

Workforce Investment Act puts America on the road to Fascism

"Few bills which we consider will have a greater impact on more Americans than the Workforce Investment Act H.R. 1385I we pass today."

—SENATOR EDWARD KENNEDY, CONGRESSIONAL RECORD, JULY 30, 1998, PG. S9490.

PUBLISHER'S NOTE: Truer words were never spoken in relation to gaining total control of the citizens of the United States and turning our nation into a fascist state. If you think this is an outlandish statement, read this article. What you are about to read is the absolute truth which is backed by more documentation than you could ever hope to read.

Hillary's Global Village and the New World Order are Officially Instituted by Congress

News Analysis by Jim Day, 1998, St. Louis MetroVoice

On July 30, Senators Edward Kennedy (D)MA, Jim Jeffords (R)VT, Mike DeWine (R)OH, Paul Wellstone (D)MN, Christopher Dodd (D)CT, and Jack Reed (D)RI, unanimously passed by a voice vote the Conference Report on H.R. 1385—the Workforce Investment Act of 1998—the latest version of "The Careers Act." A voice vote only requires a majority of those present to pass or reject a bill. The report was then sent back to the House of Representatives for review. According to the Congressional Record, only six senators spoke on the floor. Due to the fact that no roll call vote was taken, it is not known if any other senators were present in the chamber at the time.

Late in the afternoon the next day, July 31, without any notice, when most congressmen were on planes headed home, five congressmen, again by a voice vote, unanimously approved H.R. 1385 paving the way for President Clinton's signature on August 7. The five congressmen were William Clay, Sr.(D)MO, Howard P. "Buck" McKeon (R)CA, William "Bill" Goodling (R)PA, Dale Kildee (D)MI, and Matthew Martinez (D)CA.

Again, due to the fact that no roll call vote was taken, no one knows how many other, if any, congressmen were present at the time of the vote. These 11 men and President Clinton have just created and signed into law legislation which converts America's free market economic system to a controlled or managed market system—the same type of economic system which was established by Nazi Germany.

To grasp the magnitude of what Congress and President Clinton have just accomplished by passage of the Workforce Investment Act, you need to see and understand the big picture. Keep in mind, what has happened has not happened over night. This "new system" has been put into place piece-by-piece like a puzzle.

HISTORY

The Workforce Investment Act is just one piece of the puzzle (system) known as the "School-to-Work" system (STW). The bottom line to the School-to-Work system, regardless of what any educator or politician may tell you, is NOT, I repeat NOT educating or training children and adults to prepare them to join the workforce. SCHOOL-TO-WORK IS A MANAGED OR CONTROLLED ECONOMIC SYSTEM—A SYSTEM OF GOVERNANCE—which has been sold to the American public as an educational reform or improvement system.

During the last four years, the Workforce Investment Act, formerly called The Careers Bill, has been held at bay by a small group of knowledgeable grassroots activists across the nation. In response to their efforts, yet not fully understanding the bill itself, various legislators have attempted to prevent Congress from turning schools into workforce training centers.

On the state and local levels, concerned parents, activists and legislators who have tried to voice their concerns about this wonderful new educational system have continually been ignored, marginalized, censored, labeled as extremists or outright attacked for attempting to stop this diabolical plan from being implemented.

THE BIG PICTURE

What are the pieces of this gigantic puzzle? The first piece of the puzzle consists of all of the national education, health, welfare, vocational/technical and labor programs, as well as government departments, which were established over the past several decades (i.e., the Departments of Education, Labor, Welfare, etc.) and thousands of rules, regulations, court orders and executive orders created to run these governmental departments and programs. Although a lot of these programs and departments were

established independent of each other, and for the most part with good intentions, they are now an interwoven part of the STW system.

The second major piece of the puzzle was Goals 2000 (the Educate America Act of 1994). Goals 2000 established the broad policy directives for education in America and was the first of the three major pieces of legislation needed to create the School-to-Work system.

The third piece of the puzzle was the School-to-Work Opportunities Act of 1994. This Act essentially merged or consolidated the departments of education, labor, health & human services and provided government funding for STW programs on a limited time basis.

The final major piece of the puzzle was the Workforce Investment Act, which was just passed. The Act continues the funding of the STW Act, completes the consolidation of federal programs and provides the tax dollars necessary to entice businesses to cooperate and become part of the STW system.

If you still don't see the big picture let me outline it for you. The STW system—using your own tax dollars—does the following:

- a.) It trains children and adults to think collectively—not independently, because independent thinkers are a threat to a collective state, be it socialist or fascist. (A socialist state is one where the state or government owns the means of production and controls everything, i.e. the former Soviet Union. A fascist state is one in which the government, in partnership with businesses and individuals, regulates and controls the means of production and property, while the citizens still retain title to their property and pay the taxes, i.e. Italy under Mussolini or Nazi Germany.)
- b.) It sets up "Workforce Boards" and "Central Planning Committees" of non-elected officials, which will make decisions having the force of law that will affect every aspect of your life. The governors empower these boards by executive order. Non-elected officials are accountable to no one since they are appointed by the governor in each of the 50 states. Non-elected officials cannot be replaced or removed from their positions by anyone but the governor. (How long will it be before these appointed boards start bypassing the state legislators, county & city elected officials, school boards, etc. and have the power of the purse?)

c.) It establishes a corporate welfare system that will be very difficult for businesses to resist. Businesses will receive your tax dollars for training their employees and the government will provide the employees.

When one assembles all of the pieces of the puzzle, the picture is not the Republic created by our founding fathers. What you have instead is a system which closely resembles the former Soviet Union or, closer still, the fascist state created under Nazi Germany.

Folks, this IS Hillary Clinton's "Global Village" or the "New World Order" spoken of by President Bush.

ECONOMICS 101

As mentioned earlier, STW is an economic system. There are basically two types of economic systems; a free market system and a managed or controlled market system. America was established as a free market system. A free market is based upon a free exchange of one's labor for whatever price, conditions and location an individual chooses. A free market blooms on the innovative entrepreneur whose new invention is received with skepticism, yet whose idea is so advanced that within a generation, it is a common necessity. A free market allows failure, yet allows repeat attempts toward success. A free market is based on millions of individual decisions made from millions of individual perspectives. When one of those decisions is bad, it is lost in the sea of those that are good.

In a managed or controlled economy everything is based upon the concept that, on the generous side, a benevolent few know what is best for the masses. On the less generous side, the concept is that a few will have the ultimate power to control the masses for their own aggrandizement and benefit.

History is replete with examples of failed, dictatorial governments with managed or controlled economic systems, the most recent of which include the former Soviet Union and Nazi Germany.

The STW system is, as stated earlier, a managed or controlled economic system based upon the premise that benevolent and all wise government agents will direct and guide the masses in the workforce. As stated by Senator DeWine on the floor of the U.S. Senate when it voted unanimously for the Workforce Investment Act, "This is a revolutionary bill. It is a bill that dramatically changes the status quo." Delight by some of the more liberal Senators (Wellstone, Jeffords, Kennedy and Dodd) resonated throughout the Senate chambers — the same institution where our forefathers stood against other attempts to enslave the American people. Jefferson, Madison, Washington, Adams, Hamilton, and others must be rolling over in their graves.

SOME PARTICULARS

"Good intentions, unintended consequences," as Richard Weaver noted, lead many down the wrong path. Despite the two pages of "Protections" included in the Workforce Investment Act distributed by the House Education and Workforce Committee and, despite the inclusion of language prohibiting Federal control of education and a national database of personal information on participants, a careful reading of just the first few sections and chapters of the bill supports the conclusion that, when implemented, the Workforce Investment Act is the death of our FREE market system, and ultimately, our FREE society.

When 50 governors (Title 1, SEC. 111) are given the power to decide WHO will select ALL jobs for ALL those entering the workforce, either as students or retrained workers, as well as the power to decide WHICH business buddies will get those workers (SEC. 118(b)), you have a command economy, a managed economy, a TOTALITARIAN economy. Gone are the millions of individual decisions, replaced by the all knowing, all-wise government agents (SEC. 112) who will act according to "the needs of the State with regard to current and projected employment opportunities, by occupation" (SEC. 112(b)(4)(A).)

Basic, free market economics warns us NEVER to create a choke point of who will work and for whom. Yet, the Workforce Investment Act does exactly that. The state and local Workforce Boards "SHALL" know enough about each worker that they "SHALL" decide what the future "SHALL" be for that worker and the local business that wants to hire the worker. Sure, it is voluntary, but when the government is the only player in town, choices cease. Where do the inventor, the entrepreneur, and the person with the cure for cancer who don't have "connections" go? And, what will happen to those with opposing worldviews? THIS SYSTEM WILL FREEZE THEM OUT.

Real life, not ideal life, documents the misery created by a few deciding for the many. Real life documents that when the Federal money machine turns on, the private sector crumbles. Real life documents that systems managed by government agents stifle innovation, are inefficient and costly, and in the end, dominate and ultimately destroy a society by sheer power.

Choice is the word of the feminist, liberal movements, yet the Workforce Investment Act will deny economic choice — real choice. When an un-elected, unaccountable crony system (You scratch my back—I'll scratch yours) controls the job market, those coming to it have already had their choices limited by the cronyism that decides which are the favored jobs, favored training, and favored recipients of the system.

Real life experience tells us that government agents DO NOT know best; that government agents are inclined to build their own power base by expanding their power and diminishing ours; that government agents never cease building their empires, as ultimately, their incomes depend upon it. The more powerful they are, the less freedom we have.

When a small group controls WHO gets the jobs, WHO gets the workers, you have a MANAGED economy, and you lose a FREE economy.

WHAT CAN BE DONE TO STOP THIS SYSTEM?

Folks, you will not like the answer to the above question. President Clinton signed The Workforce Investment Act into law on August 7. Back in May of this year there were only seven senators who objected to the bill. (Senators Ashcroft and Bond were two of the seven.) Short of direct intervention by God, that means that this bill is veto proof. In speaking with Donna Hearne of The Constitutional Coalition and School-to-Work expert Steven Boody, the only options left to stop this system are;

- a) for businesses NOT to co-operate or be a part of the system, and
- b) convince Congress to cut-off funds.

Every citizen in the United States needs to contact their legislators, Both state and federal, and tell them to stop this system and stop it NOW from being further implemented! Immense pressure must be put on Congress to cut-off the funds. Citizens must also contact as many business owners as possible and start educating them on what the STW system is going to do to our nation, our freedoms and ultimately their families (as well as ours) and their businesses.

We have been a free nation thanks only to God and His many blessings. If we do not stop this system from being fully implemented we will be throwing away our freedoms, trampling upon the graves of our founding fathers and turning our backs on God as a nation.

Donna Hearne, former official in the U.S. Department of Education and Executive Director of The Constitutional Coalition, and businessman Steven Boody contributed greatly to this article.

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Report submitted in opposition to reauthorization of the Workforce Investment Act

By Michael Chapman; Maple River Education Coalition

Objection to the Overall Workforce Restructuring Scheme:

We oppose the reauthorization of the 1998 Workforce Investment Act (WIA) because it represents a "radical" and "revolutionary" departure away from America's successful free-market economic system. Instead it embraces and helps establish a government-planned and managed economy. In order to understand how this could be, one must realize that the WIA is simply one piece of a larger federal reform agenda broken apart and passed piece-meal under the Clinton Administration. The 1998 WIA, along with the 1994 Goals 2000 Educate America Act, and the School-to-Work Opportunities Act, built the framework for this federal system.

These three laws effectively merged education and businesses under a government-appointed bureaucracy, which will oversee a "seamless system" of human resource development to meet the government-perceived needs of the future economy. These planners will determine future workforce need and approve specific "career-clusters" that regional schools may offer to students. Under the No Child Left Behind Act of 2001, the term "career cluster" was replaced with the term "smaller-learning communities."

In Minneapolis, ALL students are required to apply for a specific career cluster by 9th grade. Eventually, however, the Workforce Investment System is meant to include everyone in this scheme—whether one is a young student, unemployed, or an "incumbent" worker seeking a job change.

Building the Federal Workforce Investment Puzzle:

On November 11, 1992, Marc Tucker, president of the National Center on Education and the Economy, wrote a letter to Hillary Clinton explaining how best to implement the design they had worked on together, now that Bill Clinton was president. (See Congressional Record, Sept. 25, 1998) In that letter, Tucker explained how that design would manage and control all people

throughout their lives: *"We think the great opportunity you have is to remold the entire American system for human resources development...What is essential is that we create a seamless web... that literally extends from cradle to grave and is the same system for everyone."*

His plan was to align and coordinate **ALL EDUCATION, WORKFORCE PREPARATION, and ECONOMIC DEVELOPMENT** into a single, comprehensive, "seamless system" under a government-appointed planning board that would encompass every child, worker, school, and business.

On September 12, 2002, the Committee on Education and the Workforce heard testimony in favor of reauthorizing (and strengthening) the Workforce Investment Act, which confirmed that WIA represents the culmination of Marc Tucker and Hillary Clinton's radical restructuring plan to ensnare ALL people:

Mr. Tim Barnicle, Co-Director of the Workforce Development Program at the NCEE, and a former official with the US Department of Labor during the development of the Workforce Investment Act, testified in favor of reauthorizing WIA for the purpose of completing the comprehensive workforce investment system for the United States. He explained that WIA would require an "EVER INCREASING investment" to meet its ultimate goal to "leave no child, no worker, no contributing member of our society behind."

Echoing the Tucker/Clinton plan for a "seamless system" was Mr. Bruce Stenslie, Director of the Ventura County, California Workforce Investment Board, who explained that the goal of WIA is to "integrate **workforce, education and economic development** strategies."

Managing the "K-80 Knowledge-Supply Chain."

Robert Jones, the Undersecretary of Labor during the Carter years, helped create the Secretaries Commission on Achieving Necessary Skills—where the preliminary work for WIA was begun. Jones is now the president of the National Alliance of Business

and will be Minnesota's keynote speaker in the upcoming Workforce Development Seminar put on by the state this October 10th. Jones explains that WIA is about **"Managing the K-80 Knowledge Supply Chain"** in a newsletter:

"To stay competitive, US companies are making a science of pulling together the right supplies at the right time in the right place. What would happen if companies could apply this process, known as supply chain management, to people?"

Jones goes on to explain that schools are to become the "suppliers" and businesses the "customers" under this new "seamless system." The Workforce Investment Act echoes this idea explaining: *"The state's Education system...must be more closely attuned to the needs of the employer community...including more...just-in-time training."*

Keep in mind; the system is designed for all learners—"K-80," not just those who "choose" to enter two-year technical college. The proponents of the system call this concept "Life-Long Learning," because eventually EVERYONE will be part of the system.

"New Economic Governance"

Jones' term "Knowledge supply chain" is not really a good name, however. Marc Tucker, of the NCEE, more accurately called the system "A LABOR-Market System for the 21st Century." He explained, in his book by that title, that the labor needs of a new economy would require a **"New Governance Structure"** to manage it. He wrote, *"The labor-market system [will be] overseen by a state-level council charged with policy development, strategic planning, coordination, oversight and evaluation."* He also explained *"States should... serve students in School-to-Career Programs through One-Stop Career Centers."*

In order to accomplish the Tucker/Clinton vision, WIA mandates the establishment of a nation-wide network of workforce boards made up of "government-appointed representatives" of business, education, labor,

and others, who's duty is to match human resources to "customers" through local "one-stop" centers. By law, the boards must be at least 51% business representatives, stacking the deck in favor of the ultimate "customer." Unfortunately for freedom's sake, none of these groups get to elect their own representation. All are appointed by the state and held accountable to those who appoint them.

In Minnesota, an appointed oversight board called, the "Workforce and Economic Development Transition Team", is conducting the final assembly of our federal system.

According to their final report, released January 23, 2002: "***The structural reforms include a new role for state government***" which is to, "***coordinate policy and planning between workforce development, education and training, and economic development.***" This "comprehensive strategy," according to the Transition Team, includes the creation of the "***Minnesota Economic Leadership Team (MELT), as the statewide policy board for economic and workforce development.***"

MELT will be given supra-authority to choose business winners and losers and direct the state's total economic development goals and system. They will also carry out the increasing requirements spelled out under WIA. According to the Transition Team report, MELT's specific duties include:

- Develop and continually update a strategic vision for the state economy."
- Review regional plans in ***context of state economic priorities.***"
- Define and ***monitor strategic economic indicators.***"
- Establish ***performance targets.***"
- Provide ***direction to the Governor, agency commissioners, and other boards regarding their role*** in implementation of ***MELT's strategic vision.***"
- Advise ***private and non-profit organizations*** on how they may contribute toward achieving MELT's vision..."

This is completely contrary to our "free market" system that has served America so well!

The Federal WIA also mandates the creation of the one-stop career center, through which "learners" will be matched with targeted industries.

According to the Minnesota Governor's Workforce Development Council's Workforce Center Strategic Plan, "***...the funding supporting Minnesota's Workforce Centers comes with much regulation and prescription from the federal government.***" Despite that regulation, on April 5, 1994, the US Secretary of Labor named the South Minneapolis Career Center, "The National Model for the Workforce Investment Act." WIA now mandates replication of these one-stop centers throughout ALL 50 states.

The goal of Minnesota's national model "one-stop" is to "***establish a comprehensive K-life education and employment transition system which prepares all Minneapolis learners to assume their rightful place at the center of the economic and social fabric of the community.***"

Government bureaucrats, not individuals will determine "thier rightful place" of each person. According to the "Governor's WorkForce Development Plan", the goal of WIA is to, "***increase the alignment of public schools with the marketplace, including the needs of critical occupations and industries.***" One-stop career centers act as job brokers matching students with specific government-approved jobs for which children have applied, beginning in 9th grade.

According to St. Paul's Education "Blueprint," "***Based on federal and state research on where job growth is anticipated, St. Paul secondary schools will consider six career clusters as a focus of their small learning environments. Students are given a narrow choice depending on where government researchers have determined the need will be.***"

To help steer children in the right direction, the plan calls for "***Aligning tuition levels to correspond with demand for training in priority industries and occupations.***" The plan even calls for "***capping enrollment in programs for which there is a low demand for employees relative to supply.***"

Under the old (free-market) system, stu-

dents were free to choose a major, and eventually a career, based on personal interest alone. Now, if government bureaucrats have determined that there are already enough "human resources" in a particular area of interest, that career or major would not be available. Where does the information come from to determine demand in "priority industries"? The Governor's Workforce Development Plan answers: "State government must constantly monitor occupation and industry trends and remain flexible to respond to them." Apparently, free-market forces are no longer good enough for the "new economy," only government can save the economy!

A Track-Record of Failure:

How is this new system working so far? Since Minnesota is one of the 10 pilot states for this system, we've seen ample evidence that government-planned economies don't work.

For example, according to a Minnesota Department of Economic Security report, five industries have been targeted as "high growth." One of them was determined to be "taconite production," a mining product necessary for the production of steel. As a result, the state school system produced brochures to lure children into the field of Taconite Production. The flyers produced with taxpayer dollars proclaim: "GO PLACES in TACONITE" and promises paychecks of \$65,000 per year.

Unfortunately, during the same year that brochure was produced, 30,000 Iron-Range workers were laid off due to the decline of the taconite industry. (Each of those unemployed workers would LOVE to be earning \$65,000 a year!)

The point is, if government planners cannot accurately predict market trends in the same year, why would we trust them to accurately predict the future four or ten years down the road and tailor shape our children's training accordingly? The government is training our children to be unemployed! Unfortunately, the system is designed to respond to LOCAL INDUSTRY NEED, not the needs of children. Since the Iron Range is assigned taconite production, schools in the area will slot children into that career regardless of true need!

Another example illustrates the inefficiency

Summary of Reasons to Oppose Reauthorization of WIA:

- 1 The Workforce Investment Act (WIA) is one of three federal bills that combine to create an aligned and unified "Labor Supply Chain," in effect, re-inventing government, education, and the economy in all 50 states.
- 2 WIA interferes with local free-market forces by controlling workforce and economic development through government-appointed planning boards. Furthermore, it usurps and damages the private job-matching industry.
- 3 WIA waters down existing programs for the truly needy, disabled, and unemployed by spending limited funds for ANY and ALL citizens.
- 4 WIA has a proven track record of failure in its pilot states. More funding WILL NOT SOLVE the fundamental problems inherent within a government-planned economy!
- 5 WIA usurps states' (and the peoples') right to self-determination guaranteed by the constitution and the 10th amendment.

of regional bureaucratic planning. Recently, we met a man who had been laid off after a 35-year career in computer programming. He decided to visit his "one-stop career workforce center." He explained that programming was his life's work and all he really needed was a few classes to update his computer skills. Unfortunately the one-stop center in his home district was not approved for any more computer programmers, but they did need more hotel workers. They approved a training schedule for him to learn hotel maintenance. Meanwhile, the workforce center for the county just north of his district had a top-priority listing to find and train computer programmers. Both centers knew of this man, but because he lived in a different region, the bureaucracy wouldn't allow the obvious solution of training him in the field where he was highly qualified. He ran into a red-tape nightmare and ended up staying on the welfare rolls.

Government bureaucracies are terribly inefficient compared to free-market forces!

All 50 States Implementing the Same Plan:

The Federal Departments of Education and Labor co-developed the templates that States were required to follow in order to gain approval for their Workforce Development Plans. All 50 states have adopted the federal guidelines and are in various stages of building the same system. Minnesota's

plan may be compared with that of any other state, and one will find a nearly identical workforce development plan.

For example, like Minnesota, the Texas Workforce Development Plan divided the state into regions and developed career clusters to meet labor needs of the local businesses. According to their report, "*The Dallas metropolitan area with its telecom corridor demands different skill sets in the workforce than those needed in the shipbuilding industry in Corpus Christi or oil production in the Permian Basin.*"

The report continues: "*This will require continued innovation led by those who understand best the challenges of business—those who represent that community on local workforce boards. It will also require the system to...increase the involvement of the economic development and education communities.*"

Yes; the proponents of this system honestly believe GOVERNMENT alone knows the future and is best suited to shape human resource development under its narrow vision. As Mr. Stenslie, Director of the Ventura County California Workforce Investment Board said in testimony: government, under WIA, will "**BE ALL THINGS TO ALL PEOPLE.**" (Emphasis added).

The free market system that has made the United States the freest and most prosperous in the history of the world will be destroyed if WIA is reauthorized.

Michael J. Chapman and the Maple River Education Coalition

Michael J. Chapman is a volunteer researcher for the Maple River Education Coalition, and the founder of American Heritage Research. He has conducted thousands of hours of research from original-source state and federal documents on the new federal education, workforce preparation, and economic development system. Mr. Chapman has traveled the nation explaining the system to thousands of parents, educators, and government officials in a wide variety of forums and conferences. He has also provided testimony on various education issues at the state level, and has provided research and training materials to federal representatives and staff at their request.

The Maple River Education Coalition is a grass-roots volunteer network of parents, educators, business leaders, and students based in St. Paul, Minnesota. It is committed to educating the public about the unprecedented transformation of the US workforce, the US economy, and American education toward a centrally planned and controlled federal system. The organization has grown to 30,000 strong across the state of Minnesota.

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School-to-Work's missing piece: The Workforce Investment Act

By Karen Holgate • March 1, 2000

Sold to Congress as an adult only, job training "consolidation" bill, HR 1385, the Workforce Investment Act of 1998 (WIA), passed Congress almost unanimously. However, the WIA does far more than just consolidate duplicative programs. Like School to Work (STW) nationalizes education, and like the government tried to nationalize health, the new Workforce Investment Act will nationalize job training. It has far reaching consequences that will eventually affect every man, woman, child, employee and business owner in America.

What does the Workforce Investment Act do?

- It undermines the check & balances of the 3 branches of government.
- Gives unprecedented power to governors.
- By passes state legislators.
- Creates a planned and managed economy by centralizing direct control over the US workforce. And it
- Burdens America's taxpayers with the cost of supporting this massive restructuring.

In 1999, President Clinton literally glowed when discussing the U.S. economy in his State of Union address. And in August, 1998 Secretary of Labor, Alexis Herman, said:

"The American economy is stronger than it has been in a generation, and it is increasingly driven by creativity, innovation and technology". [1]

He's right. She's right. Free enterprise works, and works well. In light of our glowing success, then why is the federal government making massive changes that will drastically alter the course of America's success?

In an effort to explain the need for the newly passed WIA Secretary Herman said: "...[the] WIA provides unprecedented opportunity for major reforms that will result in a reinvigorated workforce investment system!" [2] If the U.S. economy is so strong why does it need to be reinvigorated?

WHY?

Because the WIA is not just an adult job training consolidation bill as it was sold to Congress. The WIA is the missing piece in the overall STW plan called for in the now infamous "Dear Hillary" letter.[3] In his letter, Marc Tucker, president of the National Center on Education and the Economy, outlined the plan that later became the basis for Goals

2000: Educate America Act, the School to Work Opportunities Act and the Workforce Investment Act.

Quotes from that 1992 letter include:

"We think the great opportunity you have is to remold the entire American system for human resources development a national...system... interwoven with a new approach to governing ...a seamless web...that literally extends from cradle to grave and is the same system for everyone—young and old, poor and rich, worker and full-time student."

Sponsors of the Workforce Investment Act insisted that it had nothing to do with School to Work. In an effort to insure that it didn't, Senator John Ashcroft added a simple one sentence amendment to the bill. When President Clinton learned of the Senator's amendment, he sent a strong message to Congressional Conference Committee members that unless Ashcroft's anti-STW amendment was removed, or made "benign," he would veto the bill.

Why was the President and Congress so concerned with Senator Ashcroft's amendment? Because it would have prevented any funds from the WIA to be used to fund any STW activities. Unfortunately, because of presidential pressure, Ashcroft's amendment was amended and now merely prevents funds from the WIA being used to fund the School to Work Opportunities Act. This is a big difference. The original amendment would have prevented funding the activities, the new version merely disallows funds from one bill being used to fund the other. Apparently, the President approved the "amended amendment"; not only did he sign the bill but also held a much-ballyhooed news conference to extol its passage.

This was just the first clue that the Workforce Investment Act furthers the STW agenda. However, WIA sponsors continue to say that the bill is not linked to STW!

But is that true?

Once fully implemented, a fully functional STW system as foreseen by Tucker will:

- Create new form of governance,
- Provide a seamless web from cradle to grave,
- Be one system for everyone including students, college bound or not, and unemployed and already employed persons.

HOW DOES WIA FURTHER THESE GOALS?

WIA creates a massive centralization of power by

1. Consolidating numerous departments and over 60 programs under the direct authority of the Governor,
2. Giving governors of each state sole authority to pick people to design a state plan, and
3. Gives governors (not state legislators) the sole authority to approve the state plan.

According to the WIA, with the exception of four token members of the state legislature (a woefully small minority of the total number of members required) all board members are either directly appointed or approved by the governor. He also has sole discretion in removing members. At the top of the list of leaders who must be appointed, per the Act, are business and labor leaders. Local education must also be represented on the board. (This is important as will be pointed out later.) The only person the governors must answer to is the Secretary of Labor. All state and local plans must be submitted to the Secretary and only after the individual plans have been verified to insure that they conform to the federal plan are they approved and federal funds released.

Only the governor has discretion in any spending. And the amount of discretionary funds allocated to the governors are greatly expanded under WIA. State legislators are locked into a limited role which allows them to allocate funds only under rigid restrictions mandated by the law. The bill further creates an entire system of boards and councils including the above mentioned Workforce Development Boards at state and local levels (over 800 nationwide). These boards were discussed in Tucker's letter and according to him are a key element in order

What the Secretary is saying is that an American citizen cannot go to a taxpayer funded job training center and choose his/her own job or career path.

No, under this plan, the government agency will determine the job this person is suited for. Just like STW directs career pathways for school children the government will now determine what adults are qualified to do. Under STW, parents are already complaining that children are being funneled into career paths not of their own choosing. Now it will be adults.

for STW to be successfully implemented. The WIA talks about flexibility but like STW the only flexibility is in HOW to implement WIA. There is no choice about opting out. The Act makes it quite clear that no federal job training funds will be awarded to any state that has not submitted state implementation plan by July, 2000. Since these funds run into the billions, it is a pretty strong incentive to adhere to the federal plan.

WHAT DO THE WORKFORCE DEVELOPMENT BOARDS DO?

- Write state and local plans.
- Predict jobs of the future that meet the needs of the community and local businesses.
- Determine the training necessary to fill these predicted job slots.
- Decide who will do job training.
- Oversee and manage the One-Stop Delivery System.
- Disburse money through contracts to businesses, schools, and groups that are part of the system.

Just think of the unprecedented power the WIA has given to these unelected, governor appointees! Imagine the power struggle as big business jockeys for these potent positions. Is it possible that campaign funds for governor's races might be affected?

WHAT IS THE ONE-STOP DELIVERY SYSTEM?

In Secretary Herman's words it is, "...*the cornerstone of the new workforce investment system...it will unify...programs into a...[single] system...*" [4]

One-Stops are the heart of the new system. They will: 1) collect and disseminate all data, and 2) provide and coordinate all services. One-Stops are seen as the local delivery mechanism that will make the new system work.

Supposedly this bill was designed to aid in getting people off welfare; to allow them to become self sufficient and get them off the public dole. Yet Secretary Herman makes it clear this may not be the case.

"In the new system individuals can access services continuously throughout their lifetime...former welfare recipients who are placed in a job... will be able to remain in the...system and continue to obtain ...services in

order to progress..." [5]

"Through the One-Stop System, these individuals will be evaluated to determine whether or not they are in need of training and IF they possess the skills and qualifications needed to participate successfully in the training program in which they have an interest." [6]

What the Secretary is saying is that an American citizen cannot go to a taxpayer funded job training center and choose his/her own job or career path. No, under this plan, the government agency will determine the job this person is suited for. Just like STW directs career pathways for school children the government will now determine what adults are qualified to do. Under STW, parents are already complaining that children are being funneled into career paths not of their own choosing. Now it will be adults.

Eventually everyone will be enveloped within the system. This bill first seeks to entice every American into relying on the government One-Stops for services. But once people are conditioned to relying on the government for jobs and training, the government will have the power to direct the lives of each and everyone of us.

The new system isn't just for welfare and unemployed workers. For everyone else Herman says,

"In the new...system, ALL Americans will see the One-Stop Centers as a...resource they can use throughout their lifetimes... implementing these strategies will require collaboration and commitment by employers and employees to lifelong learning." [7]

Is this what is meant by the familiar STW term "lifelong learning"? Lifelong dependence on

a system that continuously returns people to the public coffers for job training and guidance?

Listen to Herman again:

"We will know if we have successfully implemented this legislation if in less than five years—more and more Americans seek access to the system's services." [8]

WIA is NOT just a program, it's a system,—a whole new way of doing business for the entire country. One system for everyone—just like STW.

INCREASED COSTS FOR BUSINESS OWNERS

Eventually the STW plan calls for ALL employees to be retrained to meet national certification levels. In his letter, Tucker tells Clinton that employers should pay a percentage of their total wages to cover the cost of retraining their employees. He also said if they didn't voluntarily support the plan the President could threaten to enact a higher percentage by law. [9]

This idea is moving ahead. A National Governor's report states: "...*training should not end upon employment.*" Strategies should explore "enhanced credential systems that help workers certify their skills." The report is talking about people who are already employed. In STW these certificates are mandated for children and called Certificates of Initial Mastery (CIMS) or skills certificates.

CUSTOMIZED JOB TRAINING

According to the Act, customized job training is: 1) "designed to meet special requirements of an employer or group", 2) "conducted with a commitment by employer to employ an individual", and 3) dependent upon employers who are willing "to pay for NOT LESS than 50% of the cost of training".

Sound good? But wait. That means the taxpayer will pay 50% of the employer's cost to train his/her own employees. This is nothing more than a blatant mandate that encumbers taxpayers into subsidizing big business. It won't be the small to medium businessman who will benefit from this "customized job training". What happens to businesses who do not support the new system? Will they find themselves levied or fined for not participating? Several years ago California introduced a bill [10] designed to levy an additional fine on all businesses that did not

State legislators should be outraged! Locally elected school boards should be outraged! Business owners should be outraged! Employees should be outraged! Are they? No. Why? Most of them haven't read the bill. They have no idea what it says or that it has any relation to School-to-Work. Yet this bill undermines the very foundation of America's Constitutional heritage.

register all available job openings within a seven day period of time. The reason? California businesses were not supporting the state's unemployment system to the satisfaction of one state legislator.

Don't be surprised if similar bills surface. In fact, Tucker's letter stated that in order for the STW plan to work:

"ALL available front-line jobs—whether public or private—MUST be listed in it by law."

The WIA was supposed to be an "adult only" job training bill. But is it? Numerous sections and rules regulate "youth activities", "youth opportunity grants", and "youth councils". These programs include children as young as 14. STW language is prevalent, and the Act specifies that all youth "programs to be linked more closely to local labor market needs".

Just like STW talks about training students to meet the needs of the community (not their own needs), this bill stresses that all education and training must be designed to meet the needs of the community and local businesses—not the individual.

School to Work requires partnerships between schools and businesses. The Workforce Development Boards mandated by WIA will predict jobs and determine what training is necessary to fill these jobs. Since the same business leaders who sit on Workforce Boards will also be the same businesses who join into partnerships with schools, it isn't hard to imagine that the people who will REALLY determine the career pathways at the local school house will be these powerful unelected Workforce Development Boards. And ultimately the futures of America's children will be shaped by businessmen charged with meeting the collective needs of the community as a whole.

We would be naïve to believe otherwise!

Since this plan is modeled in large part after Germany's workforce plan, we should look to Germany to see our future. 1) Germany's unemployment rate is 11.2%; nearly double that of the U.S. 2) Germany has some of the highest taxes in the industrialized world. And 3) Germany has an economic growth rate of only 0.5%. According to Germany's own economists, Germany is continuously perched on the precarious edge of total economic collapse at all times. This is what happens when government controls business and business controls education. And this is the model the U.S. Congress has put in place. Remember Sec. Herman's statement:

"The American economy is stronger

than it has been in a generation,..."

Americans should accept Secretary Herman's statement and ask her and members of Congress why they believe such drastic, systemic changes are necessary when the U.S. economy is so prosperous under its present system. Free enterprise works and works best with the least amount of government interference. Passage of this bill just carries the "systemic change" further into the lives of all Americans. The WIA completes the plan for massive, common data collection—the Labor Market Information System, (already in place in almost 40 states) and through the massive consolidation of departments and programs gives government unprecedented control over jobs, training, education, health and human services, transportation, even agriculture. This bill creates a powerful governing triumvirate of federal government, the governor and the members of the Workforce Development Boards with federal government in ultimate control.

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State legislators should be outraged! Locally elected school boards should be outraged! Business owners should be outraged! Employees should be outraged! Are they? No. Why? Most of them haven't read the bill. They have no idea what it says or that it has any relation to School to Work. Yet this bill undermines the very foundation of America's Constitutional heritage. It, and laws that promote more government intervention in early childhood development, (another area to watch) move us closer to the Clinton/Tucker "one system for all—cradle to grave" system.

Edmund Burke once said:

"Nobody makes a greater mistake than he who does nothing because he could do only a little."

Now is the time for Americans to voice their opposition to the systemic changes now mandated for this country. Every parent, grandparent, employer, employee and legislator who believes in a free market economy, limited government and a public education system devoted to the promotion of individual excellence should be dedicated to repealing the Workforce Investment Act and School to Work.

Footnotes:

1. White paper, Sec. of Labor Alexis Herman, (Aug. 8, '98)
2. Ibid
3. An 18 pg. letter written by Marc Tucker, president of the National Center for Education and the Economy, Nov. 11, 1992. At the time the letter was written Hillary Clinton was a sitting member of the board of trustees.
4. White paper, Sec. of Labor Alexis Herman, (Aug. 8, '98)
5. Ibid
6. Ibid
7. Ibid
8. Ibid
9. Tucker letter, pgs. 12, 13.
10. SB 901

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Workforce Investment Act of 1998 (P.L. 105-220)

Summary of Workforce Development Provisions

BILL STRUCTURE

Title I authorizes the new Workforce Investment System. Title II reauthorizes Adult Education and Literacy Programs. Title III contains amendments to the Wagner-Peyser Act, provides for linkages with other programs, and authorizes the Twenty-First Century Workforce Commission. Title IV contains amendments to the Rehabilitation Act. Title V contains General Provisions relating to the Act.

TITLE I—WORKFORCE INVESTMENT SYSTEMS

SUBTITLE A—Workforce Investment Definitions

Definitions

Contains the definitions used in title I of the Act.

SUBTITLE B—Statewide and Local Workforce Investment Systems

State Workforce Investment Boards and State Plans

States desiring grants for workforce investment programs are to establish state workforce investment boards to assist the Governor regarding a number of activities. The state board includes the Governor, two members of each chamber of the State legislature appointed by the presiding official of each chamber, and representatives appointed by the Governor. A majority of the board members are to be representatives of business. The remainder are to be representatives of chief local elected officials, labor organizations, individuals and organizations that have experience in the delivery of workforce investment activities and youth activities, and relevant state agency heads. The Governor may appoint other appropriate representatives.

The state board develops a 5-year strategic plan to be submitted to the Secretary of Labor, advises the Governor on developing the statewide workforce investment system and the statewide employment statistics (formerly labor market information) system, and assists the Governor in reporting to the Secretary of Labor and monitoring the statewide system. The comprehensive state plan developed by the board describes the workforce development activities to be undertaken in the state, how the state will implement the key requirements of the Act, and how special populations, including welfare recipients, veterans and individuals with multiple barriers to employment, will be served. The plan is also to incorporate the detailed state plans under the Wagner-Peyser Act relating to the

delivery of employment services. The state plan is to be approved within 90 days unless the Secretary determines that the plan is inconsistent with the provisions of the title or that the Wagner-Peyser plan does not meet the approval standard of that Act.

Local Workforce Investment Areas

The Governor designates local workforce investment areas in which workforce activities are to be administered locally, taking into consideration factors such as consistency with labor market areas. The Governor must approve a request for designation from units of general local government with a population of 500,000 or more. In addition, pursuant to their request, units of local government (or combinations of such units) with a population of 200,000 or more that were service delivery areas under JTPA are to receive temporary designation if they met JTPA performance measures during the preceding two years and had sustained fiscal integrity. If such areas substantially meet local performance measures for up to two subsequent years, the designation extends through the end of the state plan. The Act also grandfathered service delivery areas established under previously enacted state laws.

Local Workforce Investment Boards, Youth Councils, and Local Plans

Local workforce investment boards, in partnership with local elected officials, are responsible for planning and overseeing the local program. The local board is appointed by the local elected official and must have a majority of business representatives, and include representatives of education providers, labor organizations, community-based organizations (including those that serve the disabled and veterans), economic development agencies, and each of the one-stop partners (i.e., programs participating in the one-stop system). It may include other representatives the local elected official determines are appropriate. The Governor sets criteria for appointment of members and certifies the board. The board is responsible for developing the local plan to be submitted to the Governor for approval, designating local one-stop

operators, designating eligible providers of training services, negotiating local performance measures, and assisting in developing a statewide employment statistics system. The board is prohibited from directly providing training services unless the Governor waives the prohibition based on a determination that another entity is not available to meet local demand for such training. In addition, the board may not directly provide non-training services unless the local elected official and the Governor agree to allow the board to provide such services.

A youth council is to be established in each local area as a subgroup of the local partnership. The youth council is appointed by the local board and is comprised of members of the local board, and representatives of youth service agencies, local public housing authorities, parents of youth seeking assistance, youths, the Job Corps, and others deemed appropriate. The youth council develops portions of the local plan relating to youth, recommends the providers of youth activities to be awarded grants by the local board, and coordinates youth activities in the local area.

Establishment of One-Stop Delivery Systems

Each local area is to establish a one-stop delivery system through which core employment-related services are provided and through which access is provided to other employment and training services funded under this title and other Federal programs. The access to services must be provided through not less than one physical one-stop center in each local area, which may be supplemented by networks of affiliated sites. The programs providing services through the one-stop system are referred to as one-stop partners.

The local board, with the agreement of the local elected official, develops and enters into a memorandum of understanding with one-stop partners, designates one-stop service center operators and conducts oversight of the partners and centers. "Designated" one-stop partners are programs that must provide core services through the one-stop, and include programs authorized under: this title; the Wagner-Peyser Act; the Adult Education and Literacy title of this Act; the Vocational Rehabilitation Act; the Welfare-to-Work grants; title V of the Older Americans Act; postsecondary vocational education under the Perkins Act; Trade Adjustment Assistance; veterans employment services under chapter 41 of title 38, U.S.C.; unemployment compensation laws; Community Service Block Grants; and employment and training activities carried out by the Department of Housing and Urban Development. Additional programs also

may be partners in the one-stop center with the approval of the local board and local elected official. The partners and local boards, subject to the approval of the chief elected official, enter into a written memorandum of understanding describing the services to be provided, how the costs of the services and operating costs of the system will be funded, methods for referral of individuals between the one-stop operators and partners for appropriate services and activities, and other matters deemed appropriate.

The local board, with the agreement of the chief elected official, selects the operator of a one-stop center through a competitive process or may designate a consortium of not less than three one-stop partners to operate a center. The operators may be a public or private entity, or a consortium of such entities, including postsecondary educational institutions, the Employment Service authorized under the Wagner-Peyser Act, private for-profit or non-profit entities, government agencies, one-stop partners, or other organizations. In addition, the bill contains a grandfathering provision that allows the Governor, local elected official, and local board to continue to designate any one-stop operator that was designated as an operator under a one-stop system established prior to the enactment of this title.

Eligible Training Providers

The bill establishes requirements that a provider of a training program must meet in order to be eligible to receive adult or dislocated worker funds under this title. There are two sets of requirements—the first set relating to a provider initially becoming eligible and the second set relating to a provider maintaining subsequent eligibility.

With respect to requirements for initial eligibility, a training provider that is a postsecondary education institution certified under the Higher Education Act and provides a program leading to a two or four-year degree or certificate, or that is an entity that carries out an apprenticeship program registered under the National Apprenticeship Act, is automatically eligible to receive funds if they file an appropriate application with the local board. Providers of programs not meeting either of those two conditions must satisfy alternative procedures that are established by the Governor for initial eligibility. That procedure is to include appropriate levels of performance if the provider previously provided training services and other appropriate criteria. Subsequent to the initial eligibility period, which will generally not exceed one year, all providers (including those that were automatically eligible) must meet performance criteria established by the Governor to maintain eligibility.

The performance criteria are to include levels of performance for all individuals participating in the provider's program relating to: the rate of completion; the percentage of all such individuals who obtain unsubsidized employment (which also may include the percentage of those who obtained such employment in

occupations related to the program); and the wages at placement of such individuals. The criteria also are to include levels of performance relating only to participants receiving assistance under this title who participated in the provider's program. These criteria include the percentage of those participants who completed the program and obtained unsubsidized employment, the retention rate in such employment and the wage rate of those participants who completed the applicable program 6 months after employment; and the rates of licensure or certification as appropriate of those who completed. Each provider also must submit information relating to the costs of the program. The local board may modify the performance criteria for programs of providers in the local area by increasing the levels of performance above the minimum levels established by the Governor.

The performance information for each eligible program of a provider relating to these criteria are to be provided annually to the local board. Governors or local boards may require providers to submit other additional program-specific information, and if such requests impose extraordinary costs on providers, the governor or local board shall provide access to cost effective methods of collecting the information or the Governor shall provide additional resources to help collect such information. The local board or Governor also may accept performance information consistent with the requirements of the Higher Education Act to fulfill these requirements. On-the-job training (OJT) and customized training are not subject to these requirements; however, the Governor may require these providers to provide performance information to the one-stop operator and may establish performance criteria relating to such providers.

The local boards are to place all initially eligible applicants on a list and retain on the list providers that are determined subsequently eligible, accompanied by each provider's program performance and cost information. The local board submits the list to the state and if the state agency determines within 30 days that the provider does not meet the criteria, the state is to remove the provider from the list. At the end of the 30-day period, the provider is eligible to receive funds. The state distributes a single list of providers identified from all local areas, making it available through the One-Stop system. A participant may select any eligible program in the state if all other criteria relating to eligibility for training services are met. States may enter into reciprocal agreements to allow eligible providers of training in one state to accept Individual Training Accounts provided in another state.

Allocation of Funds

There are three funding streams to the states and localities: adults, dislocated workers, and youth. Eighty-five percent of adult and youth funds are allocated to local areas, with the remainder reserved for statewide activities. Funds in excess of \$1 billion that are appropriated for youth (up to \$250 million) are to be used by the

Secretary for Youth Opportunity grants. Of the amounts appropriated for dislocated workers, 20 percent is to be reserved for the Secretary to carry out National Emergency Grants and dislocated worker demonstrations and technical assistance. Of the remainder, 60 percent of dislocated worker funds are allocated to local areas, with 15 percent reserved for statewide activities and 25 percent reserved for state rapid response activities. State and substate formulas under each of the funding streams are similar to current law. However, the minimum amount (known as the small state minimum) a state may receive would be increased under the adult and youth formulas if appropriations exceed the amount allocated to states in fiscal year 1998. Also, a 100% hold harmless has been added to the adult and youth formulas to ensure that no state would receive less than its fiscal year 1998 allocation. In addition, within states, there would be no local hold harmless for the first two years. Additional flexibility would be provided so that the state may adjust up to 30% of the adult and youth substate formulas by incorporating additional factors relating to excess poverty and excess unemployment. There is a separate authorization for national activities.

Youth Services

Eligible youth must be ages 14 through 21, low-income, and have one or more of the following conditions: deficient in basic literacy skills; a school dropout; homeless, runaway, or foster child; pregnant or a parent; an offender; or require additional assistance to complete an educational program or to secure and hold employment. At minimum, 30 percent of the local funds must be used to provide activities to out-of-school youth, with an exception for small states that meet certain conditions. Not more than 5 percent of youth participants in a local area may be individuals who do not meet the minimum income criteria if they experience one or more specified barriers to school completion or employment.

Youth programs are to include an objective assessment of each youth's skill levels and service needs, a service strategy, preparation for postsecondary educational opportunities or unsubsidized employment (as appropriate), strong linkages between academic and occupational learning, and effective connections to intermediaries with strong links to the job market and employers. The other required elements of youth programs include: tutoring, study skills training and instruction leading to completion of secondary school, including dropout prevention; alternative school services; adult mentoring; paid and unpaid work experiences, including internships and job shadowing; occupational skills training; leadership development opportunities; supportive services; follow-up services for not less than 12 months as appropriate; and comprehensive guidance and counseling. In addition, each program must provide summer employment opportunities that are directly linked to academic and occupational learning, but unlike current

law, no separate appropriation is authorized for the summer jobs program.

Adult and Dislocated Worker Services

Funds allocated to local areas under the adult and dislocated worker funding streams are to be used at the local level to provide core services through the one-stop system, as well as to provide intensive and training services for program participants. Core services include: job search and placement assistance, including career counseling; labor market information identifying job vacancies, skills necessary for occupations in demand, and relevant employment trends in the local, regional and national economies; initial assessment of skills and needs; provision of information on available services and programs; and follow-up services to assist in job retention. Core services funded by the adult stream would be available on a universal basis with no eligibility requirement. Funds for dislocated workers would be used exclusively for services to such workers. These funds would be supplemented by resources from the one-stop partners to provide core services consistent with the laws governing such partners and the one-stop memorandum of understanding.

Adult and dislocated worker funds under this title also are to be used to provide intensive services to unemployed workers who are unable to obtain employment through the core services and to employed workers who are determined to need additional assistance to obtain or retain employment. Intensive services include comprehensive assessments, development of individual employment plans, group and individual counseling, case management and short-term prevocational services.

Training services may be provided to individuals who met the eligibility requirements for intensive services but have been unable to obtain or retain employment through such services, have the skills and qualifications to successfully participate in a selected program, select programs that are directly linked to employment opportunities in the local area, and are unable to obtain other grant assistance, including Pell grants, or need assistance above the levels provided by such other grants. Authorized training includes occupational skills training, on-the-job training, entrepreneurial training, skill upgrading, job readiness training, and adult education and literacy activities in conjunction with other training. If adult funds are limited in a local area, priority for intensive and training services must be given to recipients of public assistance and other low-income individuals.

The bill requires (with three exceptions) that training be provided through the use of Individual Training Accounts (ITAs), through which a participant chooses among eligible providers. Specifically, the one-stop system is to provide participants with the list of eligible providers and related performance information. The participant then is to choose the program that best meets the participant's needs, with payment arranged through the ITAs. Training may be pro-

vided through a contract for services in lieu of an ITA for: on-the-job training and customized training; where there are an insufficient number of providers to meet the competitive purposes of ITAs; and for programs offered by community-based organizations or other private agencies that serve special participant populations that face multiple barriers to employment.

Statewide Activities

The state may reserve up to 15 percent of the funds under each funding stream to carry out statewide workforce investment activities. The bill allows the state to merge these funds to carry out such activities, so that funds received from one funding stream (e.g., adults) may be used to carry out activities authorized under another stream (e.g., youth). Not more than 5 percent of the funds from each funding stream (i.e., one-third of the 15 percent reserve) may be used for administrative activities. The Act requires the funds to be used to carry out activities relating to disseminating the list of eligible training providers, conducting evaluations, providing incentive grants to local areas for coordination and performance, providing technical assistance to poor performing areas, and to support one-stop and management information system activities. In addition, the state may use the funds for implementation of incumbent worker programs, programs in high poverty areas, innovative programs relating to nontraditional employment and displaced homemakers, capacity building, research, and other assistance to local areas. The state also is to reserve 25 percent of the dislocated worker funds to provide rapid response services to workers affected by plant closings and other dislocations. This may include the provision of supplemental assistance to local areas.

Accountability

The bill establishes a performance accountability system to assess the effectiveness of state and local areas in continuously improving workforce investment activities and to "optimize" the return on the investment of Federal taxpayer dollars in such activities. The bill specifies core indicators of performance that will apply to the workforce investment program administered by states and local areas, including rates of entry into unsubsidized employment by participants, retention in such employment and earnings 6 months after entry, and skill educational attainment documented through a recognized credential for those who enter unsubsidized employment. These indicators do not apply to participants who receive only self-service and information activities. They do apply separately to dislocated workers and adults. There also are different indicators for youth. The indicators for older youth ages 19-21 generally track with those for dislocated workers and adults, but add the attainment of a recognized credential such as a high school diploma or its equivalent for those who enter postsecondary education or advanced training, as well as unsubsidized employment. The indicators for youth ages 14 - 18 include rates of

basic skills and work readiness or occupational skills attainment; attainment of high school diplomas or the equivalent; and placement and retention in postsecondary education, advanced occupational training, apprenticeships, the military, or employment. Measures of customer satisfaction with services received also will be established for participants and for employers. States have the flexibility to add other measures of performance. To assure comparability of performance information, the Secretary, after broad consultation, is to define performance-related terms.

The expected level of performance for each of the core indicators and the customer satisfaction indicator for the first three years of the state plan will be negotiated by the Secretary of Labor with each Governor, and each Governor with local areas (the boards and chief elected officials), respectively. Negotiations are to take into account special economic and demographic factors and levels agreed to will be incorporated into the state and local plans prior to approval. The Secretary and each Governor will renegotiate levels of performance for the indicators for the fourth and fifth years of the state plan. Failure to meet expected levels of performance will lead to sanctions, and exceeding expected levels would lead to receipt of incentive funds.

States are to prepare and submit to the Secretary annual reports on progress in achieving state and local area performance measures. Among the information to be included in the report is the performance resulting from serving recipients of public assistance, out of school youth, veterans, individuals with disabilities, displaced homemakers, and older individuals. The Secretary will disseminate this information to the general public and Congress, including state-by-state comparisons. The bill also requires states to conduct evaluation studies of workforce investment activities, coordinating with evaluations carried out by the Secretary.

The Governor also is to establish a fiscal and management accountability information system in the state, based on guidelines issued by the Secretary, to monitor and report on activities carried out under this title. The state also is to use wage records, consistent with state law, to assist in measuring performance of participants, e.g., to verify employment and earnings.

Authorization of Appropriations

The bill authorizes such sums as may be necessary for adult employment and training activities, dislocated worker employment and training activities, and youth employment and training activities for each of fiscal years 1999-2003.

SUBTITLE C—Job Corps

Job Corps is retained as a separate national program. Job Corps provisions are amended to strengthen linkages between Job Corps centers and the state workforce development systems and the local communities in which they are located (e.g., each Job Corps center must establish an Industry Council to recommend appropriate vocational training for the center to meet

local labor market needs). Applicants would be assigned to centers nearest to where they reside, with certain exceptions. Job Corps center performance indicators and expected levels of performance would be established for graduation, placement, retention, earnings, entry into postsecondary education or advanced training, and skill gains of graduates, and students would be provided with follow-up counseling for up to 12 months after graduation. The bill also codifies current administrative practices relating to a zero tolerance policy on the use of drugs or violence committed by an enrollee.

SUBTITLE D—National Programs

Native American Programs

Grants to support employment and training activities for Indian, Alaska Native, and Native Hawaiian individuals are authorized in order: (1) to develop more fully the academic, occupational, and literacy skills of such individuals; (2) to make such individuals more competitive in the workforce; and (3) to promote the economic and social development of Indian, Alaska Native, and Native Hawaiian communities in accordance with the goals and values of such communities. Provisions are similar to current law. The Native American Employment and Training Council is retained to provide the Secretary with advice on program operations and administration. In addition, authority is added that allows the Secretary to waive statutory or regulatory requirements of this program (other than labor standards) pursuant to a request from a grantee.

Migrant and Seasonal Farmworker Programs

Similar to current law, grants to support migrant and seasonal farmworkers and their dependents are authorized to: (1) strengthen the ability of the eligible individuals to obtain or retain unsubsidized employment or stabilize their unsubsidized employment; and (2) provide supportive services and related assistance. The bill adds specific eligibility criteria for migrant and seasonal farmworkers.

Veterans' Workforce Investment Programs

The bill retains the current law veterans' employment program and expands the eligibility for the program to include, in addition to veterans with service-connected disabilities and recently separated veterans, veterans who have significant barriers to employment and veterans who served on active duty in the armed forces during a war or in which a campaign badge has been authorized.

Youth Opportunity Grants

The bill authorizes Youth Opportunity Area grants, reserving amounts appropriated for youth in excess of \$1 billion (up to \$250 million) in each fiscal year to increase the long-term employment of youth ages 14 through 21 who live in high poverty areas. The Secretary may award grants for up to five years to successful applicants, including local boards serving communities that are Empowerment Zones/Enterprise Communities, or other high poverty areas des-

ignated by the States, or high poverty areas located on Indian reservations or serving Oklahoma Indians or Alaska Native villages or Native groups. To be eligible, a local board or entity must submit an application to the Secretary containing such information as the Secretary may require, including a description of activities that will be provided to youth in the target community, performance measures, linkages to other activities, and community support, including financial support. The funds provided are to be used for the youth activities required under the formula program, and youth development activities such as leadership development, community service, and recreation activities. In addition, the program is to provide intensive placement services and follow-up services for not less than 24 months after a youth has completed participation in other activities.

Technical Assistance

The bill authorizes the Secretary to provide, coordinate and support the development of appropriate technical assistance, staff development, and other activities, including assistance in replicating programs of demonstrated effectiveness. The Secretary is also authorized to assist states in making transitions from carrying out activities under the provisions of law repealed by this title to carrying out activities under this title. Awards to entities other than states or local units of government in excess of \$100,000 must be awarded on a competitive basis.

In addition, the Secretary may use not more than 5 percent of the dislocated worker funds reserved at the national level to provide technical assistance to states that do not meet the state performance standards for dislocated workers. These funds may also be used to provide assistance to states, localities and other entities involved in providing assistance to dislocated workers, to promote the continuous improvement of assistance provided to dislocated workers.

Demonstration, Pilot, Multiservice, Research and Multistate Projects

The Secretary is required to publish a plan, every 2 years, in the Federal Register that describes the demonstration and pilot, multiservice, research, and multistate project priorities of the Department of Labor. This plan is to cover the 5-year period following the submission of the plan.

Demonstration and Pilot Projects. The Secretary is required to carry out demonstration and pilot projects for the purpose of developing and implementing techniques and approaches, and demonstrating the effectiveness of specialized methods, in addressing employment and training needs. Demonstration and pilot projects are only to be awarded on a competitive basis, except that a noncompetitive award may be made in the case of a project that is funded jointly with other public or private sector entities that provide a portion of the funding for the project.

Multiservice Projects, Research Projects, and Multistate Projects. The Secretary is required to

award grants or contracts to carry out multiservice, research and multistate projects. Awards over \$100,000 must be made on a competitive basis. However, a noncompetitive award may be made in the case of a project that is funded jointly with other public or private sector entities that provide a substantial portion of assistance for the project. The Secretary is required to utilize a peer review process to review and evaluate all grants in amounts that exceed \$500,000.

Dislocated Worker Projects. The Secretary is to use not more than 10 percent of dislocated worker funds reserved at the national level to carry out demonstration and pilot projects, multiservice projects, and multistate projects, relating to the employment and training needs of dislocated workers.

Evaluations

The Secretary is required to provide for continuing evaluation of the programs and activities authorized under this title in order to improve the management and effectiveness of such programs. The Secretary is authorized to conduct evaluations of other federally funded employment-related programs and activities under other provisions of law.

National Emergency Grants

The Secretary is authorized to award national emergency grants: (1) to provide employment and training assistance to workers affected by major economic dislocations; (2) to provide assistance to the Governor of any state within the boundaries of which is an area that has suffered an emergency or major disaster; and (3) to provide additional assistance to a state or local board for eligible dislocated workers in a case in which the State or local board has expended the funds provided for National Emergency Grants and can demonstrate the need for additional funds to provide appropriate services for such workers. Participant eligibility for employment and training assistance includes dislocated workers and certain civilian Department of Defense employees affected by downsizing and certain recently separated members of the armed forces. Participant eligibility for disaster relief includes in addition to dislocated workers, the long-term unemployed and individuals temporarily or permanently unemployed as a consequence of the disaster.

Authorization of Appropriations

The bill earmarks specific funding levels for incentive grants, technical assistance, demonstration, pilot, multiservice, research, multistate projects and evaluations.

SUBTITLE E —Administration

Requirements and Restrictions

The bill contains provisions similar to current law relating to wages to be paid to participants; labor standards, including protections against displacement of employed workers; grievance procedures; prohibition on the use of funds to encourage employer relocation; and limitation of use of funds for

activities such as economic development. The bill also authorizes a state to use state administrative funds to carry out drug testing of participants, and allows the state to sanction participants who test positive for drug use.

Miscellaneous Administrative Provisions

The bill also includes provisions similar to current law with respect to the requirements for prompt allocation of funds and monitoring of the programs by the Secretary. In a change from current law, the bill applies the OMB circulars to the administration of funds under the title, including the circulars relating to cost principles and administrative requirements. The bill also includes provisions similar to current law with respect to sanctions for misuse of funds (although it changes current law by allowing states to deduct local administrative funds to pay for certain disallowed costs). The provisions relating to reporting, recordkeeping, administrative adjudication, and judicial review also are similar to current law. In addition, the bill incorporates nondiscrimination provisions that are similar to current law. The bill also provides that the Secretary may prescribe rules and regulations to carry out this title only to the extent necessary to administer and ensure compliance with the requirements of this title. The bill retains the program year cycle for funding (July 1 - June 30), but allows funds to be made available April 1 for youth activities including summer jobs. The bill allows states to expend funds during the year of obligation and two succeeding program years, but unlike current law, limits the expenditure period for local areas to the year of obligation and the succeeding program year.

Waivers

The bill provides authority for the Secretary (currently contained in appropriations law) to waive statutory or regulatory requirements of the adult and youth training provisions of the Act and the Wagner-Peyser Act, with exceptions for labor standards, nondiscrimination and related provisions. It clarifies that waivers previously granted to states may continue to be in effect under this Act for the duration of the waiver.

Work-Flex

Eligibility for "Work-Flex (currently authorized for six States by appropriations law) is expanded to all states. Pursuant to an approved plan, Governors would be granted authority to approve requests for waivers of statutory or regulatory provisions of title I submitted by their local workforce areas (except for labor standards and certain other provisions). Work-Flex states also would be authorized to waive sections 8-10 of the Wagner-Peyser Act and provisions of the Senior Community Service Employment Program.

Continuation of State Activities and Policies

Allows state law provisions, enacted prior to December 31, 1997, relating to designation of service areas, and sanctioning of local areas for poor performance that are inconsistent with title I requirements to continue in effect for the 5-year

authorization period. In addition, all states and localities may retain their existing state councils and local boards created under JTPA if they substantially meet the requirements of this Act.

SUBTITLE F—Repeals and Conforming Amendments

Repeals the Job Training Partnership Act effective July 1, 2000. The Secretary of Labor must submit to Congress within 6 months after enactment, proposed technical and conforming amendments.

TITLE II—ADULT EDUCATION AND LITERACY

Title II reauthorizes Adult Education and Literacy programs for Fiscal Years 1999-2003.

TITLE III—WORKFORCE INVESTMENT-RELATED ACTIVITIES

A separate authorization and funding stream are retained for the Wagner-Peyser Act (Employment Service). The bill amends the Wagner-Peyser Act to require that public labor exchange activities be part of the one-stop system. The Wagner-Peyser plan is integrated into the state workforce development plan. The Wagner-Peyser amendments are effective July 1, 1999.

A national employment statistics system is established, which is to be planned, administered, overseen, and evaluated through a cooperative governance structure involving the Department of Labor and the states. The Secretary, through the Bureau of Labor Statistics, and in cooperation with the states, is to prepare an annual plan to manage the nationwide system.

Linkages are established between the Workforce Investment Act programs and the Trade Adjustment Assistance (TAA) and NAFTA-TAA programs, veterans' employment programs, and the Senior Community Service Employment Program through conforming amendments to those programs.

A "Twenty-First Century Workforce Commission" would be established to study matters relating to the information technology workforce in the United States. Composed of 15 members, the Commission is required to submit to the President and Congress their report within 6 months of their first meeting and would be terminated within 90 days after submitting their report.

TITLE IV—REHABILITATION ACT AMENDMENTS

Title VI reauthorizes Rehabilitation Act programs through Fiscal Year 2003, and contains a number of provisions linking these programs to workforce development systems.

TITLE V—GENERAL PROVISIONS

State Unified Plan

The bill permits and encourages the submission of "unified" state plans to ensure coordination of, and avoid duplication between, workforce development activities. The plan continues to be subject to the requirements of the plan or application under the Federal statute authorizing the program. Fifteen programs are specified that may be included, including programs authorized under this Act, the Wagner-Peyser Act, the Food Stamp Act, etc. Plans are approved unless the appropriate Secretary indicates within 90 days of receipt that the plan is not consistent with the requirements of the Federal statute authorizing the activity. The state legislature must approve the inclusion of secondary vocational education in the unified plan.

Incentive Grants

Beginning on July 1, 2000, the Secretary is required to award an incentive grant to each state that exceeds the state adjusted levels of performance for each of three programs: workforce investment, adult education, and vocational education -- and submits an application for funds. The funds are to be used by the state for carrying out an innovative program consistent with the requirements relating to any one or more of the three programs. The Secretary may review an application for an incentive grant only to ensure that the application contains the following assurances: (1) the legislature of the state was consulted with respect to the development of the application; (2) the application was approved by the Governor, the eligible agency for adult education, and the state agency responsible for vocational education, and (3) the state and eligible agencies, as appropriate, exceeded the adjusted performance levels. An incentive grant provided to a state shall be awarded in an amount that is not less than \$750,000 and not more than \$3,000,000. If the amount available for grants under this section for a fiscal year is insufficient to award a grant to each state or eligible agency that is eligible for a grant, the Secretary shall reduce the minimum and maximum grant amount by a uniform percentage.

Transition Provisions

The Secretary of Labor and the Secretary of Education are each authorized to take such actions as they determine to be appropriate to provide for orderly transition to the new programs under their purview.

Effective Date in General

The Act is effective on the date of enactment, except as otherwise provided in the Act. (Later specific effective dates and repeals are described earlier in this summary).

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