





March 5, 2018

The Honorable Tom Cole Chairman House Labor, HHS Appropriations Subcommittee 2467 Rayburn House Office Building Washington, DC 20515

The Honorable Roy Blunt Chairman Senate Labor, HHS Appropriations Subcommittee 260 Russell Senate Office Building Washington, DC 20510 The Honorable Rosa DeLauro Ranking Member House Labor, HHS Appropriations Subcommittee 2413 Rayburn House Office Building Washington, DC 20515

The Honorable Patty Murray Ranking Member Senate Labor, HHS Appropriations Subcommittee 154 Russell Senate Office Building Washington, DC 20510

Dear Chairman Cole, Ranking Member DeLauro, Chairman Blunt, and Ranking Member Murray:

We write today regarding the language related to local area designation under the Workforce Innovation and Opportunity Act (WIOA) in President Trump's FY 2019 budget proposal for the U.S. Department of Labor as presented to Congress.

Specifically, we note the provision that states, "a Governor, notwithstanding paragraphs (2) and (3) of section 106(b) of WIOA, may designate the State as a single State local area." On behalf of the nation's Mayors, cities, and local workforce development boards, we see this as contrary to the local area designation process established in WIOA, and respectfully urge you to reject the language proposed.

In WIOA, authorizers have already created the best opportunity for state and local leaders to work together to rethink, reshape, and expand workforce systems for maximum effectiveness. In crafting WIOA, lawmakers engaged in a lengthy deliberation, recognizing the complexity of constructing a bill that would meet the needs and provide the means for the critical players in workforce systems to be accommodated.

The bill recognizes that states make significant investments in economic development and have responsibilities to state businesses and workers, and thus Governors have a state set-aside provision. Similarly, WIOA recognizes that many actions in the labor market by businesses and workers are more local in nature. While many of us venture away to college, most skill development specific to industry recognized credentials and most hiring is achieved close to home. The ability for local elected officials to have the workforce needed to support the nearly \$25 billion that local governments invest in

economic development, in strong partnership with the local business-led workforce development boards, is also acknowledged by the process of local area designation in WIOA. In addition, the bill includes a provision that requires planning to be done not only at the state and local level but also at the regional level, which furthers the considerations and collaboration needed to respond to business and labor force needs.

The U.S. labor market is extraordinarily dynamic with over 100 million hiring/leaving transactions each year. The patterns and trends that make-up the market are not national, nor are they state-wide — rather they are regional. That makes actions to respond to market changes by necessity localized. We recognize there can be tension between state and local governments on what actions to take and what investments to make, but that is not unique to workforce development. We also want to remind Members that WIOA, as currently crafted, received overwhelming bipartisan support in both the House and in the Senate -- a most rare achievement in Washington.

We respectfully request that you honor the commitments made in WIOA and reject the President's language to give governors additional authority to designate a single state local area.

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