

TO: WIB

DATE: 7/13/06

FROM: WIB Staff

For Action

For Information

For Discussion

SUBJECT: Congressman Cardoza Advocacy letter

PROPOSED MOTION(S): Information only.

DISCUSSION: On June 18, 2006, the National Association of Workforce Board issued a Workforce Alert concerning the House Appropriations Committee's decision to rescind \$325 million in FY 2006, to be taken from WIA system carryover. Local Workforce Investment Areas were urged to contact their representatives urging opposition to the proposed rescission.

It was our intention to inform Congressman Cardoza that Merced did not have large amounts of carryover dollars, and to quantify the impact on our program if carryover dollars are lost. The attached letter was delivered to Congressman Cardoza's office on June 20, 2006.

**ATTACHMENT (S):
Advocacy Letter**



**DEPARTMENT OF
WORKFORCE INVESTMENT**

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Equal Opportunity Employer

June 20, 2006

The Honorable Dennis Cardoza
Merced County Administration Building
2222 M Street, Suite 305
Merced, CA 95340

Dear Congressman Cardoza,

The Merced County Local Workforce Investment Area strongly opposes the House Appropriations Committee's proposal to rescind \$325,000,000 from WIA system carryover in FY 2006. The incorrect assumption that funding reductions would not impact the WIA system is invalid for Merced County. We have spent our dollars and do not have large carryover amounts. Our carryover projected for FY 2006/07 is minimal, only 15% of our total available funding (\$735,515 carryover/- \$4,799,201 available) and is needed to fund services in the first quarter of FY 2006/07.

Carryover funding is an intentional strategy built into WIA to assure proper and consistent operation of the workforce system. We estimate that if carryover funds are lost:

- 569 Merced County job seekers would not be served,
- 165 participants presently enrolled would not be served,
- 88 youth would no longer receive services, and
- Although incalculable, there would be a negative impact on services to business.

Please, do not support any proposed FY 06 WIA budget rescission.

Sincerely,

Joanne Presnell
Assistant Director