

April 8, 2024

The Honorable Nathaniel Moran U.S. House of Representatives 1541 LHOB Washington, DC 20515

Dear Representative Moran:

On behalf of the Texas Association of Workforce Boards (TAWB), I am writing in response to the House Education and the Workforce Committee's recent introduction and consideration of H.R. 6655, A Stronger Workforce for America Act (ASWA) to highlight the encouraging elements of the legislation, and also to express our organization's reservations regarding core aspects of this draft proposal.

First, we commend the bipartisan efforts leading to the House Education and Workforce Committee's approval of the Stronger Workforce for America Act. This legislation offers promising adjustments to the Workforce Innovation and Opportunity Act (WIOA), reflecting a responsive approach to the needs and recommendations of local workforce stakeholders.

The Act acknowledges the critical feedback from local workforce stakeholders, making strides in several areas:

- Simplifies the process for local governments to serve as one-stop operators
- Increases the funding cap for incumbent worker training, enhancing skill development within existing workforces
- Expands operational flexibility for local boards regarding one-stop centers and affiliate sites
- Introduces a more stable state funding mechanism for Infrastructure Funding Agreements, addressing long-standing negotiation challenges
- Maintains full transferability between Adult and Dislocated Worker accounts, ensuring adaptability to shifting workforce needs
- Adjusts definitions and service priorities to better serve Opportunity Youth, lowering the required percentage and broadening the scope for support; and
- Establishes a dedicated funding source for Individual Training Accounts (ITAs) for Dislocated Workers, directly benefiting local boards through formula distribution

While the Act incorporates several beneficial provisions, such as enhanced flexibility for local workforce boards and the establishment of a stable funding mechanism for Infrastructure Funding Agreements, we hold significant concerns regarding elements that could restrict local decision-making capabilities and the breadth of services we can offer to Texas' job seekers and employers. Specifically, we wish to highlight:

1. The 50% Training Expenditure Mandate for Adult and Dislocated Worker Funds: This provision imposes a rigid, one-size-fits-all spending requirement on local boards, hampering our ability to adapt to local economic conditions and workforce needs. It overlooks the critical role of supportive and wraparound services that are vital for enabling job seekers to enroll in, complete their training, and successfully transition into employment.

We believe the solution is to allow for local flexibility of service delivery to meet the unique needs of job seekers, and expand the definition of training to include eligible expenditures such as staff time, supportive services, and career navigation.

2. Increase in the Governor's Reserve for a 'Critical Industries Fund': By potentially diverting funds away from local initiatives, this increase could diminish the resources available for delivering essential training services at the local level. This redirection of funds threatens to undermine the effectiveness of WIOA investments in building a skilled workforce tailored to the needs of Texas' diverse regions.

We believe a better solution would be to require the deployment of the 'Critical Industries Fund' through local workforce development boards to effectively leverage federal and state resources.

3. Redesignation Language: The provision allowing for the potential consolidation of local workforce development areas could erode the principle of local governance and responsiveness. It risks diluting the focus on community-specific workforce solutions and diminishes the voice and impact of local job seekers and employers in the workforce development process.

We would suggest allowing a third option whereby local workforce areas are maintained by a unanimous vote of local workforce development boards.

As the legislation moves forward, we respectfully urge you and your colleagues to engage in a constructive dialogue aimed at refining these aspects of the Stronger Workforce for America Act. Our goal is to ensure the Act fully supports the ability of local workforce boards to operate with the flexibility and autonomy necessary to address the unique challenges and opportunities within their communities.

TAWB is committed to working collaboratively with our national lawmakers to achieve a reauthorization of WIOA that empowers local workforce boards to continue their vital work in developing a highly skilled, competitive workforce. We believe that with thoughtful revisions, the Stronger Workforce for America Act can provide a solid foundation for the future of workforce development in Texas and across the United States.

Thank you for considering our perspective on this important issue. We look forward to the opportunity to work together to enhance the effectiveness of our nation's workforce development system.

Sincerely,

Adrienne Cozart

Chair, Board of Directors