

TO: Workforce Investment Board

DATE: 11/09/06

FROM: WIB Staff

For Action

For Information

For Discussion

SUBJECT: Advocacy Letters

PROPOSED MOTION(S): Information only.

DISCUSSION: On behalf of the Workforce Investment Board, the attached letters have been sent to Senators Feinstein and Boxer thanking them for their vote on the Specter-Harkin Amendment earlier this year. A separate letter has been sent to Congressman Cardoza specifically focusing on a proposed \$325 million rescission, and explains the US Dept of Labor Administration's (DOL) mistaken impression regarding carryover funding. DOL has argued that funding cuts could be made to the Workforce Investment Act (WIA) system without impacting the delivery of services because of carryover in WIA formula funds at the state and local level. The letter to Congressman Cardoza asks him to help defeat the proposed rescission.

ATTACHMENT(S):

Senator Boxer Letter

Senator Feinstein Letter

Congressman Cardoza Letter



**WORKFORCE
INVESTMENT BOARD**
MERCED COUNTY

Robert Harmon, Chair
Mike Sullivan, 1st Vice Chair
Albert Montejano, 2nd Vice Chair
1880 West Wardrobe Ave. Merced, CA 95340
Phone (209) 725-3593 FAX (209) 725-3592
www.co.merced.ca.us/pitd/wib/wib.html

October 31, 2006

The Honorable Dianne Feinstein
United States Senate
331 Hart Senate Office Building
Washington, DC 20510

Dear Senator Feinstein:

On behalf of the Merced County Workforce Investment Board, I want to thank you for your vote for the Specter-Harkin Amendment to add \$7 billion to the Labor-HHS appropriations bill *and* your signing onto the letter to Senate leadership. These actions let us know that you truly care and support the local workforce system.

Looming ahead is a possible rescission of current WIA funding. The proposed rescission would compound extremely deep cuts already experienced throughout California's workforce system. Since FY 2001, California has lost over 34% of its WIA allocation, or over \$216 million annually. This proposed rescission would further reduce California's WIA funding by an additional \$38 million, or 9%, resulting in further devastating cuts to programs and services already seriously damaged by earlier reduced funding.

A rescission would result in immediate reductions of service, including closures of local One-Stop Centers, and cut investment in demand-driven training programs developed and implemented to leverage co-investment by business and labor. Such programs include training for nurses and other healthcare workers, biotechnology, advanced manufacturing, and other high value services, benefiting both workers and business.

Once again, thank you. We appreciate having your support for today's and tomorrow's workforce. Let's move forward together, not backward.

Sincerely,

Robert Harmon
Chair



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October 31, 2006

The Honorable Barbara Boxer
United States Senate
112 Hart Senate Office Building
Washington, DC 20510

Dear Senator Boxer:

On behalf of the Merced County Workforce Investment Board, I want to thank you for your vote for the Specter-Harkin Amendment to add \$7 billion to the Labor-HHS appropriations bill *and* your signing onto the letter to Senate leadership. These actions let us know that you truly care and support the local workforce system.

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Sincerely,

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October 31, 2006

The Honorable Dennis Cardoza
435 Cannon Building
Washington, DC 20515

Dear Congressman Cardoza:

I am writing today on behalf of the Merced County Workforce Investment Board to ask for your help in restoring WIA funding levels and removing all rescission language before the final floor vote in the U.S. House of Representatives. It is imperative that the proposed \$325 million rescission in Workforce Investment funds be defeated. The proposed rescission is based on an erroneous assumption that there are large unspent balances (carryover) across the country and that the rescission would have no adverse impact on local services for our nation's workers and business. Carryover is not a loophole in the law; it is an intentional management strategy to support short and long-term planning to assure proper and consistent operation of the workforce system. The truth is that the forced return of this funding will have a significant negative impact on our ability to serve Merced County's new and existing businesses as well as citizens in need of job training.

Concerned by allegations in past years of unexpended funds, members of Congress from both parties requested that the Government Accountability Office conduct a detailed investigation as to whether there was in fact a large amount of carryover in WIA programs. What GAO found (see GAO-03-239) is that virtually every state in the nation is spending WIA funds within the federally authorized timeframe. GAO further found that DOL's own calculation of WIA carryover created a mistaken impression of excess unspent balances available for spending. These balances were in fact obligations, already contractually committed.

The loss of this funding will reduce by 11% the numbers of youth, adult and dislocated workers to be served by Worknets of Merced County. It would impact the growing manufacturing business community as evidenced by the expansion of Quebecor World, Arvin Sango and West Mark. This rescission will negatively impact the number of nurses being trained. Merced County has already experienced a 34% drop in funding over the past five years. At the same time we have been experiencing an increase in demand for our services from both jobseekers and business. A funding loss of this magnitude, in the middle of a program year, would mean a reduction of services to local businesses as well as reduced One-Stop services.

"Merced County's Workforce Investment system will keep pace with the new growth, the emerging economy, and the ever changing needs of the employers by creating a better educated, highly skilled workforce, that's capable, and prepared, and thoroughly knowledgeable."

In closing, I strongly appeal to you to vote against this rescission and restore funding to the Workforce Investment Act as originally allocated.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Harmon". The signature is fluid and cursive, with a large initial "R" and "H".

Robert Harmon
Chair