

Investing in US Workers: Establish a White House Interagency Sub-Taskforce on Skills for an Inclusive Economic Recovery

- As part of White House-led Economic Recovery Task Force, prioritize investments in education and training to ensure that all US workers have the skills and credentials to gain family-supporting employment while supporting US business growth.
- An interagency sub-taskforce on Skills for an inclusive Economic Recovery would address racial and other equity gaps in education and employment by ensuring that our nation's workforce investments focus on what matters.

As the nation prepares to recover from the deepest and most abrupt economic recession in its history, and the devastating health impacts of the COVID-19 crisis, there has been growing momentum around the idea of President Biden and his Cabinet directing, from the White House, a new "Economic Recovery Task Force" that would be responsible for guiding the federal government's implementation of new stimulus investments. Modeled on the highly successful recovery efforts under the Obama Administration – including the Presidential Task Force on the Auto Industry and then Vice-President Biden's oversight and leadership of American Recovery and Reinvestment Act (ARRA) implementation – this new Task Force would be charged with ensuring that federal dollars are spent wisely and equitably in a way that allows us to "Build Back Better."

To be truly successful, however, the Task Force needs to ensure that this recovery is focused on rebuilding our nation's most important asset: **our workforce**. With tens of millions of US workers out of work or underemployed due to the effects of the economic downturn – and with many of those individuals already facing substantial barriers to career advancement due to structural racism, gender discrimination, and decades of underinvestment in education and training – our nation's economic recovery efforts should prioritize an *inclusive economic recovery*, one that invests in the skills of US workers to make sure that every American has meaningful opportunities for a family-supporting job or career.

A Sub-Taskforce on Skills for an Inclusive Economic Recovery as a Foundational Component of an Economic Recovery Task Force

To ensure that skills are at the forefront of a Biden Administration recovery plan, we propose that the Task Force establishes a Sub-Taskforce on Skills for an Inclusive Economic Recovery. This would be responsible for setting ambitious national goals for our nation's education, workforce, human services, and related systems to support investments in skills, while also providing guidance and leadership to states and other stakeholders in order ensure that they are utilizing investments under any future economic stimulus legislation – and leveraging existing federal, state, and local resources – in support of those goals.

This new sub-taskforce would build on President-Elect Biden's longstanding commitments to US workers, and particularly his role as a champion for skills. In 2014, then-Vice President Biden led a government-wide review of federal workforce and education programs and laid out a job-driven training agenda¹ for the 21st century that would support the creation of millions of new jobs and career pathways. Many of the innovative strategies identified in this report remain underfunded and underutilized due to the lapse in governance the past four years; the sub-taskforce should utilize this blueprint to reinvigorate our efforts to ensure all workers have a pathway to a good job.

After the release of the Vice-President's Job-Driven Training agenda in 2014, then-Labor Secretary Tom Perez was put in charge of an interagency working group tasked with collaborating with the White House National Economic Council and the Secretaries of Education, Commerce, Health and Human Services, et.al. to coordinate on the implementation of the plan. In the current much larger and more critical context of the COVID recession, we believe this interagency model can be built upon to develop and implement the worker retraining and re-employment aspects of the White House's larger Economic Recovery plan. As explained below, we would propose this new Sub-Taskforce be chaired not by a Cabinet Secretary, but by Vice President Harris, given the centrality of the sub-taskforce's mission to the economic recovery plan and the Vice President-elect's efforts on workforce training and equity issues as a member of the U.S. Senate.

In addition to helping to implement the White House's recovery plan, this sub-taskforce would also be critical to ensuring the success of key policy priorities that President-Elect Biden outlined in the 2020 campaign. The President-Elect has called for investing \$50 billion in workforce training², including investments in industry-led training partnerships and expanding apprenticeship opportunities; and the ambitious goal of providing two years of tuition-free community college for recent high school graduates and adults who may need retraining to advance their careers or transition to new industries. These exciting proposals would have a transformative impact on the lives of millions of US workers, while also ensuring that small and medium-sized US businesses can quickly find the talent necessary to recover, grow, and compete in today's economy.

¹ <u>https://obamawhitehouse.archives.gov/sites/default/files/docs/skills_report.pdf</u>

² https://joebiden.com/beyondhs/

However, getting Congress to make the scale of skills investments laid out by President-Elect Biden is not inevitable and will require real political leadership. As we've seen over the course of the past year, workforce development has not been a political priority in Washington: the \$2 trillion Coronavirus Aid, Relief, and Economic Security (CARES) Act passed by Congress in March 2020 included only \$345 million in workforce funding under the Department of Labor, and even the House Democratic-led Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act included only \$2.75 billion for workforce programs – far less than the \$5 billion that was included in ARRA more than a decade ago. These relatively low levels of investment reflect a failure of current political leadership to recognize the importance of investing in workers as part of any economic recovery strategy and to invest in the capacity of community colleges, labor unions, community-based organizations, and other stakeholders to help those workers get the skills and credentials they need to succeed.

Appointing a dedicated Sub-Taskforce for an Inclusive Economic Recovery would send a powerful and important signal to Congress, and the nation as a whole, emphasizing the President-Elect's commitment to expanding education and training opportunities for all US workers. The sub-taskforce should be comprised of heads of key federal agencies with responsibility for the administration of federal education, workforce, and human services programs (including the Departments of Labor, Education, and Health and Human Services); and should include representation from demand-side agencies (including the Departments of Transportation, Energy, and Commerce) that will be responsible for job-creating investments in any stimulus effort, to ensure that those job creation efforts are paired with training strategies to help US workers take advantage of these new career opportunities.

At a minimum the Sub-Taskforce should be charged with:

- Setting bold human capital goals for federal stimulus efforts to support an inclusive economic recovery, with a specific focus on measuring the impacts of federal job creation, education, training, and human services investments in helping US workers and businesses achieve their dreams. For workers, an inclusive economic recovery requires us to track:
 - Economic gains for those who lost their jobs during the pandemic: increases in wages, skill attainment and/or credentials, and long-term advancement prospects
 - Reduced disparities in the above outcomes between workers of color and other workers; between women and men; between younger and older workers
 - o Reduced poverty for those who have received federally funded training
 - o Increased rates of quality credential attainment for workers without a BA
 - Increased rates of training participants who moved from jobs paying less than \$15 an hour to at or above \$15, including those who have obtained a good job with benefits

For businesses – particularly small and medium-sized businesses, an inclusive economic recovery requires:

- Increased occupational mobility of workers from contracting industries to skilled jobs in growing industries
- Increased number of small firms participating in and hiring from local workforce partnerships
- Increased investments among small or medium-sized companies providing publicly subsidized on-the-job training, work-based learning, and upskilling opportunities for workers without a BA, including workers of color, women, and other workers who have historically been excluded from economic opportunities
- Establishing a public "inclusive economic recovery" dashboard that outlines the human capital goals and progress being made over time. The implementation process for ARRA included unprecedented levels of government transparency, with detailed agency by agency reporting on the uses of federal stimulus funds and outcomes from those investments. But it was often difficult to find comprehensive information about job placements and retention supported through ARRA funds. More importantly, there was little to no reporting on how those investments were improving economic outcomes for workers and businesses, particularly those who had historically been left behind due to factors such as structural racism, occupational segregation, and limited educational attainment. To build public confidence in federal stimulus efforts - and, more importantly, to demonstrate how those investments are reducing inequities and leading to new economic opportunities for historically marginalized workers, rather than just restoring the status quo – the task force should adopt an inclusive economic recovery dashboard that lays out the metrics established above, and provides regular updates on progress. This would also serve as a vehicle for identifying where investments weren't working and allow for real-time course corrections to policies and strategies to ensure they are better aligned with the overall outcomes.
- Updating and advancing the 2014 Job-Driven Training Strategy to serve as a blueprint for the reauthorization of federal workforce and education laws, including the Higher Education Act and the Workforce Innovation and Opportunity Act. The 2014 report spearheaded by then-Vice President Biden was a milestone moment, identifying a range of proven workforce development strategies such as industry partnerships, career pathways, and registered apprenticeship, and putting the full weight of the federal government behind advancing those strategies to help US workers and businesses. The report drove a range of critical investments and changes in federal policy, including a well-regarded cross-agency effort to support the implementation of the 2014 Workforce Innovation and Opportunity Act (WIOA) and

the release of more than \$300 million in federal grants to expand apprenticeship opportunities as part of the Administration's Apprenticeship USA initiative. Unfortunately, virtually all of that progress has been stalled by the Trump Administration, which has done little to advance innovation in workforce development over the past four years. The task force should be charged with updating and re-releasing the Job-Driven Training Strategy, including lessons learned from the implementation of WIOA and the 2018 Strengthening Career and Technical Education for the 21st Century Act (also known as Perkins V), as well as continuing Congressional investments in registered apprenticeship models. The updated report could serve as a blueprint for upcoming reauthorizations of key federal laws including WIOA and the Higher Education Act.

- Supporting Additional Executive Efforts to Expand Access to Skills. In addition to the broader strategic goals outlined above, there is a range of steps a Biden Administration can take in the first 100 days after taking office to meaningfully expand access to high-quality education and training, particularly for workers who have long been excluded from economic opportunity. Those steps include:
 - Directing existing and new federal investments to address digital literacy gaps for 48 million US workers with limited or no digital literacy skills
 - Supporting a new Assistant Secretary of Community and Technical Colleges at the Department of Education, who would be responsible for spearheading the President-Elect's ambitious plans for expanding community college access
 - Supporting the work of a new Office of New Americans within the White House, and particularly a new Skills for New Americans initiative that would focus on increasing equitable access to education and skills training opportunities for immigrants and refugees
 - Halting the Trump Administration's misguided efforts to create a new lowquality apprenticeship model, and reinforcing the importance of Registered Apprenticeship and other work-based learning strategies as a way to help workers earn a wage while learning necessary skills
 - Using existing Department of Labor resources to expand industry partnerships, a proven multi-stakeholder approach that helps workers enter into and advance along career pathways in key local or regional industries
 - Expanding access to income supports and reskilling opportunities for workers who have lost their jobs due to the pandemic, technological changes, or other economic disruptions
 - Putting workers at the center of future infrastructure investments by advancing policies that prioritize projects that hire and train community residents for family-supporting careers

- Establishing a cross-agency data working group to support the setting and tracking of stimulus human capital goals outlined above, while also promoting data sharing, data transparency, and other policies that lead to more inclusive investments in education and training
- Reversing the Trump Administration's ineffective policies expanding work requirements for public assistance participants, and instead focusing on building better educational and employment pathways for individuals in safety net programs

For further information regarding these recommendations, please contact Katie Spiker, National Skills Coalition's Director of Government Affairs, at <u>katies@nationalskillscoalition.org</u>.

