

Introduction

The *Federal Legislative Update*, published several times a year by the Texas Workforce Investment Council (Council), informs stakeholders about developments in federal legislation that impacts workforce policy. This update, the first of 2014, focuses on recent activity in Congress.

Each United States Congress is two years in length and is made up of two sessions. The first session convenes on January 3 of odd-numbered years and subsequently adjourns on January 3 of the following year. The second session convenes from January 3 of even-numbered years, and continues to the following January 3. The 113th session of Congress began on January 3, 2013.

The current Congress is led by Senate President Joe Biden, Senate President Pro Tempore Patrick Leahy, and House Speaker John Boehner. There are 100 senators, 435 house representatives, and six non-voting members.

Federal Budget

Congress recently passed, and the president signed, a spending bill to fund the federal government for fiscal year (FY) 2014. House of Representatives bill (HR) 3547 combines all 12 appropriation bills that Congress had been considering in order to fund the various agencies and programs of the federal government. The \$1.1 trillion omnibus bill funds the government through September 2014.

The bill includes a provision to increase the reserve funding available to governors from Workforce Investment Act (WIA) funds from the current five percent to 8.75 percent of each state's funding. This funding set-aside had been reduced by Congress from 15 percent to five percent since FY 2011. The increased percentage will result in approximately \$45 to 46 million additional funds for the WIA set-aside nationwide.

The Labor, Health, and Education portion of the omnibus spending bill includes a total of \$156.8 billion in discretionary funding, which is \$100 million below the FY 2013 enacted level, and approximately \$9 billion below the President's recent budget request for these programs. With the exception of Wagner-Peyser, most workforce programs were funded above the FY 2013 post-sequester level but below spending levels for FY 2012.

The FY 2014 spending bill will fund the WIA adult program at about \$766 million, compared with just over \$730 million available for program year 2013, after sequestration cuts. The WIA youth program will be funded at \$820 million, compared with \$781 million. The dislocated worker program will receive about \$1.002 billion, an increase of about \$44 million over 2013. Wagner-Peyser Employment Service funding for the coming program year is about the same, at \$664 million. Program-level spending had been reduced by both the 2013 sequester and across-the-board rescissions built into the previous continuing resolutions.

WIA Reauthorization

As mentioned in the last update, Senate bill (S) 1356, a reauthorization of WIA, was voted out of its Senate committee but has yet to be debated by the full Senate.

HR 803, a version of WIA reauthorization that would consolidate most federally funded workforce programs, passed the House but has not been considered in a Senate committee. S 1911 was recently introduced in the Senate as a companion version of the House bill.

Other Workforce-Related Legislation

HR 2481, the *Veterans Economic Opportunity Act*, would require the Department of Veterans Affairs to establish the Veterans Economic Opportunity Administration, which would be responsible for the administration of programs that provide assistance related to economic opportunity to military veterans. This includes activities such as administering vocational rehabilitation and employment programs, educational assistance programs, veterans' housing loan programs, and the Veterans Small Business Program. The bill passed the House on October 28, 2013 and is authored by Representative Bill Flores of Texas.

HR 3697, the *Adult Education and Economic Growth Act*, would renew the adult education provisions of WIA by authorizing the spending of adult and dislocated worker funding on integrated training that combines adult education and occupational training, as well as on sequential education and training in which adult education is delivered as a prerequisite to job training. The bill was introduced in the House by Representative Ruben Hinojosa of Texas on December 11, 2013.

HR 3850, the *Older Americans Act Reauthorization of 2014*, would reauthorize programs for seniors through 2018 and is a simple reauthorization bill with no policy changes. It was introduced in the House of Representatives on January 10, 2014. The bill is similar to S 1562, which awaits consideration by the full Senate.

S 1836, the *Department of Commerce and the Workforce Consolidation Act*, would merge the Departments of Labor and Commerce by moving the weather-related agencies and offices to the Department of the Interior and eliminating several programs from each department. The legislation would also eliminate the Career Pathways Innovation Fund and the Enhanced Transitional Jobs Demonstration program. The bill was introduced in the Senate on December 17, 2013.

Federal Agency News

In December, President Obama nominated Portia Wu to be the next assistant secretary of the Employment and Training Administration (ETA) at the U.S. Department of Labor (DOL). Wu currently serves as special assistant to the president for labor and workforce policy at the White House Domestic Policy Council. Previously, she worked as the labor policy director and general counsel for the Senate Health, Education, Labor, and Pensions Committee.

Eric Seleznow will continue to serve as acting assistant secretary of ETA until the new assistant secretary nominee is confirmed by the Senate. Prior to his recent appointment as deputy assistant secretary of ETA, Mr. Seleznow served as state policy director for the National Skills Coalition. Prior to that position, he served as director of the Governor's Workforce Investment Board for the State of Maryland.