

PWIB Quarterly Legislative Update

March 2007

Federal Overview

There is movement in Congress; an apparently bi-partisan commitment to a legislative agenda and to moving the budget process forward in a more inclusive and transparent way; and seeming consensus that the President's budget proposal – which included substantial cuts to education and training – is DOA. But it is still early, and anything can happen in Washington.

Appropriations

There is no question the federal budget situation is a problem, and Congress has some big problems to confront. The bad news is it could take a while. The good news is there seems to be a commitment, at least, to maintain key domestic appropriation levels. For the current year, a full year Continuing Resolution has been passed, which included the allocation of an additional \$2.3 billion in funds to the Labor-HHS-Education spending bill and obligates \$990 million for youth activities for the period April 1, 2007 through June 30, 2008 (including an additional \$49.5 million for the YouthBuild Program). Moving forward, the goal is to set budget levels – that is, the overall totals for the individual appropriations bills – by the legal deadline in April. As implied above, word from the Hill is that the President's budget – typically the starting point for negotiations in Congress – did not even make it to the Capitol before being converted to scrap paper. If Congress meets its April deadline, this is the first time since President Bush was elected that the budget would be completed on time. Following the passage of the budget, work would begin on the individual appropriations. With regard to employment and training line items, the long-term trend looks promising but the general sense is there will be level funding for at least the next budget cycle.

The 110th Legislative Agenda

What do the *Workforce Investment Act (WIA)*, *Head Start, No Child Left Behind (NCLB)*, and the *Higher Education Act* have in common? All are slated to be reauthorized in this session, and they all sit in the same committee. Common wisdom is that if WIA does not move quickly (out of the House and Senate by summer recess) it may have a long wait. Once work starts on NCLB, all bets are off. Plus, the Senate Health, Education, Labor & Pensions (HELP) Committee, chaired by Senator Edward Kennedy (D-MA), includes two well-known members – Senator Hillary Clinton (D-NY) and Senator Barack Obama (D-IL) – both of whom just happen to be running for president. Those committee hearings should be interesting.

Nevertheless, speedy reauthorization looks promising. It is a priority for the House and Senate, it was a bi-partisan consensus bill back when it passed in 1998, and there is a

basis to work from (such as the bills completed in House and Senate in both the 108th and 109th sessions). The Senate HELP Committee, which has traditionally worked in a bipartisan manner, has indicated its commitment to a bill that looks a great deal like the local-friendly legislation crafted in the 109th Congress. The House is starting with some hearings, mostly because the current leadership was not involved in any way in the crafting of the bill in the 109th, but does seem interested in moving a bill by May.

What Do We Want from Congress?

With no budget and no bills, this might be the best time ever to talk to members of Congress since there are no hard asks. In recent Hill visits, local representatives from across the country – including from Philadelphia – sent three clear messages to members of Congress:

- **Reauthorization of the *Workforce Investment Act*:** We are committed to the reauthorization of WIA in this session that insures the continuation of a flexible, responsive, and locally driven workforce system in the US. A bi-partisan bill is expected to be introduced shortly; please consider signing on as a sponsor.
- **Budget:** Budget priority letters are due from members of Congress to their respective appropriations chairs by March 16. Please include funding WIA and other education programs as priorities in your letter.
- **Funding:** We are asking for level funding for the coming year. “Dear Colleague” letters will be circulating in the House and Senate codifying this goal. Please consider signing on.

These messages have been well received. So, if you happen to be with a member of the Congressional delegation anytime soon, do not hesitate to mention these three topics.

State Overview

Governor Rendell has presented his budget, which is alive and well and making its way in the state legislature. Among notable investments in education and training, the budget includes \$20 million for Job Ready PA, as part of this program, Governor Rendell recently announced the Commonwealth would be making strategic investments of \$1.4 million for worker training in key industries and almost \$600,000 to develop industry partnerships. Currently, 5,600 Pennsylvania companies participate in more than 80 industry partnerships to increase worker skills and training opportunities. In addition, the administration is now seeking to authorize Job Ready PA in law. Speaking of the law, the new minimum wage effective July 1, 2007 is \$7.15 per hour in the Commonwealth, ahead of anticipated federal action in this arena. While it is expected there will be substantial positive benefits for local workers – particularly those just entering the workforce – we do know the wage increase will mean a decrease in the number of youth who will be served this summer. The number ranges anywhere from 1,200 – 1,700 (depending on whether a training wage is paid to youth 14 and 15 years old), and advocacy efforts are underway with the City to make up the funding shortfall to maintain the slot level. For additional information on these advocacy activities, please refer to the Project U-Turn section of the PWIB quarterly update report and information in the appendix of this briefing book that was presented to City Council.

Want to Get Involved?

Should you wish to get involved in the PWIB's advocacy work, or if you would like more details about the information in this update or other legislative topics tracked by the PWIB, please contact Cynda Clyde (cclyde@pwib.org) or review materials on our website (www.pwib.org).