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policy solutions that work for low-income people

April 16, 2012

The Honorable John Kline
Chairman
Committee on Education and the Workforce
United States House of Representatives
Washington, DC 20515

The Honorable George Miller
Ranking Member
Committee on Education and the Workforce
United States House of Representatives
Washington, DC 20515

Dear Chairman Kline and Representative Miller:

In advance of the legislative hearing on the Workforce Investment Act (WIA), we are writing to share our serious concerns about many provisions in H.R. 4297, which was recently introduced by Rep. Foxx, Rep. Heck and Rep. McKeon. The bill diverts funding and services from vulnerable populations, undermines the capacity to administer and deliver services and reduces the range of services available to meet the needs of those struggling in the labor market. We are particularly concerned about the creation of a statewide competition for youth grants in place of a youth funding stream for local areas; the elimination of the authority for supportive services and needs-related payments; and the inclusion of a form of super-waiver that allows states to consolidate funds from a list of mandatory and discretionary programs. Although the bill's performance accountability provisions are much improved over the current WIA provisions, it lacks the types of measures, reporting requirements or incentives that would maintain let alone increase the focus on boosting employment and credential attainment outcomes for vulnerable populations.

Of primary concern is the lack of strong safeguards to ensure that vulnerable populations receive services and that appropriate services reach those most in need. In fact, the bill proposes to eliminate an existing safeguard in WIA—the priority of service for low-income adults. Focusing public resources on disadvantaged individuals ensures that appropriate services go to those who need them and who are likely to benefit from them. It is also important to ensure that federal funds have maximum impact. In a tight budget environment, scarce public resources should target low-wage workers, those with low education and skill levels and others who are generally not the beneficiaries of education and training investments made by the private sector.

Research shows that training and intensive services for participants, particularly for disadvantaged adults, are likely to pay off. A recent non-experimental evaluation in 12 states estimated that the average increase in earnings for women who participated in Workforce Investment Act (WIA) Adult training is nearly $2,400 per year, or 26 percent of average

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earnings. The impact for men who participated in WIA Adult training is $1,700 per year, or about 15 percent of average earnings. As WIA reauthorization proceeds, policymakers should not ignore this evidence; rather, they should build on the capacity of the workforce system to improve outcomes for low-income adults, disconnected youth and individuals with barriers to employment.

In our view, the problem is not proliferation of workforce programs. Merely reducing the total number of programs is not the answer. Rather, the solution is to bring to bear the strengths and resources of multiple delivery systems to build pathways to employment and postsecondary success for those in the nation's workforce, particularly low-income adults and youth.

Sincerely,

Evelyn Ganzglass
Director, Workforce Development
CLASP