

Opportunities and Responsibilities of Mayors Under the Workforce Investment Act (WIA)

The passage of WIA in 1998 offered Mayors a unique and powerful opportunity by diminishing the federal government’s role in workforce development and giving wide latitude to local communities. *Mayors are currently able to leverage workforce investment policy in concert with their economic development agenda – enriching their human capital infrastructure and strengthening the ability to meet the ever increasing needs of employers for a skilled workforce.*

There is a movement in WIA reauthorization toward reforming the local workforce system by abolishing local workforce boards in favor of regional sector councils and mandating that state Employment Service merit staff administer workforce programs. The side-by-side below lays out what’s at risk for mayors and local workforce areas.

<u>UNDER WIA:</u>	<u>REGIONAL SECTOR COUNCILS:</u>
<p><u>Fiscal Agent:</u> WIA is authorized at approximately \$4 billion annually, which translates into substantial revenues at the local level for workforce programs. <i>Mayors are responsible for selecting the fiscal agent to administer WIA funds.</i></p> <p><u>Workforce Investment Boards:</u> Mayors are responsible for appointing the highest levels of business and community leaders to Workforce Investment Boards to strategically direct the programs and services funded through WIA. <i>Mayors can create a powerful local organization to direct and plan the city’s strategies for its workforce programs and services.</i></p> <p><u>Youth Councils:</u> Youth Councils must be appointed as a subgroup of Workforce Investment Boards and are required to develop an integrated plan for youth including in-school and out-of-school youth. <i>Mayors sign-off on Youth Council appointments and the youth plans developed as a required component of a five-year workforce investment plan.</i></p> <p><u>Demonstrating a Record of Helping Constituents:</u> Under current law, Mayors are able to refer all constituents to “One-Stop Career Centers” for workforce programs and related services, where multiple organizations provide services to job seekers and employers.</p> <p><u>Leveraging Federal, State and City Resources:</u> Mayors can utilize their negotiating skills to increase participation among One-Stop partners. <i>Now, Mayors can leverage workforce investment dollars to support their visions and goals, thus demonstrating to constituents and private sector stakeholders alike, that under strong leadership, government works.</i></p>	<p><u>Job Loss:</u> Elimination of local workforce boards would result in catastrophic job loss for thousands of municipal employees currently working at One-Stop Career Centers across the country. <i>The estimate is that 45,000-60,000 municipal jobs would be eliminated at the 2,800 One-Stops throughout the nation. These municipal employees would be replaced by state Employment Service merit staff.</i></p> <p><u>Funding:</u> Mayors would no longer serve as fiscal agents or appoint the fiscal agents to administer the \$4 billion in funding for workforce investment programs.</p> <p><u>Loss of Governance:</u> With elimination of local workforce investment boards in favor of regional sector councils established and appointed by governors, <i>Mayors would lose the entire power base to activate their business community directly under their name and economic development portfolio.</i></p> <p><u>Substantial Cost to Dismantle Local Delivery Systems:</u> The planned proposal to mandate that state merit staff administer workforce programs would <i>force local areas to dismantle service delivery systems that are working and have done so for several years, and would incur a potentially substantial cost in the midst of a severe economic downturn.</i> At a time when local workforce areas are struggling to serve the record number of unemployed workers seeking help, this proposed staffing mandate and change is unnecessary and counterproductive.</p> <p><u>Decline in Constituent Services:</u> Clients who enroll in WIA receive wrap-around services, including more comprehensive and in-depth assessment, vocational/career counseling, case management and post-training assistance. The assessments provided by state merit staff are limited in scope and depth, and generally do not include vocational counseling. <i>A mandate that services be administered by state merit staff would result in clients not receiving the full range of wrap-around services, and prohibit them from obtaining this critical counseling.</i></p>