

## 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 impact workforce policy for Texas. This update, the third of 2015, focuses on recent activity in Congress.



U.S. House of Representatives

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## Recent Highlights from Congress

### Education

Originally signed into law by President Lyndon B. Johnson in 1965, the *Elementary and Secondary Education Act* (ESEA) is the overarching federal K–12 education law. Since then, Congress has periodically reauthorized the *ESEA*. The most recent reauthorization was in 2002 when Congress passed the *No Child Left Behind Act* (NCLB).

Thirteen years ago, when the NCLB was ratified, the legislation limited the ability for states and school districts to customize curriculum to enable students to graduate high school and prepare them for postsecondary education or the workforce. The NCLB is a regulatory burden, requires a large amount of paperwork, and provides no local control for the states in spending federal dollars to fit their needs.

To overcome these barriers, similar versions to reauthorize the ESEA have been introduced by both chambers of Congress. The House introduced the *Student Success Act* and the Senate introduced the *Every Child Achieves Act*. Both versions offer:

- reducing the federal role in education and returning the responsibility for student achievement to states, school districts, and parents;
- restoring fiscal discipline by eliminating ineffective federal programs and by investing limited taxpayer dollars;
- maintaining separate funding streams for programs and strengthening each targeted population to improve performance;
- supporting efforts to update policies to reflect current state and local efforts to improve and measure the quality of teaching;
- recognizing parents must play an active role in their child's education;
- supporting impact aid, by reimbursing school districts for the loss of property taxes due to the presence of the federal government;
- maintaining and protecting state and local independence for public education; and
- reauthorizing federal programs to educate homeless students.

## Trade

House Resolution (HR) 1314, also known as *The Trade Act*, failed to pass the House on June 12, 2015. This failed legislation would have given President Obama the ability to accelerate approval over the Trans-Pacific Partnership trade agreement. The bill contained two components: the Trade Promotion Authority (TPA) and Trade Adjustment Assistance (TAA) program. These two components were voted on separately in the House in early June 2015.

Since 1974, the TPA outlines policy guidance for the president on trade priorities and negotiating objectives. The TPA details the terms, conditions, and procedures under which Congress allows the president to enter into trade agreements with foreign nations.

Congress also considered the TAA. The TAA was initially created in the *Trade Act of 1974* to provide a path for employment growth and opportunity through aid to workers who have lost their jobs as a result of foreign trade. The TAA program seeks to provide trade-affected workers with opportunities to obtain the skills, resources, and support they need to become reemployed. The new TAA would allow more state control over job training assistance.

The House voted on the two components of the bill separately. On June 12, 2015, the TPA component passed while the TAA component of the bill received less than the number of votes required to pass the bill.

The House then passed HR 2146. This bill was originally introduced to address issues with retirement funds for federal law enforcement officers and firefighters. The House added the TAA component from HR 1314 as an amendment to this bill, which was passed on June 18, 2015. The Senate approved the changes and sent the bill to the president. The president indicated he would only sign the TPA if Congress passes the TAA.

Once TPA was passed, the Senate passed HR 1295 that includes an extension of the TAA benefits. This bill reserves \$450 million per year for training and employment services. The House approved the bill with a passing vote and the bill has been sent to the president for signature.

## Workforce Innovation and Opportunity Act

On April 16, 2015 the Departments of Labor and Education released five notices of proposed rulemaking (NPRM) associated with the *Workforce Innovation and Opportunity Act* (WIOA). The NPRM is a document published in the *Federal Register* that requests public comments on a proposed regulatory change.

Each NPRM addresses a different aspect of the WIOA. The five NPRMs include:

- *Unified and Combined State Plans, Performance Accountability, and the One-Stop System Joint Provisions*
- *The WIOA (which covers many of the Employment and Training Administration's programs)*
- *Adult Education and Family Literacy Act*
- *State Vocational Rehabilitation Services program, State Supported Employment Services program, Limitations on Use of Subminimum Wage and*

- *The WIOA Miscellaneous Program Changes* (which covers various programs related to vocational rehabilitation)

All comments to the U.S. Department of Labor were due by June 15, 2015. Those comments will be analyzed and the final rules for implementing the WIOA should be released in early 2016.

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### 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 1803 – *The Veterans Back to Work Act*, would set permanent Work Opportunity Tax Credit veteran eligibility categories. The bill amends the Internal Revenue Code to: (1) make the work opportunity tax credit for hiring qualified veterans permanent (veterans receiving compensation for a service-connected disability and other federal assistance), and (2) allow employers who hire qualified veterans an exemption from employment and railroad retirement taxes for such veterans' first-year wages.

HR 1957 – *The Pell Grant Cost of Tuition Adjustment Act*, The purpose of this act is to restore the role of federal Pell grants as the foundational federal investment in higher education, in order to strengthen the economy of the United States by improving opportunities for low-income students to complete higher education and join the middle class. The bill would immediately raise the maximum Pell grant from \$5,730 to \$9,139 and index it to rise with inflation.

HR 2000 – *The Bridge to Manufacturing Act*, would provide for the competitive grant program to add capabilities to the Manufacturing Extension Partnership Program. The bill may be related to projects designed to facilitate the development and implementation of apprenticeship, internship, or student work-based learning to help serve the workforce needs manufacturing companies. The selection criteria for grants under this program includes outreach to women and minorities.

HR 2521 – *The Restoring Education and Learning Act*, would reinstate federal Pell grant eligibility for individuals incarcerated in federal and state penal institutions and for other purposes to allow prisoners to reintegrate as productive members of the community post-incarceration.

HR 2551 – *The Veterans' Entry to Apprenticeship Act*, would allow use of veterans' education benefits as an income support for those attending pre-apprenticeship programs by treating these programs as registered apprenticeships. The bill stipulates that a covered individual enrolled in a pre-apprenticeship program must receive the same amount of educational assistance that the individual would receive if the individual were enrolled in a program of apprenticeship. The exception is related to housing assistance.

HR 2601 – *The Job Opportunities between Our Shores Act*, would amend the Workforce Innovation and Opportunity Act to authorize the Department of Labor to make grants to or enter into contracts with eligible entities to support projects proposed by education institutions, workforce boards, and advanced manufacturers to expand the capacity of education and training programs for jobs in advanced manufacturing. The bill also proposes requirements for project activities and performance goals and measures.

SB 959 – *The Apprenticeship and Jobs Training Act*, would create a tax credit for employers that employ workers in qualified apprenticeship programs. The credit would be worth up to \$5,000 per apprentice per year for up to three years, and employers could not claim the credit until an apprentice has been working at least seven months. The bill defines a qualified apprenticeship program as a program that provides qualified individuals with on-the-job training and instruction for a qualified occupation, is registered with the Office of Apprentices of the Department of Labor, and maintains records relating to the qualified individual.

SB 1166 – *The Building Understanding, Investment, Learning, and Direction Career and Technical Education Act*, would establish a pilot grant program to support career and technical education exploration programs in middle and high schools with learning opportunities that are connected to their education and career pathways. Grant funds must be used for: (1) leasing, purchasing, or upgrading equipment related to program activities; (2) staff expenses in coordinating or implementing program activities; (3) consultation services directly aligned to program goals; (4) professional development programs; (5) minor remodeling to accommodate program equipment; and/or (6) program evaluation.

SB 1328 – *The On-the Job Training Act*, would make discretionary grants to states, local boards, and federally recognized tribal organizations for adult on-the-job training or dislocated worker on-the-job training programs. Up to 10 percent of funds are authorized under this act to make grants to such entities for developing on-the-job training programs, including providing capacity-building activities for local staff. Reimbursement of wages will be based on the employer size, the target populations, and the number of employees that will participate in the on-the-job training; the wage and benefit levels of the employees before the training and on completion of the training; the relationship of the training to the competitiveness of the employer and employees; and the existence of other employer provided training and advancement opportunities.

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