

## Introduction

The Texas Workforce Investment Council's *Federal Legislative Update* is published on a quarterly basis and informs stakeholders about developments in federal legislation that may impact workforce policy for Texas.



U.S. House of Representatives

## Recent Highlights from Congress

### The Budget Act of 2015

On October 29, 2015, the Senate voted 64-35 and passed the Bipartisan Budget Act of 2015. The president signed the bill on November 2, 2015. This bill prevents the federal government from defaulting on its debt and suspends the debt ceiling until March 15, 2017.

The bill increases the discretionary budget by \$80 billion for FY 2016 and FY 2017 to be split between defense and domestic programs. These increases will be offset by cuts in spending on Medicare and social security benefits, as well as savings or revenue from other programs. The Medicare savings will come from cuts in payments to doctors and other healthcare providers. The bill also prevents an increase in Medicare premiums for millions of seniors.

### House Speakership

Representative Paul Ryan was elected the 54th speaker of the House of Representatives after he received 236 votes from the members of the House of Representatives. The 45-year-old Wisconsin Republican replaces John Boehner, who resigned.

### Apprenticeship

President Obama declared November 2-6, 2015 as the first annual national apprenticeship week to promote the registered apprenticeship program. Throughout the week, local community colleges, employers, and unions with well performing apprenticeship programs hosted more than 175 open houses to showcase their programs, facilities, and apprentices, to explain and show how the apprenticeship program works.

Apprenticeship is a training system that produces highly skilled workers to meet the demands of employers competing in a global economy. Apprenticeship training programs can improve the skills of workers by training qualified individuals for lifelong careers.

There are approximately 445,000 active apprentices across the country. Apprenticeships provide a clear career path through new skills, higher wages, and opportunities for advancement. Apprentices earn an

average starting yearly salary of more than \$50,000 and over the course of their careers they'll earn \$300,000 more, on average, than their non-apprentice peers.

Recently, the Department of Labor announced \$175 million in American Apprenticeship Grants to 46 applicants in 25 states for the expansion and hiring of at least 34,000 new apprentices across a range of industries. The goal of the initiative is to double and diversify the number of apprentices in America by 2019. Grantees of this initiative will engage employers, labor unions, and public sector representatives to work collaboratively with community colleges, training providers, members of workforce investment systems, and state apprenticeship agencies to expand and develop new apprenticeship programs.

## Education

The Higher Education Act (HEA) was signed into law by President Lyndon B. Johnson in 1965. The law was intended to provide more opportunities for lower and middle-income families, program assistance for the smaller and less developed colleges, and library resources at higher education institutions. The HEA now regulates the administration of the student loan system, the federal student aid programs, and various programs that help low and middle-income students access higher education.

Reauthorization is generally a multi-year process providing the opportunity for Congress to renew, amend or change existing programs, or add new programs and requirements. The current HEA expired at the end of 2013 but was extended through 2015. In the event that Congress does not reauthorize the HEA, a temporary extension or stop-gap must be passed so that the programs may continue operating.

The U.S. Senate Committee on Health, Education, Labor, and Pensions (HELP Committee) is charged with the reauthorization of the HEA. In 2013, the HELP Committee held 14 hearings and called upon students, parents, and college leaders to hear their views on policies and improvements that should be included in the reauthorization of the HEA. Based on those comments, the committee will promote reforms by focusing on four main areas:

- empowering students and families to make informed decisions;
- simplifying and improving student aid;
- promoting innovation, access, and completion; and
- ensuring strong accountability and a limited federal role.

## Other Workforce-Related Legislation — Introduced

The following bills were recently introduced and will continue to be monitored throughout the 114<sup>th</sup> Congress.

HR 3555 – *The Jobs! Jobs! Jobs! Act*. The bill would subsidize jobs for teachers and first responders, invest in community college modernization projects, add a Work Opportunity Tax Credit category for hiring the long-term unemployed, and authorize a Pathways Back to Work subsidized employment program for low-skilled workers.

S 2064 – *The Career and Technical Education Opportunity Act*. The bill would advance the federal student loan program by allowing short-term training programs leading to industry-recognized certifications. To qualify, training programs would have to offer at least 250 hours of instruction over at least five weeks.