



March 11, 2016

The Honorable Thad Cochran
Chairman
Senate Committee on Appropriations
Washington, DC 20510

The Honorable Barbara Mikulski
Ranking Member
Senate Committee on Appropriations
Washington, DC 20510

The Honorable Harold Rogers
Chairman
House Committee on Appropriations
Washington, DC 20515

The Honorable Nita Lowey
Ranking Member
House Committee on Appropriations
Washington, DC 20515

Dear Chairmen Cochran and Rogers and Ranking Members Mikulski and Lowey,

On behalf of the National Association of State Workforce Agencies (NASWA), we appreciate the increased funding for the workforce development system in the Fiscal Year (FY) 2016 Consolidated Appropriations Act. We are providing recommendations on funding levels for FY 2017, flexibility in federal grant awards, sufficient Unemployment Insurance (UI) administration funding, and maintaining veterans employment and training services under the auspices of the U.S. Department of Labor (USDOL).

Increased funds in last year's appropriations bill are invigorating the workforce development system. Restoration of the State Set Aside, increases in employment and training programs for Youth, Adults and Dislocated Workers, and other investments are building a skilled, educated, and adaptable workforce.

First, FY 2017 funding for these and other USDOL programs should be maintained at the enacted levels for FY 2016, or slightly above, and remain consistent with the funding levels established in the Bipartisan Budget Act of 2015. This investment, combined with maintaining the State Set Aside at 15 percent and targeted increases for the Workforce Data Quality Initiative and Reemployment Services, facilitates implementation of the Workforce Innovation and Opportunity Act (WIOA), enacted almost unanimously by Congress in 2014.

Second, Flexibility for USDOL competitive grant requirements should be increased. These requirements should not impose mandates on states' acceptance of funding. This is especially true when the mandate conflicts with state policy or law. Funding flexibility is critical to ensure states and local areas are innovatively collaborating with new WIOA partners.

Third, veterans employment and training programs should be retained at the USDOL. The workforce development system serves as the vehicle for alignment and integration of federal job training, education, human services, and other programs. Therefore, Congress should reject attempts to separate veterans employment and training services, which are currently integrated within the workforce development system.

Finally, Unemployment Insurance (UI) state administration should be sufficiently funded. These funds should be progressively increased to provide states adequate funding for administering their UI programs and prepare for the next economic disruption. The base appropriations allocated for UI state administration, adjusted for inflation, is lower today than it was in 1986. Given predictions of a recession before the end of this decade, the time to address this complex issue is now.

We greatly appreciate your consideration of our request. The continuation of these vital, integrated workforce development services will ensure a skilled, educated and relevant workforce.

Sincerely,



Dale Peinecke, Commissioner
Washington State Employment Security Department
NASWA Board President



Scott B. Sanders, Executive Director
NASWA

cc: House Ways and Means Committee, Senate Finance Committee

NASWA is a national organization of state administrators of the publicly-funded state workforce system, including the Workforce Innovation and Opportunity Act (WIOA), employment services, training programs, unemployment insurance, employment statistics and labor market information. NASWA's goal is to drive the national workforce agenda by providing policy expertise on workforce development, including unemployment insurance issues that support transition to new jobs and careers.