



May 13, 2022

The Honorable Nancy Pelosi
Speaker
US House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
US House of Representatives
Washington, DC 20515

Dear Madam Speaker and Minority Leader McCarthy,

I'm writing on behalf of the Opportunity America Jobs and Careers Coalition to express our support for Congress's efforts to advance reauthorization of the Workforce Innovation and Opportunity Act (WIOA). We're encouraged to see the legislation come to the floor and find things to admire in both Democratic and Republican versions – the Workforce Innovation and Opportunity Act of 2022 (H.R. 7309) and the Republican substitute amendment. We hope that when a law is finally passed, it will be bipartisan and borrow from both proposals.

The Opportunity America Jobs and Careers Coalition is a Washington-based business group focused on job training and workforce development. Members include employers and employer associations from a broad range of industries experiencing skills mismatches and worker shortages – IT, manufacturing, construction, retail and hospitality, among others.

Members of our coalition have long lamented the steady decline in federal funding for workforce training and career services, and we are encouraged by the provisions in H.R. 7309 that would increase annual outlays – particularly for adult upskilling.

We see promise in the new proposed grant program for industry and sector partnerships.

We're hopeful about the proposed changes to state eligible training provider lists, allowing employers and industry partnerships to be certified as training providers.

We're encouraged by the provision that allows local workforce boards to expand the share of funding they spend on incumbent worker training.

We appreciate the section that codifies existing Department of Labor grants for community college workforce education.

We also have some concerns about H.R. 7309, starting with what we fear will be a dilution of employer input into the decisions made by state and local workforce boards, as participation by labor union representatives and other local stakeholders is mandated to increase.

We understand the need for quality assurance, but we're surprised by the provisions that add to the barriers facing companies that seek funding for on-the-job worker training. Many employers eager to provide work-based upskilling are already hesitant to apply for federal funds, put off by what they see as burdensome bureaucracy – and we'd like to see the process streamlined, not made more complex.

Perhaps most significant, we're disappointed that the draft is not bipartisan. We believe members of Congress on both sides of the aisle have important ideas to contribute to WIOA reauthorization – increasing funding for workforce training and making programs more inclusive, but also innovating to make the system more market-driven and align it with rapidly changing labor demand.

We'd like to see provisions for more employer input, more public-private partnerships, more programs funded on a pay-for-performance basis and more emphasis on competency and demonstrated skills.

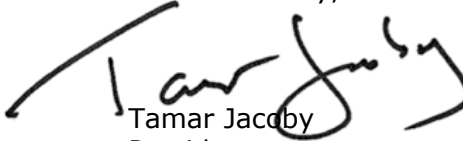
The Republican substitute moves in this direction. Among the provisions we find particularly encouraging:

- More money targeted specifically for training – at least 70 percent of the local area allocation
- The establishment of employer-directed skills accounts
- More flexibility for local areas to be responsive to employers and align training with the local labor market
- Increasing the governor's reserve fund to 30 percent to encourage innovation and align programs with local demand
- Leveling the playing field for nonregistered apprenticeships
- Removing the 10 percent cap on pay-for-performance contracts

Although sometimes wary of existing programs, our members would be eager to partner with a workforce system that worked, providing the labor they need and enhancing their region's economic competitiveness – recruiting, training and retraining workers to fuel economic growth and keep up with evolving technology.

We look forward to working with Democrats and Republicans in the months ahead to revamp the workforce system for a changing 21st-century economy.

Yours sincerely,



Tamar Jacoby
President