

March 14, 2025

The Honorable Burgess Owens
Chairman
Subcommittee on Higher Education & Workforce
Development
Committee on Education & Workforce
U.S. House of Representatives
Washington, DC 20515

The Honorable Alma Adams
Ranking Member
Subcommittee on Higher Education & Workforce
Development
Committee on Education & Workforce
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Owens and Ranking Member Adams,

I write on behalf of the Jobs and Careers Coalition to express our enthusiastic support for bipartisan legislation to reauthorize and reform the Workforce Innovation Opportunity Act (WIOA).

The Jobs and Careers Coalition is a Washington-based business group focused on job training and workforce development. Members include employers and employer associations from a broad range of industries experiencing skills mismatches and worker shortages – construction, manufacturing, IT, retail and hospitality, among others.

The past few years have been a turbulent economic time, but one thing has remained constant for our industries. Technological change is unstoppable, and it is transforming the American workplace, driving increased demand for skilled technical workers. The upshot for our businesses: persistent skills mismatches that hinder our ability to meet the needs of our customers or grow the economy.

The employers represented by our coalition hope to see Congress pass legislation that improves the effectiveness of the public workforce system, drives increased participation by employers, creates opportunities for workers and strengthens the U.S. economy.

Among the provisions we found most promising in the bipartisan, bicameral legislation that almost passed in the last Congress:

**The 50-percent training requirement.** The employers represented by our coalition struggle to hire appropriately skilled workers, and many business owners are uncertain where to turn when technology requires them to upskill their existing workforce. A mandate that 50 percent of the funds allocated to any local workforce area be spent specifically on skills development rather than administration and other costs would ensure that taxpayer dollars are used as effectively as possible to meet employers' urgent and growing training needs.

The industry partnership development fund. Workforce educators, employers and job seekers have long understood that there can be no effective workforce education without employer input on in-demand skills and industry trends. The employers in our coalition support legislation that encourages and incentivizes employer engagement, and we like the provision in last year's bill that allowed states to use a portion of their allocation to provide competitive grants for industry partnerships. Employers understand the need for both business and government to have skin in the game, and we believe many businesses would come forward to meet a state requirement for a funding match.

**The critical industries skills fund.** Artificial intelligence, industrial robots, electric vehicles and the digital economy are just a few of the developments transforming the American workplace.

New businesses are emerging, older firms are racing to keep up, and accelerating competition among cities and states drives a growing need for more flexible and responsive job training. A critical industries skills fund could help states keep up with the challenges ahead. As a matter of good public policy, our members would support a stipulation that training providers be reimbursed only when job seekers complete their training and are employed in the target industry.

**The option for expanded incumbent-worker training.** Like employers across America struggling to stay abreast of technological change, many businesses represented by our coalition face a growing need to retrain existing workers. Our coalition would welcome a provision that raises the cap on state spending for incumbent-worker training and allows these funds to be spent more flexibly in the geographic areas where they are needed most.

**The demonstration grants designed to spur innovation.** The employers in our coalition who have tried to make use of the workforce system have often found it wanting – difficult to approach, bureaucratic, hidebound, inattentive to their needs. Quality varies widely, and some local areas serve employers effectively. But others need a thorough overhaul – new thinking, new tools, new approaches and more. Our coalition sees promise in consolidated innovation grants that would allow some states and local areas to experiment, and we would be eager to work with these jurisdictions to develop better tools and tactics.

**The new employer performance metric.** As the old adage has it, "what gets measured gets improved," and the members of our coalition have long questioned the Workforce Innovation and Opportunity Act's approach to measuring the workforce system's effectiveness in serving employers. We strongly support the approach included in last year's legislation: holding local areas accountable for the percentage of workforce system participants enrolled in employer-driven upskilling programs, including on-the-job training and apprenticeship.

**Using outcomes metrics to raise the bar for fundable training providers.** Members of our coalition who have tried to use the workforce system have often been disappointed by the quality of the training provided to participants with individual training accounts. We hope any WIOA reauthorization would streamline state eligible-training-provider lists and impose tougher standards on providers, using verified employment outcomes to determine eligibility. We would also welcome a provision that allows employers to sponsor programs for the list and hope to have a chance to work with local workforce boards to improve the quality of available training.

Taken together, we believe, these provisions have the potential to make the public workforce system significantly more appealing and effective for employers. Going forward, as in the past, it will take both local workforce authorities and local businesses to make the partnership work. What's needed are carrots as well as sticks to encourage this essential collaboration, and our coalition looks forward to working with local authorities to implement legislation and encourage uptake by employers.

Reauthorizing and reforming WIOA is the beginning, not the end, of the change that's needed to ensure that all Americans, whatever their age and education level, have access to quality career-connected education and training. But it is an important step – what's needed is a balanced innovative package, attentive to the needs of employers, job seekers and the changing economy. We encourage Congress to move forward quickly crafting and passing legislation.

Yours sincerely,

Tamar (Jacoby