



NATIONAL SKILLS COALITION
Every worker. Every industry. A strong economy.

March 23, 2012

The Honorable John Tierney
2238 Rayburn House Office Building
U.S. House of Representatives
Washington, DC 20515

Dear Representative Tierney:

On behalf of National Skills Coalition—a broad-based coalition of business leaders, union affiliates, education and training providers, community-based organizations, and public workforce agencies advocating for policies that invest in the skills of U.S. workers—thank you for your leadership in introducing the “Workforce Investment Act of 2012” (HR 4227). National Skills Coalition believes that this legislation is an important, positive step toward strengthening and modernizing the nation’s workforce investment system, and we look forward to working with you to advance legislation that ensures that all U.S. workers and businesses have access to the skills they need to succeed in today’s global economy.

National Skills Coalition feels strongly that WIA reauthorization should be driven by three core principles:

- 1) Enhancing the effectiveness of the nation’s workforce investment system in meeting the skill needs of all U.S. workers and businesses, including through expanded access to training services and a greater emphasis on employer engagement to ensure that workers are receiving the skills and industry-recognized credentials that lead to decent jobs in high-growth, high-demand industries;
- 2) Strengthening accountability within the nation’s workforce investment system by ensuring that state and local stakeholders are utilizing increasingly scarce federal resources in the most efficient and effective manner, while also ensuring that the employment and training needs of all participants, including hard-to-serve individuals, are met; and
- 3) Promoting innovation within the workforce investment system by building on lessons learned and best practices identified over the first decade of WIA implementation and allowing states and localities to take these ideas to scale, while still providing flexibility at the state and local levels to encourage new ideas and respond to emerging economic realities.

The Workforce Investment Act of 2012 makes a number of critical improvements to the workforce development system that reflect these principles. In particular, we support efforts in the bill to:

- Accelerate the adoption of industry- and sector-based partnerships. As you know, one of the strongest criticisms of the current workforce system is the lack of meaningful employer involvement. National Skills Coalition has long championed sector partnerships as a means to address these concerns, not simply as a standalone workforce strategy but as a fundamental reorientation of how state and local workforce systems engage with employers and invest in training activities. We are extremely pleased that the Workforce Investment Act of 2012 strengthens the role of sector partnerships within the workforce system by requiring that state and local boards work to develop and expand sector initiatives, and by creating capacity to support the planning and implementation of such initiatives through the inclusion of sector partnerships as one of the strategic objectives that may be supported by the workforce innovation and best practices grants under sec. 171A.
- Increase cross-program alignment through career pathways models. National Skills Coalition believes that any WIA reauthorization bill should support the development of career pathways models that align adult education, job training, postsecondary education, and supportive services at the system level to provide seamless employment and training pathways for individuals, with multiple exit and entry points for workers at various skill levels and stages in their careers. The Workforce Investment Act of 2012 reflects this systemic focus of cross-program alignment, and provides much stronger requirements for state and local workforce investment boards to develop and implement career pathways strategies.

We also strongly support your decision to include the percentage of program participants achieving “measurable basic skill gains” toward recognized postsecondary credentials or employment as one of the performance metrics under sec. 136(b)(2)(A), which will help support the longer-term training associated with career pathways (while also discouraging “creaming” of low-skilled participants and other hard-to-serve populations). We also appreciate your inclusion of career pathways strategies as one of the strategic objectives that can be supported under the workforce innovation and best practices grants created by sec. 171A; this will provide capacity for states and regional entities to implement or expand career pathways initiatives.

- Implement system-wide measures. National Skills Coalition strongly supports efforts to enhance programs and systems to ensure the broadest possible range of participants can access the broadest possible range of services. However, we recognize that it is often difficult to assess the effectiveness and scope of such efforts because the current WIA performance measures are exclusively focused on individual outcomes. We therefore strongly support provisions under your bill that would require each state to develop quantifiable benchmarks demonstrating annual improvement with respect to program alignment, effectiveness in engaging employers in the workforce system, expanding access to training, and increasing credential attainment. The addition of these new system-wide measures will enable policymakers and workforce providers to more readily assess the impact of workforce development programs and systems in meeting the needs of jobseekers and employers, and help identify promising policies and practices that can be replicated and taken to scale.
- Create a line-item for infrastructure spending and require states to set a minimum percentage of funding for training. National Skills Coalition is pleased to see that the

bill incorporates long-standing recommendations for (1) a separate funding line-item for infrastructure and (2) a requirement that states establish a minimum training percentage as part of their state plans. One of the strongest criticisms of the WIA system has been the lack of training. Unfortunately, the only mandate under current law is that states must maintain the physical infrastructure of the One-Stop centers. With the decline in WIA funding over the last decade—state formula grants have been cut by about 40 percent since FY 2000—states often must choose between using limited resources to maintain the physical infrastructure or provide training. We feel strongly that clearly delineating infrastructure spending coupled with new training minimums will allow states to better prioritize training services over infrastructure costs.

- Emphasize attainment of industry-recognized/recognized postsecondary credentials. National Skills Coalition has consistently advocated for a greater emphasis on credential attainment as a measure of the effectiveness of the workforce system in meeting the skill needs of workers and businesses. Credential attainment is not measured under the current “common measures” system, meaning we have little data on the types or number of credentials being earned through WIA programs, and little incentive to ensure that training programs funded under these programs lead to industry-recognized credentials for participants. We are pleased that the Workforce Investment Act of 2012 restores the individual performance indicator relating to credential attainment. We also strongly support the inclusion of a system-wide indicator relating to credential attainment across core programs, and we further support the inclusion of credential attainment and measurement strategies as one of the three strategic objectives that may be pursued under the workforce innovation and best practices grants created under sec. 171A.

Again, we appreciate your ongoing commitment to investing in the skills of the U.S. workforce, and we look forward to working with you to ensure that any final WIA reauthorization enhances the effectiveness and accountability of the system while continuing to encourage innovation on the state and local level.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rachel Gragg', with a stylized flourish at the end.

Rachel Gragg, Ph.D.
Federal Policy Director

CC:

The Honorable George Miller
The Honorable Ruben Hinojosa