

NATIONAL SKILLS COALITION'S LEGISLATIVE AGENDA FOR THE 118TH CONGRESS

Jobs that require skills training are the backbone

of our economy. Across the country, millions of people build and maintain our roads and bridges; care for our families; and keep our utilities running. These jobs often require training or education past high school but not a bachelor's degree. There are hundreds of thousands of people who would jump at the opportunity to train for a new or better career in a growing industry like healthcare, medical technology, infrastructure, IT, or advanced manufacturing. At the same time, businesses are looking for workers who have developed in-demand skills through career and technical education courses at community colleges, apprenticeships and work-based learning opportunities, or job training at community organizations.

Yet too few workers have access to the skills and training they need to land in-demand, good jobs. And too few businesses have access to the pipeline of skilled workers and many industries are facing workforce shortages. Today, skill needs are **widespread**, **urgent**, **and unprecedented**. A recent analysis by National Skills Coalition and the Federal Reserve Bank of Atlanta gives us a snapshot of the digital skill divide: **92% of jobs require digital skills**, but just **2/3 of workers** possess them¹. In addition, recent federal investments in infrastructure will generate nearly **3 million jobs per year and 19 million job-years over the time span** of the laws. (A job-year represents one person working at one job for one year.) But without major investments in inclusive education and training programs and other supports for this workforce, particularly for women and workers of color who are underrepresented in this job sector, twenty occupations will face labor shortages resulting in an anticipated **total shortage of 1.1 million trained workers**ⁱⁱ.

This **skills mismatch**ⁱⁱⁱ – which has persisted across industries for decades but is more palpable than ever – holds our country back from a truly **inclusive economy**. An inclusive economy is one where workers and businesses who are most impacted by major economic shifts, as well as workers hindered by structural barriers of discrimination and a general lack of opportunity, are empowered to equitably participate in – and benefit from – a growing economy.

Building an inclusive economy means centering workforce policy on the workers and businesses most affected by economic shifts – such as the breakneck pace of technology and AI (Artificial Intelligence), climate change, and economic downturns like the one caused by the pandemic. Economic downturns are often more likely to impact women, people of color, immigrants, workers without a college degree, and others affected by the structural inequities in our labor market.

THE CASE FOR ROBUST INVESTMENT IN OUR WORKFORCE

The U.S. has been underfunding our nation's public workforce system for decades^{iv}. To offer a pathway to an inclusive economy, policymakers must change their posture from one of neglect to one of dynamic investment. Increasing investment will enable the U.S. to remain competitive in a global economy, support working people and industries as they adapt to technological change and foster an inclusive economy. Consider the following figures.

- According to Organization for Economic Co-operation and Development (OECD) data, the U.S. invests less in workforce policies than nearly every other industrialized country in the world. We would need to invest \$72 billion more annually to reach the average investment of other industrial countries. For training alone, we would need to invest nearly \$8.5 billion to reach the OECD average^v.
- The World Economic Forum estimates that the U.S. would need to double our investment each year for ten years to adapt to technological change^{vi}.
- Congress has steadily cut investments in workforce programs, Career and Technical Education, and adult education programs over the past twenty years^{vii}.
- Congress provided virtually no dedicated funding to address the needs of our public workforce system as part of its COVID response or recovery packages^{viii}.

RECOMMENDATIONS TO SUPPORT WORKERS AND BUSINESSES IN AN INCLUSIVE ECONOMY

PUBLIC PERSPECTIVE

84%

of registered voters want to make federal financial aid available to anyone seeking skills training, not just those seeking college degrees

90%

of registered voters want to provide access to digital skills training for workers throughout their careers so they can adapt to new technologies at work^x

1. CONGRESS SHOULD ENSURE THAT COST IS NOT A BARRIER TO TRAINING.

Working people are most likely to enroll in and complete skills training programs when they can afford the full costs of participation – that includes the cost of training itself, but also necessary equipment and supplies, childcare, and transportation, among others. Cost challenges are more likely to impact people of color who may have fewer resources for training due to a history of employment discrimination, and heightened economic insecurity, including the racial wealth gap^{ix}. If we want to create an inclusive economy with a workforce that is prepared to meet the skill demands of a rapidly changing economy (including digital skills and other specialized skills and knowledge that employers are seeking), then policy should ensure that everyone has access to high-quality training programs, regardless of their financial circumstances, over the course of their careers.

In this context, Congress should:

- Pass the Bipartisan JOBS Act to advance short-term Pell. If enacted, this bill would provide access to Pell Grants for people enrolled in high-quality shorter-term education and training programs at community and technical colleges.
- Implement Skills Training Grants through reauthorization of the Workforce Innovation and Opportunity Act (WIOA). These grants would be available to workers on a sliding scale based on income and would help cover the costs of high-quality skills training offered through community organizations, labor management partnerships, apprenticeship programs, and community colleges, as well as help cover expenses related to training success like childcare, transportation, and housing.
- Build on the success of the Digital Equity Act by providing formula and grant funding through Digital Skills at Work Grants to ensure all workers have access to critical digital skills necessary in their current or future workplaces.



2. CONGRESS SHOULD SUPPORT ROBUST CAREER PATHWAYS THAT ENSURE STUDENT AND WORKER SUCCESS.

Career pathways can help address business demand for skilled workers, as well as help workers advance within and beyond their workplace and across industries. For community colleges, small- and medium-sized companies, and workers, there are often challenges to starting and accessing the type of work-based learning programs needed to set workers and students on a strong career pathway.

In this context, Congress should pass:

- The Gateways to Careers Act to support students experiencing barriers to postsecondary access and completion through career navigation services, supportive services like childcare and transportation, and support evidence-based best practices for adult education.
- The ACCESS to Careers Act to boost student success and career readiness by increasing work-based learning opportunities and apprenticeships, ensuring students have access to support services like career navigators and counselors, and creating career pathways to meet the changing skill demands of our economy.
- The BUILDS Act to provide workers with skills needed to fill infrastructure jobs by creating new grants for industry partnerships in the infrastructure sector that develop robust career pathways. The bill includes funding for support services like career counseling, childcare, and transportation to help workers complete training programs.



of voters want increased funding for support services to help people finish skills training programs, such as for career counseling, childcare, and transportation assistance^{xi}

3. CONGRESS SHOULD HELP WORKERS AND SMALL BUSINESSES ENGAGE IN INDUSTRY PARTNERSHIPS.

The most successful training programs are industry specific and are shaped by workers and businesses that have first-hand knowledge of a particular industry's needs. That knowledge is invaluable for identifying skill needs, designing training programs, and shaping worker retention and advancement strategies. Industry partnerships bring together groups such as local businesses, unions and worker organizations, community colleges, training providers, and community organizations to develop industry-specific workforce strategies. Partnerships can expand career opportunities for workers by promoting equity and creating pathways to good jobs within industries. They can also benefit small and mid-sized businesses, which have fewer staff and less capital to develop internal training programs.

ÇD

PUBLIC PERSPECTIVE ON PARTNERSHIPS AND PATHWAYS



of voters want the creation of closer partnerships between training providers and businesses to train people for the jobs that businesses need to fill^{xii} In this context, Congress should:

Introduce the SECTORS Act, which would support convening, expansion, and sustainability for industry partnerships and cover training costs for participants in those programs. This funding should support scaling and replicating existing partnerships and launching new partnerships where there is industry demand.

Pass the PARTNERS Act to establish

a grant program to create and expand industry and sector partnerships to help small- and medium-sized businesses develop work-based learning programs, including the necessary supports.

Reauthorize the National

Apprenticeship Act to modernize our national apprenticeship system, build capacity for paid training, and expand equitable access to apprenticeship and work-based learning.



4. CONGRESS SHOULD SUPPORT STATE AND LOCAL DATA COLLECTION TO MEASURE EQUITABLE OUTCOMES.

When we have good data, we can use it to hold our workforce policies accountable to better, more equitable outcomes for working people and small businesses. Good data also helps working people know which training and credentials will help them succeed in growing industries and help upgrade their skills. Robust data allows policymakers and business leaders the ability to measure return on investment and support program improvements when necessary.

Expand outcome metrics and reporting to measure job quality

and training program quality as part of WIOA reauthorization. WIOA performance indicators should be expanded to include measures of quality and economic mobility, such as quality non-degree credential attainment; occupation-specific job placement; long-term employment, education, and wage outcomes; and expanded measures on job quality. **Disaggregate participant and** outcomes data to identify disparities and close equity gaps as part of WIOA reauthorization. WIOA should require all training performance outcomes to be disaggregated by race, ethnicity, gender, and other important demographic or socioeconomic factors like English language proficiency, income, and geography while at the same time protecting individual privacy. WIOA should require reporting and disclosure of state workforce performance data by race and ethnicity and other critical demographic characteristics.

Pass the College Transparency Act

to ensure businesses, students, families, and policymakers have program-level data on outcomes from education and training programs offered by higher education institutions. PUBLIC PERSPECTIVES ON EQUITY, QUALITY, AND TRANSPARENCY

91%

of voters want to ensure people have access to data that tells them which training programs and credentials will help them reach their employment goals

NOTES

i Bergson-Shilcock, Amanda, Roderick Taylor and Nye Hodge. (2023) Closing the Digital Skill Divide: The Payoff for Workers, Business, and the Economy. Washington, D.C. National Skills Coalition. https://nationalskillscoalition.org/wp-content/ uploads/2023/02/NSC-DigitalDivide_report_Feb2023.pdf

ii DeRenzis, Brooke, Jeannine LaPrad, Nicky Lauricella Coolberth, and Kate Michaels (2024) Unprecedented Opportunity: Meeting the Workforce Demands of New Clean Energy, Manufacturing, and Infrastructure Investments. Washington, D.C. National Skills Coalition. https:// nationalskillscoalition.org/resource/publications/datainfrastructure-investments/

iii "The Skills Mismatch". National Skills Coalition online. March 10, 2020. https://nationalskillscoalition.org/skills-mismatch/

iv Holzer, Harry J. (2023) Should the federal government spend more on workforce development? Washington, D.C. Brookings. https://www.brookings.edu/articles/should-thefederal-government-spend-more-on-workforce-development/

v "Active Labour Market Policies: Connecting People with Jobs," accessed April 9, 2024 https://www.oecd.org/ employment/activation.htm

vi "Technology can solve our problems – but only if we get the funding right". World Economic Forum online. January 19, 2023. https://www.weforum.org/agenda/2023/01/technology-cansolve-our-problems-but-only-if-we-get-the-funding-right/

vii Holzer, Harry J. (2024).

viii Spiker, Katie. (2021) The Senate Passed an Infrastructure bill and took the first step towards economic recovery legislation - where do investments in inclusive skills training fit in? Washington, D.C. National Skills Coalition. https:// nationalskillscoalition.org/blog/news/the-senate-passed-aninfrastructure-bill-and-took-the-first-step-towards-economicrecovery-legislation-where-do-investments-in-inclusive-skills-training-fit-in/

iv Spiker, Katie. (2021).

x National Skills Coalition commissioned a nationwide online poll of 1000 registered voters. Impact Research conducted the poll between March 11-17, 2024. The poll has a confidence interval of +/- 3.1%.

xi National Skills Coalition commissioned a nationwide online poll of 1000 registered voters. Impact Research conducted the poll between March 11-17, 2024. The poll has a confidence interval of +/- 3.1%.

xii National Skills Coalition commissioned a nationwide online poll of 1000 registered voters. Impact Research conducted the poll between March 11-17, 2024. The poll has a confidence interval of +/- 3.1%.



1250 Connecticut Ave NW, Suite 200 Washington, DC 20036

National Skills Coalition fights for inclusive, high-quality skills training so that people have access to a better life, and local businesses see sustained growth. We engage in analysis and technical assistance, organizing, advocacy, and communications to improve state and federal skills policies. Learn more at **nationalskillscoalition.org** and follow us **@skillscoalition**.