friday votes in July in order to complete the work by the August recess.

On Tuesday, June 9, House Appropriations Chairman David Obey released a tentative schedule for the 12 FY10 appropriations bills, indicating they would all be passed by July 30, before the start of the August recess. (see Appendix II)

Provided that other high priority legislation does not intervene, Obey expects to keep to the schedule. Under the schedule, the Homeland Security spending bill would be the first to see House floor action, scheduled for Friday. The Defense appropriations bill would be the last, slated for July 30.

On Tuesday, the Appropriations Committee passed the Commerce-Justice-Science bill and signed off on the binding FY10 302(b) spending allocations for the 12 Appropriation subcommittees.

In recent years, congressional leaders have had a difficult time meeting the October 1 goal, which is the start of the new fiscal year. For example, work on nine FY09 bills was wrapped up in March, months after the start of the current fiscal year, when Congress passed a \$410 billion omnibus package. The FY08 appropriations process was funded through a nearly yearlong continuing resolution enacted in December 2007.

Democratic leaders are contemplating lengthening the congressional workweek as they face a full legislative schedule this summer. Congress will likely go back to the five-day workweek as lawmakers aim to complete work on a war supplemental measure and appropriations bills, while continuing to make headway on high profile policy items like health care and climate change. Last week, Senate Majority Leader Harry Reid (NV) pledged Monday and Friday votes in July in order to complete all twelve appropriations bills before the end of the fiscal year.

WIA Reauthorization

Efforts to move the reauthorization of the Workforce Investment Act (WIA) forward have met with some success during the first session of the 111th Congress. While WIA reauthorization has only made slight progress in the House and Senate, the White House has confirmed its intention to pass a reauthorization bill this year.

On June 8, the White House hosted a conference call with state and local stake holder organizations to discuss its intention to push reauthorization this year. From the White House, David Agnew, Deputy Director of Intergovernmental Affairs and Martha Coven, Special Assistant to The President, Domestic Policy Council hosted the call. Also on the call was the Vice President's Office, the Office of Management and Budget (OMB), the National Economic Council and the Council on Economic Advisors. The local and state organizations represented were The United States Conference of Mayors, the National League of Cities, the National Associations of Counties, the National Governors Association, the National Association of State Workforce Agencies and the National Council of State Legislators.

According to Coven, the President is very interested in job training due to the current state of the economy and is anxious to move forward with reauthorization this year. The Administration is requesting written recommendations from each group within the next few weeks.

On May 29, The Higher Education, Lifelong Learning, and Competitiveness Subcommittee of the House Education and Labor Committee held its second field hearing in the 111th Congress on reauthorization of WIA entitled “New Innovations and Best Practices Under the Workforce Investment Act” in Henderson, Nevada.

According to Subcommittee Chairman Ruben Hinojosa (TX), “after 11 years, the system is long overdue for an upgrade, and time is of the essence.” Hinojosa has previously indicated he could move slowly to develop comprehensive authorization legislation this year. Hinojosa plans to continue to hold field hearings around the country to collect input from workforce development stakeholders.

The Senate Health, Education, Labor and Pensions (HELP) Committee, had some early movement in its effort to reauthorize WIA, hosting a series of listening session early in the spring. This early activity has waned as focus shifted in the Committee to health care reform legislation.

House Education and Labor Committee

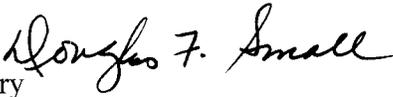
On June 9, Representative Howard “Buck” McKeon (CA) announced that he will accept a Ranking Member position on the House Armed Services Committee. As a result, speculation has been swirling as to who will fill the top Republican spot on the House Education and Labor Committee. Reportedly, Representative Mark Souder (IN) has expressed interest in the post. Representative Souder is currently the fourth-ranking Republican on the Committee. Representative Tom Petri (WI) is the most senior Republican Member on the panel following McKeon, however he has not publicly expressed interest in the position.

Representative Mike Castle (DE) will not seek the Ranking Member position on the House Education and Labor Committee, saying he’s undecided about his political future.

Appendix I

TRAINING AND EMPLOYMENT NOTICE	NO. 44-08
	DATE May 15, 2009

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE ADMINISTRATORS
STATE WORKFORCE LIAISONS
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS
STATE LABOR COMMISSIONERS
STATE UI DIRECTORS
STATE APPRENTICESHIP DIRECTORS
COMPREHENSIVE AND AFFILIATE ONE-STOP CAREER CENTER
DIRECTORS
SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM GRANTEES
INDIAN AND NATIVE AMERICAN PROGRAM GRANTEES
MIGRANT SEASONAL FARMWORKER GRANTEES

FROM: DOUGLAS F. SMALL 
Deputy Assistant Secretary

SUBJECT: American Recovery and Reinvestment Act of 2009 Competitive Grants for Green Job Training

1. **Purpose.** The American Recovery and Reinvestment Act of 2009 (Recovery Act) was signed into law by President Obama on February 17, 2009. The Recovery Act is intended to preserve and create jobs, promote the nation's economic recovery, and assist those most impacted by the recession. Among other funding directed toward the Department of Labor (DOL), the Recovery Act provides \$750 million for a program of competitive grants for worker training and placement in high growth and emerging industries. Of the \$750 million allotted for competitive grants, the Recovery Act designates \$500 million for projects that prepare workers for careers in the energy efficiency and renewable energy sectors described in Section 171(e)(1)(B) of the Workforce Investment Act of 1998 (WIA), as amended to incorporate the Green Jobs Act of 2007. This notice describes the Employment and Training Administration's (ETA) initial plans for awarding these "green job training" funds under the Recovery Act so that interested organizations can begin to plan for the application process and can strengthen or build partnerships to be successful applicants.

2. **References.**

- The American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115, Division A, Title VIII (February 17, 2009).
- Green Jobs Act of 2007, Pub. L. No. 110-140, 121 Stat. 1748 (codified at 29 U.S.C. § 2916).
- Workforce Investment Act of 1998, Pub. L. No. 105-220, 112 Stat. 939 (codified as amended at 29 U.S.C. § 2801 *et seq.*)

**EMPLOYMENT AND TRAINING ADMINISTRATION
U.S. DEPARTMENT OF LABOR
WASHINGTON, D.C. 20210**

- Training and Employment Notice (TEN) 30-08, “Overview of the Employment and Training Administration’s implementation strategy for Workforce Investment Act and Wagner-Peyser funding under the American Recovery and Reinvestment Act of 2009”
- Training and Employment Guidance Letter (TEGL) 17-08, “American Recovery and Reinvestment Act (Recovery Act) Funds Financial Reporting Requirements”

3. **Background and Strategic Vision for Competitive Grants Under the Recovery Act.** ETA is currently formulating a series of grant competitions for these funds as authorized under the Recovery Act. Through these grants, ETA seeks to assist individuals impacted by the recession by providing training and placement into employment, including the transition of auto and auto-related workers to jobs in the green energy sector. ETA will promote economic recovery by supporting the training needs of workers and employers in high growth and emerging industries. These grants also offer an opportunity to demonstrate how partnerships between the public workforce system and other public and private systems, including labor-management partnerships, education institutions, community and faith-based organizations, and research institutions can meet the workforce needs of the energy efficiency and renewable energy sectors and other industry sectors.

Across the series of grant competitions, these partnerships will undertake collaborative activities designed to define emerging energy efficiency and renewable energy jobs and train qualified workers to fill them. States will play a key role, working with public and private sector partners, to coordinate and gather information on skill qualifications for existing, new and emerging careers, and will publicize this information. State Workforce Investment Boards (SWIBs) will also play a key role in developing plans and leading renewable energy and energy efficiency employment efforts across a partnership, and implementing training programs in local and regional workforce areas. One-Stop Career Centers and a wide variety of community and labor organizations eligible for these grants will also benefit from these state research and planning efforts to meet the training needs of workers and employers in emerging energy efficiency and renewable energy industries. Successful organizations and partnerships will ensure that supportive services are integrated with education and training programs so that individuals can have access to a comprehensive array of supportive options. Further, these organizations and partnerships will assist individuals in entering career pathways leading to economic self-sufficiency.

Finally, it is the Department’s vision for these competitive grants to serve the purpose of training and teaching workers the skills being created in these emerging energy efficiency and renewable energy sectors. These efforts will lead program participants to job placement while leveraging other Recovery Act investments intended to create jobs and promote economic growth.

4. **Overview of Potential Funding Opportunities.** In order to implement this strategic vision, ETA is tentatively planning to issue a series of Solicitations for Grant Applications (SGAs). An overview of the **potential** solicitations anticipated for funding is provided below. Please be advised that the final funding opportunities may vary from those currently anticipated.

A. **State Labor Market Information Improvement Grants:** This will be a competition among State Workforce Agencies (SWAs) or consortia of the SWAs of multiple States to

collect, analyze, and disseminate labor market information, as well as develop a labor exchange infrastructure to direct individuals to careers in the energy efficiency and renewable energy sectors described in Section 171(e)(1)(B)(ii) of WIA. The activities conducted by successful applicants will be coordinated with and complement work conducted by the Bureau of Labor Statistics. ETA strongly encourages states to form consortia and jointly apply for these grants, and the SGA will reflect a preference for such approaches. Grantees will track workforce trends resulting directly or indirectly from Recovery Act investments, as well as related state, local, or private sector investments that create jobs in energy efficiency and renewable energy sectors. In addition, grantees will improve labor exchange infrastructure to populate occupational listings in job banks. Activities should be focused on ensuring that workers trained for green jobs will be able to find employment in energy efficiency and renewal energy sectors after they finish training.

This means identifying the existing and emerging needs of employers in these emerging industries, in terms of both skills and job openings, and making available employee placement tools to help match workers with those jobs.

B. Energy Training Partnership Grants: Two separate applicant pools will compete for grants under this solicitation: (1) eligible national labor-management organizations with local networks; and (2) statewide or local strategic nonprofit partnerships consisting of labor-management organizations, labor, business, Workforce Investment Boards (WIBs), and other organizations. These grantees will deliver training that leads to employment in careers in energy efficiency and renewable energy sectors described in Section 171(e)(1)(B)(ii) of WIA. Grantees will utilize partnerships to design and distribute training approaches that lead to portable industry credentials and employment, including registered apprenticeship. These grants will focus on dislocated and incumbent workers. **A portion of the funds under this SGA will be reserved for communities or regions undergoing auto industry related restructuring as discussed below.**

C. Pathways Out of Poverty Grants: Two separate applicant pools will compete for grants under this solicitation: (1) eligible national community-based and faith-based organizations with local networks; and (2) local partnerships that include community-based organizations, education and training institutions, business, and labor organizations. Successful applicants will provide training and placement services to individuals seeking pathways out of poverty and into employment within the energy efficiency and renewable energy sectors described in Section 171 (e)(1)(B)(ii) of WIA. Targeted populations include low-income and under-skilled workers, unemployed youth and adults, high school dropouts, or other underserved populations, with priority given to areas of high poverty. Successful training programs for these populations will: (1) include sound recruitment and referral strategies for targeted populations; (2) integrate basic skills and work-readiness training with occupational skills training; (3) combine supportive services with training services to help participants overcome barriers to employment; and, (4) provide services at times and locations that are easily accessible.

D. State Sector Training Grants: This will be a competition among SWIBs in partnership with their SWA, local WIBs and One Stop Career Center Systems, or regional consortia of Boards. Grant funds awarded under this SGA will be used to provide training and job placement activities aligned with a workforce sector strategy that will target energy efficiency and renewable energy sectors. The strategy will reflect state energy policies and

how they impact the work of the local Workforce Investment system and One Stop Career Centers to prepare workers for the energy efficiency and renewable energy sectors described in Section 171(e)(1)(B) of WIA. Successful applicants will demonstrate: (1) strong partnerships to develop the energy efficiency and renewable energy workforce; (2) relationships with other state agencies receiving Recovery Act funding to support strategic planning and implementation efforts; and (3) ability to implement a workforce development approach that targets the needs of a specific industry sector and provides an integrated system of education, training, and supportive services. **A portion of the funds under this SGA will be reserved for communities or regions undergoing auto industry related restructuring as discussed below.**

E. Green Capacity Building Grants: This will be a competition to build the capacity of current DOL grantees to prepare targeted populations for employment in the energy efficiency and renewable energy sectors described in Section 171(e)(1)(B) of WIA. These awards will support organizations as they update existing training and job placement programs for the emerging green economy in order to facilitate the success of other projects under the Green Jobs Initiative. Key activities will include the purchase of equipment, staff professional development, curriculum development and/or adaptation, partnership development, and where necessary, the hiring of additional staff.

Competitive Grant Focus for Areas Undergoing Significant Automotive Related Industrial Restructuring: A portion of the funding under the Energy Training Partnership Grants and the State Sector Training Grants will be reserved to facilitate the transition of auto and auto-related workers to the green/energy efficient workforce. Grants will provide job training, counseling, and placement services to residents from auto communities or incumbent and dislocated workers affected by significant automotive-related restructuring. To qualify for these grants, the geographic area proposed to be served by the project must have within it at least one motor vehicle manufacturer or automotive part supplier and have experienced significant dislocation. Prospective grantees may also propose to serve workers from area facilities who reside outside the defined area. For purposes of these SGAs, the industry is defined to include original equipment manufacturers and Tier 1, 2 and 3 part suppliers.

5. **Estimated Schedule of Funding**. We anticipate that Solicitations for Grant Applications will be published in June 2009, with application closing dates starting late summer. It is DOL's intention to implement the Recovery Act expeditiously and effectively, with full transparency and accountability of our expenditures.
6. **Action Requested**. States are encouraged to share broadly this notice with local WIBs and other stakeholders.
7. **Inquiries**. Notice of all Federal solicitations is posted in the Federal Register and at www.grants.gov and DOL-specific information is also available on our Web site at www.doleta.gov/grants. Additional information on funding available through the Recovery Act is on the Web at www.doleta.gov/recovery.

Please note that the Department's staff, including the Office of Grants and Contracts

Management, is unable to answer inquiries related to any of the potential competitive opportunities outlined above. Each future SGA will contain detailed instructions about times and dates for prospective applicant conferences and for submitting a complete application.

Appendix II



COMMITTEE ON APPROPRIATIONS

DAVID R. OBEY, CHAIRMAN

For Immediate Release
Tuesday, June 9, 2009

Contact: Ellis Brachman
(202) 225-2771

Tentative House Appropriations Committee Markup Schedule for FY2010 Bills

WASHINGTON D.C. – House Appropriations Committee Chairman Dave Obey (D-WI) today released a tentative schedule for consideration of appropriations bills in subcommittee, full committee, and on the Floor.

“This schedule would allow the House to complete action on all FY2010 Appropriations Bills before the August Recess, provided that consideration of other high priority legislation does not intervene and provided that we have reasonable procedural cooperation from all members,” Obey said. “It is an ambitious schedule, but it is workable if we all work together and if other crucial considerations do not intervene.”

Monday	Tuesday	Wednesday	Thursday	Friday
JUNE 1 No Votes	2 Votes at 6:30	3	4 Sub: CJS	5
8 Votes at 6:30 Sub: Homeland	9 Sub: Leg FULL: CJS	10 Sub: Interior	11 Sub-Agriculture	12 FULL: Homeland Leg
15 Votes at 6:30	16 Sub-Milcon FLOOR – CJS	17 Sub: SFOPS FLOOR-CJS	18 FULL: Agriculture Interior	19 FLOOR- Homeland
22 No Votes	23 Votes at 6:30 Sub- Financial Services FLOOR: Homeland	24 FULL: SFOPS FULL: MilCon FLOOR: Leg	25 Sub-Energy & Water FLOOR: Interior	26 FLOOR- Interior
29	30	JULY 1	2	3
6 No Votes	7 Votes at 6:30 FULL-Energy and Water FULL-Financial Services	8 Sub – Labor HHS FLOOR – Agriculture	9 FLOOR- Agriculture FLOOR - SFOPS	10 FLOOR – SFOPS

13 Votes at 6:30 Sub – Defense FLOOR - MILCON	14 FULL – Labor HHS	15 Sub-THUD FLOOR-Energy & Water	16 FLOOR-Energy & Water	17 FLOOR-Financial Services
20 Votes at 6:30	21 FULL: Defense, THUD	22 FLOOR- Labor HHS	23 FLOOR: Labor HHS	24 FLOOR: Labor HHS
27 Votes at 6:30	28 FLOOR-THUD	29 FLOOR-THUD	30 FLOOR-Defense	31

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