

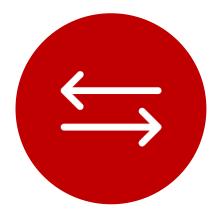
KEY AREAS OF DISCUSSION







LEGISLATION OF INTEREST TO US



WHAT TO EXPECT MOVING FORWARD



THE PRECURSOR – DEBT CEILING AGREEMENT



Earlier this year

H.R.3746, the Fiscal Responsibility Act of 2023, passed with strong bipartisan support

- Senate 63-36
- House, 314-117

DEBT CEILING AGREEMENT



Capped overall discretionary funding for two years

- > FY 24 domestic funding flat
- > FY 25 1% increase

Debt ceiling extended through January 2025

DEBT CEILING AGREEMENT-HOUSE REVOLT



- House conservatives' revolted
- Speaker Kevin McCarthy (R-CA) relented to conservatives demands
 - o Spending caps viewed as a "ceiling"
 - o Includes a total of \$118 billion in cuts to appropriations bills
- Result: massive cuts to domestic funding bills

FY 24 HOUSE LABOR-HHS APPROPRIATIONS

- · Labor-HHS Appropriations felt the greatest impact:
 - > 29% less overall funding than last year
 - > 34% cut to DOL programming
 - > 28% cut to Education programming
- Eliminates 60 programs
- · Bill has only moved through Subcommittee; did not have the votes to pass in full Committee before recess
- Proposed cuts not sustainable when negotiating final bill with the Senate.



House Labor-HHS Chair Rob Aderholt (R-AL)

FY 24 HOUSE LABOR-HHS APPROPRIATIONS KEY WORKFORCE IMPACTS

WIOA Title I Youth Formula Grants Eliminated Combined WIOA Adult Formula programs with 7% Cut

Job Corps eliminated

Registered Apprenticeship Level Funded

FY 24 HOUSE LABOR-HHS APPROPRIATIONS KEY EDUCATION IMPACTS

Career and Technical Education

• House:

- CTE State Grants -- \$1,437,269,000
- Innovation and Modernization Grants -- \$25,000,000

• Senate:

- CTE State Grants -- \$1,482,269,000
- National Activities -- \$12,421,000, including up to \$6,100,000 for Innovation & Modernization for evidenced-based, school-based mentoring & to update & reissue Beyond the Box guidance to increase access to higher ed for justice involved youth

FY 24 HOUSE LABOR-HHS APPROPRIATIONS KEY EDUCATION IMPACTS

Adult Education & Family Literacy

• House:

- Adult Education State Grants -- \$715,000,000
- National Leadership activities -- \$38.712.,000

• Senate:

- Adult Education State Grants -- \$729,167,000
- National Leadership Activities \$13,712,000; encourages Ed to provide TA to build evidence-base of Adult Ed Programs and develop rigorous evidence that provide for causal understanding of program effects.

SENATE APPROPRIATIONS COMMITTEE

- New leads on full Committee

 - Chair Patty Murray(D-WA)
 Ranking Member Susan Collins (R-ME)
- Passed all 12 appropriations bills through Committee on a bipartisan basis.
- Committed to moving appropriations bills through Senate floor
- Different approach than in the House added \$15 billion to appropriations bills over amount in Debt Limit Agreement





SENATE LABOR-HHS APPROPRIATIONS SUBCOMMITTEE

New leadership -

- Tammy Baldwin (D-WI) Chair
- Shelley Moore Capito (R-WV) Ranking Member
- Baldwin also serves on HELP Committee and has been a strong supporter of workforce development.





BIPARTISAN SENATE LABOR-HHS BILL

- Bipartisan bill approved by Committee 26–2
- Very close to current funding levels
- 0.2% overall cut below FY 23







FY 24 APPROPRIATIONS – NEXT STEPS

House (after a new Speaker is elected)

- 5 of 12 appropriations bills out of Committee with Party line votes
- ➤ Military construction—VA, Defense, Homeland Security, Homeland Security, State-Foreign Operations.
- These five appropriations bills moved through the House floor.
- Freedom Caucus members continue to pressure House leadership for more spending cuts as well as including numerous controversial policy riders.





FY 24 APPROPRIATIONS – NEXT STEPS

House

- Labor-HHS has only received Subcommittee approval to date
- Unclear whether bill has the votes to pass in full Committee or the House floor
- Freedom Caucus has blocked other appropriations bills from coming to the floor –wants larger budget cuts
- McCarthy's additional \$60B in cuts to appease Freedom
 Cause failed to bring four appropriations bills to the floor as
 did his case for a majority vote Continuing Resolution (CR)





FY 24 APPROPRIATIONS – Challenging Next Steps

Senate

- Currently has three bipartisan appropriations bills on floor
- Republican Senators urged Schumer to prioritize completing the 12 bipartisan appropriations bills

<u>House</u>

- Will resume official work only with selection of a Speaker
- Another CR very likely to be needed current CR expires
 November 17 or face government shutdown





FY 24 APPROPRIATIONS – Challenging Next Steps

Both Chambers

 Must complete all FY 2024 appropriations before end of 2023 or face 1 percent cut to all federal program until FY 2024 appropriation enacted





FY 24 APPROPRIATIONS – Shutdown Redux?

Continuing Resolution

- Speaker McCarthy introduced a relatively "clean" CR hours before the deadline
 - No controversial border provisions, spending cuts, additional funds for Ukraine; it extended expiring authorizations (e.g., TANF, FAA) & included disaster funding
 - Passed by a vote of 335-91 with Democratic support
- Senate passed House version by a vote of 88-9.



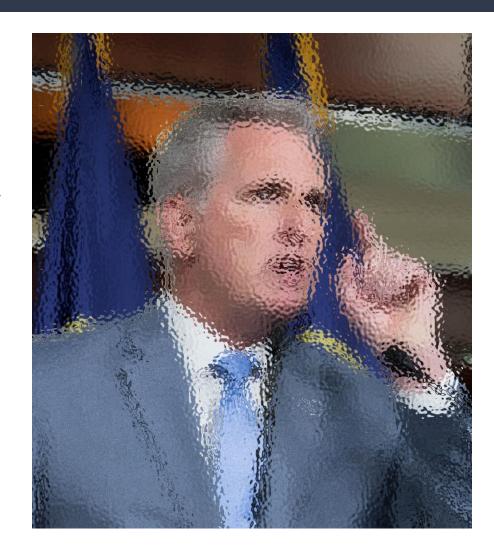
FY 24 APPROPRIATIONS – Shutdown Redux?

McCarthy removed as Speaker by a 216 -210 vote October

- McHenry (R-NC) appointed speaker pro-tem; primary task to organize election of new Speaker
- Without a new Speaker, House cannot conduct votes on legislation
- R swing-district moderates and ultra conservatives have different goals.
- House Freedom Caucus appropriations goals for November:

 - Further budget cuts
 Include House passed border security bill
 No emergency funding for disasters or Ukraine





FY 24 APPROPRIATIONS – Shutdown Redux?

New Speaker will be in a difficult bind on CR

- Speaker will have only a four-seat margin
- <u>Big challenge</u> Needs either support of Freedom Caucus or Democrats to pass CR and avoid a government shutdown
- Another Discharge Petition unlikely
- Threat of another Motion to Vacate unless revised





Government shutdown?

Continuing Resolution (CR)

- Shutdown continues to be a real possibility due to challenges in the House
- With the threat of a partial government shutdown, each federal agency published guidance on how it will handle programming within its jurisdiction
- Education (would furlough 89%); ETA (would furlough 93%)
- · WIOA (incl Title II) programming largely unaffected
- Biggest challenge no federal staff assistance; no non-formula grant or contract modifications if they come due during shutdown.



FY 24 APPROPRIATIONS – BOTTOM LINE EXPECTATIONS

FY 24 Appropriations

- Needs to be bipartisan -- moderates in both parties will prevail
- <u>Likely deal</u> more funding than House wants, more riders than Senate wants
- Wings in both parties at strongest now before floor votes - will lose leverage once in conference
- Biggest quandary addressing wide disparities between House and Senate funding levels



NEW INCENTIVES TO COMPLETE FY 24 APPROPRIATIONS

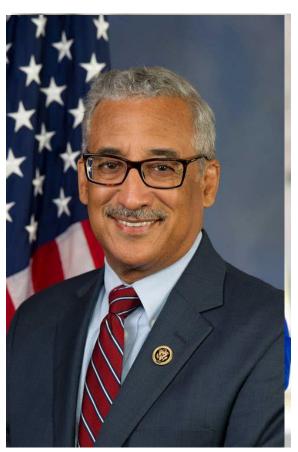
- Debt ceiling provision all 12 twelve appropriations bills must be completed by January 1st or temporary CR mandated with a 1% overall cut
- <u>Grace period</u> -- no cuts enacted until April 30 of the following year.
- Only once in 20 years has appropriations process been delayed beyond April 30th the following year



HOUSE EDUCATION AND WORKFORCE COMMITTEE

- Dr. Virginia Foxx (R-NC) Chair
- Bobby Scott (D-VA) Ranking Member
- Oversee WIOA reauthorization and higher education programming





House Ed and Workforce Committee

- Desire to move bipartisan WIOA reauthorization bill later this year
 - Bipartisan hearing last week
 - Targeting bill introduction late Fall 23
- ➤ Making progress towards a bipartisan Pell for short term credentials bill
 - Short term Pell would greatly increase the amount of funding available for skills training

SENATE HELP COMMITTEE

- Chair Bernie Sanders (I-VT)
- Ranking Member Bill Cassidy (R-LA)
- Sanders core focus on labor worker protection and health related issues
- Workforce issues interest focused on apprenticeships –
- WIOA reauthorization has not been at the forefront of the Chair's agenda





Higher Education Act of 1965 Reauthorization

House Education and Workforce Committee

- HEA Reauthorization is a priority for Dr. Foxx
- The Responsible Education Assistance through Loan (REAL) Reforms Act introduced in response to the Administration's student loan forgiveness approach. It:
 - Emphasizes accountability & transparency; simplifies loan repayment; Targets student loan relief; caps borrowers' access to loans; bars Education Secretary from issuing regulations without Congressional approval
 - Contains occupational short-term Pell Grants authorization

<u>Senate</u>

- HELP Chairman & Ranking Member requested input for reauthorization of the Education Sciences Reform & related acts to improve federal research and statistics and better identify and implement evidencebased practices
- Bipartisan JOBS Act would expand the Pell Grant to cover programs of 15 weeks or less was part of July markup that was postponed

HIGHER Education related policy issues likely to take a "backseat" to appropriations and other policy issues

WILD CARD – HOUSE IMPEACHMENT INQUIRY

- Former Speaker McCarthy authorized an impeachment inquiry into President Biden which is continuing
- Partisan House inquiry will further divide House of Representatives
- While bipartisan efforts to legislate may be severely impacted; current bipartisanship continues at House Committee and Subcommittee and staff levels



LEADERSHIP AT DOL

Acting Deputy Secretary Julie Su

Difficult confirmation prospects –

- Strong Republican opposition
 - o Several Democratic and Independent Senators noncommittal
- Su can stay indefinitely as Acting Secretary if not confirmed as affirmed by GAO on September 21, 2023
- However, lead Republicans introducing bills to limit Acting role for a restricted time period, consistent with other federal agencies.

What's Next?

- DOL plans to move forward with rulemaking including mostly worker protection rules, apprenticeships and Employment Service operations.
- Business community likely will try to tie up rulemaking in Courts, arguing Su does not have the authority to promulgate regs



DOL GRANTMAKING

- <u>Ongoing</u> \$65 million funding opportunity for Strengthening Community College Training Grants (SCCTG)
 - ➤ Community Colleges are the lead applicant; employers and workforce system are required partners; partnerships with adult education providers and others are encouraged
 - > Subgrantees can be a partner in these grants
 - Deadline for applications November 14
 - Dual purpose meet skill development needs of employers and equitably support students' in getting good jobs
 - Emphasis on evidence-based or building evidence



DOL GRANTMAKING

<u>Upcoming</u> – \$120 million Building Pathways to Infrastructure Jobs Grant (Second round FOA)

- Designed to support jobs components in Administration's Invest in America agenda – Bipartisan Infrastructure Law, CHIPS Act, and IRA
- Funding to train workers for infrastructure, manufacturing, & clean energy jobs through development of local/regional sector programs or scaling of established partnerships
- Emphasis on career pathway programs resulting in credentials, Registered Apprenticeships, support services
- First round grant awards released late '23



Department of EducAtion

Higher Education Reauthorization

- Negotiated Rulemaking for Higher Ed 2023-2024 a less common approach to rulemaking where DED works to develop, through a series of meetings, an NPRM collaboratively with the parties that will be affected significantly by the rule.
- Required by law for HEA title IV.
- Proposing changes to rules for HEA Title IV programs on Improving Institutional Quality & Accountability and Student Loan Debit Relief (Sessions: October 10/11, 2023; November 6/7; and December 11-12)

<u>Adult Education Information Collection Request</u>: Measures & Methods for the National Reporting System for Adult Education

- Requested comments on changes to the system, with a closing date of September 25,2023
- NASDAE's September 25 response expanded beyond methods and measures to address policy, e.g., inclusion of digital literacy,

OCTAE Discretionary Grant Making

- Perkins Innovation and Modernization Grants (Closed October 13, 2023)
 - o Eligible entities include Adult CTE and other community entities

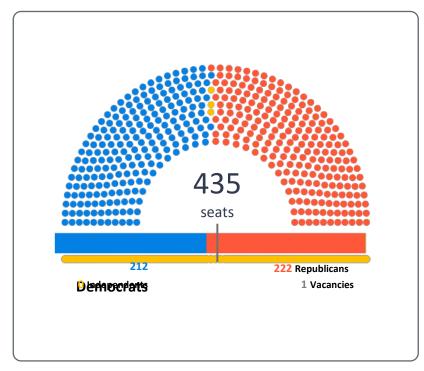


2024 ELECTIONS – COULD MAJORITIES FLIP IN BOTH THE HOUSE AND SENATE?

10 out of the last 12 elections, control of the House, Senate and/or the White House has changed



COMPOSITION OF THE 118TH CONGRESS



100
seats

48 Democrats
3 Independents**

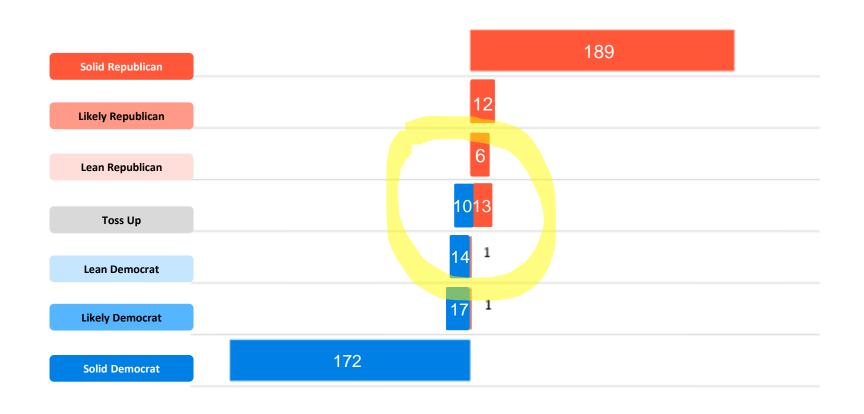
51 Votes for for Majority* Cloture*

49 Republicans
0 Vacancies

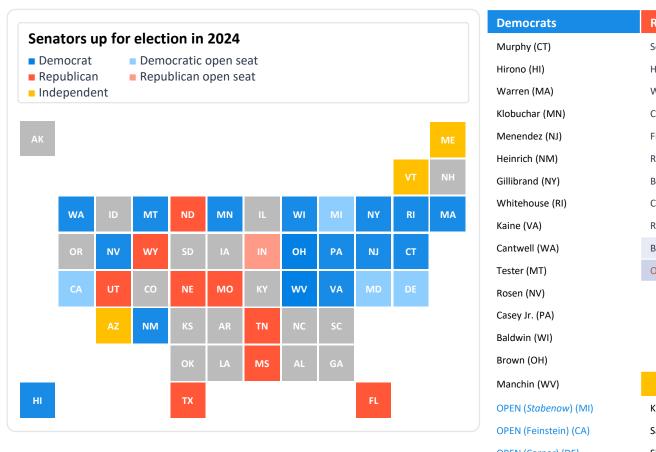
HOUSE Majority 222-212 (with one vacancy)

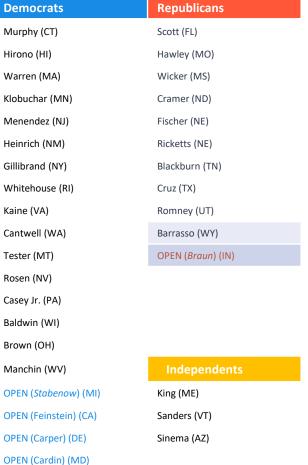
SENATE Majority 51-49 (with three independents)

2024 HOUSE RACE RATINGS – A RAZOR TIGHT RACE FOR THE MAJORITY



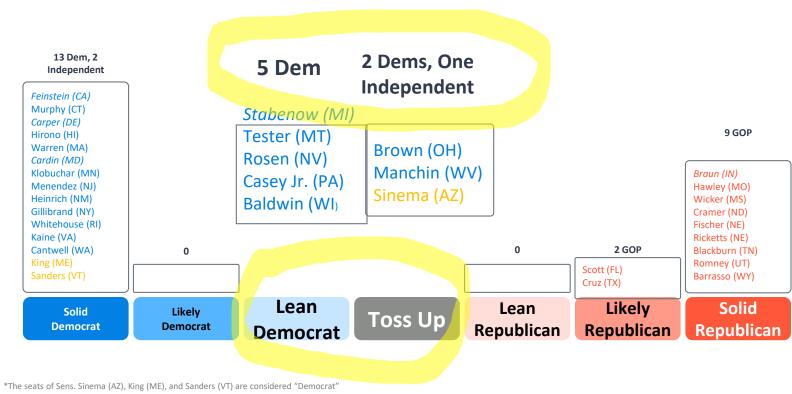
SENATE - DEMOCRATS AND INDEPENDENTS MUST DEFEND 23 SEATS IN 2024





SOURCE The Cook Political Report with Amy Walter. SLIDE LAST UPDATED ON 6/12/23

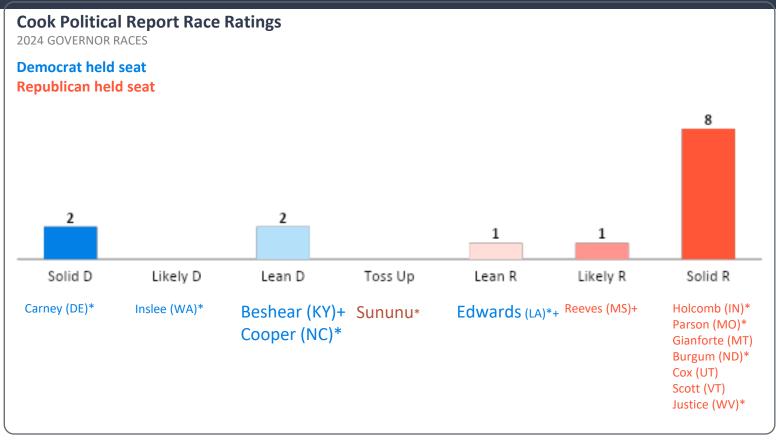
2024 SENATE SEAT RATINGS – LANDSCAPE FAVORS REPUBLICANS



*The seats of Sens. Sinema (AZ), King (ME), and Sanders (VT) are considered "Democrat" SOURCE The Cook Political Report with Amy Walter.

SLIDE LAST UPDATED ON 6/12/23

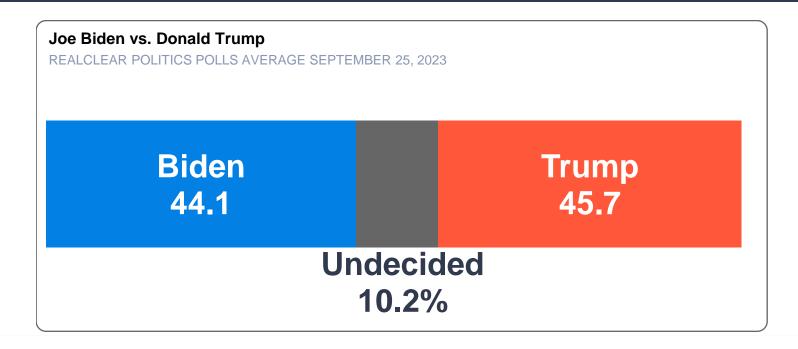
FOURTEEN GOVERNORSHIPS ARE UP FOR GRABS in 2023 and 2024



^{*} Incumbents are term limited, not seeking reelection, or seeking another office

⁺ Election is taking place in 2023

GET READY FOR ANOTHER CLOSE ELECTION



 A Biden-Trump rematch would be the first Presidential election in 132 years where voters have the opportunity to choose between between two presidencies.

DYNAMICS THAT CHANGED SINCE 2020

New dynamics that help Biden:

- 1) Trump's effort to overturn the election
- 2) Supreme Court overturning Roe v Wade

DYNAMICS THAT CHANGED SINCE 2020

Dynamics that help Trump:

- Biden's polling underwater on economy and inflation
 - -20% on economy
 - -30% on inflation
 - ➤Trump +18% over Biden on economy
- Biden's age
- Biden loss of support among nonwhite voters
 - 2023 Biden leads Trump just 53-28 among nonwhite voters
 - 2020 Biden beat Trump 70-24

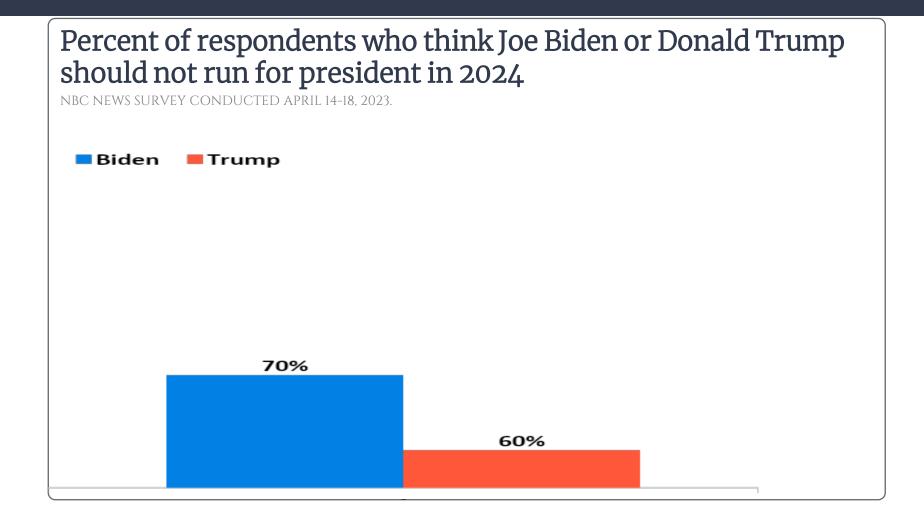
DYNAMICS THAT CHANGED SINCE 2020

Dynamics that help Trump:

Electoral College math

- 2020 Biden won the national popular vote by more than 7 million votes
 - <u>But</u> -- Biden won Electoral College by just 125,000 total votes among four key states (AZ,GA, PA, WI)
- 2024 Biden needs a 4-5% margin to win electoral college again

FEW PEOPLE WANT TO SEE A REMATCH OF THE 2020 PRESIDENTIAL ELECTION



SOURCE NBC, CHARLIE COOK.

WAY TOO EARLY 2024 PRESIDENTIAL PROGNOSTICATION

Seven states likely to decide the presidential winner in 2024:

Arizona, Georgia, Michigan, Nevada, North Carolina, Pennsylvania and Wisconsin

Keep an eye on:

Is it a referendum or choice election?

- 2020 -a referendum
- 2024 could be a choice election, which may help Trump

FEDERAL OUTLOOK MOVING FORWARD

- FY 24 Appropriations core focus for the next few months
- House Ed and Workforce Committee
 - WIOA reauthorization &
 - o Short-term Pell
- Senate HELP Committee
 - o Apprenticeships
 - Ranking Member Cassidy initiating WIOA education sessions for Members



HOW CAN YOU MAKE A DIFFERENCE?

EDUCATE:

- NASDAE Fact Sheets -- Continue to update and distribute
- Invite Members of Congress (and State Legislatures) to visit local programs
- Document and share success Stories
- Strengthen partnerships and "be at the Table" for planning, funding, managing, and evaluating



