



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

SACHI A. HAMAI
Chief Executive Officer

November 9, 2015

Board of Supervisors
HILDA L. SOLIS
First District

MARK RIDLEY-THOMAS
Second District

SHEILA KUEHL
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

To: Supervisor Michael D. Antonovich, Mayor
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe

From: Sachi A. Hamai
Chief Executive Officer

WASHINGTON, D.C. UPDATE - PURSUIT OF COUNTY POSITION ON FEDERAL FISCAL YEAR 2016 WORKFORCE INNOVATION AND OPPORTUNITY ACT APPROPRIATIONS

Executive Summary

This memorandum contains a pursuit of County position to support full funding of the Workforce Innovation and Opportunity Act (WIOA) Youth, Adult, and Dislocated Worker programs in Federal Fiscal Year (FFY) 2016, and to oppose an increase in the percentage of each state's WIOA allocation that can be reserved by a Governor for statewide workforce activities in lieu of passing through WIOA funds to local workforce boards, such as the County's Workforce Development Board.

Background

On July 22, 2014, the Workforce Innovation and Opportunity Act (Public Law 113-28), which reauthorized and updated the Workforce Investment Act (WIA) of 1998, was signed into law. The authorization for WIA programs, including the Youth, Adult, and Dislocated Worker programs through which the County annually receives formula grants, expired in 2003. Until WIOA's enactment, WIA programs never had been reauthorized though Congress continued to fund them in annual appropriations bills. The new WIOA law reauthorized the Youth, Adult, and Dislocated Worker programs in FFYs 2015 through 2020 with annual increases in the authorization levels.

The House FFY 2016 Labor-Health and Human and Services (HHS)-Education appropriations bill would fund WIOA formula grants at the same level as in FFY 2015 while the Senate version would reduce their funding by roughly 5 percent. In the Senate bill, the Adult Grant funding would be reduced from approximately \$776.7 million in FFY 2015 to

"To Enrich Lives Through Effective And Caring Service"

***Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only***

Each Supervisor
November 9, 2015
Page 2

\$737.0 million in FFY 2016, the Youth Grant from \$831.8 million to \$790.0 million, and Dislocated Worker funding from \$1.016 billion to \$965 million.

The Senate version would reduce the County's WIOA funding by an additional 5 percent because it increases the portion of a state's WIOA allocation that can be reserved by a Governor for statewide workforce investment activities from 10 percent in FFY 2015 to 15 percent. The House bill increases the Governor's reserve to 11 percent. The Senate bill, if enacted, would reduce available WIOA funding to the County by a total of 10 percent. In FFY 2015, the County's Workforce Development Board received a total combined allocation of approximately \$32.6 million so a 10 percent would result in a loss of roughly \$3.26 million to the County. FFY 2016 WIOA appropriations fund Program Year 2016-17, which begins on July 1, 2016.

The County would receive a WIOA funding increase of over 6 percent if Congress were to fully fund WIOA Youth, Adult, and Dislocated Worker programs at their authorized levels for FFY 2016. Such a funding increase would help meet the major unmet need for employment and training services in the County and offset WIOA administrative costs. Under current law, no more than 10 percent of WIOA allocations may be used for administrative costs. The recently enacted Bipartisan Budget Act of 2015 increased overall FFY 2016 non-defense discretionary spending by \$25 billion, some of which could be used to increase WIOA funding for FFY 2016.

Pursuit of County Position on Legislation

Under the County's Federal Legislative Agenda, the County's funding priorities for the annual Labor-HHS-Education appropriations bill include support for full funding of WIOA and other employment and training programs. The Federal Legislative Agenda also includes a policy to support the mandatory pass-through of WIOA formula grant funds to local workforce areas. **Based on these existing policies, and unless otherwise instructed by the Board, the County's Washington, D.C. advocates will support full funding of the Workforce Innovation and Opportunity Act (WIOA) Youth, Adult, and Dislocated Worker programs in Federal Fiscal Year (FFY) 2016, and oppose an increase in the percentage of each state's WIOA allocation that can be reserved by a Governor for statewide workforce activities in lieu of passing through WIOA funds to local workforce boards, such as the County's.**

We will continue to keep you advised.

SAH:JJ:MR
MT:lm

c: All Department Heads
Legislative Strategist