



May 24, 2012

The Honorable John Kline
Chairman
Committee on Education and the Workforce
U.S. House of Representatives
Washington, DC 20515

The Honorable George Miller
Ranking Member
Committee on Education and the Workforce
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Kline and Ranking Member Miller,

The reauthorization of the Workforce Investment Act (WIA) presents an opportunity to ensure that the nation's public workforce system works for all – especially our nation's jobseekers who experience barriers to employment. Members of the House of Representatives Subcommittee on Higher Education and Workforce Training have introduced two approaches to WIA reauthorization. The Workforce Investment Improvement Act of 2012 (HR4297), introduced by the Subcommittee on Higher Education and Workforce Training Chairwoman Foxx and Representatives McKeon and Heck and the Workforce Investment Act of 2012 (HR4227) introduced by Representative Tierney, Ranking Member Miller, and the Subcommittee on Higher Education and Workforce Training, Ranking Member Hinojosa.

Far too many of our nation's jobseekers experience barriers to employment that make entering and advancing in the labor market challenging. Especially newly returning veterans, youth, those with fewer skills and education, and minorities who are disproportionately reflected in unemployment figures that are far higher than national averages. Many of these individuals experience barriers to getting into and advancing in the labor market and many have suffered prolonged bouts of unemployment and poverty. Many have been chronically unemployed long before the last economic recession began. With the right access to employment, education, training and support services these jobseekers can be America's next generation of skilled workers to fuel America's future economic competitiveness. Without access to employment, education training and support services large numbers of Americans will be disconnected from the labor market and unable to meet employer demands thus contributing to the erosion of American families and communities and weakening American economic competitiveness.

In order to ensure that our public workforce system best supports the entry and advancement of all jobseekers – including those with barriers to employment, the National Transitional Jobs Network (NTJN) has recommended that any Workforce Investment Act reauthorization proposal; adopt principles and goals that reflect a commitment to employment opportunities and advancement for our nation's most vulnerable and disadvantaged jobseekers; include a definition of the Transitional Jobs strategy to support employment entry and advancement of individuals with barriers to employment; include Transitional Jobs as an allowable use of training funds; adequately fund and prioritize employment and training services to low-income individuals with barriers to employment to receive services; and remove disincentives in performance measures to encourage provision of services to individuals with barriers to employment.

The two reauthorization approaches differ markedly in their visions for the overarching principles and goals of America's public workforce system, the system's responsiveness to the employment and service needs of individuals experiencing barriers to employment and the public workforce system's priorities. The degree to which these proposals reflect the NTJN's recommendations for the reauthorization of the Workforce Investment Act are discussed in this letter along with our recommendations for the Committee as it moves toward marking up the proposal.

NTJN Recommendation #1:

Adopt Principles & Goals That Reflect a Commitment to Access to Employment & Training Opportunities for All

Our public workforce system should adopt principles and goals that reflect a commitment by the system to supporting access to employment and training for all – including individuals with barriers to employment. The NTJN recommends that our national public workforce system reflect clearly stated purposes and principles that embody fairness through access to employment and advancement opportunities for all jobseekers – especially those with barriers to employment. H.R. 4227 states that one of its intended purposes and principles include efforts that prepare the unemployed, the underemployed, and those most disadvantaged with skills to match up with employer needs. By contrast, H.R. 4297 includes no such overarching principles or goals except that its defining framework is to consolidate and streamline redundant and ineffective federal workforce development programs to increase accountability, reduce administrative bureaucracies and put Americans Back to Work. The NTJN values effectiveness and accountability and encourages efforts that create seamless pathways to employment, training and education programs - but improving the system's efficacy does not have to be done at the expense of a clearly stated commitment to serving individuals experiencing barriers to getting, keeping and advancing in the labor market.

- ✓ **The NTJN urges the Committee to adopt language within the Workforce Investment Act reauthorization that reflects a commitment to ensuring access to employment and training for low-income individuals with barriers to employment.**

NTJN Recommendation #2:

Include a Comprehensive Definition of Individuals with Barriers to Employment

In order to be inclusive and responsive to the employment, education and training needs of jobseekers with barriers to employment, America's public workforce system should comprehensively define individuals with barriers to employment. H.R.4227 takes positive steps to define the term "persons with barriers to employment" to include a number of indicators known to, by themselves and in combination, hinder access to and success in unsubsidized employment, education and training for individuals with barriers to employment. H.R. 4227 defines the term to include those who have "poor work history, lack of work experience or access to employment, long-term unemployment, lack of educational or occupational skills attainment, low levels of literacy or English proficiency, homelessness, ex-offender status or welfare dependency." By contrast, H.R. 4297 does not define the phrase "persons with barriers to employment." By not defining the phrase, our public workforce system fails to account for the many factors and indicators that hinder access to employment, education and training.

- ✓ **The NTJN urges the Committee to adopt a comprehensive definition of individual with barriers to employment as defined by the NTJN in its recommendations to the Senate Subcommittee on Health, Employment, Labor and Pensions:**

In order to comprehensively define the term “individuals with barriers to employment”, so as to ensure full access to and opportunities for employment, education and training and supportive services the NTJN recommends the term “individual with a barrier to employment” mean a member of one or more of the following populations:

- Displaced homemakers.
- Low-income individuals.
- Indians, Alaska Natives, and Native Hawaiians.
- Individuals with disabilities, including youth who are individuals with disabilities.
- Older individuals.
- Persons with a record of arrest, charge or conviction.
- Individuals who are homeless or at risk of homelessness (as defined in sections 103 and 401 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302)).
- Youth who are in or have aged out of the foster care system.
- Individuals who are English language learners, individuals who have low levels of literacy, and individuals facing substantial cultural barriers.
- Eligible migrant and seasonal farm workers, as defined in section
- Individuals within 2 years of exhausting lifetime or intermittent eligibility under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)
- Single parents (including low-income single pregnant women)
- Individuals with no or inconsistent work history.
- Individuals who are basic skills deficient.
- Victims of domestic or sexual violence.
- Individuals without a high school diploma.
- Such other groups as the Governor involved determines to have barriers to employment.

NTJN Recommendation #3:

Include Transitional Jobs Programs as an Allowable Use of Training Funds

America’s public workforce system should codify and support Transitional Jobs as an allowable use of training funding in order to ensure individuals with barriers to employment have an onramp to employment and advancement opportunities. The employment and service needs of American jobseekers are diverse and require a range of approaches, intensity and services to support access to employment, skill training and education. Individuals experiencing barriers to employment including those with limited education and skills, lack of work history, individuals experiencing or at risk of homelessness, veterans, youth, individuals with a criminal record, individuals with limited English, TANF and SNAP assistance recipients and those financially eligible to receive assistance, non-custodial parents, older low-income adults, refugees and others require employment and service approaches and supports tailored to their needs. *Transitional Jobs programs combine wage-paid, real work opportunities with skill development and supportive services to transition individuals with barriers to employment to unsubsidized work.* Research shows that even during severe economic downturns transitional jobs programs get and keep individuals employed and earning a paycheck. Transitional Jobs contributes to lowering recidivism, reducing public benefits receipt, and improving the lives of children. These programs have positive effects on the health of employers and the share of

resources spent in communities by Transitional Jobs workers has a positive economic ripple effect into communities. The financial benefits of these programs far outweigh the costs.

H.R. 4227 includes Transitional Jobs programs as an allowable use of training funds and includes a definition of the program strategy. By contrast, H.R.4297 does not include transitional jobs programs as an allowable use of public workforce funds or a definition of the strategy. Community and faith-based organizations, Workforce Investment Boards, local and state agencies and other entities recognizing the economic import of connecting individuals with barriers to employment to work and advancement opportunities are already implementing this practical employment strategy in over 36 states. Failure to codify and allow for all components of the strategy to be allowable uses of training funds in the Workforce Investment Act reduces the effectiveness of America’s public workforce system to address employment and service needs of individuals experiencing barriers to employment and ultimately erodes our country’s ability to nurture and grow new skilled workers.

- ✓ **The NTJN urges the Committee to include Transitional Jobs programs as an allowable use of training funds and define the strategy and its components as allowable uses of Workforce Investment Act funds.**

NTJN Recommendation #4:

Prioritize and Fund Employment and Training Services for Individuals with Barriers to Employment

America’s public workforce system should adequately prioritize and fund employment and support services for individuals with barriers to employment. Since the enactment of the Workforce Investment Act, the share of individuals receiving intensive or training services who are low-income has dropped to less than one-half of those that receive these services.

In times of great need and fewer resources, our public workforce system should prioritize those with the greatest need for services. H.R. 4297 eliminates the current WIA provision that gives priority of service to recipients of public assistance and other low-income individuals for training and intensive services when funds are limited in local areas. By contrast, H.R. 4227 retains this provision and amends the content of state and local workforce investment board plans in current law to include that state and local plans shall include “a description of the procedure or process for implementing a priority of service for adult employment and training activities.” The WIA system’s resources peaked in 2000 and have been on the decline ever since. The priority of service requirement is especially important today in ensuring that low-income individuals with the greatest need for employment and training services are prioritized to receive these services.

Supportive services as defined in current WIA law as dependent care, transportation, or needs-based payments, are often essential to supporting transitions to employment and success in education and training for individuals with barriers to employment. H.R. 4297 repeals current law allowing local WIA funds to be used to provide these supportive services when participants are unable to obtain them from other programs in the community. Especially today, the availability of such services through other community programs has been reduced due to state and local budget cuts and increases in need for these services. The need to access these services to support positive employment, education and training outcomes is critical.

Of additional concern to the NTJN is the repeal of 16 programs under H.R. 4297 designed to deliver services tailored to individuals experiencing barriers to employment. These important programs

include the Senior Community Services Employment Program (SCSEP), Job Corps, Youthbuild, Section 231 of the Second Chance Act improving federal prisoner reentry, Homeless Veterans Reintegration Programs, Youth Conservation Corps, and the Women in Apprenticeships and Non-Traditional Occupations program.

Finally, H.R. 4297 sets a block grant maximum on appropriations level for targeted employment and services within the proposal for the next five appropriation cycles – essentially handcuffing the system’s ability to be responsive to changes in the number of individuals with barriers to employment seeking employment and training services or the variable intensity of services needed. In addition, the proposal requires the state to set aside 2 percent of its allocation for employment and training services for individuals with barriers to employment – a sum far below the already inadequate funding allocation to serve these jobseekers.

- ✓ **The NTJN urges the Committee to reverse the elimination of the priority of service requirement and the repeal of vital, targeted programs to support the specific needs and goals of individuals with barriers to employment. Additionally, the NTJN urges the Committee to remove the repeal of the current law allowing WIA funds to be used to provide supportive services and adequately fund employment and training services for our nation’s jobseekers with barriers to employment.**

NTJN Recommendation #5:

Remove Disincentives in Performance Measures to Promote Services to Individuals with Barriers to Employment

Our nation’s public workforce system should - through its performance accountability system - promote the delivery of employment and training services to all jobseekers including those with barriers to employment. If performance measures do not reward states that make a commitment to serve low-income, low-skilled individuals with barriers to employment, these populations will often not have access to the employment, education and training they need to obtain employment and advance in the labor market.

H.R. 4297 adopts improvements in the current WIA performance accountability system such as including common performance measures across WIA programs. The NTJN applauds the inclusion of a credential measure and a measure of progress toward obtaining a credential that may encourage longer or stackable credential attainment that are especially critical for low-skilled workers that must balance work and training. However, H.R. 4297 uses median wages as a measure of participant progress rather than wage gains. The use of median wages tends to push service providers toward serving those job seekers with greater skills, fewer employment barriers and those with the greatest earning potential. Under this system, states could potentially meet performance requirements without ever serving the employment and advancement needs of individuals with barriers to employment. H.R. 4227 requires state performance **levels be adjusted and take into account characteristics of participants** such as indicators of poor work history, lack of work experience lack of educational or occupational skills attainment, dislocation from high-wage and high-benefit employment, low levels of literacy or English proficiency, disability status, homelessness, ex-offender status and welfare dependency. Accounting for individual participant characteristics in reporting participant progress ensures that the accountability system reflects an accurate understanding and starting place of job seekers seeking employment, education and training. Making the performance accountability system responsive to these conditions helps promote access and service to all individuals seeking employment, education and training including individuals with barriers to

employment and those who may require more intensive or longer periods of service delivery in order to be successful in the labor market.

- ✓ **The NTJN urges the Committee to adopt a performance accountability system that takes into account the economic conditions and characteristics of participants in order to promote services to individuals with barriers to employment.**

As the process for reauthorizing the Workforce Investment Act progresses toward Committee mark-up, we urge the Committee to take steps to ensure that America’s public workforce system supports all job seekers – including those with barriers to employment. Specifically, we urge the adoption of goals and principles that reflect a commitment by America’s public workforce system to the employment and training needs of all individuals with barriers to employment and include a comprehensive definition of individuals with barriers to employment. We urge the Committee to include Transitional Jobs programs as an allowable use of WIA training funds and codify a definition of the strategy into law. We urge a reversal of the repeal of targeted programs for specific goals and needs of populations with barriers to employment, reinstatement of the priority of service requirement and the removal of the repeal of the current law allowing WIA funds to be used to provide supportive services and adequately fund employment and training services for our nation’s jobseekers with barriers to employment. Finally, we urge the Committee to adopt a performance accountability system that takes into account the economic conditions and characteristics of participants and promotes services to individuals with barriers to employment.

Please do not hesitate to contact Melissa Young at myoung@heartlandalliance.org if you have questions or would like additional information. We look forward to working with the Committee to ensure that America’s public workforce system works for all.

Sincerely,
Melissa Young
National Transitional Jobs Network

[The National Transitional Jobs Network](#) (NTJN), a project of Heartland Alliance, is a coalition of city, state, and federal policy makers; community workforce organizations; and anti-poverty nonprofit service providers and advocacy organizations committed to advancing and strengthening Transitional Jobs (TJ) programs around the country so that people with barriers to employment can gain success in the workplace and improve their economic lives and the economic conditions of their communities. Together we ensure that policies will account for the hard-to-employ, that the public understands the need to invest in these services, that programs are able to effectively serve as many people as possible, and that best practices and technical assistance are widely shared and implemented across the country. The NTJN is the singular national clearinghouse for resources, tools, and expertise for building Transitional Jobs programs, is the primary organization for gathering and disseminating best practices to improve the model nationally, and leads the national dialogue about employment and advancement strategies for the hard to employ.