

Labor & Economic Development Committee

January 28, 2015



Federal Activity Update



WIOA UPDATE

The Workforce Innovation and Opportunity Act, known as WIOA, was signed into law in July 2014 and provides an update to the Workforce Investment Act of 1998. The law provides the structure for workforce training and development systems across the country.

In the law, the U.S. Department of Labor (DOL) is instructed to release Notices of Proposed Rulemaking (NPRMs) no later than January 18, 2015. Given that this timeframe was extremely tight when attempting to restructure a large system such as this, however, the timeline has since been extended; DOL now expects the NPRMs to be released sometime later this spring. There will be

five in total: one solely from DOL, one joint rule from DOL, the Department of Education, and the Department of Health and Human Services, and three from the Department of Education (regarding adult education, Title IV funding, and vocational rehabilitation). While this does provide DOL with extra time to ensure that the rule is structured as best as possible, it leaves states with a vague idea of which direction to go when transitioning parts of their respective systems. DOL has promised additional, operational guidance for states in order to provide the relevant information for early steps and rollout while the rule is delayed.

States are expected to have implemented new structures and systems—though only things laid out in law or in the aforementioned guidance will be realistically feasible—by July 1, 2015. Some information is already available on the DOL WIOA website, including how current WIA funding may be used for transitioning to the new system.

ADMINISTRATION TAKES ACTION ON LEAVE POLICIES

Announced recently and highlighted in the president's State of the Union Address, the Obama Administration is taking action to make family and

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medical leave/sick leave more readily available to American workers.

President Obama signed a presidential memorandum directing all federal agencies to implement policies that would allow their employees to receive up to six weeks of advance paid sick leave—meaning they could use it before officially accruing it. In addition to the memorandum, the president is expected to include \$2.2 billion in his budget to assist states in voluntarily forming similar programs for their workers.

In addition to this request, the U.S. Department of Labor will be dedicating \$1 million in existing funding to assist state and local governments in conducting feasibility studies on options for new leave policies.

For more information on the administration's actions and what states have been doing in this arena, please read <u>NCSL's recent blog piece</u> on the issue.

THE PUSH TOWARD TRADE AGREEMENTS

One of the big items of note that has been mentioned by members of both parties as a potential area for compromise in the 114th Congress is international trade. The president is asking for trade promotion authority—TPA, or "fast track"—to allow for an up-or-down vote on any proposed trade deal and many congressional Republicans, long-time supporters of free trade policies, are ready to provide it. This common ground initiative was reinforced with another ask by President Obama in his State of the Union Address.

The two big trade deals currently on the table, the Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (T-TIP), have made slow progress, but the administration is hoping to wrap them both up shortly with this cross-party support.

All of this trade activity has taken place simultaneously with another major move: the administration's announcement that they would begin taking steps to normalize relations with Cuba. This change of course—after 50+ years of tension and isolation—has implications for trade, travel, and economic development overall.

For more information on federal labor and economic development issues, please contact Committee Director Jon Jukuri (jon.jukuri@ncsl.org) or Policy Associate Ben Schaefer (ben.schaefer@ncsl.org), or call NCSL's Washington Office at (202) 624-5400.

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