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Statement on Workforce Services Reductions in FY18 Budget Proposal

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WASHINGTON – The National Association of State Workforce Agencies' (NASWA) statement following the release of the Trump administration's FY18 proposed budget request, which includes a \$2.4 billion reduction to the U.S. Department of Labor (USDOL):

“We are disappointed the administration's FY18 budget request proposes significant cuts to core workforce services, which lead to better jobs and higher earnings for Americans. Workforce Innovation and Opportunity Act (WIOA) core program funding would be reduced by nearly 40 percent below current levels if this proposal was enacted, and Employment Services programming for one-stop career centers would face a 35 percent decrease. The only workforce program targeting older workers, the Senior Community Service Employment Program (SCSEP), would be eliminated.

Public workforce programs assisted over 22.7 million jobseekers and their employers last year alone. Of those millions, almost 70 percent found jobs where both adults and youths earned more than before, and 80 percent of teens assisted learned new, employable skills.

Workforce programs have received their fair share of funding cuts: 20 percent reduction over the past two decades. In order to better address the actual needs of employers and jobseekers, states have augmented federal investment by adding over \$820 million (a 22 percent increase) of their own state funds for workforce related programming.

However, states have reached their limit in ability to defray federal cuts, including these and others proposed by the administration. Further reductions to the workforce system will severely impact services, leave millions of jobseekers without help to build new skills and leave the skills gap voiced by employers unfilled. State workforce agencies are rebuilding America's workforce by connecting employers and jobseekers through these critical programs.

NASWA will continue to work with Congress and the administration to demonstrate how investments in the state workforce system have always yielded a strong return – and why these investments should be continued to support quality jobs and self-sufficiency for many more Americans.”