



Workforce Bulletin - July 18, 2014

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President Obama Expected to Sign WIOA Next Week, USDOL to Host Webinar on Implementation

Following swift passage in the U.S. House of Representatives last week, President Obama is expected to sign the [Workforce Investment and Opportunity Act](#) (WIOA) sometime next week. The Senate passed the measure in late June and President Obama -- prior to Senate passage -- indicated he would sign the legislation in a [Statement of Administration Policy](#)

U.S. Department of Labor (USDOL) Employment and Training Administration (ETA) Assistant Secretary Portia Wu hosted a meeting of intergovernmental organizations on Thursday, July 17, to discuss the implementation of WIOA after the legislation is signed by the President.

During the meeting, ETA indicated it did not have the liberty to officially announce when the President would sign the WIOA legislation, but based on the [timeline ETA provided](#), it will likely be Tuesday, July 22, as ETA plans on hosting two webinars on WIOA and implementation timetable on Wednesday, July 23. The webinars include the following:

- **Workforce System WIOA Webinar - Wednesday, July 23, 2:00-2:45 PM (EDT):** The first webinar will be geared for state and local officials in the workforce system. It will provide a brief overview of the legislation, dates on implementation, and information on resources and materials on the new law. **NASWA encourages all state workforce agency leaders and staff to participate in the webinar.**

USDOL has urged state and local officials (in the same office) to coordinate their registrations in order to save phone lines for maximum participation. To register for this webinar visit:

<http://webapps.dol.gov/DOLEvents/Event/View/325/Update-on-Workforce-Legislation-for-the-Workforce-System>.

- **General Stakeholder WIOA Webinar – Wednesday, July 23, 4:00-4:45 PM (EDT):** The second webinar is intended for general stakeholders affiliated with the system and provide a broader overview of WIOA, while also discussing implementation dates and resources to be made available from USDOL. To register for this webinar, visit:

<http://webapps.dol.gov/DOLEvents/Event/View/326/Update-on-Workforce-Legislation-for-Interested-Stakeholders>.

ETA also provided a [schedule of required implementation dates of WIOA](#) to NASWA staff during the meeting, outlining the required actions listed within WIOA. WIOA will take effect on July 1, 2015, the start of Program Year (PY) 2015. Prior to the start of PY 2015, the Departments of Labor, Education, and Health and Human Services will publish a Notice of Proposed Rulemaking (NPRM) by January 18, 2015, with final rules published by January 22, 2016.

During the meeting ETA indicated they would be seeking ideas on technical assistance and training needs regarding the implementation of WIOA. NASWA also will be providing more information and opportunities for discussion on the implementation of WIOA.

WIOA was cleared for the President's signature when the House approved the measure by a vote of 415 to 6 on Wednesday, July 9. The legislation reflects months of negotiations between lawmakers in each chamber of Congress.

The measure reauthorizes 33 U.S. Department of Labor (USDOL) workforce programs last authorized under the 1998 Workforce Investment Act (WIA). Although the WIA expired in 2003, the USDOL has continued to operate these programs with additional funding from Congress.

Some of the key provisions of WIOA are:

- Maintain the authorization of the 15 percent state allocation funding to allow states to address specific needs.
- Eliminate 15 programs; 14 within WIA, including the WIA Workforce Innovation Fund and one higher education program.
- Preserve funding for Wagner-Peyser Act of 1933 and rename "employment statistics" to the "workforce and labor market information system."
- Ensure that UI claimants are searching for work as part of their eligibility assessments.
- Restructure the Workforce Information Council (WIC) and rename it the Workforce Information Advisory Council (WIAC). The WIAC will include four state workforce agency administrators and four Labor Market Information (LMI) Directors in addition to representatives of local areas, employers, educators and economic developers.
- Require co-location of employment service offices with one-stop centers.

- Apply one set of common performance measures to every federal workforce program under the bill.
- Reduce the number of required members on state and local workforce boards. (The legislation would reduce the size of the boards, from an estimated 43 to 33 members at the state level and 23 to 19 at the local level; maintain the requirement that a majority of members be from the business community but increase the representatives of the workforce system.)
- Add a stop-loss and stop-gain limit to the state allocations of funding for the dislocated worker program beginning in fiscal year 2016 to reduce year-to-year volatility.
- Allow local boards to transfer 100 percent of funds between the adult and dislocated worker programs.
- Require states to produce one strategic plan describing how they will provide training, employment services, adult education and vocational rehabilitation.
- Strengthen the alignment between local workforce areas and labor markets and economic development regions by requiring a unified state plan covering four years to meet the requirements for each of the core programs; require states to consult with local boards and chief elected officials in order to identify local areas and planning regions that are in alignment with labor markets and regional development areas.
- Eliminate the statutory “sequence of services” and merge “core and intensive activities” into a combined “career services.”
- Strengthen evaluation and data reporting requirements; include and adjust six primary indicators for youth served under the act. (Commonality among the indicators will allow policy makers, program users, and consumers to understand better the value and effectiveness of the services.) Include performance reports to be provided at the state, local and eligible provider levels, as well as evaluations of the core programs by states.
- Specify authorized appropriation levels for each of the fiscal years 2015 -2020.

For more information and resources on WIOA, including the full legislative text, statement of managers’, section-by-section analysis, as well as a side-by-side analysis of the bill, please visit NASWA’s WIA Reauthorization Resource Center at <http://naswa.org/resources/WIA/?action=home&id=3>.

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OMB Updates Deficit Forecast for FY 2014; USDOL Issues Latest UI Outlook

On Friday, July 11, the Office of Management and Budget (OMB) released its [Fiscal Year \(FY\) 2015 Mid-Session Review](#) providing an update of the fiscal 2015 budget proposal the Obama Administration submitted to Congress in March 2014. In the report, OMB projects the federal deficit for FY 2014 would be \$583 billion, \$66 billion less than the \$649 billion it projected in the original submission.

Unemployment Insurance Projections Updated by USDOL

Based on the economic assumptions contained in OMB’s Mid-Session Review, the U.S. Department of Labor (USDOL) Office of Unemployment Insurance (OUI) Division of Fiscal and Actuarial Services (DFAS) released

its [UI Outlook FY 2015 Mid-Session Review](#) financial projections for the unemployment insurance system.

In its Mid-Session Review, USDOL projects the total unemployment rate will average 7.1 percent for FY 2014 and 6.6 percent in FY 2015. Based on the economic assumptions by OMB, USDOL made the following projections:

- The insured unemployment rate (IUR) is projected to average 2.2 percent in FY 2014 and 2.2 percent in FY 2015, down slightly from the previous review.
- State UI regular benefit outlays are estimated at \$39.1 billion in FY 2014 and \$39.4 billion in FY 2015, down a bit from the previous review.
- Revenues and interest income for state trust fund accounts are projected to exceed outlays by \$13.6 billion in FY 2014 and by \$11.5 billion in FY 2015.
- State trust fund account balances, net of loans, are projected to increase by \$16.4 billion in FY 2014 and \$14.7 billion in FY 2015. At the end of FY 2013, state trust fund balances net of loans were positive for the first time since FY 2009.
- State borrowing from the Federal Unemployment Account (FUA) is expected to continue over the next few years, but the aggregate loan balance is projected to decline from \$20.7 billion at the end of FY 2013 to \$0.2 billion at the end of FY 2019.
- FUA is projected to finish repaying its general fund advance balance in FY 2015, but EUCA is projected to have a general fund advance balance of \$0.5 billion at the end of FY 2019.

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States Recover \$326 million through Treasury Offset Program in FY 2013

The U.S. Department of Treasury's Bureau of the Fiscal Service on Wednesday, July 16 released its [Fiscal Year \(FY\) 2013 Annual Report to the States on the Treasury Offset Program's \(TOP\) Delinquent Debt Collection](#). The report details each state's efforts in collecting delinquent debts through the Treasury Offset Program. Debts successfully recovered through the TOP initiative include delinquent child support and state income tax obligations, unemployment insurance compensation fraud debts, and more.

The initiative collects UI debt from federal income tax refunds an individual owes due to fraud or a person's failure to report wages while collecting unemployment benefits. For UI taxes, only unpaid UI employer taxes attributable to a sole proprietor or partners can be submitted for offset to the IRS.

In FY 2013, 20 new states joined the UI TOP program, with 37 states and the District of Columbia recovering \$326.2 million in FY 2013. Since its inception in FY 2011, the UI TOP program has grown from three initial state participants to 37 states and the District of Columbia in FY 2013, recovering a total of \$485 million over three years in debts arising from fraud or an employer's failure to pay its obligations.

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Article in BLS Monthly Labor Review Highlights Effectiveness of Public Workforce Programs

Article uses Data from NASWA's Recovery Act Study

A [July 2014 article in the Monthly Labor Review](#) uses administrative data to show that public workforce programs responded quickly to the demands of the Great Recession, and the supplemental funding of the Recovery Act enabled federal and state partners to expand benefits and services to program participants.

The article uses data developed as part of [NASWA's 2010 study on the Recovery Act](#), and its two authors were also part of the original NASWA research team. They include: Stephen A. Wandner, visiting scholar at the W.E. Upjohn Institute for Employment Research and visiting fellow at the Urban Institute, and Randall W. Eberts, president of the W.E. Upjohn Institute for Employment Research.

The data used in the study are part of what is called the Public Workforce System Dataset. USDOL assembled this dataset in 2009, based on quarterly data back to 1995 for the unemployment insurance, labor exchange, and job training programs. The **Monthly Labor Review** has been published by the U.S. [Bureau of Labor Statistics](#) since 1915. A paper bound edition was published until 2008—now all volumes are published only online.

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Register Today for the 78th NASWA Annual Conference!

NASWA and the Vermont Department of Labor are pleased to announce the [78th NASWA Annual Conference](#), which will be held September 17-19. For more information about the Conference as well as attendee, sponsor, exhibitor and vendor registration, please visit the Conference website at <http://www.naswa.org/meetings/vermont/>.

The Board of Directors will be meeting on Tuesday, September 16. The Annual Conference will start Wednesday morning, September 17, and conclude before noon on Friday, September 19. The Conference will be held at the Hilton Burlington Hotel on Lake Champlain in Burlington, Vermont. Information to make hotel reservations is available on the Conference website.

The Conference website includes an outline of the agenda. The agenda will be further developed in the next several weeks. Please make your plans now to attend the 78th NASWA Annual Conference in Burlington, Vermont. Save the dates during the week of September 16-19.

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NASWA Seeks New Resolutions and Policy Statements at Annual Conference in Burlington, Vermont

NASWA's Resolutions and Policy Committee, Chaired by President-Elect Ellen Golombek (CO), encourages states to consider new resolutions to help advance policies that would assist the workforce system and guide NASWA's advocacy efforts. Resolutions and policy statements may be proposed by a member agency, a committee chair on behalf of his/her committee, or the Board of Directors.

If your state would like to propose a resolution or policy statement for consideration at the 2014 NASWA Annual Conference in Burlington, Vermont, please email the resolution(s) to Marc Katz (mkatz@naswa.org) at NASWA by close of business Monday, July 28, 2014.

Each year at the NASWA Annual Conference, NASWA's members meet in a business session where officers and the Board of Directors are elected and votes are taken on resolutions or policy statements approved by the Board of Directors for the membership's consideration.

According to NASWA Bylaws, proposed resolutions and policy statements must be submitted 45 days before the business session at the annual conference on Thursday, September 18, 2014. The Resolutions and Policy Committee may revise or consolidate those received and recommend to the Board of Directors whether each resolution proposed should be presented to the membership.

Please click [here](#) for a listing of NASWA's current resolutions.

If you have questions or need additional information, please call Congressional, Intergovernmental and Public Affairs Director Marc Katz at 202-434-8023.

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Governor Dalrymple Appoints New Executive Director in North Dakota

On Monday, June 23, Governor Jack Dalrymple (ND) [announced](#) Cheri L. Giesen as the next Executive Director of Job Service North Dakota:

“Cheri’s strong leadership skills and her extensive experience with information technology systems will be a tremendous asset to the citizens and businesses served by Job Service North Dakota (JSND),” Dalrymple said. “This challenging position requires a proven leader and a strong background in computer systems which are key to the agency’s labor market information services, workforce services and the administration of the unemployment insurance program. Cheri brings the right skill sets and expertise to lead Job Service, and I am confident she will help us meet the dynamic workforce needs of a growing and prosperous North Dakota.”

Between 1992 and 2005, Giesen served in management positions in several state agencies: including Job Service, North Dakota Attorney General’s office, the North Dakota Supreme Court, and the North Dakota Department of Transportation. For the past nine years, Geisen has worked for Basin Electric Cooperative where she supervised the management of information systems and assisted in the coop’s restructuring of information technology strategies and systems to better serve customers.

Governor Dalrymple also thanked Job Service North Dakota Interim Executive Director during the appointment following the resignation of former JSND Executive Director Maren Daly. NASWA congratulates Ms. Giesen on her appointment and looks forward to her and North Dakota's further engagement in the Association.

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Federal Reserve Banks of Atlanta and Kansas City and John J. Heldrich Center for Workforce Development to Host October Conference on Workforce Development Policy

The Federal Reserve Bank of Atlanta and Kansas City, along with the John J. Heldrich Center for Workforce Development, Rutgers University will be hosting a conference October 15-17 in New Brunswick, New Jersey entitled: [*Transforming U.S. Workforce Development Policies for the 21st Century*](#).

The Conference will feature experts from around the country to share perspectives on transformative education and workforce development strategies and policies to:

- Improve opportunities for job seekers, students, and workers, especially those who face the greatest difficulties in the labor market.
- Meet the needs of employers and society for a highly skilled, well-educated, competitive, and productive workforce.
- Deliver effective and efficient solutions that can be adopted by federal, state, or local/regional governments as well as by educational institutions, businesses, and nonprofit organizations.

For more information about the conference, visit <http://www.frbatlanta.org/news/conferences/2014workforce.cfm>.

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Notices, Advisories and Reports

USDOL Directives & Releases

July 17, 2014: ETA [reported](#) for the week ending July 12, seasonally adjusted unemployment insurance initial claims decreased from the previous week's revised figure. Seasonally adjusted initial claims decreased by 3,000 to 302,000 from last week's revised figure of 305,000. The 4-week moving average was 309,000, a decrease of 3,000 from the previous week's revised average of 312,000. The unadjusted initial claims level totaled 369,591 up 47,079 from the previous week. UI continued claims, seasonally adjusted, for the week ending July 5 were 2,507,000 down 79,000 from the previous week's revised figure. The 4-week moving average decreased 13,000 to 2,559,000 from the prior week's revised figure of 2,572,000.

July 17, 2014: The Bureau of Labor Statistics (BLS) released a [notice in the Federal Register](#) soliciting comments concerning the proposed revisions of the "Current Population Survey (CPS)." The CPS questionnaire has been revised to add three questions on certification/licensure and remove three questions on educational attainment. The three additional questions will identify whether respondents have a currently active professional certification or license; whether any of those credentials were issued by the Federal, State, or local government;

and whether the credential is required for an individual's main job.

July 16, 2014: ETA issued [*Unemployment Insurance Program Letter No. 18-14*](#) notifying states of a supplemental funding opportunity involving fiscal year (FY) 2014 unemployment insurance (UI) State Administration funds to address worker misclassification within the federal-state UI program and to provide guidance on how states can submit funding requests.

July 14, 2014: ETA released [*Training and Employment Guidance Letter No. 02-14*](#) providing guidance to states and grantees concerning the eligibility of individuals granted relief under the Deferred Action for Childhood Arrivals (DACA) Initiative (DACA participants) with employment authorization documents (employment authorization) for program eligibility for Workforce Investment Act (WIA) programs and Wagner-Peyser Act programs.

July 14, 2014: ETA released [*Training and Employment Notice No. 04-14*](#) announcing the release and availability of the ETA National Agricultural Workers Survey (NAWS) Public Access Data for Fiscal Years 1989-2012.

Other Reports and Advisories

July 8, 2014: The Congressional Budget Office (CBO) issued its [*Monthly Budget Review for June 2014*](#) reporting the federal government ran a budget deficit of \$366 billion for the first nine months of FY 2014, \$144 billion less than the shortfall recorded during the same period last year. Through the end of June, revenues were about 8 percent higher and outlays were about 1 percent higher than they were at the same point last year.

Unemployment insurance outlays were estimated at \$37 billion for the first eight months of FY 2014, down \$19 billion from the FY 2013 level of \$56 billion, a 34 percent decrease mainly due to the expiration of the EUC program at the end of December 2013.

June 11, 2014: [*CRS Report - Receipt of Unemployment Insurance by Higher-Income Unemployed Workers - "Millionaires"*](#) – The Congressional Research Service (CRS) released a report providing information relevant to proposals that would restrict the payment of unemployment benefits to individuals with high incomes.

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Articles were contributed by Tim Griffith, Hillary Hewko, Bob Simoneau and Marc Katz.

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