# SKILLS FOR AN INCLUSIVE ECONOMIC PRECOVERY

An Agenda for President Biden and Congress

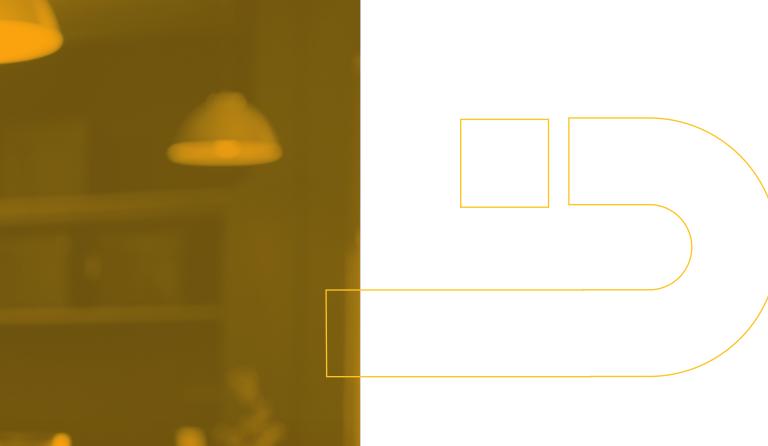


# ABOUT NATIONAL SKILLS COALITION

Jobs that require skills training are the backbone of our economy. National Skills Coalition fights for a national commitment to inclusive, high-quality skills training so that more people have access to a better life, and more local businesses see sustained growth. Since 2000, through expert analysis and technical assistance, broadbased organizing, targeted

advocacy, and cutting-edge communications, NSC has changed hundreds of state and federal skills policies that have changed thousands of lives and grown local businesses and economies.

We build networks representing businesses, workers, colleges, community organizations, public officials, and advocates. We engage these networks



to craft policy proposals and mobilize them to win concrete policy change.
Our networks include SkillSPAN (20 affiliate state coalitions), Business Leaders United for Workforce Partnerships (thousands of small and medium-sized business owners and 7 state affiliates), and Voices for Skills (tens of thousands of workers and grassroots skills advocates).

JOBS THAT REQUIRE SKILLS TRAINING ARE THE BACKBONE OF OUR ECONOMY.

# AN ELECTORATE THAT'S CALLING **ON WASHINGTON** TO ACT

Our country faces the most devastating economic crisis since the Great Depression, and National Skills Coalition stands with the working people and local businesses who have been most impacted by the pandemic's economic fallout. Equitable opportunities for working people and local businesses to participate in and benefit from a rebound and possible expansion of our economy are not fated; they are determined by decisions made in Washington, D.C.

NSC's member businesses, labormanagement partnerships, community organizations, community colleges, education and workforce experts are calling on the President and Congress to be our partner in building an inclusive economic recovery that addresses the disproportionate impact of the economic crisis on workers of color, immigrants, and workers with a high school diploma or less; the essential role of small businesses who hire locally and invest in their people but need policymakers to be their partner; and the moral and economic imperative to dismantle the structural racism within workforce education and training systems that hold back workers, businesses, and the economy.

Our vision: An inclusive economic recovery is an expansion of the U.S. economy in which the workers and businesses who were most impacted by this recession, as well as workers who were previously held back by structural barriers of discrimination or lack of opportunity, are empowered to equitably participate in and benefit from the economy's expansion and restructuring. We believe a set of expansive, industry- and workertargeted skills policies at both the federal and state levels, accompanied by the necessary income and social service supports to keep workers and businesses whole during this transition, must be part of the strategy in pursuit of that goal.

In our 2020 call to action, Skills for An Inclusive Economic Recovery, National Skills Coalition put forward this vision as well as a set of principles and policy goals that should drive our nation's skills policy response. In this federal agenda we offer a set of specific legislative responses - each supported by over 70 percent of voters that the President and Congress can enact immediately to help realize this vision.

America cannot train its way out of an economic crisis, nor can skills policy



# PRINCIPLES FOR AN INCLUSIVE ECONOMIC RECOVERY

- Invest in those first who have been hurt most
- Eliminate structural racism in skills policies
- Better jobs than before the pandemic
- Sustainable careers vs. just a job

- Industry-specific partnerships with small businesses at the table
- Measure the impacts of our interventions and hold ourselves accountable

Read more in NSC's Skills for An Inclusive Economic Recovery: A Call for Action, Equity and Accountability

shoulder alone the weight of a more inclusive economy. Inclusive skills policy on its own will not dismantle structural racism, bring economic security to every worker, or ignite sustainable growth for every small business. A web of policies and practices contributes to these goals. But skills policy has an essential role to play and must be part of our nation's path forward. That's why 84 percent of unemployed voters want Congress to immediately increase investments in training to support their journey back into the workforce.





# **FEDERAL AGENDA: AN OVERVIEW**

NSC has developed an eight-part agenda that Congress can follow immediately to help more U.S. workers and businesses be part of an inclusive economic recovery. Not only are these proposals good policy, validated by the real-world expertise of our members, but according to a national poll, each proposal is supported by over 70 percent of voters.



1

# A SAFETY NET THAT SUPPORTS WORKERS' LONG-TERM PATHWAY TO A SKILLED CAREER

Remove barriers to our nation's safety net for all workers, including those impacted by the pandemic, and make it a foundation for new career pathways.

2

# A COMPREHENSIVE APPROACH TO RE-TRAINING AND RE-EMPLOYMENT FOR ALL DISPLACED WORKERS

Guarantee income, healthcare, training, and re-employment support for any worker who loses a job due to economic disruptions such as pandemics, automation, or trade.

3

# PUBLICLY FUNDED JOB CREATION THAT INCLUDES TRAINING FOR THOSE IN NEED OF A NEW CAREER

Ensure job creation efforts, such as those around infrastructure or an expanded public health workforce to fight the pandemic, include investments in skills that expand access to long-term careers for local workers.

4

# SUPPORT TO LOCAL BUSINESSES TO AVERT LAYOFFS AND ENCOURAGE UPSKILLING

Subsidize small and mid-sized businesses to avert layoffs, keep their employees paid, and support their re-training during down-time. 5

### SECTOR PARTNERSHIPS TO DRIVE INDUSTRY-SPECIFIC TRAINING AND HIRING STRATEGIES

Support the partnerships that communities need to develop training strategies targeting the specific needs of individual industries and the local workforce.

6

# DIGITAL ACCESS AND LEARNING FOR ALL WORKING PEOPLE AT HOME AND ON THE JOB

Eliminate barriers by making high-quality digital learning available to all workers.

7

# HIGH QUALITY, JOB-READY EDUCATION FOR THOSE WHO NEED TO RE-ENTER THE LABOR MARKET, INCLUDING MAKING COLLEGE WORK FOR WORKING PEOPLE

Increase system capacity and expand access to high quality, industry driven education and training that prepares workers for good jobs. 8

# PUBLIC DATA AND ACCOUNTABILITY REGARDING WHO IS BEING INCLUDED IN THIS RECOVERY

Report data on how different workers and businesses are faring in the recovery and hold policies accountable to equitable outcomes for those most impacted.

# A safety net that supports workers' long-term pathway to a skilled career

Remove barriers to our nation's safety net for all workers, including those impacted by the pandemic, and make it a foundation for new career pathways.

The pandemic and resulting recession have underscored the need for a better safety net to protect people from immediate hardship as well as to give them time to get on

what might be an extended pathway back into the labor market. Millions of workers have lost their paychecks, putting their basic needs like healthcare, food, and housing in jeopardy. And what was clear before the pandemic is clearer now: Forcing people into low-wage jobs as a condition of safety net programs hurts workers and limits their access to

education and training, stymies businesses looking to hire trained workers, and hurts local economies.

To engage in education and training for a family supporting job, a person's basic needs food, housing, medical care, and childcare - must be met. That means our nation's safety net programs have a transformative opportunity: To help millions of individuals who can and want to train for a family-sustaining career but need supports along the way. Congress can permanently remove barriers to our nation's safety net for all workers, including those impacted by the pandemic, and make it a foundation for new career pathways.

The American people believe our nation's safety net should provide opportunities, not barricades. Eighty-five percent of voters want it to be easier for people who receive public assistance to get skills training, so they can find a new job. Two-thirds of small and mid-sized business owners feel the same.



CONGRESS
CAN
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**EXPAND ACCESS TO SNAP E&T:** With the onset of the recession, the Supplemental Nutrition Assistance (SNAP) program has served as a critical lifeline for struggling families, with a 16 percent increase in total participants between March and April 2020. Many newly unemployed adults enrolling in SNAP could benefit from access to education and training opportunities supported under the SNAP Employment and Training (E&T) program, but federal policymakers must take additional steps to ensure the broadest possible range of individuals are able to take advantage of these upskilling opportunities.

- Eliminate work requirements for SNAP **benefits.** Recent regulatory changes have sought to make it harder to make it harder to participate in SNAP, including efforts to limit state discretion to waive work requirements during hard times. Work requirements reflect false and often racist perceptions of public assistance recipients and research has shown that these requirements have a disproportionate impact on people of color. While some of these efforts have been held up by Congress and the courts, it's time for lawmakers to permanently eliminate work requirements under SNAP to ensure recipients aren't denied access to critical nutrition benefits.
- Expand funding for E&T programs. In the most recent reauthorization of SNAP, Congress increased state formula funding for SNAP E&T from \$90 million to \$110 million. Given the significant increase in SNAP participation, lawmakers should increase state formula grants to allow for the development and expansion of proven workforce strategies. Congress should also increase the 50 percent federal share of reimbursements to states for costs related to training.
- **Expand SNAP eligibility for** postsecondary students attending more than half time. With some exceptions, current law prohibits students who are enrolled in postsecondary institutions on a more-than-half-time basis from receiving SNAP benefits. In an economy where many adults will need new skills or credentials to transition into new jobs or industries. this provision forces students to choose between enrolling in the right program and putting food on the table. Congress should remove these barriers so that all students who need access to SNAP can qualify.



**REFORM AND REAUTHORIZE TANF:** The Temporary Assistance for Needy Families (TANF) program is one of the nation's most important anti-poverty programs, but twenty years after welfare reform, its outdated rules must be updated to make it easier for participants to gain skills and credentials that support careers.

- Shift to an outcomes-based model.

  Current law imposes work participation requirements as a condition of TANF eligibility, despite substantial evidence that such requirements have little impact on improving employment or earnings outcomes. Congress should allow states to measure success based on how well participants are moving out of poverty and into family-supporting jobs, rather than requiring burdensome tracking of work hours.
- Remove barriers to education and training. Ninety percent of TANF recipients have a high school diploma or less, yet TANF currently restricts education and training as part of work participation requirements. Congress should eliminate these restrictions and make it clear that upskilling is one critical element of connecting participants to family-supporting job.
- Restore funding for services. Federal formula funding for TANF has been flat for more than twenty years, reducing already limited benefits for families in need. Congress should boost federal funding to account for inflation and build in automatic funding increases to keep pace with real-world demand.

• Invest in career pathways. Since 2010, the Health Profession Opportunity Grant (HPOG) program administered by the Department of Health and Human Services has helped thousands of TANF recipients and other low-income workers obtain skills and credentials for in-demand health care jobs. Congress should expand on this model by funding other industry-specific career pathways, including a new Infrastructure Professions Opportunity Grant program that could be linked to investments as part of a larger infrastructure package.



OF VOTERS WANT IT TO BE EASIER FOR PEOPLE WHO RECEIVE PUBLIC ASSISTANCE TO GET SKILLS TRAINING.



A comprehensive approach to re-training and re-employment for all displaced workers

Guarantee income, healthcare, training, and re-employment support for any worker who loses a job due to economic disruptions such as pandemics, automation, or trade.

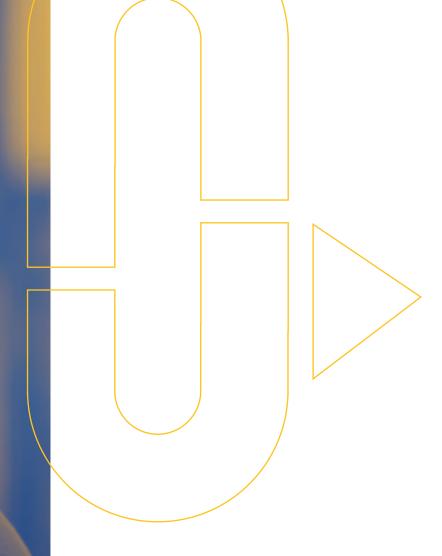
COVID-19 has shown that we need a different approach to supporting workers displaced by structural changes to the labor market. When the pandemic subsides, workers who lost

their jobs will not all be able to return to the same companies or even the same occupations. But the U.S. lacks a response necessary to efficiently respond to structural change to our labor market. Instead of an aligned, publicly funded, cohesive reemployment system that helps workers who lose their jobs prepare for in-demand jobs in a new industry, the United States has a disjointed, underfunded

unemployment system.
Programs serving dislocated
workers are underfunded,
provide inconsistent benefits,
have complicated eligibility
requirements that often exclude
workers of color, women, and
individuals in non-traditional
work structures. They are
designed to respond to cyclical,
not structural, unemployment.

This lack of coordinated response means workers, businesses, and communities face negative economic, physical, and psychological consequences. It also means that the U.S. is not poised to compete with international peers in a global, 21st century economy. To adjust to impending structural shifts in our workforce, the U.S. will need a significant investment in, and modernization of, our active labor market policies to reflect the realities and needs of both workers and businesses.

Seventy-six percent of voters want the US to expand support for unemployed workers to include not just income replacement but also automatic health care coverage, training, and re-employment services.



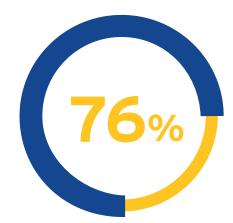
WE NEED A
NEW APPROACH
FOR WORKERS
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MARKET.

ENACT A 21ST CENTURY REEMPLOYMENT ACCORD: Congress should enact a 21st Century Reemployment Accord for all workers, whether their job loss occurs because of trade, automation, health crisis, or other reasons. This accord should include four key pieces.

- Expand access to skills training. With some exceptions, federal unemployment relief programs do not guarantee access to training to upskill or reskill for new jobs. Congress should establish and fund Dislocation Reskilling Accounts providing up to \$15,000 per worker to invest in training at a community or technical college, community-based organization, or other quality training provider.
- Create a network of 21st century industry partnerships. We must ensure the significant public and private investments necessary to respond to worker dislocation caused by technological changes align with employment opportunities in indemand industries. Congress should invest in a network of local, industrybased partnerships among businesses, education providers, the public workforce system, and community organizations. Partnerships should be encouraged to explicitly focus on diversifying pipelines into these in-demand industries to address equity gaps and strengthen business competitiveness.
- Expand income assistance for all displaced workers. Under current eligibility restrictions, only 27 percent of unemployed workers qualify for unemployment benefits, down from an already low 36 percent in 2007. Congress should launch a federal Reemployment Distribution Fund. States should be able to draw down funds for robust unemployment insurance and wagereplacement subsidies that mitigate the financial impact of job loss on workers, their families, and communities. Congress should include part-time workers, contingent workers, and others who generally do not qualify under the current system.
- **Expand access to support services** during reemployment process. Workers face barriers to federal childcare, transportation, and other support services that are essential to succeed in training programs. These barriers include eligibility requirements that block access to subsidies while in training programs as well long waiting

lists due to underfunding.





OF VOTERS WANT TO SEE EXPANDED, COMPREHENSIVE SUPPORT FOR UNEMPLOYED WORKERS.

# Job creation that includes training for those in need of a new career

Ensure job creation efforts, such as those around infrastructure or an expanded public health workforce to fight the pandemic, include investments in skills that expand access to long-term careers for local workers.

Federal investments in physical, digital, and clean energy infrastructure, as well as in public health capacity for new contact tracers and testers.

could create millions of good jobs. For the millions of workers who have lost their jobs due to the pandemic – many of them low-income workers of color in the restaurant, hospitality, or retail sectors – job creation proposals that don't focus on training people for the new jobs are more than just an oversight.

Congress must ensure that any job creation efforts include dedicated, comprehensive training and support service



investments with a focus on inclusion of local workers most impacted by the pandemic, including people of color, immigrants, and women.

Eighty-nine percent of voters want any infrastructure plan to include investments in training so that local residents can access these jobs. Likewise, 67 percent of voters want any investment in a contact tracing workforce to include investments in training.

JOB CREATION
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**INVEST IN PEOPLE AS PART OF ANY INFRASTRUCTURE PACKAGE.** A new Congress is expected to take up legislation to support federal investments in infrastructure, including strengthening our nation's surface transportation and transit systems, expanding our energy capacity, and deploying broadband to underserved communities. But too often these investments in bricks and mortar have not been paired with support for training and services that would help individuals take advantage of these new employment opportunities, or to ensure that they can advance in their careers beyond their first job. Congress should correct this.

- Trust Fund. This fund would support investments in education and training for infrastructure careers and include dedicated funding for infrastructure industry partnerships that would bring together employers in targeted sectors with training providers and other community stakeholders to develop and implement training strategies that help local workers get and keep family-supporting jobs within those industries. These partnerships should ensure not
- only opportunities for initial employment, but also support services and career advancement training, including through apprenticeship and other work-based learning models.
- Establish tax incentives. To strengthen engagement of small and medium-sized businesses, establish new tax incentives for employers who participate in these partnerships and who agree to hire and train individuals in the communities where projects are located.
- Reward hiring and training
   underrepresented workers. Create
   preferences in federal infrastructure
   investments for projects that include
   explicit commitments around hiring
   and training for workers who have been
   most impacted by the current economic
   downturn Black, Latino, and other
   workers of color, particularly women and
   eliminate regulatory and administrative
   restrictions on local hiring provisions for
   infrastructure projects.





# OF VOTERS WANT ANY INFRASTRUCTURE PLAN TO INCLUDE INVESTMENTS IN TRAINING FOR LOCAL RESIDENTS.

**ENSURE CONTACT TRACING JOBS BECOME CAREER PATHWAYS.** The U.S. is estimated to need 100,000 contact tracers to respond to our current crisis, a role that does not require a four-year degree. By connecting our workforce system with our public health system, we can train workers to fill those roles with a focus on workers from communities hardest hit by the current crisis – communities of color. By connecting those workers to long-term employment once the current health pandemic subsides, Congress will both speed up an efficient, safe, and effective reopening of our economy and address the disproportionate impact workers of color have experienced from this crisis. Congress should invest at least \$500 million in preparing, supporting, and advancing the careers of a contact tracing workforce and ensure that these investments:

- Ensure quality. Incorporate quality standards for contact tracing jobs to ensure they create economic opportunity for workers and their families while also building a talent pipeline for other healthrelated occupations.
- Invest in partnerships. Support industry partnerships to develop career pathways to quality health careers that will remain in the labor market when contact tracing declines.
- Support career advancement. Provide contact tracers with career pathways training grants so they can continue their training and transition to their next job.
- Ensure essential supports. Create supportive service funds that provide contact tracers with time-limited financial assistance to ensure that unexpected expenses (such as childcare or transportation emergencies) don't prevent qualified workers from continuing in their jobs.
- Measure outcomes. Provide transparency on the training and job placement of workers in contact tracer jobs via the public release of data showing the demographics of who is placed in these jobs and how they progress over time.

# Support to local businesses to avert layoffs and encourage upskilling

Subsidize small and mid-sized businesses to avert layoffs, keep their employees paid, and support their re-training during down-time.

The pandemic and recession have affected key industries in very different ways, but across industries, small and mid-sized businesses have been disproportionately impacted. Prior to the recession, small and mid-sized businesses accounted for nearly half of the private

sector workforce (47 percent). Yet according to a McKinsey study, small businesses accounted for 54 percent of the most vulnerable jobs during COVID-19.

Small and mid-sized business are the engine of local economies and the first step on a career path for many local workers. Yet their very scale makes them less able to whether major economic disruptions. To reduce ongoing economic hardship for these businesses and their workforce



as the country works toward recovery, federal policymakers can help avert further furloughs and layoffs and support employee re-training during down time.

The American people want policymakers to help local businesses avert further layoffs and keep their workers paid. In fact, 82 percent of voters believe the government should offer incentives for businesses to use down time for training instead of laying off workers.

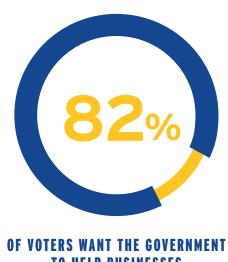
SMALL BUSINESSES ARE THE ENGINE OF LOCAL ECONOMIES AND THE FIRST STEP ON A CAREER PATH FOR MANY WORKERS.

SHORE UP THE JOB CREATORS: An inclusive economic recovery for small businesses must include investments to ensure they - and the communities they call home - return stronger than their pre-pandemic economic conditions. This includes skills policies that provide displaced workers with the occupational mobility to move from contracting industries to skilled jobs in growing ones, supports participation in local sector partnerships, and provides small firms with publicly subsidized on-the-job training, work-based learning, and upskilling for their workers. Congress should take action.

- Create a Federal Incumbent Worker **Training Fund.** A new title of formula dollars under the Workforce Innovation and Opportunity Act (WIOA) would provide dedicated resources to states to fund partnerships between employers, education and training providers, and other stakeholders. These resources would be used to upskill and advance current workers who face foundational skills gaps (including digital literacy gaps); changing occupational requirements due to new technologies or processes; or where such training allows workers to advance to higher-paying positions within a firm or industry and creates employment opportunities for new workers to fill in vacated positions. For workers rehired in different industries after the pandemic, these funds can help workers gain skills necessary to advance in their new industry.
- Create a 21st Century Extension Partnership to align workforce and economic development strategies. Congress should authorize the Commerce Department to develop new cross-agency collaboration with the Departments of Labor and Education and fund a new network of new 21st Century Extension Partnerships. These partnerships should

- provide technical assistance to small and medium-sized employers, coordinate funded training for businesses in the same industry and efficiently encourage companies to adopt latest industry methods and technologies. This strategy should also support transitioning workers to new and emerging industries in areas where existing industries are declining due to economic impact of our current health crisis.
- Leverage tax credits to empower private investment in training for new hires and existing workers. Current tax credits drive the recruitment of workers but fall short of empowering businesses to create more meaningful pathways for those already on the job. This strategy should encourage businesses to invest in workers who have been unable to access traditional education opportunities or most likely to lose their jobs.
- Expand workshare programs to include upskilling opportunities. Prior to the pandemic, twenty-six states and the District of Columbia offered short-time compensation programs (also known as workshare) that allow employers to keep workers on at reduced hours and wages,

with the remainder of wages covered by partial unemployment benefits. This strategy allows businesses and workers to weather economic downturns without layoffs, and Congress temporarily expanded the federal share of the program as part of initial recovery responses. However, most work-share programs do not pair with workforce investments to help workers utilize down-time to upgrade their skills to keep up with changing technologies and processes. Congress should expand the federal investment in workshare models to include funding for training opportunities for participating workers and employers.



OF VOTERS WANT THE GOVERNMENT TO HELP BUSINESSES PREVENT LAYOFFS.



# Sector partnerships to drive industry-specific training and hiring strategies

Support the partnerships that communities need to develop training strategies targeting the specific needs of individual industries and the local workforce.

The pandemic brought certain industries to a halt, while dramatically increasing demand for workers trained with specific skills in pandemic response industries. As the economy recovers, demand for trained workers will increase, but that demand will be uneven and will vary sector by sector.

Industry partnerships bring together multiple employers in a targeted industry with

labor as well as the workforce. education, and human service systems in their community to aggregate skills demands across firms and identify training and employment strategies that meet those shared needs. These partnerships help local stakeholders efficiently leverage public funding, share information and best practices, and better serve workers and employers. But there is no sustainable federal investment in supporting industry partnerships.

Congress must invest in local partnerships and industry targeted strategies that will help workers, businesses, and communities adapt to a changing economy. These industry driven training models must be accessible to workers who have been disproportionately impacted by COVID-19, including people of color and those without college degrees.

Eighty-eight percent of voters want public investment in partnerships between skill training programs and local businesses to help train people for the jobs for which businesses are hiring.



AS THE ECONOMY RECOVERS, DEMAND FOR WORKERS WILL BE UNEVEN AND VARY BY SECTOR.

- Invest in sector partnerships as part of **WIOA reauthorization.** The bipartisan Workforce Innovation and Opportunity Act (WIOA) of 2014 called for the establishment of industry or sector partnerships at the state and local level as a core strategy for expanding pathways into critical industries. However, Congress failed to provide dedicated funding for these partnerships, straining an already under-resourced public workforce system. With WIOA due for reauthorization in 2021, Congress can address this oversight by creating a new 21st Century Industry Partnership grant program that ensures states and communities have the necessary resources to develop and implement partnerships that respond to new and emerging labor market demands.
- Invest in community college-business partnerships as part of Higher Education Act reauthorization.

Community and technical colleges can be crucial partners to local businesses and industry, providing timely and targeted training opportunities for local workers while helping participants gain skills and credentials that can lead to further education and career advancement. Congress has provided dedicated funding for partnerships between industry and community colleges, most recently under the Trade Adjustment Assistance Community College and Career Training (TAACCCT) program, which provided \$2 billion in grants over four years and led to students earning more than 300,000 industry-recognized credential over that timeframe. However, funding for TAACCT

lapsed after 2014, and Congress has not taken the necessary steps to revive these vital investments. As Congress considers reauthorization of the Higher Education Act, renewing and expanding investments in community collegeindustry partnerships - at a scale equal to or greater than the investments under TAACCCT - should be a top priority.

Modernize and expand apprenticeship through industry partnerships.

Apprenticeship is a proven workforce development strategy, offering paid work experience and a structured on-the-job learning model that enables workers to earn skills and credentials while still making a living. There has been strong bipartisan support for investments in apprenticeship in recent years, with both the Obama and Trump administrations making expansion of apprenticeship a priority and Congress providing dedicated annual appropriations for apprenticeship. But there's more we can do: The law governing apprenticeship standards has not been updated in more than 80 years, and we need a national strategy for bringing apprenticeship to new industries and making sure that all workers - particularly workers of color and women who have often been excluded from traditional apprenticeship - have access to these opportunities. Congress should update and reauthorize the National Apprenticeship Act, and ensure that includes significant investments in industry partnerships that can take apprenticeship and other work-based learning strategies to scale while expanding the pipeline of new workers into those fields.





OF VOTERS WANT PUBLIC INVESTMENT IN SECTOR PARTNERSHIPS.

# Digital access and learning for all working people at home and on the job

# Eliminate barriers by making high-quality digital learning available to all workers

Even before the COVID-19 pandemic, it was apparent that American jobs are undergoing massive technological transformation. In-demand careers increasingly require digital literacy skills, and for many industries digital skills are entry-level

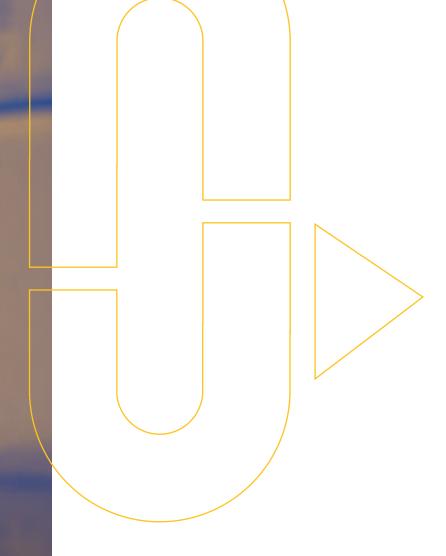
competencies for new hires and incumbent workers.

Since the pandemic, digital demands in the U.S. workplace have only accelerated, with workers from frontline jobs to white-collar roles being asked to quickly adapt to new tools and technologies. COVID-19 has also put a spotlight on the dramatic digital divide facing students and workers, and the racially inequitable

financial consequences of that divide. To succeed in this rapidly changing environment, workers need broad-based digital problem-solving skills that equip them to learn a wide variety of today's technologies and navigate continued changes in the future.

An estimated 48 million US workers - roughly one-third of the total U.S. workforce lack the foundational digital literacy skills that are increasingly essential to work and education in today's economy. But current federal investments aren't keeping pace with this demand: Adult education programs that are often charged with helping working learners with traditional literacy and numeracy skills are badly under-resourced, and most federal workforce and education programs do not focus on digital skills attainment as a core component of occupational training.

Eighty-four percent of voters want to see public investments in expanding access to digital learning and increasing digital literacy to make it easier for people to retrain.



# ONE-THIRD OF THE WORKFORCE LACKS FOUNDATIONAL DIGITAL LITERACY SKILLS.

To equip workers and businesses with the digital tools needed to succeed in this rapidly changing economy, Congress should:

- Establish Digital Literacy Upskilling Grants. Through these grants, expand access to high quality digital skills instruction that meets industry and worker needs, including closing racial equity gaps. The federal government should allocate funds to states to administer grants and create a new national grant program to invest in digital skills training best practices across the country. These funds should be available to contextualize digital skills instruction for specific industries, increase instructor professional development, support training costs of incoming and incumbent workers, and include a state set-aside to support the development of digital literacy skill gain metrics as part of state postsecondary attainment goals.
- Develop a measurable national standard for industry-specific digital upskilling efforts. Congress should define and embed occupational digital literacy in workforce and education policies like Workforce Innovation and Opportunity Act (WIOA) Title I and II, backed by funding to support quality digital skills training through existing policies as well as the new Digital Literacy Upskilling Grants.
- Create a new network of 21st Century Industry Partnerships between businesses, education providers, the public workforce system, and community organizations. Industry and sector partnerships will ensure that the significant investments necessary to respond to digital literacy upskilling needs caused by technological changes in the workplace are aligned with employment opportunities in in-demand industries. By helping businesses work together with education and training providers, these partnerships can ensure industry-driven solutions that equip workers with skills that match local employers' hiring needs.
- Incentivize private investment in digital skills training, instruction, and upskilling **opportunities.** While tax credits such as the Work Opportunity Tax Credit (WOTC) currently help drive private investments in hiring for low-income individuals and other targeted populations, the future of work will require more robust incentives aimed at upskilling and career advancement. Specifically, preferencing work-based learning and upskilling for incumbent workers as eligible costs under WOTC will help kickstart private investment in essential digital skills training.





OF VOTERS WANT POLICYMAKERS TO INVEST IN EXPANDING DIGITAL LEARNING AND LITERACY.

# High quality, job-ready education for those who need to re-enter the labor market

Increase system capacity and expand access to high quality, industry driven education and training that prepares workers for good jobs.

Prior to the pandemic, the face of higher education had already been changing, with nearly 40 percent of all postsecondary students above the age of 25, and many pursuing subbaccalaureate credentials or degrees that can help them advance quickly in the labor market. But the federal Higher Education Act - the nation's primary investment in postsecondary students and institutions - is still largely geared toward traditional students and pathways.

The pandemic has accelerated and put a spotlight on the need for higher education to be nimble in responding to economic disruptions and rapid industry shifts so that businesses get the skilled workers need to be competitive. And higher education must recognize and support the needs of workers juggling family responsibilities, financial challenges, and navigating the changing labor market to find the best training options - and delivery methods - to support their employment goal. We must address these needs across postsecondary education to help drive an inclusive recovery.

Eighty-two percent of voters support immediate increased public investment in skills training to help people laid off in industries hit hard by Coronavirus and 81 percent support continuing to increase investment in skills training long-term. In addition, 75 percent of voters want to see more nimble, short-term higher education options so that people can quickly retrain.



PANDEMIC HAS ACCELERATED THE NEED FOR HIGHER EDUCATION TO NIMBLY RESPOND TO ECONOMIC DISRUPTION.

With Congress overdue to consider reauthorization of the Higher Education Act, and an accelerated demand for higher education to adapt to economic disruption, lawmakers should:

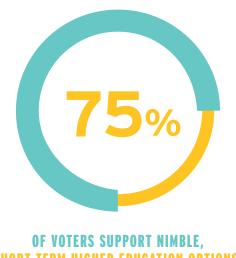
- Expand tuition aid for workers and working students. Today's financial aid policies don't match the realities of today's students, particularly working adults. Congress should expand the Pell Grant program to support enrollment in high quality short-term programs that lead to employment and articulate to further educational pathways, creating meaningful on-ramps for individuals who might otherwise never pursue postsecondary credentials.
- Expand access to tuition aid for immigrant workers. Lack of access to Pell Grants and other federal financial aid prevents many immigrant workers from pursuing additional education. Congress should re-examine current eligibility requirements and identify ways for additional immigrants, such as Dreamers, to access educational support in the same ways as their US-born peers.
- Support business-community college partnerships. Industry partnerships ensure that local training prepares workers for local jobs. But we aren't investing in these models at a scale to sustain economic competitiveness. Congress should invest in building community and technical college capacity through business-led partnerships. Funding for these partnerships should be at least \$500 million a year, consistent with annual funding levels authorized under the Trade Adjustment Assistance

Community College and Career Training program, and should encourage collaboration with community-based organizations, secondary schools, workforce boards, unions and other stakeholders. Partnerships should be encouraged and incentivized to focus on racial, gender, and other equity gaps to increase economic opportunities for workers often left behind by traditional hiring and recruitment.



- Dedicate funding for academic supports and acceleration strategies. Many working students lack the basic academic skills - including digital literacy skills necessary to succeed in postsecondary education and training, while others need support services to balance school, work, and other obligations. Congress should ensure that financial aid for these students is sufficient to cover developmental education where necessary to prepare them for postsecondary work without impacting their ability to complete their chosen program - and can be extended to include living expenses. The new policy should also provide dedicated funding through a Career Pathways grant program of at least \$500 million annually to support the development of integrated education and training programs and other strategies that can accelerate time to completion. Funding should also be allocated to support career counseling and career awareness activities that will enable non-traditional students to find the right programs for their life and employment needs.
- pedicate resources specifically for upskilling immigrant workers. Congress should invest \$100 million annually to scale up models that are proven to effectively re-skill immigrant workers, such as Integrated Education and Training, bridge programs, and workbased learning. Congress should invest an additional \$200 million annually to bolster English language learning opportunities with a direct connection to the workforce, including vocational/technical English as

- well as programs that combine language learning with digital literacy skills. These investments could occur through existing federal legislation such as the Workforce Innovation and Opportunity Act (WIOA) or through new legislation. Congress should also increase funding for Department of Labor's Susan Harwood grants by \$25 million annually to support training that combines occupational safety and other skill-building.
- Measure outcomes to ensure program quality. Investments in postsecondary education pay off, both for students and businesses, but we lack detailed outcomes data on individual programs that would help us understand what is working and what is not. Federal higher education policy should include public program-level outcomes reporting, disaggregated by race and ethnicity, on employment, earnings, and credential attainment so we can measure return on investment, support program improvements when necessary, and empower students with data to inform their education and career decisions.







# Public data and accountability regarding who is being included in this recovery

Report data on how different workers and businesses are faring in the recovery and hold policies accountable to equitable outcomes for those most impacted.

COVID-19's impacts have been unequal across workers and industries. We must have public, disaggregated data on the impact of recovery investments to ensure that everyone is a full and equal participant in our country's economic future. That

includes publicly reporting on the economic outcomes (e.g., types of jobs, wages, credentials with labor market value, longterm career progression) of not just those workers who lost their jobs, but specifically by workers of color, immigrants, women, older workers, workers without a college degree, and others who have been most impacted by the recession. It also includes assessing how smaller businesses within particularly hard-hit industries

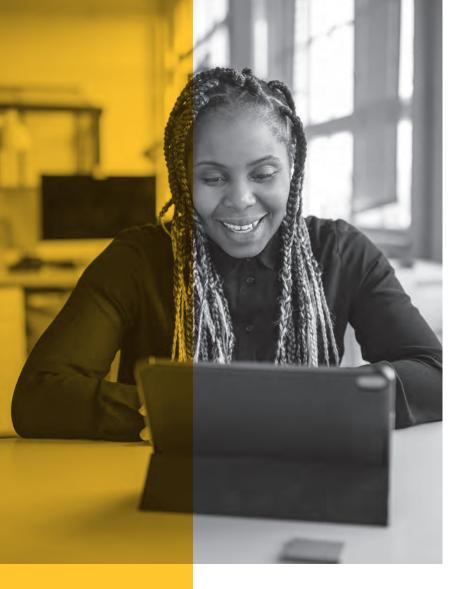
have fared, the extent to which policies have engaged smaller companies in regional industry workforce strategies, and how effectively their workforces have been restored and reskilled to ensure future company competitiveness.

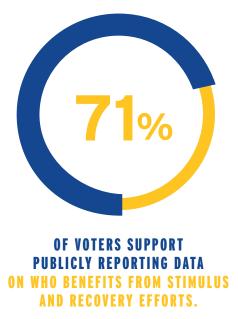
A truly inclusive economic recovery will require coordinated efforts across a range of federal agencies and programs, and a national commitment to making sure that the hardest-hit workers and businesses come out of this economic downturn in a better place than they were before the crisis hit.

Seventy-one percent of voters support collecting and publicly reporting data on which groups of people are and are not benefiting from stimulus and recovery efforts, including investments in skills training.



- Disaggregate data by key groups of workers impacted by the recession. Direct or indirect recovery investments designed to support retraining, job creation, or job retention - including new investments in infrastructure and public health initiatives - must disaggregate participation and economic outcomes by race, ethnicity, English language proficiency, gender, disability status, and age while protecting individual workers' and companies' privacy. Congress should provide resources to states and other recipients of recovery investments to ensure that accurate and adequate data can be captured and reported, and should ensure that federal agencies with oversight for recovery funds provide meaningful guidance and support to ensure that equity gaps are identified and addressed.
- Establish shared performance metrics across all federal skills investments. Currently, there are no shared performance metrics or performing requirements across all federal education and workforce programs, which limits opportunities for alignment and coordination at the state and local level as policymakers are forced to design strategies around the unique performance goals of each program. To address this, Congress should work to establish a set of common metrics for all federal education and training investments that highlight how workers and businesses are being served by those programs, identify racial and other equity gaps where they exist, and require corrective actions where programs are not meeting performance goals.
- Mandate public reporting on the outcomes of skills policies. Outcomes must be transparent to the public and reviewed periodically by agencies and legislators to ensure investments are prioritizing those who were most impacted by the pandemic and to validate that skills polices are addressing the inequities that they have historically contributed to maintaining. Building a system of smarter workforce data requires coordination across a variety of agencies and organizations - education, labor and workforce development, health and human services, economic development, housing, corrections, and civil rights. These collaborations and data sharing partnerships allow for the transparent and disaggregated reporting on the key economic outcomes measures - and the combination of services that lead to success - while also centering data privacy and the data security as fundamental to public reporting processes. Congress should establish policies that allow for more effective and efficient sharing of data across federal skills programs, and provide resources to ensure that data on program outcomes is accessible and understandable.





### **RESOURCES FROM NATIONAL SKILLS COALITION**

For more information about the proposals outlined in this report, visit www.nationalskillscoalition.org.

- Measuring what matters: Shifting Temporary Assistance for Needy Families to an outcomes-based model
- 2. A 21st century reemployment accord: A comprehensive, skills-based reemployment system
- 3. Building America's infrastructure workforce
- 4. Add to contacts: Curbing the pandemic and creating quality careers through contact tracing
- 5. Funding resilience: How public policies can support businesses in upskilling workers for a changing economy
- 6. Opportunity knocks: How expanding the Work Opportunity Tax Credit could grow businesses, help low-skill workers, and close the skills gap.
- 7. It's incumbent on U.S.: Leveraging federal policy to maximize investment in incumbent worker training and business' pipeline development

- 8. Partnering up: How industry partnerships can bring work-based learning to scale
- 9. Digital skills for An Equitable Economic Recovery
- 10. The New Landscape of Digital Literacy
- 11. Applying a Racial Equity Lens to Digital Literacy
- 12. Amplifying Impact: Investing in English Language Skills and Digital Learning
- 13. Putting Pell Grants to Work for Working Students
- 14. Powerful Partners: Businesses and Community Colleges
- 15. Investing in Postsecondary Career Pathways
- 16. Workforce Success Relies on Transparent Postsecondary Data
- 17. Consumer Reports for Today's Postsecondary Students

**EVERY WORKER. EVERY INDUSTRY. A STRONG ECONOMY.** 

