



Progress Update on Job Driven Training and Apprenticeships

September 2015



Executive Summary

"To make sure folks keep earning higher wages down the road, we have to do more to help Americans upgrade their skills. America thrived in the 20th century because we made high school free, sent a generation of GIs to college, trained the best workforce in the world. We were ahead of the curve. But other countries caught on. And in a 21st century economy that rewards knowledge like never before, we need to up our game. We need to do more."

- **President Obama, 2015 State of the Union**

All told, over the past five and a half years, American businesses have created over 13 million new jobs and today there are over 5 million job openings—nearly as many as any point since the data have been tracked. For the past three years, the U.S. has topped A.T. Kearney's survey of global business leaders as the most attractive location for companies to invest and expand operations. Companies are creating jobs in high-growth industries like advanced manufacturing and healthcare.

But at the same time, many Americans still don't feel the benefit of this growing economy in their own lives. They lack the skills and experience to access better jobs with bigger paychecks. And too many businesses say that they cannot find the skilled workers they need.

The path forward is clear: Prepare more Americans to fill one of the millions of vacancies that companies have right now by giving them every opportunity to gain the skills to be competitive.

That is why last July, the Administration – with the leadership of Vice President Biden—released a plan to expand the number of pathways for Americans to gain the skills they need to get better, higher-paying jobs and increase access to those pathways. The overarching vision is a job-training system that, as the President has laid out, "trains our workers first based on what employers are telling us they're hiring for and helps business design training programs so that we're creating a pipeline into jobs that are actually out there." Since then, we have taken a number of steps to realize that vision. This document provides an update on those actions, which include:

Scaling Up What Works Across Federal Employment and Training Programs That Reach Over 20 Million People Each Year

- **Scaling Up What Works Across Our Federal Programs With A New Job-Driven Training Checklist Applied to Billions of Dollars in Training Funds.** Last year, the Administration laid out a job-driven checklist that includes seven essential elements that matter most for getting Americans into better jobs—stronger employer engagement, work-based learning approaches like apprenticeship, better use of labor market information, accountability for

employment outcomes, more seamless progression between education and jobs, expansion of key support services, and regional partnerships. Since last July, agencies have awarded over 15 competitive job-training grants that total over \$1.2 billion and more than \$8 billion in non-competitive formula funding that incorporate the job-driven training elements.

- **Doubling Down on Job-Driven Reforms in Large Competitive Grants.** In addition to the \$175 million in American Apprenticeship Grants announced today, over the past year we have targeted some of our largest competitive grant programs toward expanding proven, job-driven strategies. Since last year's review, DOL has awarded nearly \$300 million in Sector Partnerships and Job-Driven Training grants in 40 states, territories and tribes. These grants are scaling up highly effective sector strategies that have been shown through vigorous, randomized evaluations to lead to higher rates of employment and higher earnings (an additional \$4,500 over 24 months).¹ And in March, the Department of Agriculture competitively awarded \$200 million for 10 pilot projects that will test a range of job-driven strategies, including intensive sector-based approaches and career pathways that prepare workers for specific occupations; career navigation and job readiness; work-based learning; and comprehensive assessment and intensive case management.
- **Measuring Whether Job Training Programs Respond to Employer Needs.** Since the enactment of the Workforce Investment Act in 1998, we have never had an across-the-board metric for how well workforce boards are serving businesses. In the past year, the Departments of Labor (DOL) and Education (ED) have taken steps to require the core federally-funded workforce programs across the country, representing more than \$7 billion in annual funding, to measure and be held accountable for their effectiveness in serving employers. In April, following extensive engagement with employers, practitioners, and states and local areas already implementing employment measures, DOL and ED released potential options for such metrics, including employee retention, percent coverage of regional employers served, and repeat business. Over the next several months, DOL will review comments from the field about the appropriate measure, which is set for release in early 2016.

Doubling Down On Expanding Apprenticeships—a Proven Training Strategy For Workers To Learn The Skills Employers Need

- **Largest Increase In Apprenticeship In Nearly A Decade** - Since the President issued his call to action and mobilized the whole of his Administration to advance Apprenticeship; the nation has experienced the largest growth in Registered Apprenticeship in nearly a decade. Today, there are 55,000 more apprentices in training on the path to a good career with a middle-class wage. Leading this effort, over 140 employers, industry associations, and training organizations have signed on to a challenge to expand apprenticeship in their companies,

¹ Carol Clymer, Maureen Conway, Joshua Freely, Sheila Maguire, and Deena Schwartz, "Tuning In to Local Labor Markets: Findings From the Sectoral Employment Impact Study," Public/Private Ventures (July 2010).

industries, and communities. A few of the largest employers have committed to building the progress already under way by adding more than 20,000 new apprenticeship slots over the next few years. And over 200 colleges across the country are teaming up to reward apprenticeship with college credit and college degrees, ensuring that workers are recognized and rewarded for their skills.

- **Significant New Investments By Federal, State And Local Government Leaders:** With the launch of \$175 million American Apprenticeship Grants competition, the President dedicated the largest-ever competitive investment into expanding our national apprenticeship system. In addition, the Administration has made it easier for colleges and employers to leverage over \$50 billion in aligned federal funding to expand apprenticeship programs and give more workers access to apprenticeship. At the state and local level, through homegrown action, 19 states have expanded apprenticeship in their region by over 10% - with many from Kentucky to Michigan to Connecticut launching new statewide apprenticeship programs and incentives for employers to offer apprenticeship.

Partnering With Employers, Communities, and Training Providers to Get More Americans into Better, Higher Paying Jobs

- **Getting Americans Into Well-Paying, High-Growth Tech Jobs.** Today, there are over 600,000 open technology jobs across the country², two-third of which are outside of the tech sector in industries like manufacturing, healthcare, and financial services. In March, the President launched TechHire, a multisector effort to empower Americans with the skills they need, through universities and community colleges but also innovative nontraditional approaches like “coding bootcamps” that can rapidly train workers for technology jobs that pay 50 percent more than the average private-sector American job. Since then, more than 30 cities, states and rural areas in partnership with 450 employers have made commitments to use data and innovative hiring practices to expand openness to non-traditional hiring; expand models for training that prepare students in months, not years; and activate local leadership to connect people to jobs with hiring on ramp programs. And this fall, the Department of Labor will release the application for \$100 million in competitive funding to support innovative approaches to getting disconnected and at risk youth and others trained for good jobs in technology and other in-demand fields.
- **Helping Low Wage, Front Line Workers Advance into Better Careers.** In January 2015, the President announced a new Upskill Initiative that calls on employers to work alongside the Administration to help low-wage workers earn a shot at better, high paying jobs. So far more than 100 companies employing over 5 million people have responded to the President’s call to action by expanding on-the-job training; increasing uptake of training opportunities by

² Burning Glass Technologies

making them cheaper, easier, and faster; and clarifying what skills workers need to get ahead within their companies.

Fully Realizing the President's Vision for Job-Driven Training with Needed Investments

Fully realizing the President's vision will require investments to significantly expand and upgrade education and training pathways to give Americans the skills needed to get into better paying jobs.

That is why the President's Budget invests in employment services, job training, and innovative apprenticeship programs. This is in stark contrast to the budget proposals put forward by Congressional Republicans. Two years ago, when sequestration took effect, 1.3 million people lost access to Department of Labor job training and employment services. In 2016, the funding levels proposed by Congressional Republicans in the House and Senate appropriations bills would cut training and employment services for over 2 million people as compared to the President's budget.

The President's 2016 Budget ensures that workers are equipped with the skills they need to fill the in-demand jobs of the future. Specifically, the Budget:

- increases funding by more than \$500 million for the core job training and employment service programs that workers rely on for help finding a job and skills training,
- invests in evidence-based models, including \$100 million for apprenticeship grants and a \$100 million increase for reemployment services and eligibility assessments for Unemployment Insurance claimants, and
- maintains a focus on helping groups with barriers to employment, such as ex-offenders, reconnect with the labor market. For example, the Budget provides for a \$13 million (16 percent) increase for the Reintegration of Ex-Offenders program at the Department of Labor.

In stark contrast, the Republican House and Senate Labor-HHS-ED appropriations bills do not adequately fund the core workforce programs and would give far fewer workers access to the job training and employment services they need to find a new job or ascend the career ladder. The Senate bill funds the core WIOA programs and other employment services at \$650 million less than the President's Budget, and the House bill funds these programs at nearly \$500 million less than the President's Budget. The Republican bills also fail to invest in proven workforce models, such as apprenticeship, that have demonstrated effectiveness in moving workers into middle-class jobs. Finally, the Senate Republican bill slashes funding for some of the most disadvantaged Americans in the labor market, including individuals with disabilities and ex-offenders.

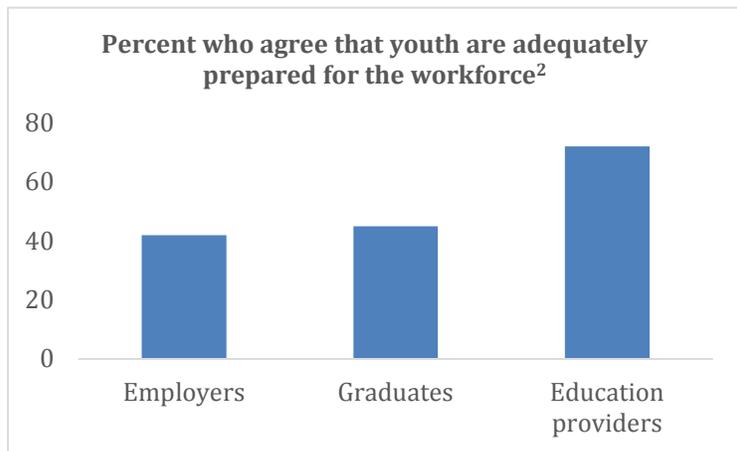
Introduction

In the 2014 State of the Union Address, President Obama tasked Vice President Biden with conducting an across-the-board review of America’s job training programs to unite them around a core mission: train Americans with the skills employers need, and match them to good jobs that need to be filled right now.

This directive recognizes that one of the surest paths to better, higher-wage jobs is to invest in job-training and education for in-demand skills. Additionally, our ability as a nation to attract and keep good jobs here in the U.S. and grow our economy will be realized by tapping into the full potential of the American people.

Two-third of companies report that they have positions open today for which they cannot find qualified applicants, and the McKinsey Global Institute estimates that by 2020 the U.S. will have a potential shortfall of 1.6 million “middle skill” workers—those with greater education than high school, but less than a bachelor’s degree.

Closing this gap is not just about getting more Americans through training programs, but making sure their time and money is spent on those programs that are leading to good employment outcomes. This means avoiding what Secretary of Labor Tom Perez refers to as the “Train and Pray” model of putting people through training and hoping there’s a job waiting at the end.



Unfortunately, this model is still too common today.

So last year, we engaged in a dialogue with governors, mayors and county officials; Congressional leaders from both parties; labor unions; employers large and small from all industries; social entrepreneurs and tech innovators; training and education providers; hard-working Americans.

We identified a few core drivers of these problems across the three main actors in the employment ecosystem: employers, job seekers, and education and training providers:

Employers	Job Seekers	Education / Training Providers
Many employers have trouble finding workers with skills for in-demand jobs	Workers don’t know which training and job choices will make them attractive to employers	Educational institutions and training programs are unclear about industry needs for specific

<p>Most industries have not defined those skills clearly, and many employers don't fully match their recruiting and hiring practices to focus on those skills</p>	<p>Many job seekers whose skills make them ready for in-demand jobs lack clear credentials and work history to be given a chance</p>	<p>jobs and skills. Many offer no clear path to employment</p> <p>Some good local employer-educator partnerships exist, but tend to stay local</p>
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What we also found is that while these are major challenges, every problem we identified is already being addressed somewhere in America, usually through a purposeful collaboration between employers and local and state governments.

The approach we have been implementing over the past year first takes the elements of the best programs and spreads them across the country both through federally funded efforts and in partnership with industry and second encourages more innovation where needed. The pages that follow detail three main components of the action taken to date:

1. Making Federal Employment and Training Programs More Job-Driven
2. Investing In Apprenticeships, the Gold-Standard For Job-Driven Training
3. Mobilizing Industry, Education, Innovators and Communities for Skills and Jobs

Making Federal Employment and Training Programs That Reach Over 20 Million People Each Year More Job-Driven



We started with reforms to the federally funded workforce system, which reaches over 21 million Americans every year. The system provides services to help workers of all ages to identify training that could help them get jobs or advance in their careers, match up and successfully get placed into good jobs based on their skills, and support people in successfully completing education and

training to upgrade their skills. These programs serve veterans, recently laid-off workers, youth and adults lacking basic workforce skills, Americans with disabilities, those recovering from serious setbacks, and those seeking better career paths.

Working together across federal agencies providing employment and training programs, we agreed on seven essential characteristics to create a job-driven “checklist” to guide

Job Driven Training Best-Practices Checklist

- ✓ **ENGAGING EMPLOYERS**
Work up-front with employers to determine local or regional hiring needs and design training programs that are responsive to those needs. Job-driven training begins by working with employers and labor unions early in the process of designing education and job training programs. Training programs should coordinate with employers to make sure they train individuals with skills that have high likelihood of leading to employment.
- ✓ **SMART CHOICES**
Make better use of data to drive accountability, inform what programs are offered and what is taught, and offer user-friendly information for job seekers to choose programs and pathways that work for them and are likely to result in a job. In order to determine what skills should be taught and to guide job seekers as they choose what to study and where to apply for jobs, programs should make better use of data to understand current and projected local, regional, state, and national labor markets.
- ✓ **MEASUREMENT MATTERS**
Measure and evaluate employment and earnings outcomes. Knowing the results of individual job-driven training programs – how many people are hired and stay employed, and how they earn – is essential both for job seekers to choose training wisely and programs to continuously improve results. Agencies should measure outcomes, disaggregate the data to be sure all participants are well served, evaluate programs, and inform participants and employers of the results.
- ✓ **STEPPING STONES**
Promote a seamless progression from one educational stepping stone to another, and across work-based training and education, so individuals’ efforts result in progress. Individuals should have the opportunity to progress in their careers by obtaining new training and credentials. Job-driven training programs should make it easy for individuals to transition from one post-secondary program to another, including Apprenticeship and occupational training programs, and from basic education programs into postsecondary programs.
- ✓ **OPENING DOORS**
Break down barriers to accessing job-driven training and hiring for any American who is willing and able to work, including access to job supports and relevant guidance. In order for training programs to work, they need to be accessible for the people who need them most. Job-driven training programs should provide access to needed supportive services such as transportation, child care, and financial and benefits counseling.
- ✓ **EARN AND LEARN**
Offer work-based learning opportunities with employers – including on-the-job training, internships and pre-apprenticeships and Registered Apprenticeships – as training paths to employment. While classroom time can be important, individuals can quickly learn skills where hands-on experience in a work environment is integrated with classroom learning. Job-driven training programs aim to include work-based learning opportunities that best suit their participants.
- ✓ **REGIONAL PARTNERSHIPS**
Create regional collaborations among American Job Centers, education institutions, labor, and non-profits. In addition to working with employers, job-driven training programs should work with a variety of partners.

administrative reforms, as a way to ensure that what's working best becomes what all Americans can expect from federally funded employment and training programs. These elements were chosen based on an understanding of the evidence as is represented in the [What Works in Job Training: A Synthesis of Evidence](#).

On the same day that the Vice President released the results of the Job-Driven Training Review, the President signed into law the Workforce Innovation and Opportunity Act (WIOA) – the most significant reform to our Federal workforce system in nearly 20 years. Many of the reforms supported by WIOA — accountability for business engagement, career pathways, additional support for out-of-school youth, new requirements to collect and make transparent program outcomes — have allowed us to be even more aggressive in the steps we are taking to make sure our system is training for in-demand skills and that match participants with in-demand jobs. The Departments of Labor and Education are currently reviewing feedback from the field on the draft rule implementing WIOA, which will go into full effect in July 2016.

Since the passage of WIOA and the completion of the Vice President's Job-Driven Training Review last July, federal agencies have integrated job-driven characteristics into all of their training and employment programs including \$1.2 billion across 15 competitive grants and over \$8 billion in formula grants, which distribute funds to state and local entities based on established non-competitive criteria like the population, the unemployment rate, or other economic conditions. Since the formula funds are administered by states and local areas, the checklist was sent to Governors and tribal leaders along with references to various tools and related resources for implementation of its elements. In addition, federal agencies used their various communication channels to inform practitioners and policy makers at the state, local, and tribal levels. Applying the Job-Driven Checklist systematically across all federal employment and training programs allows those programs to focus scarce federal dollars on promising and proven strategies for getting people back to work.

Specific steps have been taken to scale up these practices on four of the key dimensions of job-driven training: (1) Engaging Employers; (2) Smart Choices; (3) Opening Doors and (4) Regional Partnerships. Examples include:

- 1. ENGAGING EMPLOYERS To Determine Local Or Regional Hiring Needs And Design Training Programs That Are Responsive To Those Needs.**

A central part of the job-driven agenda is improving business engagement and responsiveness to business needs. Schools and colleges need to understand how to provide students with the skills and credentials that employers need. And that means that employers need to help our education programs provide training that makes it easier to hire and retain adequately skilled workers.

Over the past year, the federal government has taken a number of actions to bridge the large divide that too often exists between employers and education and training institutions. They include:

- Nearly \$300 Million to Scale Up Sector Partnerships and Job-Driven Strategies across 40 States, Tribes and Territories.** Sector partnerships involve multiple employers within a specific sector to collectively define their skill needs and the credentials they trust to make hiring decisions alongside a group of education and training partners. During the Vice President’s review of job-training programs, sector partnerships were consistently cited as one of the most effective strategies to better aligning education with employer needs. Studies randomly assigning people to job training programs with sector partnerships found that participants were employed at a higher rate with higher earnings (an additional \$4,500 over 24 months) than those who went through other employment and training programs. So in June of this year, DOL provided \$138 million in Sector Partnerships grants to scale up these highly effective strategies in 27 states and one federally recognized tribe. These grants complement similar state grants awarded by DOL in June 2014 to 32 states, one territory, and one federally recognized tribes totaling \$155 million to expand job-driven training models, including Registered Apprenticeship, on-the-job training models, and sector partnerships.

The State of Idaho, for example, is using their Job-Driven grant to significantly expand the Global Talent Idaho initiative in high-growth sectors including healthcare and information technology. The program provides foreign-trained immigrants who have recently arrived in the U.S. with specialized training and on-the-job experience to help them adapt their technical skills and learn language and other key essential workplace skills to fill in-demand positions with local employers.

Success Story: Rasha Al Zaidi

Rasha Al Zaidi, a pharmacist from Iraq who arrived as a refugee in Boise, Idaho in August of 2014 with her husband and two children. Through the Idaho grant program, Rasha received intensive English language training, assistance obtaining her U.S. pharmacy technician certification, work experience opportunities with partner employers, and intensive job search training. When local specialty compounding and retail pharmacy, LADD Family Pharmacy was looking to fill a pharmacy tech position, they found Rasha to be a perfect fit. Rasha is now working full-time in her field and contributing to Idaho’s economy. She is on track to pursue her pharmacist license in the U.S.

- Improving Effectiveness at Serving Employers across the Entire Workforce System.** The Vice President’s review also identified that the best workforce boards—the entities that direct federal, state, and local funding to workforce development programs and oversee a network of about 2,500 One Stop Career Centers, where job seekers can get employment information, find out about career development training opportunities and connect to various programs in their area—focus on serving both employer and job-seeker customers. That’s because talent placement starts with knowing what employers need.

Despite that dual mission, since the enactment of the Workforce Investment Act in 1998, there has never had an across-the-board measurement of how well workforce boards are serving businesses. In the past year, DOL has taken steps to require all federally-funded core workforce programs to measure and be held accountable for their effectiveness in serving employers. After extensive engagement with employers, practitioners, and states and local

areas implementing employment measures, DOL released in April options for measuring effectiveness at serving employers including employee retention rates of those sourced through the workforce system, repeat business from employers, and/or the penetration of service to employers by the workforce system. Over the next several months, DOL will review comments from the field about the appropriate measure that is set for release in early 2016.

- **Job-Driven Vocational Rehabilitation Technical Assistance Center.** The Vocational Rehabilitation program serves over one million individuals per year providing a wide range of services to assist adults and youth with disabilities to prepare for, obtain or retain employment. At the end of FY 2014, the Rehabilitation Services Administration awarded a grant for the Job-Driven Vocational Rehabilitation Technical Assistance Center (JDVRTAC) at \$9 million over three years in order to improve the ability of State vocational rehabilitation (VR) agencies to work with employers and providers of training to ensure equal access to and greater opportunities for individuals with disabilities to engage in competitive employment or training. Since last September's launch, four core areas of focus have been defined including using good data to give feedback to people with disabilities about where to focus education and training; supporting employers in structuring jobs for people with disabilities and recruiting, training and retaining those employees; and building and maintaining relationships with employers. Within each of these areas, the JDVRTAC is developing toolkits and resources for state VR agencies to implement promising practices and will begin providing across the board and intensive technical assistance in the coming months.
- **Deepening Relationships with Businesses to Recruit and Hire Veterans.** The Department of Labor provided 1.1 million veterans with employment and training services in Program Year 2013. To enhance these efforts, the Veterans' Employment and Training Service (VETS) within DOL has established an Employer Outreach team that will encourage employment commitments from national and regional employers seeking to hire veterans, including those federal contractors responsible for making efforts to meet hiring targets established under a recent set of regulations. Additionally, VA launched the Veterans Economic Communities Initiative (VECI) which focuses on promoting economic success for Veterans and their families by working at the community level, in 50 cities across the country. The goal of the VECI is to increase education and employment opportunities for America's Veterans by bringing together local and national employers – along with local government, nonprofit and community leaders – to coordinate services at the local level. The VECI campaign includes a VA Economic Liaison in each community who works toward expanding and encouraging collaboration among these private and public organizations that offer resources related to education, training and employment.
- **Applying Job-Driven Checklist with Manufacturers.** Since the release of the Vice President's review, the Manufacturing Extension Partnership (MEP), a nationwide network that supports manufacturers to develop new customers, expand into new markets and create new

products, has run a competition for ten state cooperative agreements and has 12 more in the competitive process. In the competition, DOC has encouraged use of the job-driven training checklist elements and had a major focus on fostering partnerships with local, and state workforce and education programs.

Creating Stronger Linkages between Workforce and Economic Development. The Department of Commerce’s Economic Development Administration (EDA) has incorporated job-driven training principles in its new Comprehensive Economic Development Strategy (CEDS) content guidelines, which provide recommendations and tools to help regions develop strong regional economic development plans. These guidelines are available to the over 380 current regional planning organizations. EDA has also established “job-driven skills development” as an investment priority for its competitive grants. Since the integration of the job-driven training principles, EDA has invested in a wide variety of projects through all of its programs that help make these principals a reality in American communities. These projects include the strategic planning of the CEDS process; studying and determining how to respond to job loss as a result of plant closures; or providing the infrastructure necessary to expand a successful community college training program.

- New \$12 Million Job ChalleNGe Grants.** The National Guard Youth ChalleNGe Program is an evidence-based program that has provided military-based discipline, education, life skills, and mentorship to over 130,000 high school dropouts since inception. As a part of job-driven training, this April, DOL and DOD launched a new DOL Job ChalleNGe that awarded \$12 million to South Carolina, Georgia, and Michigan to combine the programs existing elements with job-training and work experience with a specific focus on youth that have been involved in the juvenile justice system.

Examples of grant winners include:

South Carolina	Georgia	Michigan
<p>South Carolina Military Department is working in partnership with Aiken Technical College and Clemson University’s Youth Learning Institute’s Camp Long facility to provide a structured intervention for court-involved youth. Each youth will graduate with a program certificate, a Career Readiness Certificate (CRC), sector specific credentials (welding, tower installer, production operator, IT networker, or patient care assistant) and will</p>	<p>Georgia’s Job Challenge Academy has a long history of serving court-involved youth working with the Georgia Department of Juvenile Justice and has agreed to expand their partnership to support this program that enables court-involved youth to get meaningful job training. The training consists of 350 hours of occupational training, 200</p>	<p>The Michigan Department of Military and Veteran's Affairs received \$4 million to implement a three and a half year grant for the Michigan Youth ChalleNGe/Job ChalleNGe Program. Participants will be prepared to successfully obtain employment in the manufacturing and industrial trades with employer partners including Kellogg Company, General Motors, Denso Manufacturing of Michigan and Duncan Aviation. The grant will</p>

<p>have completed empowerment training that consists of personal effective skills and workplace competencies. They are working with a variety of workforce and employer partners including National HealthCare, TTX Southeastern Repair Division, and the South Carolina Department of Employment and Workforce and the Midlands Workforce Development Board and Lower Savannah Workforce Investment Area.</p>	<p>hours of work readiness training, 100 hours of ASVAB preparation, and 120 hours of job search/exploration training. Graduates will receive between 9 and 16 transferable college credits, certificate of skills training completion, or industry certification positioning them well for employment, post-secondary opportunities, or service in the military.</p>	<p>serve court-involved youth through vocational education including technical skills needed for specific jobs. Youth will receive work-based learning, and real work experience through field trips, job-shadowing and other opportunities to consider other career paths and prepare them for the labor market.</p>
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2. SMART CHOICES. Make Better Use Of Data To Drive Accountability, Inform What Programs Are Offered And What Is Taught, and Offer User-Friendly Information For Job Seekers

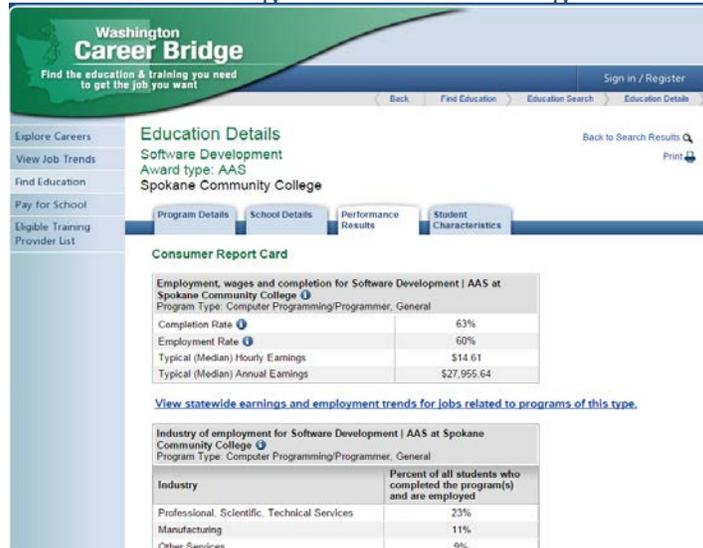
You would never think to purchase a car, retirement account, or home without doing some comparison shopping, getting information about the key features, and understanding how effective the purchase will meet your needs. However, every year millions of workers make one of the most important investment decisions of their lives—how to invest in education and training—with very little information to go on. In a recent survey, only 40 percent of people knew the post-graduation job placement rates before entering post-secondary education³.

This is something that needs to change. Collecting and giving job-seekers easy access to information about which training programs are leading to the employment and earnings outcomes they seek could mean that billions of individual and taxpayer dollars are spent more effectively each year. Unfortunately, the Vice President’s review revealed that while the data exist and it is technically possible to collect, link, and report this information, the large majority of states are not doing so. Below are actions the Administration is doing to change that.

³ Mourshed, Mona; Farrell, Diana; Barton, Dominic. McKinsey Education to Employment Report. McKinsey Center on Government.

- Requiring That WIOA Funded Workforce Training Programs Make Employment and Earnings Outcomes Available.** In April, DOL and ED released a draft rule for public comment that – for the first time since the enactment of the Workforce Investment Act – requires that any WIOA funded training program report employment outcomes for all participants for a program of study. Additionally, to ensure that this information is easily accessible for students rather than sitting unused in federal or state databases, DOL is seeking input on a standardized format – or scorecard—for training providers receiving federal funding to report their outcomes and useful ways for this data to be displayed and disseminated. When fully implemented this requirement will mean that – for the first time – workers choosing among different training programs that receive WIOA funding will be able to easily compare them on criteria that matter, like how much the program costs, the percentage of participants who actually complete the program, and the average earnings of participants. Making such information available will allow prospective trainees to make informed choices about which programs to attend and will help states determine which programs are of sufficiently high quality to receive training funds.

Example Training Outcomes Consumer Scorecard: *Washington State Career Bridge*



- Providing States Assistance in Accessing Wage Data.** States trying to facilitate the reporting of employment outcomes often cite the difficulty of accessing the necessary wage data to do so accurately. Some states, such as Washington, Florida, and California have found ways to streamline wage data access and we need to get others up to that bar. DOL, HHS, and ED will advise states on methods for linking program participant data with state wage records. The draft regulations DOL and ED issued in April include several proposals that would provide clarity on the structures that States can use to match participant enrollment information, including information from training providers, with State-held UI employment and earnings records while protecting privacy and confidentiality.
- Identifying and Scaling-Up Effective Strategies in Employment and Training Programs.** Some states already make use of rigorous evaluation methods to identify and scale-up approaches that improve employment outcomes. Unfortunately, these practices vary across states, in part due to the administrative data difficulties addressed above. Given that, through the

proposed regulations, DOL and ED are encouraging States to leverage their administrative data (i.e. participant enrollment information and State-held UI records on employment and earnings) for maximum effect.

To support these goals, the draft WIOA regulations establish a requirement that States implement high-quality evaluations of the core WIOA employment, education, and training programs, and cooperate with evaluations conducted by DOL and ED. And finally, to facilitate these evaluations and the use of wage records to conduct enhanced statistical analysis, enhance labor market information, and inform program improvements, DOL, ED, and Census are collaborating with states on approaches to expand access to wage data across states while protecting the privacy of individuals and reducing burden on individual states.

3. **OPENING DOORS by Breaking Down Barriers To Accessing Job-Driven Training And Hiring For Any American Who Is Willing And Able To Work**

Too often, Americans attempting to get additional training and education are unable to successfully complete because they lack other support structures such as housing or transportation along the way. Over the past year, federal agencies initiated a number of new grant programs designed to offer more integrated and aligned service delivery for individuals that need multiple supports to get to economic self-sufficiency and increase opportunity for themselves and their families including:

- **\$24 million in Job-Driven Training for Public Housing Residents.** This year, the Department of Housing and Urban Development awarded \$24 million to housing authorities and their partners in helping residents increase their incomes and become self-sufficient by deploying job-driven training strategies.

For example, the St. Louis Housing Authority (SLHA) and the St. Louis Agency on Training and Employment (SLATE) received \$3 million to implement a new program that offers hundreds of residents of the Clinton-Peabody public housing authority entry-level and higher-skill-level job training, combined with internships and on-the-job training to give Jobs Plus program participants a significant opportunity to obtain employment. Additionally, they are launching a Technology Innovation Center that will offer training in computer programming to allow residents to obtain marketable computer skills. The job training opportunities are combined with supportive services, including financial literacy, transportation assistance, childcare, health services, basic needs assistance and legal service.

- **\$200 Million for Job-Driven Training for SNAP Recipients.** In FY 2014, 13.7 million SNAP recipients were registered for work and over 600,000 SNAP recipients participated in SNAP Employment and Training (E&T) activities.⁴ SNAP work registrants are a diverse population—

⁴ "Food and Nutrition Service 2015 Explanatory Notes," *U.S. Department of Agriculture*.

some have recent attachment to work, others have been out of work for many years, and still others work at low-paying jobs. In March 2015, USDA competitively awarded \$200 million for 10 pilot projects that will test a range of job-driven strategies, including intensive sector-based approaches and career pathways that prepare workers for specific occupations; career navigation and job readiness; work-based learning; and comprehensive assessment and intensive case management. Projects in California, Delaware, Georgia, Illinois, Kansas, Kentucky, Mississippi, Virginia, Vermont, and Washington were chosen. A national, random assignment evaluation is being conducted on these projects to help identify effective strategies for SNAP recipients, including those with significant barriers to employment.

For example, Virginia's SNAP E&T pilot project will provide childless, non-custodial parents, and low-skilled individuals with targeted, innovative employment and training services. The state will operate three programs customized to the skill levels of participants upon entry: a hybrid online learning lab with instructor-led workshops, job readiness and training leading to a certificate or certification, and a longer-term integrated basic education and training program (PluggedInVA), all of which draw from evidence-based strategies. Each program will be supported by intensive case management and advising, and each participant will earn at least one industry-recognized credential valued by employers.

4. REGIONAL PARTNERSHIPS among American Job Centers, education institutions, labor, and non-profits.

- **Launch of New Communities that Work Partnership.** One of the most effective ways to scale up what works is to create a community of practice that allows for people to learn from one another. For that reason, in April 2015, Department of Commerce Secretary Pritzker and Aspen Institute President and CEO Walter Isaacson launched a nationwide effort to recruit communities to participate a new learning exchange that builds regional partnerships to accelerate and document more effective, employer-led regional workforce initiatives across America. Seven communities including New York City, Washington D.C., Greater Houston, San Francisco Bay Area, Buffalo and Northeast Georgia, and Greater Phoenix have now begun a 15-month intensive learning exchange designed around each region's pursuit of job-driven talent development strategies to promote economic growth. The individual community case studies and comprehensive capstone report will provide replicable methods and practices that any community can apply to their unique circumstances to improve their workforce training efforts to grow their existing businesses and become a stronger competitor in the global economy.
- **Launch of the [Center for Workforce and Industry Partnerships \(CWIP\)](#).** In an effort to make regional workforce and industry partnerships standard operating procedure within the federal workforce system, [DOL launched CWIP](#) earlier this year. CWIP promotes the value of regional partnerships through broad outreach and engagement with the workforce system, and helps organizations navigate the landscape of regional partnerships nationwide to plug

into an existing project or launch a new one. Finally, CWIP works to maintain high standards and strong outcomes for by providing a blueprint for building and growing regional partnerships.

- **Up to \$35 Million to Support Coal-Driven Economies in Creating Conditions for Future Growth.** In May, DOL, DOC, the Small Business Administration (SBA), and the Appalachian Regional Commission (ARC) announced the availability of up to \$35 million in funding as part of the Partnerships for Opportunity and Workforce and Economic Revitalization (POWER) Initiative. The POWER Initiative is a new interagency effort to assist communities negatively impacted by changes in the coal industry and power sector with coordinated federal economic and workforce development resources. Funds from DOL are aligned and leveraged with resources from EDA, ARC, and SBA to fund projects that reach across economic development and workforce development systems and support local solutions to promote strategic planning for long-term economic vitality.

Encouraging Innovation to Develop More Effective Models Where Needed

In addition to scaling up models that already have demonstrated results, more innovation is still needed. Major priorities for new strategies include a focus on two populations where research has failed to produce evidence on effective job strategies: disconnected youth and low-skilled individuals with many different barriers to employment. Additionally, although we know that higher education matters—educational attainment is strongly associated with higher earnings—we need more information about the best way to help individuals attain skills quickly.

- **\$17 Million for Innovative Strategies to Connect Disconnected Youth with In-Demand Jobs.** This past spring and summer, DOL invested \$17 million in innovative employment demonstration programs targeting disconnected youth ages 16 to 29 in seven cities experiencing high levels of youth unemployment, poverty, and crime: Baltimore, Camden, Detroit, Houston, Long Beach, North Charleston, and North St. Louis. These projects will test a range of innovative models for working directly with employers to engage young people and prepare them for good jobs in in-demand industries through work-based training and supportive services that will address employment barriers.

For example, Detroit is testing the efficacy of a new Chief Executive Officer (CEO) Corps where CEOs are identifying job opportunities available in their companies for young, recently incarcerated individuals. The CEO Corps has high level engagement among Detroit’s business community and is led by William Clay Ford Jr. of The Ford Motor Company, Roger Penske of Penske Automotive, and Gerard Anderson of DTE Energy.

- **Giving State and Local Areas the Flexibility to Serve Youth Effectively Across Different Federally Funded Programs.** During the Vice President’s review, we heard consistently from Governors, Mayors, state and local workforce leaders, and employers that they are frustrated at how

difficult it can be to integrate the dollars from different federal programs to achieve a unified set of goals for their workforce. This fall, ED, DOL, and Health and Human Services (HHS), along with the Corporation for National and Community Service (CNCS), and the Institute of Museum and Library Services (IMLS) will announce up to 10 Performance Partnership Pilot (P3) agreements with states, localities, or tribes to test innovative, outcome-focused strategies to achieve significant improvements in educational, employment, and other key outcomes for disconnected youth using new flexibility to blend certain existing Federal funds and to seek waivers of associated program requirements.

- **Testing New Student Financial Aid Approaches that Support Innovative Higher Education Delivery Models to Equip Students with Skills Employers Are Demanding.** The Vice President's review highlighted a need for educational programs that increase transparency of learning outcomes and align competencies with the needs of both the marketplace and society, that allow students to progress in their education based on mastery of those skills and competencies. In support of that goal, in Summer 2014, the Department announced three experimental sites supporting higher education institutions with competency-based education programs, institutions that use prior learning assessments, and institutions that use direct assessments. Students at approved institutions of higher education are now able to get financial aid for programs that grant degrees based on both competency demonstration and credit accumulation, and six institutions now offer financial aid to students for assessments of prior learning.
- **Developing Innovative Learning Opportunities for Veterans.** VA launched two new no-cost UpSkilling programs this year, Accelerated Learning Programs (ALP) pilots and VA Learning Hubs. ALPs offer transitioning Servicemembers and Veterans the opportunity to build on their world-class training and technical skills gained through their military service, and earn certifications in high-demand fields. VA is piloting ALPs this summer with seven courses focused on building skills and certifications needed to advance in high-demand careers in information technology (IT). VA is also launching Learning Hubs in 27 cities across the country this year in partnership with the American Red Cross, The Mission Continues, and Coursera, an online education platform. Transitioning Servicemembers and Veterans can take advantage of both online and in-person courses. Upon completion of the program, Servicemembers and Veterans may elect to receive one free verified certificate issued by Coursera.
- **Job Corps to Test Models for Disconnected Youth.** Job Corps is the federal government's largest investment in residential job training for disadvantaged youth. The program aims to help high school drop-outs and unemployed youth ages 16 to 24 train for a career and obtain their high school equivalency or high school diploma. Research on the program shows that while it increases the education and earnings of program participants, the program is more beneficial for youth over age 20 than for its younger participants. To strengthen the program for youth under age 20, DOL is using Job Corps' demonstration authority to test and evaluate

innovative and promising models that could improve the outcomes younger youth by piloting a College and Career Academy design at the Cascades Job Corps Center in Sedro Woolley, Washington. DOL plans to release the solicitation requesting proposals for operation of the pilot program before the end of the fiscal year.

Apprenticeships: Expanding the Gold Standard for Job-Driven Training



The President and his team are committed to expanding opportunities for more workers to learn, earn and succeed and more employers to train for exactly the skills that they need for their businesses to grow and thrive. Apprenticeship, where workers learn and earn through hands on experience on the job while gaining valuable technical skills in the classroom, is the gold-standard of jobs driven training. Since the President first announced his goal to increase apprenticeships across the country, the nation has seen the largest increase in registered apprenticeships in nearly a decade – adding more than 55,000 new apprentices across the country. Today, there are 430,000 apprentices learning and earning on the job across the country.

Thanks to a full force effort from across the Administration, those numbers are set to grow even more rapidly. This fall, the Department of Labor will announce the winners of the first ever American Apprenticeship Grants competition, which at \$175 million will be the largest federal investment in apprenticeship ever. In addition, across the federal government, agencies from the Department of Education to the Veterans Affairs Administration have taken new action to make it easier for employers and apprentices to start an apprenticeship and to leverage major sources of federal funds, such as Pell Grants and GI Bill benefits, to offset the cost of investments in training and skills.

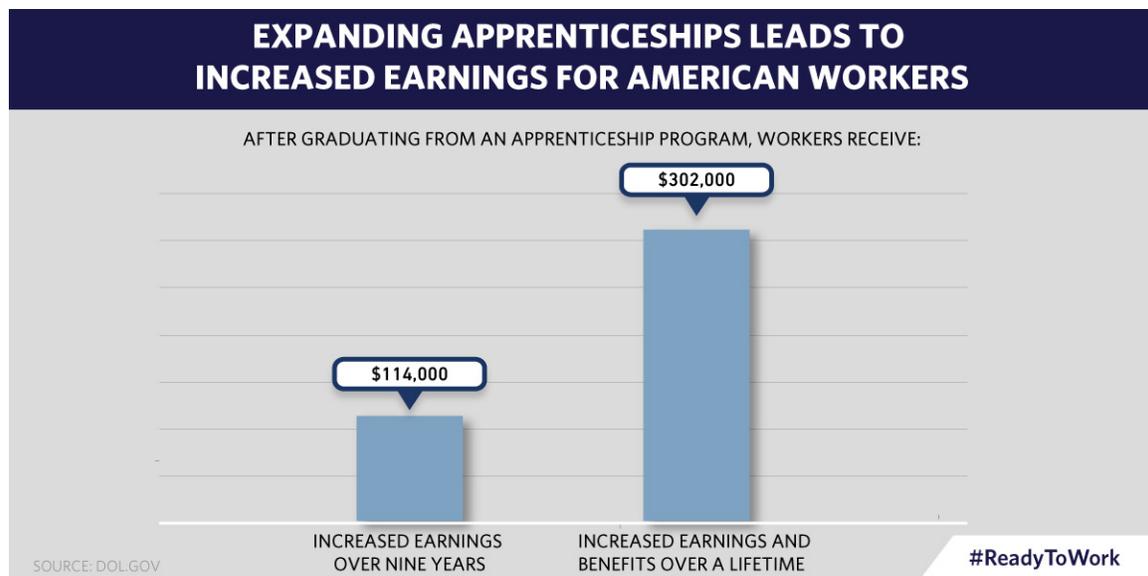
The President and his team are not alone in the drive to expand apprenticeship – across the country, Governors, mayors, and state leaders have taken action to expand apprenticeship in

their own regions. This year alone, 14 states have expanded apprenticeships locally by more than 20 percent. In Congress, lawmakers have crossed the aisle to introduce bipartisan legislation that would replicate these successful state initiatives nationally, in line with the President’s own proposals.

Most importantly, industry is also leading on apprenticeship with new industry-led efforts in areas as diverse as telecommunications to insurance and health information technology that build on the successful models already found in the construction and manufacturing industries. Since the President issued his call to action, more than 300 employers, industry associations, labor, education, workforce and other industry intermediaries have made commitments or taken action to expand apprenticeship.

American Apprenticeship: The Gold-Standard of Jobs-Driven Training

Hands-on apprenticeships, where workers earn and learn at the same time, are a proven path to good, secure middle class jobs. In fact, 90 percent of apprentices are employed after completing their programs, with an average starting wage above \$50,000. Apprentices earn more in their first jobs on average than college graduates. Across their lifetimes, apprentices continue to earn a premium for their skills – as much as \$300,000 more than their peers over the course of their careers.⁵



And employers benefit as well. Given a potential shortage of 1.6 million middle skill workers by 2020 according to the McKinsey Global Institute, we need more apprenticeships that allow companies to develop a skilled workforce that can drive improvements to their bottom lines.

⁵ Reed, Debbie, et al. *An Effectiveness Assessment and Cost-Benefit Analysis of Registered Apprenticeship in 10 States*. Mathematica Policy Research, 2012.

Ninety-eight percent of employers with apprenticeship programs today would recommend apprenticeship to other employers. And the return on investment is impressive – studies from across the globe suggest that for every dollar spent on apprenticeship, employers get an average of \$1.47 back in increased productivity, reduced waste, and greater front-line innovation.⁶

But with only 430,000 apprentices in programs today, we’re falling well short of our potential – especially compared to some of our global competitors. We would need more than six times as many new apprentices to be on the same per capita level as Great Britain. It would take a sixteen-fold increase for us to be in a league with Germany. And with women and African Americans comprising only 6 percent and 10 percent of our apprentices respectively, we are clearly not tapping the full extent and diversity of the nation’s talent.

Federal Investments to Grow Apprenticeship

The Administration has made investing in apprenticeship, as a time-tested and proven jobs-training strategy, a priority. In the most significant federal investment in apprenticeship ever, in April 2014, the President launched the American Apprenticeship Grants competition to expand apprenticeship, create new apprenticeship models in high-growth and high-need industries, and increase the diversity of American apprenticeships. Awarded today, these \$175 million in grants will support new models and scale-up proven, existing programs across the country, giving more workers the chance to benefit from this proven pathway to the middle-class. With these resources, the winning grantees are expected to add more than 34,000 apprentices collectively over five years, accelerating the groundswell in apprenticeships already underway.

In addition, through an all of government effort, the Administration has made it possible to use a portion of Federal recurring funding sources totaling more than \$50 billion a year to help more employers launch and sustain apprenticeship programs that benefit American workers. Earlier this year, the Department of Labor released a [playbook](#) for employers, educational institutions, training providers, and workforce development professionals on how to leverage these funds to support apprenticeships, including:

- *Department of Education’s Pell Grants and Federal Work Study funds*, together worth on average more than \$5,000 per eligible apprentice annually, can be used to cover all or most of the cost of tuition and fees for the technical instruction provided by an eligible institution of higher education as part of an apprenticeship, and to support a portion of training wages paid by an employer. The Department of Education issued [new guidance](#) in December 2014 to colleges across the country to help them access these funds to assist employers in launching and expanding apprenticeships and has been providing dedicated technical assistance to help more colleges access these funds for apprenticeship.

⁶ Olinsky, Ben and Sarah Ayres. *Training for Success: A Policy to Expand Apprenticeships in the United States*, Center for American Progress, Nov. 2013.

- Department of Labor's Workforce Innovation and Opportunity Act (WIOA) federal workforce funds can be used to encourage more employers to invest in apprenticeship and support workers as they undertake an apprenticeship. WIOA funds can cover apprenticeship and job-related training costs worth up to 75 percent of a trainee's wages. All registered apprenticeship programs will be eligible to receive Federal workforce funding for apprenticeship training.
- Department of Veterans Affairs expanded a fast track program for employers to help veteran apprentices access housing stipends of up to nearly \$1,500 a month and to clarify for colleges that veteran apprentices enrolled in eligible programs can use their GI Bill benefits to cover up to \$20,000 in instructional costs for the classroom portion of their apprenticeship.
- Department of Housing and Urban Development (HUD) launched a priority system for construction contractors that employ apprentices from the communities HUD serves, particularly apprentices that are graduates of YouthBuild. Eligible employers receive priority in serving on contracts for HUD's more than \$19 billion annual construction investments.

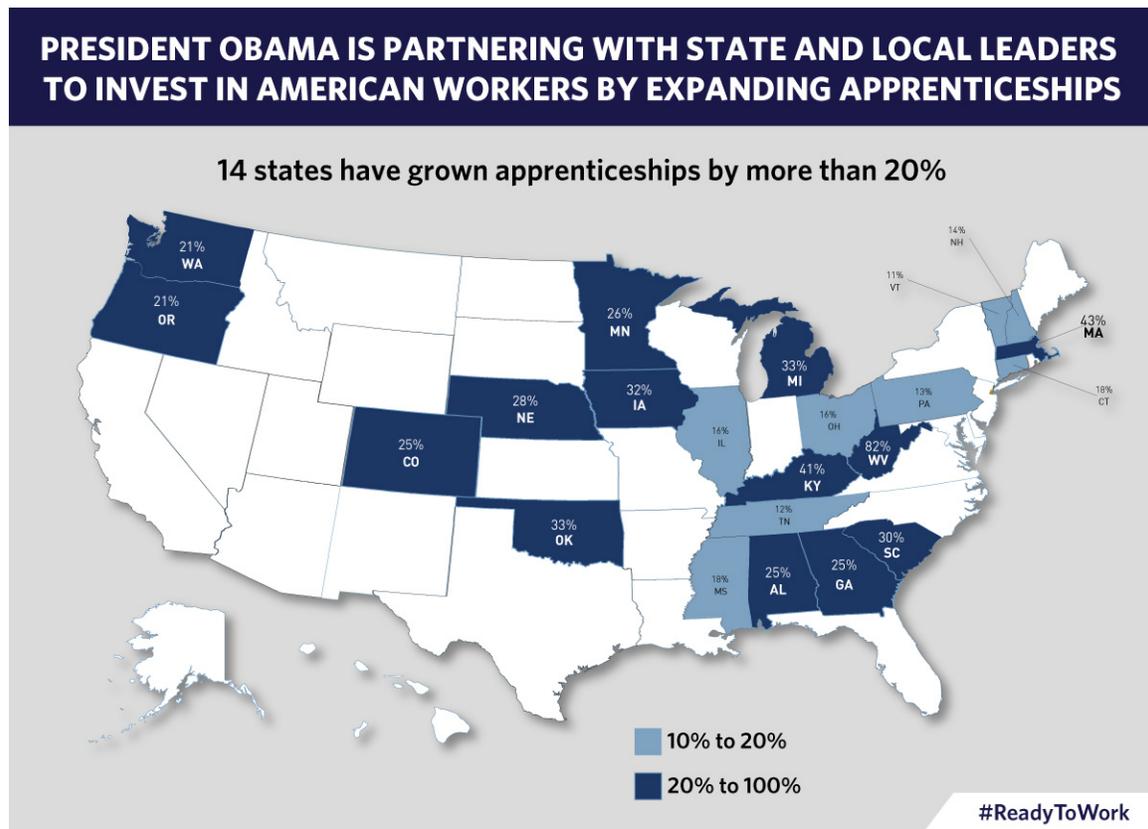
In addition to accelerating federal funds to help more employers and apprentices access this high-value on-the-job training, the Department of Labor is committed to making it easier than ever for employers to develop and launch new apprenticeships and register them for national recognition. Today, employers can turbo-charge the process of creating an apprenticeship by using the Department of Labor's new online apprenticeship [standards and curriculum accelerator](#) tool. In addition to helping employers identify skills their employees need and the curriculum to train for them, the accelerator tool helps programs meet national standards for registration to become part of the ApprenticeshipUSA network of high quality apprenticeship programs. Once registered, new apprenticeship programs are eligible to receive a range of federal and state benefits and to partner with other programs on recruiting high-quality applicants into their programs.

These newly aligned federal investments and efforts represent significant additional resources to make apprenticeship easier to launch, more accessible and affordable for a broader range of employers, particularly for small businesses that may struggle to find the resources to support many trainees. The Administration is committed to working with employers, labor leaders, and colleges to help them access these important resources, in an approach that reflects the Administration's broader effort to better align workforce training funds with jobs-driven training strategies.

State and Local Leadership in Expanding Apprenticeship

Across the country, a bipartisan set of governors, mayors, and state and local leaders have been at the vanguard on increasing apprenticeships in their states. Through targeted state action and the application of new resources, 14 states have increased the number of apprentices in their states by more than 20% in the past year alone, creating more opportunities for workers and making their states and regions more competitive for business investment.

These successes demonstrate the dramatic impact that state-level leadership and attention can have in expanding apprenticeships and jobs-driven training locally. They also showcase a wide variety of strategies that states can choose from in promoting apprenticeship in their region.



- Michigan – Preparing Detroit Residents for Careers in Growth Industries:* In 2012, the City of Detroit faced twin challenges – on the one hand, the city was running short on the skilled labor needed to help address the city’s critical infrastructure needs, including several multi-million dollar investments in upgrading the city’s transportation networks and demolishing blighted structures. On the other hand, many Detroit residents were without high-quality employment prospects because they lacked the skills they needed to succeed. The Detroit Employment Solutions Corporation (DESC) and the Michigan Office of Apprenticeship decided to put a novel apprenticeship training partnership to work helping Detroit get back on its feet and its residents get good jobs. Starting with an initial class of just 20 apprentices, the Detroit Registered Apprenticeship Program (DRAP) has scaled to over a 100 apprentices in every

class and expanded beyond infrastructure jobs to include training for healthcare and IT occupations, both major employment drivers in the city. Throughout, the program was able to leverage the strong support of the State of Michigan which has launched the Skilled Trades Fund (STTF) which provides \$20 million in funds to help businesses invest in apprentices, up to \$3,000 to offset classroom and on-site training costs per apprentice.

- *Iowa – Leveraging Apprenticeship for Economic Competitiveness*: Iowa has made training workers in key industries through apprenticeship a cornerstone of its economic development strategy. In 2014, leaders in Iowa’s state legislature passed new legislation to increase the number of apprentices in Iowa through the Iowa Apprenticeship Act which offered small training grants for employers to offer apprenticeships. In addition, the Iowa Workforce Development Authority and the Iowa Economic Development Authority, recognizing the importance of apprenticeship to shoring up the skills of Iowa’s workers, launched a targeted effort to expand apprenticeship in the state’s key sectors, including advanced manufacturing, financial services, and biosciences. Since the launch of these twin efforts, Iowa has added over 700 apprenticeship programs, serving more than 8,000 apprentices, across the state.
- *Kentucky – Expanding Statewide High-Tech Apprenticeships for Youth*: In Kentucky, a new partnership between the state’s Department of Education and the state apprenticeship agency is helping integrate apprenticeship into the state’s system of career and technical colleges. Called Tech Ready Apprentices for Careers in Kentucky (TRACK), the program launched in 2013 with an advanced manufacturing competency-based pilot apprenticeship program across thirteen high schools. The youth apprenticeship enabled high school students to apply critical math and symbolic interpretation skills on the jobs site as apprentice machinists and welders, while also giving them credit towards both their high school diploma and apprenticeship. Based on its success in manufacturing, the Kentucky TRACK program is now scaling up to include apprenticeships for health science occupations.
- *South Carolina – Introducing Employers to Apprenticeship*: South Carolina has seen the fastest growth in apprenticeship in the nation thanks to a successful strategy of recruiting and assisting employers across the state in setting up new apprenticeship programs. Tightly linked with the state’s technical college system, Apprenticeship Carolina provides customized advice and program development for employers looking to start an apprenticeship program, heavily leveraging the classroom expertise across South Carolina’s technical colleges. To interest more employers in adopting apprenticeship, South Carolina has introduced a modest \$1,000 tax credit, which largely serves to introduce more employers to the system. Statewide, South Carolina has created a system of marketing apprenticeship, not just to employers, but also to potential apprentices to help recruit them to a proven training pathway.
- *Connecticut – Linking Apprenticeship and Innovation*: To help small manufacturers across the state train workers for emerging careers using new technologies in advanced manufacturing,

the Connecticut Department of Economic and Community Development Manufacturing Innovation Fund created a dedicated \$7.7 million fund to register 500 new manufacturing apprentices. The fund will provide a wage match of up to \$13,000, up to \$3,750 in scholarships for the classroom portion of the apprenticeship, and \$2,000 for competency-based credentials upon the completion of the apprenticeship. The Connecticut Department of Economic and Community Development sees expanding apprenticeships to more manufacturers as essential to its overall strategy for strengthening advanced manufacturing in the state.

State and local governments have proven what they can accomplish when they replicate winning strategies to expand apprenticeship. To ensure that states have a chance to use the American Apprenticeship grants to catalyze further expansion of registered apprenticeship in their states, the National Governors Association Center for Best Practices will provide technical support to grantees through the critical start-up and implementation stages of their grants. The Center will bring together learning on a national scale and is positioned to work with grantees within and across states to build a uniquely American Apprenticeship system while supporting individual grantee needs. The NGA is launching a series of institutes across the country and a state policy academy that matches teams of state leaders with experts to scale up innovative and effective strategies for apprenticeship expansion.

Employers, Colleges, and Labor Groups Leading on Apprenticeship

Recognizing the competitive advantage of a skilled workforce and the need, more than ever, to prepare future workers with the precise skills needed to succeed on the job and in their careers, employers, colleges, and labor leaders are doing their part to expand apprenticeships.

Across the country, prominent employers are turning to apprenticeship to prepare their future workforce and to train their existing workers for new skills amidst rapidly evolving technology. Over 140 employers, industry associations, and training organizations have signed up to be part of the Department of Labor's LEADERS initiative in which employers and others commit to expanding apprenticeship in their own company, their industry, or their community. And individually, employers in the LEADERS program, ranging from CVS to UPS to Tesla and to Dow, have committed to LEAD on apprenticeship, including creating nearly 20,000 new apprenticeship spots in the next five years.

Many of these employer efforts are being led in new industries. One of the world's largest insurance and re-insurance providers, Zurich N.A. knows the value of apprenticeship training in the financial services industry from its home operations in Switzerland. When expanding its work in the United States Zurich decided to replicate its successful model for up-skilling its workers in Illinois. Harper College stepped in to help Zurich design the program and recruit apprentices into it. With the program launching this fall, Zurich has a goal of expanding the program to reach 100 apprentices for its Chicago operations.

Similarly, to help keep up with rapidly growing demand for high speed connections, Time Warner Cable is expanding a new apprenticeship program for broadband technicians, starting with its outposts in Texas and rapidly scaling up in markets across the country. And to keep up with healthcare demand and the need for highly-skilled pharmacy technicians, CVS is doubling its pharmacy technician apprenticeship program to reach a goal of 3,000 apprentices, helping to prepare the workforce it needs for its stores and pharmacies and an expansion of its MinuteClinics across the country.

Oftentimes, labor leaders and organizations are lending their expertise to help expand apprenticeships at their employers' sites while expanding their own training investments in apprenticeship. For example, as the American auto industry picks up steam, the United Auto Workers (UAW) have been partnering with major employers as well as numerous small auto suppliers, to preside over one of the largest expansions in manufacturing apprenticeships the labor organization has seen in a decade with nearly 2,000 new apprentices. As part of this expansion, the UAW and its employer partners are creating novel apprenticeships in design and digital simulation, as well as, expanding traditional apprenticeships in core roles like machining and industrial maintenance.

The SEIU, the nation's largest services industry labor organization, has identified a budding challenge facing America's greying society – each day, 8,000 people turn 65 and as a nation we'll need to train dramatically more home and health workers to help care for this elderly population. Building on a pilot program in Washington State with major healthcare employers ResCare, Addus, and Chesterfield, SEIU has set a goal of expanding the program to 3,000 apprentices a year, helping prepare homecare aids to achieve better patient outcomes with this elderly population.

In many industries, multiple employers are banding together to solve shared training challenges through apprenticeship. In the telecom industry, a coalition of more than 15 cable companies, led by Midwest Underground Technologies and American Tower, are coming together to launch a new apprenticeship program, the Telecommunications Industry Registered Apprenticeship (TIRAP). Coalition employers have committed to hiring 3,500 tower erector apprentices over five years to improve industry safety.

Similarly, with a manufacturing resurgence underway in the United States, major manufacturing employers and industry associations are coming together to address critical skills needs in advanced manufacturing. The President's Advanced Manufacturing Partnership (AMP) is piloting scalable apprenticeship models in high need advanced manufacturing. Spearheaded by AMP members Dow, Alcoa, and Siemens, a coalition of employers is partnering with community colleges in Northern California and Southern Texas on apprenticeships in advanced manufacturing occupations. Led by South Central College in southern Minnesota, a coalition of 24 community colleges and employers is pioneering a statewide apprenticeship model in

mechatronics. And Harper College, in suburban Chicago, is establishing an apprenticeship program linked to college credit for veterans in advanced manufacturing specialties, including logistics and supply chain management.

As South Carolina, Indiana, and Washington's examples show, community colleges and technical schools have an important role to play both in providing the classroom portion of an apprenticeship and also in helping employers learn how to set up their own apprenticeship program. But just as critically, more and more colleges are aligning their curriculum with apprenticeships to enable apprentices to receive not only their journeyman's card, but also college credit towards a degree.

In April 2014, Vice President Biden issued a call to colleges across the country to join the Registered Apprenticeship College Consortium, a national network of colleges, employers, unions and associations working to create opportunities for apprentice graduates who may want to further enhance their skills by completing an associate's or bachelor's degree. Starting from just 20 schools that first answered the call, today, the RACC has over 200 colleges representing more than forty states today. Colleges that join the consortium agree to award credit when apprentices complete their programs and are certified by a third-party evaluator. Historically, recognition for apprenticeship has been done at the individual college level – one apprenticeship program, one agreement with a college. With the launch of the RACC, apprentices from any participating program can now receive credit at schools across the country through a national network of colleges that recognize their apprenticeship as valuable step on the path to a degree.

Ivy Tech Community College in Indiana, one of the first colleges to join the RACC and a longtime supporter of apprenticeships, has agreements to recognize the training apprentices receive on the job with college credit in industries ranging from manufacturing to construction and more. Apprentices in Ivy Tech's partner programs only need to complete the college's general education curriculum to be awarded an associate's degree – the equivalent of one more semester of class following their apprenticeship. To make this coursework as accessible as possible, both for local apprentices and for apprentices coming from programs across the country, Ivy Tech has put its general education curriculum online, allowing apprentices to complete the coursework in the classroom on Ivy Tech's campus or at home during their own time.

South Seattle College in Washington State, another member of the RACC, hosts the Northwest's largest apprentice training and education center, serving more than 2,500 apprentices in 60 trades from industries spanning aerospace, manufacturing, healthcare and construction. Through their pre-apprenticeship programs and their articulation agreements, they create on ramps to apprenticeship and opportunities for further learning. South Seattle's pre-apprenticeship programs introduce trainees to trade in a hands-on rotation model that grants college credit for their experience. Many individuals completing the pre-apprenticeship go directly into an apprenticeship where they continue to receive college credit such that when they complete their apprenticeship they also receive an Associate of Arts (AA) degree granted

simultaneously. Another unique opportunity for Registered Apprenticeship graduates is entry into several Bachelors of Applied Science (BAS) degree programs. To help make this pathway accessible for more trainees, Washington State provides a 50% tuition waiver for the college coursework for their apprenticeship.

Investing to Build on Success

With the largest increase in apprenticeship in nearly a decade underway and more employers than ever publicly testifying to the benefits of apprenticeship, momentum is building behind this proven training model. As a nation, we have an opportunity to further accelerate this growth by making smart investments in scaling and expanding apprenticeship as a proven jobs-driven training strategy.

In his FY 2016 Budget, the President is calling on Congress to invest in a \$2 billion Apprenticeship Training Fund to help double the number of apprentices in America. The Apprenticeship Training Fund would provide grants for states and regions to launch comprehensive apprenticeship expansion strategies that, for example, could take a page out of South Carolina, Michigan, or California's playbooks by combining modest financial incentives and expert assistance to help employers launch or expand apprenticeship programs. In addition, the Training Fund would make investments in the formation of regional consortia to create new apprenticeships and increase participation in existing apprenticeship programs, helping expand access to apprenticeship for a broader swath of Americans.

The President's proposal builds on bipartisan efforts in Congress to expand apprenticeship, proving that we can all agree on helping businesses get the skills they need and workers get on a path to the middle-class. Already, Senators and Representatives from across the aisle, including Senator Booker, Senator Cantwell, Senator Murray, and Senator Scott have all introduced significant legislative proposals that would increase investment apprenticeship, create new incentives for employers to explore apprenticeships, and strengthen the connection between apprenticeship and institutions of higher education. More still needs to be done to pass significant new legislation expanding apprenticeship in the United States. With further leadership from members of Congress, we can create a national system of apprenticeship at the scale needed to tackle the nation's toughest training challenges.

Mobilizing Industry, Education, Innovators and Communities for Skills and Jobs

At their best, federal job training programs help employers to hire the workers they need and help millions of Americans to recover from their worst experiences or stretch to reach their full potential. They change lives and livelihoods. However, some perspective is in order. Using an expansive definition, federal employment and training programs are funded at just over \$16

billion in the FY 2014 federal budget. By way of comparison, in 2013, U.S. employers are estimated to have spent over \$450 billion on training, overwhelmingly for their own employees. This amounts to 25 times more than the federal government spends on job training⁷.

The role employers and industry play in shaping American job training, post-secondary education, and the skills pipeline of American workers is far larger than these numbers suggest, as employer actions such as recruitment, hiring, participation in job fairs, and partnerships with local Workforce Development Boards determine job market demand. Additionally, the choices of students, job seekers, and workers about where or what to study or train, where to apply for a job or internship, or even whether it's worth putting in the effort at all, are determined in large measure by what they think will matter to employers.

That is why we are also working to mobilize industry, education, innovators and communities across the country to devise, replicate, and scale up solutions to enable ordinary Americans to find pathways to good jobs and careers, to mobilize employers to recruit and hire the skilled workers they need to compete, and to mobilize American communities to attract business investment and create jobs by building skilled workforces.

[TechHire](#): Getting Americans Into Well-Paying, High-Growth Tech Jobs



America has about 5 million open jobs today, near recent highs. Burning Glass Technologies estimates that more than 600,000 of those job openings are in information technology (IT) fields like software development, network administration, and cybersecurity—many of which did not even exist just a decade ago. The average salary in a job that requires IT skills – whether

⁷ Anthony P. Carnevale, Tamara Jayasundera, and Andrew R. Hanson, “Career and Technical Education: Five Ways That Pay,” *Georgetown University Center on Education and the Workforce* (2012)

in manufacturing, advertising, retail or banking – is 50 percent higher than the average private-sector American job.

To take advantage of this opportunity, the President launched **TechHire**, a bold multi-sector effort and call to action to empower Americans with the skills they need, through universities and community colleges but also nontraditional approaches like “coding bootcamps,” and high-quality online courses that can rapidly train workers for a well-paying job, often in just a few months. Employers across the United States are in critical need of talent with these skills. Many of these programs do not require a four-year degree.

TechHire is focused on people across the country undertaking three actions through partnerships between employers, city and state leaders, and innovators:

1. Using data and innovative hiring practices to expand openness to non-traditional hiring: Having a data-driven assessment of employer demand is critical to building a successful regional strategy. Communities are committing to work with employers to build robust data on where they have greatest needs and what skills they are looking for; communities will work with employers to build willingness to hire from both nontraditional and traditional training programs; and communities will work with employers to review -and upgrade -their recruiting and hiring practices to enable non-traditional hiring.
2. Expanding models for training that prepare students in months, not years: Communities will recruit, incubate and expand accelerated tech learning programs – such as “coding bootcamps” and innovative online training – which enable interested non-tech-experienced students to gain coding skills in months, not years. These new models also have potential to reaching to a broader set of students than have traditionally chosen to pursue tech careers. These new training programs can be run both independently or embedded as part of a local community college or university education offering.
3. Active local leadership to connect people to jobs with hiring on ramp programs: Communities will build local strategies and partnerships to connect people to jobs, with steps ranging from investing in and working with industry-trusted organizations, which will vouch for those who have the skills to do the job but who may lack the typical profile of degrees and career experience. They will host local tech community gatherings with engaged employers, attract new non-traditional training providers to their regions, and bring visibility to existing local activities such as tech meet-ups, startup co-working spaces or startup-weekends--which are already in place in most middle-size cities or encouraging the founding of these groups if they are not available locally.

Key contributions made so far as a part of the initiative include:

- More than thirty forward-leaning communities have taken action – working with each other and with national employers – to expand access to tech jobs. 31 regions, with over 200,000 open technology jobs and more than 450 employer partners in need of this workforce, have begun to work together to new ways to recruit and place applicants based on their actual skills and to create more fast track tech training opportunities. The President has set a goal of doubling the number of communities originally participating in the initiative from 21 to 42 communities by the end of 2015.

TechHire Communities



Louisville	New York City	Philadelphia	Delaware	Buffalo County Nebraska
Colorado	St. Louis	Salt Lake City	San Antonio	Lynchburg
Los Angeles	Minneapolis	Kansas City	Memphis	Rural Eastern Kentucky
Nashville	Rochester	Detroit	San Francisco	Albuquerque
Oakland	New Orleans	Akron	Cincinnati	Maine
Rhode Island	Birmingham	Pittsburgh	San Jose	Chattanooga

- \$100 million in new Federal investments to train and connect more workers to a good job in technology and other in-demand fields. This Fall, the Administration will launch a \$100 million grant competition to support innovative approaches to training and successfully employing low-skill individuals with barriers to training and employment including people with disabilities, disconnected and at risk youth, and limited English proficient workers, among others. This grant competition will support the scaling up of evidence-based strategies such as accelerated learning, work-based learning, and Registered Apprenticeships.

- Private sector has provided tools and resources to support and expand continued innovation in technology training, with a focus on reaching under-served populations. Private sector leaders have made commitments to provide free training through online training slots and expanding “coding bootcamps” – which provide intensive training for well-paying jobs, often in the course of just a few months – to low-income and underserved Americans including women, minorities, and veterans across the nation. National organizations are committing to work with interested cities to share job and skills information, job-matching tools, and other resources to help support the growth, adoption, and creation of promising practices across the United States.

Student Success Story: Jayana

Jayana was working a low-wage job as an assistant when she was 26 years old. She attended some college, but was not able to finish her degree due to family and financial barriers. She had an interest in computers but she didn’t realize at first that pursuing this interest was a viable career path.

She joined the NYC Web Development Fellowship for Opportunity Youth this January. By June, she had completed the intensive 22-week training program, spending all day and often late nights and weekends learning to program. She started her paid internship at Mastercard this past month, and has joined the ranks of other NYC web development graduates who collectively earn an average of \$21/hour.

After her 12-week internship, she is on track to be connected to employment as a web developer earning \$65,000 or more.

Today, CEB following through on a commitment made through the release of a [best practices playbook](#) for employers with CEB guidance to private and public employers on how to recruit tech talent from non-traditional sources. This playbook includes a business case for employers to evaluate the potential of non-traditionally trained candidates, specific suggestions for improvements to recruiting and hiring practices, and profiles of exemplar organizations that hire successfully from nontraditional sources.

Examples of TechHire Community Commitments

- New York City, NY. With employers including Microsoft, Verizon, Goldman Sachs, Google, and Facebook, the Tech Talent Pipeline is announcing new commitments to prepare college students in the City University of New York (CUNY) system for and connect them to paid internship opportunities at local tech companies. NYC will also expand successful models like the NYC Web Development Fellowship serving 18-26 year olds without a college degree in partnership with the Flatiron School.
- Cincinnati, OH. Fourteen community partners including Cincinnati Business Committee and the CIO Roundtable, which includes CEOs and CIOs from some of the city’s largest employers such as Procter & Gamble, Western & Southern, and Kroger, are collaborating to implement

Employer Success Story: Rackspace

Rackspace used to have to relocate people to San Antonio for a cost of about \$15,000 each only to see them leave after a year or two. Launching the Open Cloud Academy, an 8-week fast track training program, has allowed them to work with other employers to grow a pipeline of local talent that they can hire at lower cost and retain longer. So far they've graduated over 250 students and Rackspace has hired almost half of them for jobs in IT. Other graduates have been hired by other San Antonio employers.

Cincinnati TechHire. Key elements include INTERalliance, a non-profit that will engage more than 1,000 high school students, including 500 women next year in programs that encourage the pursuit of IT careers, and Per Scholas, a non-profit that will train and place 80 individuals, half of whom are women and minorities into entry-level IT roles. They are expanding a bootcamp program to train candidates with little to no IT background to become application developers. In the first cohort (25 percent women and 50 percent initially unemployed), 90 percent were hired with salaries as high as \$80,000.

- Oakland, CA. Oakland is committing to place 400 individuals into paid internships or full-time jobs by the end of 2015 through several accelerated pathways.

#YesWeCode is providing low cost access to coding bootcamps as well as securing 300 apprenticeships and job commitments over the next five years from over 200 partners including Square, Lyft, Pinterest, and Twitter in the Silicon Valley Region. In addition, Intel has invested \$5 million into the Oakland Unified School District to support engineering and computer science programs at Oakland high schools that will reach 2,400 students.

Upskill Initiative: Helping Low-Wage, Front-Line Workers Advance into Better Careers

Employers underinvest in training low-skilled, low-wage workers, relative to other employees. When asked their biggest obstacle to getting ahead, low-income workers overwhelmingly cited "education." This response is borne out in the data on low-skilled workers, as well-- in 2008, workers with a high-school education were half as likely to receive training as were workers with an Associate's degree.⁸ The President's Upskill initiative addresses this opportunity through collaboration and innovation among employers, community stakeholders, government, and education providers.

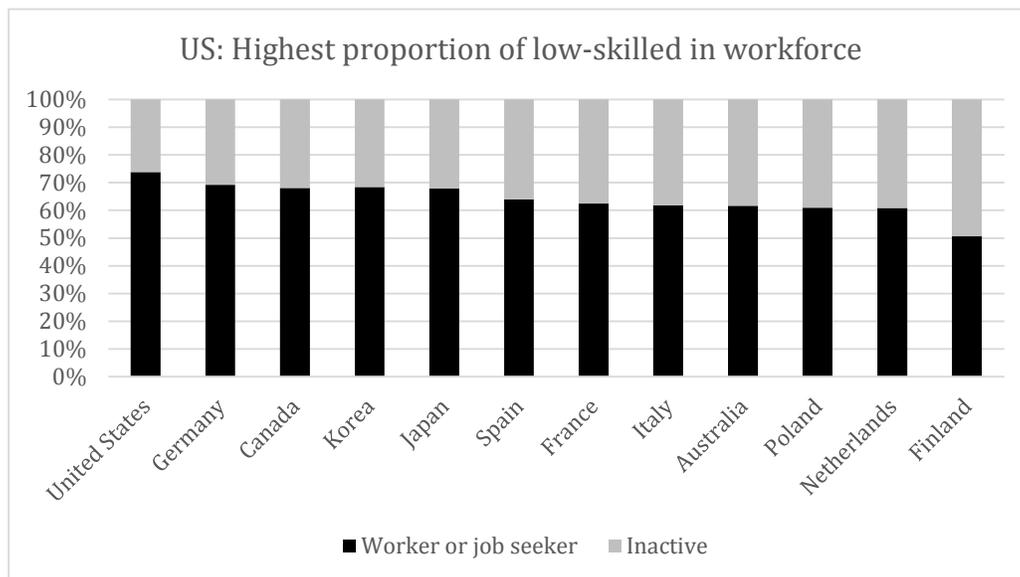
Approximately three-quarters of low-skilled adults in the United States are in the workforce, the highest proportion of any country.⁹ In spite of their high levels of economic participation, low-skilled workers typically receive less employer investment in training and development than their higher-skilled peers. Unsurprisingly, lower-skilled workers and job seekers include many individuals traditionally underserved by training programs, including 12.4 million adults who do not speak English well or at all, some adults with disabilities or chronic health issues, and many

⁸ SIPP 2008, as cited in WH Upskill report

⁹ http://skills.oecd.org/documents/Survey_of_Adult_Skills_US.pdf

individuals reentering society from incarceration. The skills deficiencies they face often make it difficult to be promoted into jobs at higher wages, leaving 14.5 million workers with low basic skills earning less than \$30,000 a year.

As a way to improve investment in the potential of the U.S. workforce, the President launched the Upskill Initiative. He called on employers and stakeholders to invest in building worker skills and credentials—including building or expanding registered apprenticeships, tuition assistance programs, on-the-job training for career progression, and technology-enabled learning tools.



Source: OECD Survey of Adult Skills (PIAAC), 2012

In April, we hosted the *White House Upskill Summit*, convening leading employers, philanthropic trailblazers, innovative technologists, labor organizers, and expert nonprofits. About 100 employers, including 30 of the Fortune 500 and many small businesses, announced commitments to help workers identify and achieve steps to progress in their careers. Tech innovators built tools to identify jobs with strong training opportunities, facilitate upskilling, and highlight best practices. Unions and labor management partnerships also focused on support for apprenticeship and pre-apprenticeship programs, particularly targeting this population.

New commitments announced as a part of the Upskill initiative this year include:

- Over 100 employer commitments. Companies, large and small, committed to increase investments in six categories: (1) career pathways for low-wage, low-skilled workers; (2) expanded eligibility and support for higher-education benefits; (3) incentives and promotions for on-the-job training participation; (4) industry-recognized credentials for worker training;

(5) registered apprenticeship programs targeted toward low-skilled workers; and (6) scheduling flexibility to allow time for training, higher education, and career advancement. For example:

- The Hartford: Recognizing and developing credentials. The claims division of the Hartford will receive credentials for training in competencies such as Data Analysis, Coaching, Problem Solving and Innovation. Over 6000 employees will be able to benefit from these badges, which directly measure learning and evidence of abilities. Looking toward the future, the Hartford is working with a software vendor to display badges externally, connecting with a larger movement among employers that have rolled out similar badging systems. This initiative builds on The Hartford's 2012 launch of the BRAVO project to create a learning and development program that focused on attracting, retaining, growing and sharing talent.
- DMG Mori Seiki USA: Career pathways and flexibility. DMG Mori Seiki USA, which manufactures machine tools, has committed to a multifaceted Upskill strategy to invest in new hires of all levels. Employees will go to Japan and Germany for a three-week training to learn corporate culture and manufacturing. Leaders, supervisors, and managers will leverage their skills at a new Management Education Program that will eventually be offered to staff of other levels. To establish a clear path for career progression, the company is launching a tiered compensation program for its factory workers via an initial skills assessment and the establishment of skills targets. To provide training access, it will start a second shift so that employees have more choice in when they work so that they can access learning and development opportunities.
- Business-Driven UpSkillAmerica Initiative. The Aspen Institute is coordinating a coalition of business-led and business-focused organizations to increase the skill level of working Americans, including the Committee for Economic Development of the Conference Board, the National Fund for Workforce Solutions, Business Leaders United, and the Council for Adult and Experiential Learning, along with the Aspen Institute's Skills for America's Future initiative. Together, these organizations are dedicated to expanding economic opportunity for American workers through education and workforce development. As part of their mission, UpSkillAmerica is working to recognize leading employers that invest in and provide expanded career opportunities for their workers, to promote the widespread adoption of business policies and practices that increase economic opportunity, to cultivate education and workforce efforts that support and advance these initiatives.
- New Commitments from with 30 national and local labor unions and major foundations. Foundations and labor organizers have committed to expand access to best-practice training strategies like apprenticeships, specifically targeting high-opportunity industries and small businesses.

Ready to Work: Getting Long-Term Unemployed Americans Back to Work

In January 2014, President Obama issued a three-part call to action – to employers, to communities across the country, and to federal agencies – to help Americans who are ready to work find jobs, and to help more of the long-term unemployed get back to work. That included unveiling a set of “best practices” being taken by major employers – including over 80 of the nation’s largest companies – around recruiting and hiring the long-term unemployed, to remove some of the barriers that make it harder for them to navigate the hiring process.

Since December 2013, the long-term unemployment rate has fallen from 2.5 percent to 1.4 percent. The number of long-term unemployed – those unemployed at least 27 weeks– has fallen by 1.7 million since that time. This decline accounts for around three-quarters of the total drop in unemployment over that time period. But there is still work left to do. As more jobs are created, it is critical that Americans with skills, experience, and a desire to work have every opportunity to get back to work to maximize the full potential of our talent pool.

Additionally, building on the President’s call to action, new steps have been taken in conjunction with businesses, non-profit leaders, governors and mayors and federal agencies— to help ensure that Americans still looking for work have a fair shot, and American businesses benefit as a result including:

- **\$170 Million in DOL Grants to Support Partnerships that Connect the Long-Term Unemployed to Work.** 23 grants from the Department of Labor’s H-1B funds – totaling \$170 million – for H-1B funded Ready To Work Programs (RTW) in 20 states and Puerto Rico to help the long-term unemployed return to the workforce. Grants were awarded to partnerships between non-profits, local government, and employers to train and match long-term unemployed job seekers for in-demand jobs.

Grantees are already starting to see results. For example, ongoing efforts by the New Jersey Council of County Colleges’ (NJCCC) RTW program, are supporting employers who are ready to hire the state’s unemployed workers. The program is partnered with Neighbors-helping-Neighbors (NhN), a job search support and networking group for unemployed workers.

Overall, New Jersey’s RTW program will provide counseling and on-the-job training in information technology, advanced manufacturing and life sciences to nearly 1,000 LTU New Jersey residents. The grantee has already registered 664 candidates who are receiving various services including assessment, occupational training, real-time job leads and job placement. In a unique partnership, the New Jersey Department of Labor is contributing \$2 million to the RTW program to assist the unemployed in other key industries.

- **Progress on Business Efforts to Improve Recruiting and Hiring of Long-Term Unemployed.** Since signing the recruiting best practices pledge, businesses have reported that applying these best practices has led to progress in opening doors to hire the long-term unemployed through changing hiring practices, working with local partners to train long-term unemployed job seekers, and supporting job seekers in accessing broad community support. These practices not only support unemployed Americans in getting back to work, but enable the employers implementing them to improve their talent pipelines. Companies applying best practices are announcing successes in recruiting and hiring long-term unemployed:
 - *Frontier adopts innovative video interviewing techniques.* Frontier has hired over 250 long-term unemployed people since January 2014, representing about 20 percent of Frontier’s hires. The company was able to increase its hiring of long-term unemployed applicants by 17 percent after it began video interviewing, which helps to remove biases against the unemployed that may arise from relying on resumes alone.
 - *Comcast pilots alternative hiring approaches.* Comcast has been piloting a program that hires on a competency-based model for customer-facing roles. The process now relies less on a resume, or recent work experience, and instead looks almost entirely at the behavioral attributes that will make someone successful in a role, which has opened up a wider talent pool. As a result, Comcast has new hire classes with 10 percent of hires coming from the unemployed. The payoff is not only a more diverse pool of talented candidates, but also a closer fit on the interpersonal and life-skills that are critical to success, as these skills don’t always show up directly on a resume or application.
- **Ensuring the Federal Workforce System Addresses Long-Term Unemployment.** DOL has been working with states and local workforce systems to ensure they are positioned to prioritize and address long-term unemployment. Last fall, DOL issued guidance to the workforce system about non-discrimination obligations based on unemployment status and credit history.

As a result of this guidance and emphasis, a number of states have taken additional measures to address long-term unemployment. For example, the state of Washington is using \$10 million in federal rapid response funds to retrain 2,300 long-term unemployed workers in the state for in-demand jobs. In Massachusetts, the state rebranded its 33 American Job Centers as part of a campaign to engage the long-term unemployed and get them back to work.

Fully Realizing the President’s Vision for Job-Driven Training with Needed Investments

The work described above explains why the President's Budget invests to expand and upgrade education and training pathways to give Americans skills needed to get into better paying jobs with a focus on models that have demonstrated effectiveness like apprenticeships. The Republican budget plans stand in stark contrast to the President's priorities. The President's Budget reverses the mindless austerity imposed by sequestration while continuing to cut the deficit and make investments in areas critical to the nation's economy. This includes significant new investments in employment services, job training, and apprenticeship programs, as well as robust enforcement of worker protections. In contrast, Republican proposals cut programs that train and place workers in jobs and enforce basic critical laws, including basic requirements that workers be paid what they earn and work in a safe environment. Both bills also include ideological riders that would undermine worker safety, the ability of workers to save for retirement, and workers' ability to have a voice in their workplaces.

In addition, the Senate and House bills fail to support the bipartisan Workforce Innovation and Opportunity Act (WIOA). The Senate funds the core WIOA and Wagner-Peyser employment and training programs at \$650 million less than the President's Budget level. The House bill reduces the funding level by nearly \$500 million. Under the Republican bills, at least 2 million fewer workers would receive job training and employment services, as compared to the President's Budget.

Other key differences include:

The Republican bills underfund evidence-based job training models that have been shown to help workers and in actions that would increase our understanding of what programs are and are not producing results. For example:

- The Senate bill slashes funding for targeted grants to help workers whose jobs are lost as a result of mass layoffs and natural disasters, providing only \$74 million for program year 2016 – \$167 million (69 percent) less than the President's Budget and \$147 million (67 percent) below current levels. Under the Senate bill far fewer grants would be provided to areas facing mass layoffs or natural disasters, which would mean less reemployment assistance and temporary employment for workers displaced by such events.
- The bills also deny funding for the \$100 million in Apprenticeship Grants proposed by the Administration in the 2016 Budget to build on the American Apprenticeship Grants being announced this week. By failing to fund this initiative, the bills would deprive American workers of the chance to participate in this proven learn-and-earn model, which offers a clear path to the middle class. The President's Budget also includes a more far-reaching \$2 billion apprenticeship proposal that would be funded outside the appropriations process that the Republican budget plans also fail to include.

- The Republican bills also underfund reemployment services and eligibility assessments—in person reviews of individuals’ eligibility for Unemployment Insurance, paired with services to help them find good jobs. The President’s Budget included \$181 million for this program, which has been proven to expedite the reemployment of unemployed workers, and to reach returning service members as well as the one-third of UI claimants identified as most likely to exhaust benefits. In contrast, the House bill provided \$150 million for this program while the Senate bill provided only \$100M. By underfunding this program, Republicans are doing a disservice to unemployed workers and their families who would find a job more quickly with this help.
- The Republican plan is also penny-wise and pound foolish: by helping to ensure the proper payment of UI benefits and providing services to help get claimants back to work more quickly, the President’s plan would generate an estimated \$287 million in benefit savings in FY 2016.
- The Republican plan does not invest in data systems that would provide the basis for every training dollar spent by federal, state, local governments and American workers to be directed more effectively. In contrast, the President’s 2016 budget requested \$107 million to upgrade the capacity of state data systems with DOL’s Workforce Data Quality Grant and ED’s State Longitudinal Data Systems grant programs, which expands models we know are working to more states. The Budget also includes \$60 million to support state consortia as they modernize their UI tax and benefit systems, which will improve both the claimant experience and the quality of the UI data — data that is integral to identifying and expanding approaches that work.

The Republican bills would harm vulnerable populations that require additional assistance to reconnect with the labor market.

- Compared to the President’s budget, the Senate bill cuts by 77 percent funding for a program that gives ex-offenders and adjudicated youth training and employment opportunities so they can chart a better path. The Senate bill also cuts the Office of Disability Employment Policy by more than one third, impairing the agency’s ability to help integrate individuals with disabilities into the workforce.
- The House Republican bill includes almost \$500 million, or 42 percent, less than the President’s Budget for national service programs. The Republican bill would fund approximately 50,000 AmeriCorps members, meaning that 40,000 fewer members than under the President’s plan would be able to serve their communities while earning money to cover college costs or repay student loans.

The Republican bill underfunds investments in community colleges that would help to connect unemployed workers to jobs

- The President’s Budget provides \$200 million for the American Technical Training Fund to provide accelerated training in high-demand fields. This proposal, inspired by the Tennessee Tech Centers, which have achieved completion and employment rates of over 75 percent¹⁰, would expand innovative, high-quality technical training programs in up to 100 training sites targeted to help low-wage workers gain the skills necessary to advance into better, higher-paying jobs. The House and Senate 2016 appropriations bills do not provide funding for this important new investment, which would ensure that Americans are equipped with the skills they need to remain competitive in the global economy.

Conclusion

As employers continue the longest streak of job growth on record, the Administration will continue working to ensure that people from all backgrounds get the education and training they need to move into the good jobs of the future and that companies have the skilled workforce they need to keep and grow more jobs in the U.S. From day one the President and the Administration have been focused on promoting middle class economics to ensure that all Americans can contribute to and benefit from our American resurgence. A key part of that effort requires empowering every American with the education and training they need to earn higher wages.

The Vice President’s review laid out a road-map to job-driven training in the United States, and this paper has highlighted three key channels we are using to get there. First, identifying what works and scaling up proven strategies. Second, recognizing apprenticeships as the gold standard of jobs-driven training—and investing accordingly, achieving the largest growth in apprenticeships in nearly a decade. Third, continuing to work with employers, unions, labor organizations, tech innovators, and other stakeholders to make sure that Americans of all ages and levels of education have the opportunity to advance into better, higher-paying jobs with initiatives like TechHire and Upskill. This update illustrates the progress that has been made to date – and the Administration is committed to building on it going forward to ensure that more Americans can build the skills they need to find good jobs and higher wages.

¹⁰ Complete College America. A Working Model for Student Success: The Tennessee Technology Centers.