An Overview of the Massachusetts Workforce Training Infrastructure

By Eileen McAnneny

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Introduction

Massachusetts' talented workforce has been its calling card for decades. Our global reputation stems from having the best and brightest people who are knowledgeable across a wide array of fields and are leaders in several industry sectors. A confluence of factors, however, is threatening to erode this bedrock of our economy.

Massachusetts' aging population means more people have and will retire over the next decade, leaving fewer people of working age to replace those leaving the workforce. This trend is made worse by a decrease in documented international immigration and an increase in domestic outmigration. The Commonwealth's changing demographics and its shrinking labor force have moved workforce training to the forefront; it is a top priority for business organizations, employers, lawmakers and workers alike. Yet very few people have a comprehensive understanding of the workforce training and development infrastructure available to them, nor do they avail themselves of the programs and resources to the full extent possible. This paper strives to explain why that is.

At a time when public investment in workforce training has never been greater, with \$2.5 billion in available funding, it is imperative that we have a baseline understanding of its legislative and regulatory framework, the resources devoted to training, the outcomes we are getting, and what we can do to better leverage these investments in a rapidly changing work environment.

Federal Framework

The federal government has provided the legal, regulatory, and financial framework for state workforce training programs for the past 80 years. In 1944, President Franklin Roosevelt first articulated the notion that individual freedom cannot exist without economic security and independence — in what has become known as the second Bill of Rights.¹ Among its tenets were the right to a useful and remunerative job and the right to earn enough for adequate food, clothing, and recreation.

Eileen McAnneny is a Senior Fellow in Economic Opportunity at Pioneer Institute. She was formerly president of the Massachusetts Taxpayers Foundation, and has experience in government relations, public policy, advocacy, and management in both the public and private sectors.



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Since that time, the federal government has provided funding and resources for a wide array of workforce training programs meant to enable people to secure the skills necessary for this economic self-sufficiency.

While always intent on providing workers with the skills they need to find employment, federal lawmakers have changed the type of training the federal government prioritizes and regularly amended the workforce training structure over the last eight decades. A summary of the major federal laws pertaining to workforce training can be found in Appendix A.

These changes were intended to make sure workforce training programs and resources evolve to keep pace with a changing job market, though they more often made only small changes, such as modifying the workforce training entity's organizational structure or funding, or creating additional programs that add to administrative complexity.

For example, in the Workforce Innovation and Opportunity Act of 2014 (WIOA), there are several prescriptive administrative provisions, such as renaming area vocational schools as career and technical education schools, revising the number of members on the National Council on Disability, renaming the National Institute on Disability and Rehabilitation Research (NIDRR) as the National Institute on Disability, Independent Living, and Rehabilitation Research (NIDILRR) and relocating it from the Department of Education to the Department of Health and Human Services. None of these changes pertain to the types or quality of the programs offered.

As the financial backbone of a state's workforce training system, the federal statutory framework has shaped state workforce training programs for decades. The challenge for those operating the state's system has been to keep pace with changing federal laws that emphasize different types of training, require different reporting requirements, and change funding formulas.

What is missing from the federal framework is a strategic plan that provides explicit goals for the country's sizable investment in its workforce apparatus. Uniform metrics for measuring success in achieving these goals are also lacking. What data is gathered through required reporting by states to the federal government frequently focuses on compliance and enrollment in programs rather than outcome-focused metrics, such as a training program's participant completion rates, job placement, and earning increases. As a result, it is difficult to measure the efficacy and effectiveness of such programs over time.

This federal approach directly and significantly impacts state workforce training efforts. The uncertainty of federal funding over the long term makes it challenging for states to make long-term investments in staff, technology, and programmatic development on the scale and to the extent that is necessary to be impactful, while the rigidity of federal requirements for how the money can be spent hamstrings states' ability to respond to rapidly changing workforce training needs.

Massachusetts Workforce Infrastructure

The Massachusetts workforce system, like that of many states, has been shaped by federal laws and regulations. It is complex, consisting of several initiatives, programs and requirements pieced together over many years. The result is a "residual build-up of government bureaucracy and programs over decades, through changing funding streams, departmental mergers, experimental programs rising and falling, directors coming and going and federal policy."²

Historically, state funds have been used to complement and fill the gaps in federal programs. This approach has led to a Massachusetts workforce training system that involves several stakeholders, including federal and state government agencies and numerous nongovernmental organizations, as Figure 1 demonstrates.

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Figure 1



Workforce training is loosely organized around three cohorts of the workforce -- those who are unemployed, those who are working but need new skills, and students who will become the future workforce.

Workforce training is loosely organized around three cohorts of the workforce — those who are unemployed, those who are working but need new skills, and students who will become the future workforce. The Executive Office of Education focuses on educating our children in grades K-12 and is responsible for overseeing all public education in the Commonwealth, from early education through postsecondary schooling. Its workforce development efforts were concentrated in preparing those entering the workforce from high school or community college with the skills they need through Early College, apprenticeship programs, vocational-technical schools, and other such programs, and making sure the state universities' curricula align with current workforce needs. In recent years, community colleges have taken on an expanded role in providing unemployed, underemployed, and incumbent workers with additional training options.

The Executive Office of Economic Development focused on incumbent workers by providing grants and other resources to businesses looking to locate or grow in Massachusetts.

The Executive Office of Labor and Workforce Development (EOLWD) mainly focuses on the unemployed and underemployed. It connects workers seeking a new or better job with state programs and employers.

The EOLWD has the largest portfolio of the three departments. It manages its charge in conjunction with the MassHire Department of Career Services and the Commonwealth Corporation.

A MassHire Workforce Board, whose members are appointed by the governor, oversees the MassHire Department of Career Services and the 20+ programs that are managed by 65 central office staff and 160 local staffers at 16 MassHire offices throughout the state. This is a tall order given the web of federal, state, and local laws that provide the regulatory and legal framework under which the system operates, each with different and sometimes conflicting priorities.

The MassHire Department of Career Services disburses federal WIOA dollars to the state's 16 MassHire Workforce Boards. The Commonwealth Corporation disburses funds and oversees most state-funded statewide workforce development programs. Local workforce systems also have some oversight of workforce development programming.

At the local level, the 16 regional MassHire Workforce Boards are managed by an appointed CEO (chief elected official) to oversee daily operations. These boards partner with a variety of third parties to provide the training and services offered. Third parties include community-based organizations, businesses, adult education, and English as a Second Language instructors, higher education institutions, and vocational rehabilitation services, as well as economic development agencies and the Department of Transitional Assistance.

MassHire's Department of Career Services collaborates with other state agencies to improve policies and programs and shares data with them to enhance services for participants common to two or more programs. These partners include the Department of Unemployment Assistance (DUA), Department of Elementary and Secondary Education (DESE), Mass. Commission for the Blind, Mass. Rehab Commission, Division of Transitional Assistance (DTA), and the Senior Community Services Employment Program.

In addition to the services provided to job seekers, the MassHire offices also offer three programs for businesses:

- **BizWorks** a business engagement program to enhance and align the services offered through workforce, economic development, and educational entities so businesses can thrive and grow.
- **Rapid Response** this program mitigates the impact of a major layoff or plant closing through coordination of services and aid to companies and outplacement services for workers.
- Workforce Opportunity Tax Credit MassHire administers this tax incentive program for employers who hire employees within nine specified groups.

The Commonwealth Corporation is a quasi-public agency responsible for administering and delivering several publicly and privately funded programs. CommCorp acts as a conduit by ensuring that Massachusetts businesses have access to a pipeline of highly skilled workers and that youth and adults have pathways to good jobs in the knowledge economy. They do this by build-ing industry sector partnerships to identify and/or create the appropriate capacity in education and training programs for high-demand occupations. CommCorp is governed by a 19-member board of directors composed of private sector, organized labor, academia, and government representatives.

The Current State of Play

In recognition of this complexity, and in an attempt to better streamline and coordinate the state's workforce training and development programs through cross-department collaboration, Governor Deval Patrick created a Workforce Skills Cabinet, the purpose of which was to more closely coordinate among executive agencies to enhance and complement the state's numerous workforce training and development initiatives. It consisted of the secretaries of Labor and Workforce Development, Economic Development and Education. The Workforce Skills Cabinet is now solidly embedded in the Massachusetts' workforce training infrastructure after Governor Charlie Baker codified it into law by executive order in 2015. Governor Maura Healey has continued with this approach. Among its initial responsibilities was the development of a strategic plan to provide a "blueprint for growth strategies."⁴ To accomplish this, WSC divided the state into seven geographic areas. For each region, key industries, growth occupations, skills assessment, and demographic trends were identified and reported in <u>regional workforce skills plans</u>. These plans provided the basis for the statewide plan that was published in 2018. The regional plans were then updated in 2020.

In the ensuing years, Massachusetts has experienced changes to the way we work and live resulting from the pandemic, the rise of hybrid and remote work, and accelerating demographic trends. While the most recent strategic plan does not account for these changes, state lawmakers have recognized that the resulting workforce shortages across industries in the Commonwealth is a growing issue that demands closer attention and new approaches.

In response to workforce development's growing importance to the state's economic vitality, workforce development resources have been disbursed more widely across state agencies than in previous years, as outlined below. There are 50 separate line items for workforce development programs across six executive agencies in the FY2024 budget, totaling almost \$587 million.

The distribution of these funds is notable for the size and scope of some of the appropriations. For example, the Executive Office of Health and Human Services received more than \$115 million, while the Executive Office of Labor and Workforce Development received less than half that amount, or approximately \$55 million. The Executive Office of Economic Development received \$4.3 million, while the Executive Office of Energy and Environmental Affairs received \$30 million, or about seven times more. The Executive Office of Education received the most of any executive department, \$372 million.

Workforce Development Resources — Operating Budget	
Total Spending by Secretariat	FY24 GAA, \$M
Executive Office of Energy and Environmental Affairs	\$30M
Executive Office of Labor and Workforce Development	\$55.5M
Executive Office of Health and Human Services	\$115.1M
Executive Office of Economic Development	\$4.4M
Executive Office of Education	\$372.4M
Executive Office of Public Safety and Security	\$9.5M
Total	\$586.9M

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Although FY24 budget appropriations for workforce development are the largest in recent memory, they do not represent the full amount of resources available for training, retraining, and upskilling the state's workforce.

In addition to the almost \$587 million appropriated in the operating budget, \$81.65 million for capital improvements is provided and nearly \$261.5 million in trusts and federal grants is also available. The largest source of funds, nearly \$1.2 billion, comes from the federal government through the American Recovery and Protection Act (ARPA) and Coronavirus State and Local Fiscal Recovery Fund (CSLFRF), two pandemic emergency funding laws that provided the funds for the transitional escrow account from which the funds are drawn.

Finally, a series of federal grant programs provide an additional \$419.2 million. In total, an astounding \$2.54 billion is available to develop the Commonwealth's workforce, a portion of which is available for spending in subsequent years. This is a large sum of money when one considers that the state has 2.9 percent unemployment, a record low. In very broad strokes, this translates to about \$25,000 per person for the 100,000 individuals who are currently unemployed.⁵ In total, an astounding \$2.54 billion is available Commonwealth's workforce, a portion of which is available for spending in subsequent years.



With this abundance of resources available, how to best leverage these dollars and coordinate programs is a critical question for policymakers. The danger, of course, is that such a sizable amount of money will be disbursed more widely and with less accountability than if resources were more limited.

We are already seeing signs of this in the state's current operating budget. There is also an increased likelihood of redundant programs within and among the executive agencies. For example, there are many separate line items in the FY2024 budget for programs for at-risk youth populations. There are such programs in the Office of Energy and Environmental Affairs (Summer Jobs Program for At-Risk Youth — \$300,000), Executive Office of Labor and Workforce Development (Turning 22 Programs and Services — \$402,658 and Youth-at-Risk — \$25,000,000) and the Executive Office of Economic Development (YouthBuild Grants — \$3,000,000). With more integration and/or consolidation, these programs might better serve the targeted population.

This problem extends well beyond at-risk youth programs. It could be argued more generally that Massachusetts has too many workforce development programs and not enough oversight and coordination. Some programs are duplicative, others have outlived their usefulness in our fast-changing economy, and all need to better demonstrate their success at matching trainees with employment opportunities.

The state is rightly focused on workforce training and development as the workforce challenges confronting Massachusetts are likely to be with us for decades given the state's demographic trends. But appropriating more money to a variety of programs is unlikely to produce the outcomes needed. This acute focus on the state's workforce provides a unique opportunity to think boldly about how best to prepare our workforce for both current and future job offerings. We must scale those programs that have a demonstrated track record of job placement or career advancement, jettison those that don't, and make other revisions as necessary.

Recommendations to Improve the Workforce Training System in Massachusetts

Important initial actions have been taken to improve the Commonwealth's workforce development system. Creating the Workforce Skills Cabinet was an important step toward closer coordination among key executive agencies. Development of a strategic plan that provided an overarching vision was also critical to improving the system's performance. However, much more needs to be done to ensure that Massachusetts has a streamlined and sustainable workforce development system that responds to the current workforce shortage and future needs of the state's employers. Massachusetts' need for talent surpasses the need in most other states because our innovation economy is fueled by a talented workforce. With troubling demographic trends and newfound mobility among large segments of the workforce, ensuring everyone has the skills they need to earn a living and keep the economy growing has taken on new urgency.

To help lawmakers consider ways to improve the current workforce development system, we offer the following recommendations.

1. Create a Workforce Czar

While different cabinet secretaries and departments manage their own programs and appropriations and coordinate with other executive agencies, no one is primarily responsible for ensuring that all the resources are used as efficaciously as possible. The sizable increase in public resources devoted to workforce training in the past few years warrants a corresponding increase in oversight.

Appointing a czar to provide this more centralized oversight will go a long way to defining clearly what success is and, one hopes, to improving the system. Making this an explicit charge of the Secretary of Labor and Workforce Development is the obvious choice, but which agency has the responsibility is less critical than the appointment of someone to that role. The czar should be required to take an initial inventory of current offerings, update the list annually for publication. Uniform performance metrics should be developed for all programs so comparisons can be made and this information should be made public.

The czar should also develop an updated strategic plan that accounts for recent changes in demographics, the economy and work arrangements. Implementation of this strategic plan should then inform all resource allocation and programmatic development decisions going forward. In addition, the czar should review the current regional approach to determine if better utilization of technology-based training programs could eliminate the need for so many MassHire centers offering similar services.

Finally, the czar should coordinate with federal and local policymakers and private sector leaders to better leverage all available resources for a more coherent and/or complementary approach to state-funded training programs.

2. Improve Data Collection to Improve Outcomes

Current workforce training data collection systems are largely based on federal reporting requirements and are very compliance focused. As a result, policymakers lack the real-time data they need to make informed decisions. The current system needs more meaningful measurements of success as a first step towards greater accountability. For example, the federal government requests enrollment data as a performance metric rather than outcome-based measures such as completion rates, job placement, and employment advancement. Massachusetts can look at how other states publicly share this information. For example, Michigan publishes an annual report for its New Job The czar should be required to take an initial inventory of current offerings, update the list annually for publication. Uniform performance metrics should be developed for all programs so comparisons can be made and this information should be made public. Training Program that lists the funding for each training provider along with the industry category, and training completion rates.⁶ Tennessee's Department of Labor and Workforce Development publishes an annual report outlining programmatic results, funding and participation rates.⁷

The size and scope of the state's workforce training initiatives calls for better data collection to enable enhanced analyses of resource allocation, program performance, and outcomes at the agency and systemic levels. In addition to providing the tools to identify programmatic shortcomings or successes, a state-of-the-art database that collects standardized cross-agency data annually would better leverage public resources by allocating them to programs with proven results while redirecting resources away from underperforming programs.

It would also provide actionable and real-time information for more timely corrective measures by training providers and program managers. This robust state dataset could complement that of the state <u>Department of Economic Research</u> and federal data sources to enable more informed policy decision-making. Pending <u>legislation</u> to establish a data center should be carefully considered. Investment in such a database would be an appropriate use of ARPA funds as this capital investment could strengthen the workforce development system.

In the future, any new workforce training or development investment must include performance metrics and collect data consistent with the czar's data collection requirements. Failure to abide by these requirements should have financial consequences.

The newly enacted MassReconnect program illustrates this point. The program enables individuals 25 years of age and older to obtain a degree or certificate through any public community college, creating opportunity for the more than 1.8 million Massachusetts residents who have a high school diploma or the equivalent but no higher education credential.

This program will allow many more people to gain certification or an associates degree, improving their job prospects. But for this \$25 million annual taxpayer investment, there is no requirement that the certification be in a high-demand field, nor is it stipulated that the person remain employed in Massachusetts for a period of time as a way for the state to recoup its investment. With a more explicit goal, inclusion of outcome metrics, and robust data collection, this promising program would deliver better results for alleviating the state's workforce shortage.

3. Reallocate Resources Among the Different Subgroups

The need to differentiate between various cohorts of workers who seek training is clear and it has been the longstanding practice in Massachusetts to do so. As noted earlier in this paper, different executive agencies are primarily responsible for different workforce populations. Historically, most of the training dollars were focused on the temporarily unemployed and appropriated to the EOLWD. In response to changing workforce trends, that may need to change. With near-record low unemployment, Massachusetts must now devote more of its training resources to other cohorts of the workforce. That is not to suggest that more overall training dollars are needed; rather, it suggests that a greater portion of current resources should be reallocated to incumbent workers and the chronically unemployed.

We must retrain and upskill the current labor force with the skills they need to remain actively and gainfully employed. Employers should be engaged in this effort as they are best positioned to understand current needs and skill gaps. Expanding the Workforce Training Fund, which provides partial reimbursement to qualifying employers for their training expenses, and making it more flexible, are good ways to expand these efforts. Another tactic would be to make workforce training resources more readily available to employees and job applicants so they can pursue training opportunities directly. With near-record low unemployment, Massachusetts must now devote more of its training resources to other cohorts of the workforce. That is not to suggest that more overall training dollars are needed; rather, it suggests that a greater portion of current resources should be reallocated to incumbent workers and the chronically unemployed.

The chronically unemployed are another population with unique training needs. Proper resources must be allocated to addressing their multiple barriers to employment. Given Massachusetts' demographic trends and its declining labor participation rate, investments in this population could provide the greatest return on investment if done properly. In many instances, it is lack of education, housing, childcare or another necessity that keeps them sidelined.⁸ Some suffer from biases, language and legal barriers, and other impediments to employment.⁹ For others, illness, addiction or disabilities prevent them from working.¹⁰

Closer integration of job training with the state's many safety net services is necessary to provide this population with the tools to become self-sufficient. There are several instances where the state provides wrap-around services to such individuals. The Young Parents Program and the <u>Competitive Integrated Employment Services</u> are two such examples. Integration of services needs to happen on a bigger scale with greater impact to counter the lower labor participation rates impacting Massachusetts in recent months.¹¹

Identifying individuals who receive several social services from the state and providing them with "high-touch" customer service (i.e. a designated person to help navigate the system and coordinate services) could enhance their quality of life, place them in jobs more quickly and lead to better financial and performance outcomes for such programs. Making participation in more robust training requirements a condition of benefit eligibility for transitional assistance may be another way to grow the workforce.

4. Public Information Campaign to Build Awareness of Program Offerings

Massachusetts has numerous workforce training programs — lack of programming is not the issue. However, too few employers and employees take advantage of these programs. The state should launch a marketing campaign to increase public awareness of the many programs available. There are past examples upon which state leaders can rely, such as the landmark healthcare reform law launched in 2008. In that instance, the state set aside money for community organizations to spread the word about the numerous changes to benefits, coverage, and obligations included in the law. A similar campaign could bring awareness to increase enrollment for and achieve faster results from state workforce development resources. Social and other media should also be employed. More regular and proactive outreach to employers by the regional MassHire offices is also a critical component of deepening connections with local employees on their hiring needs and skill sets. Utilizing contact information collected by the DOR or the DUA, notices can be sent to all employees informing them of training programs.

A companion piece to the public awareness campaign is better use of technology. Making it as convenient and simple as possible for those who seek training will increase the likelihood that they use the many services available to them.

The recently introduced <u>MassTalent</u> is a great start to connect job seekers with employers. MassTalent is a web portal "that serves as a one-stop front door for companies to access multiple talent pipelines in high-growth industries like the life sciences, clean energy and advanced manufacturing. It streamlines government resources to allow employers and jobseekers to tap into Massachusetts' thriving ecosystem, world-class talent, and robust infrastructure to accelerate their success."¹² Expansion of this capability to more industries is an important next step, as is publicizing the website's purpose and functionality.

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5. Improve Pipeline Development

The current workforce shortage is the result of a confluence of factors, some of which were foreseeable — such as demographic trends — and others that were not, like the pandemic or the rise of remote work. Given these extraordinary circumstances, many business leaders are looking to the state for solutions.

Longer term, however, employers need to take a more active role in workforce development. Demographic data indicate a shrinking workforce for years to come, so making training widely available for all who need it is and will remain an important economic development strategy. More investments in paid internships, apprenticeships, mentoring and work-based learning will be necessary to ensure a robust talent pipeline for years to come. Employers are often in the best position to provide hands-on training. To offset these costs, the state should consider expanding the current tax incentives available (the apprentice tax credit) for both training and hiring.

Reforming immigration policy is another critical component of building the talent pipeline. Immigrants have long been an important source of workers in Massachusetts, but federal policies and the pandemic have led to a reduction in immigrants in recent years. Expanding the number of work visas and expediting work authorizations would allow more immigrants to be employed here. Making ESL courses more widely available to immigrants who are able to seek employment would increase work opportunities for them.

Employers must be incentivized to utilize the MassHire job databases and the MassTalent site in greater numbers. Providing employers who participate in these programs with a more favorable experience rating for their unemployment insurance premium or other such incentives could entice more of them to engage with these tools and make them more robust.

Strengthening the pipeline between college graduates and employers is an important strategy for growing the workforce. Having a centralized database of job opportunities is one tactic to facilitate the job search for recent college graduates and make them more likely to stay in Massachusetts. Another is to have MassHire offices collaborate more closely with colleges, universities, and employers to offer regional career fairs that highlight the many job opportunities available here.

Finally, teenage workforce participation is at an historic low while older workers are retiring at increased rates. To entice young people into the workforce, employers must consider offering more internships and partnering with educators to offer class credit for participation. For retirees, more flexible work schedules or part-year employment opportunities that enable them to remain gainfully employed for fewer hours are key to retaining this growing segment of the population.

6. Build on Educational Programs that Provide Career and College Readiness

The Commonwealth has a wide array of programs available to help students become career or college ready. These include Learn to Earn, Early College, and the Biotech Apprentice Program. In addition, Massachusetts vocational schools are a national model, offering both an academic and vocational education and providing graduates with a well-rounded skill set that makes them highly sought after. Making sure there is sufficient capacity to educate all those interested in this type of dual academic and vocational schooling must be a priority. In the immediate term, priority in admission should be given to those studying in high-demand fields for which there is an acute shortage.

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7. Address the Causes of Non-participation in the Workforce that Are Unrelated to Training

Although an in-depth analysis is beyond the scope of this paper, it is important to acknowledge that for a growing portion of the population, lack of training is not their primary impediment to finding a job. Many people suffer from mental health issues, addiction, or chronic conditions that leave them unable to work. Rather than addressing these needs separately, better integration of services could expedite their return to work.

Other individuals lack stable housing, transportation or childcare. Without them, they cannot seek employment. Making these services more affordable, available and reliable is an integral step to growing the workforce and must be prioritized.

For those enrolled in safety net programs, income eligibility or benefit structure requirements can often serve as a disincentive to work additional hours or make more money for fear of losing these supports. More focus on how to encourage labor participation while providing an adequate "run rate" to self-sufficiency is needed.

8. Think Bigger and Seek Waivers from the Federal Government to Test Different Approaches

Massachusetts should reimagine what a streamlined twenty-first century workforce development system would look like if we were building it from scratch today and then work with our Congressional delegation and other federal partners to seek waivers that will enable the state to implement such a model. Massachusetts has sought waivers in the past (recent examples include a waiver by the Patrick administration to increase the employer reimbursement amount for on-thejob training and Gov. Baker seeking a waiver for youth individual training accounts), so this is not without precedent. Because of the importance of workforce training as an economic development strategy, Massachusetts could make a compelling case for why waivers from federal requirements that inhibit the state's ability to innovate or restrict the use of federal dollars from funding pilot initiatives are necessary. Exploring what waivers other states have sought and whether those programs have been successful should be part of this process.

Conclusion

As workforce shortages have taken center stage, so should the state's efforts to train its workforce. Devoting more state resources to workforce training programs at a time when the state is experiencing record low unemployment may seem counterintuitive to some. However, given the importance of talent to the Massachusetts economy, using public funds to invest in the state's workforce is a sensible use of taxpayer money if it is having measurable results in alleviating the workforce shortage.

It is difficult to assess the appropriateness of the sizable outlays because of the lack of required reporting on programmatic outcomes and analysis on whether these programs are the most effective way to address the state's workforce shortage. Greater accountability for how the money is spent, the types of programs offered and the track record for each program is needed. This report makes several recommendations to improve the current system while acknowledging that more systemic change is in order.

Appendix A

What follows is a brief synopsis of the major workforce training and education laws that have dictated how most state programs are organized and funded.

Manpower Development and Training Act of 1962

In response to the growing fear that automation would put people out of work, against the backdrop of concerns about the United State's technological deficiencies laid bare by the Cold War, this law was enacted to provide thousands of workers unemployed because of automation and technological change with the training and/or retraining they needed to gain employment.

Comprehensive Employment Act of 1973

This bill intended to localize training by making local and state governments the primary decisionmakers regarding the mix of "manpower" services they offered. Federal funding was provided with few federal strings attached as to what kind or number of services should be offered by the states. Authorized uses for this money included employment counseling, supportive services, classroom education and occupational skills training, training on the job, work experience, and transitional public employment. Communities with high unemployment received extra monies.

Job Training Partnership Act - 1982

This bill focused federal resources on several programs for discrete populations while also introducing more accountability for training programs. Target programs include youth and unskilled adults for entry into the labor force, economically disadvantaged and other individuals facing serious barriers to employment, veterans, dislocated workers, workers over 55 years of age, summer employment for youths, Native Americans, and migrant workers.

This law established the first Private Industry Councils (PIC) and made them responsible for policy guidance and oversight of activities under the biennial job training plan for each service delivery area (SDA). PIC membership was composed of a mix of representatives from the private sector, educational agencies, organized labor, rehabilitation agencies, community-based organizations, economic development agencies, and the public service employment sectors. This law also provided for nationally established performance standards, which measured performance for adult training programs by the increase in employment and earnings and the reduction in welfare dependency for program participants. It directed governors to offer reorganization plans for the PICs that did not meet performance criteria, and required them to annually prepare a statement of the state's goals and objectives for job training and placement programs to assist in the preparation of job training plans under this law and the Wagner-Peyser Act.

Goals 2000: Educate America Act of 1994

While this law is primarily focused on education, it does recognize that schooling is the foundation for preparing our youth to be contributing members of the workforce and society upon graduation. It does so by emphasizing accomplishment, civic engagement, and life-long learning. The purpose of this law was to establish eight national education goals. They are: (1) school readiness; (2) school completion; (3) student achievement and citizenship; (4) teacher education and professional development; (5) mathematics and science; (6) adult literacy and lifelong learning; (7) safe, disciplined, and alcohol- and drug-free schools and (8) parental participation.

School-to-Work Opportunities Act - 1994

This act provides states and communities with funds to develop systems that connect academic knowledge with technical skills and workplace competencies. In preparation for the effects of technological changes, it was intended to marry the eight national education goals¹³ outlined in Goals 2000: Educate America Act, enacted earlier that year, with workforce and economic development initiatives. It did not establish federal mandates for the states to receive federal funds, allowing states to design their own programs in response to technological advances.

This law also elevated community colleges as important providers of school-to-work initiatives. Community colleges served an important role in bridging secondary education and workforce training by offering work-based programs as well as inclusion of school-based learning components in collaboration with the business community. In order to avail themselves of this new federal money for workforce training, community colleges were required to offer courses that were not for a full semester or credit based.

Workforce Investment Act of 1998

This law establishes a coordinated system of federal aid programs for vocational education, adult education and job training at the state and local level as a way to increase employment, retention, and earnings of workers. It replaced the Job Training Partnership Act and other federal initiatives with new workforce investment systems. It attempted to put business interests at the center of workforce development by creating local Workforce Investment Boards composed of a majority of business representatives and chaired by a business representative. Governors were required to establish and appoint the members of a statewide partnership to assist in the development of a state plan. It established local workforce investment boards and youth councils therein.

No Child Left Behind Act 2001

This federal law aimed at improving public primary and secondary education, and thus student performance, by increased accountability for schools, school districts and states. This law greatly increased federal oversight of state and local school systems by requiring yearly testing for proficiency in math and reading, high certification standards for teachers and sanctions for those failing to meet the articulated goals.

Workforce Innovation and Opportunity Act of 2014

This law reauthorized appropriations for the Workforce Investment Act of 1998 while also amending several of its provisions for core programs. Core programs are defined as (1) youth workforce investment activities and adult and dislocated worker employment and training services; (2) adult education and literacy activities; (3) employment services and (4) vocational rehabilitation services. Among its key provisions was a requirement that states have a unified state plan with a four-year strategy for these core programs. In addition, state workforce boards were required to review the statewide policies and programs and make recommendations on action to align statewide workforce development programs that support a comprehensive and streamlined statewide workforce development system. They also were charged with the development of a statewide workforce and labor market information system. Many other less substantive changes to the administration of programs are also included.

Every Student Succeeds Act (ESSA) of 2015

This law rescinded several of the provisions in No Child Left Behind while loosening the standards for several of the law's remaining provisions.

Workforce Innovation and Opportunity Act Reauthorization of 2022

This law reauthorizes the Workforce Innovation and Opportunity Act of 2014 through 2028. In addition, it tweaks several of the earlier law's provisions to emphasize justice.

This includes increasing workforce representation on workforce investment boards, changing the funding for one-stop career centers so that states cover more of the costs, establishing work-readiness training and mentoring youth employment programs.

In addition the act eliminates the requirement that participants comply with Selective Service requirements, relaxes the age requirements for participants in the Job Corps programs, and expands grants in outlying areas for programs that integrates English literacy and civic engagement.

Endnotes

- 1 President Franklin D. Roosevelt made this declaration in his second inaugural speech, https://www.presidency.ucsb.edu/documents/inaugural-address-7
- 2 Workforce Development and Training in Massachusetts, Working Paper MIT Open Learning Workforce Education Project, by Meghan Perdue, Digital Learning Fellow at MIT, page 1.
- 3 This illustration appears in the What is the Workforce System report on the Massachusetts Workforce Association website: https://massworkforce.com/resources/what-is-the-workforce-system/
- 4 Workforce Development and Training in Massachusetts, Working Paper MIT Open Learning Workforce Education Project, by Meghan Perdue, Digital Learning Fellow at MIT, page 2
- 5 This is based on information from the Department of Economic Research unemployment data for August 2023.
- 6 <u>New Job Training Program Annual Report 2022</u>, Office of Revenue and Tax Analysis, Michigan Department of Treasury
- 7 Tennessee Department of Labor and Workforce Development Annual Report 2022
- 8 Urban Institute, Navigating Work Requirements in Safety Net Programs, 2019
- 9 Deloitte Insights, The Future of Work with Vulnerable Populations, August 2020
- 10 SAMHSA, <u>Supporting People with SMI or SUD in Achieving Employment Goals</u>, Page 9, February 2020
- 11 St. Louis Federal Reserve labor participation data: <u>https://fred.stlouisfed.org/series/LBSSA25</u>
- 12 Description used by Governor Maura Healey in her press release announcing the creation of MassTalent: <u>https://www.mass.gov/news/at-bio-international-convention-governor-healey-pledges-to-lengthen-massachusetts-lead-in-life-sciences-with-new-workforce-initiatives</u>
- 13 These eight goals, each with several subgoals are: (1) school readiness (2) school completion (3) student achievement and citizenship (4) teacher education and professional development (5) mathematics and science (6) adult literacy and lifelong learning (7) safe, disciplined, and alcohol and drug free schools and (8) parent participation.

Our Mission

Pioneer's *mission* is to develop and communicate dynamic ideas that advance prosperity and a vibrant civic life in Massachusetts and beyond.

Pioneer's *vision of success* is a state and nation where our people can prosper and our society thrive because we enjoy world-class options in education, healthcare, transportation and economic opportunity, and where our government is limited, accountable and transparent.

Pioneer *values* an America where our citizenry is well-educated and willing to test our beliefs based on facts and the free exchange of ideas, and committed to liberty, personal responsibility, and free enterprise.



