

CONFIRMATION BRIEFING BOOK MATERIALS

PROPOSED BRIEFING SCHEDULE FOR SECRETARY-DESIGNATE HERMAN

DATE	AGENCY/ISSUE/TIME
Tuesday, January 7	* PWBA(Health/Pensions) (10:00-11:45) * <i>PBGC (11:45-12:00)</i> * ETA (Job Training; Welfare; Welfare-to-Work) (2:00-4:00)
Wednesday, January 8	* ETA (UI; Immigration) (10:00-12:00) * BLS (Economic Statistics; CPI) (2:00-2:45) * CHECO (Social Security) (2:45-3:00) * <i>CHECO (3:00 - 3:15)</i> * <i>Policy (3:15-3:30)</i> * <i>OCIA (3:30-3:45)</i> * <i>Women's Bureau (3:45-4:00)</i>
Thursday, January 9	* Wage & Hour (Labor Standards) (10:00-11:45) * <i>OFCCP (11:45-12:00)</i> * Labor Law Issues (2:00-3:30) * <i>ILAB (3:30-3:45)</i> * <i>SOL (3:45-4:00)</i>
Friday, January 10	* OSHA (Occupational Safety and Health) (10:00-12:00) * <i>MSHA (2:00-2:15)</i> * <i>Counselor (2:15-2:30)</i> * <i>ASAM (2:30-2:45)</i> * <i>CFO (2:45-3:00)</i> * <i>VETS (3:00-3:15)</i> * <i>Public Affairs (3:15-3:30)</i> * follow-up (3:30-4:00)

NOTE:

Primary Briefing Materials

Italic - transition book (#1)

Bold print - confirmation book (#2)

U.S. DEPARTMENT OF LABOR

DEPUTY SECRETARY OF LABOR

WASHINGTON, D.C.

20210

protocol PT

LABOR
- Briefing Book

January 6, 1997

NOTE TO TODD STEARN

FROM CYNTHIA METZLER

REGARDING UPDATED BRIEFING MATERIALS

Enclosed are two (2) sets of updated confirmation materials. This set:

- ▶ updates and clarifies the Member profiles
- ▶ adds additional material to the Employment and Training section
- ▶ slightly revises the Health Care Commission, Health Care for the Unemployed and the Audit sections of the Pensions and Health Care section
- ▶ adds material for the remaining issues.
- ▶ includes the proposed schedule.

The beginning of each tab has a list of the issues covered under that tab. Also at the beginning of each section we repeated the initial page from the "transition" book for context.

Based on my conversation with Lee today, we are ready to start tomorrow morning with Health Care and Pensions and then commence the Employment and Training issues in the afternoon. Based on our conversation we have included all of the agencies for limited briefings. Each briefing will have no more than 3 people--two from the involved agency and one person from Congressional Affairs.

We need to discuss whether you still want Jennifer or anyone from the Department to sit in all the sessions. I look forward to speaking with you at your convenience.

Potential questions and proposed answers are being prepared.

DEPARTMENT OF LABOR TRANSITION BRIEFING

This briefing book is an internal, confidential communication designed to assist the Secretary-designate in assuming her responsibilities in the Department of Labor. It contains materials that would not otherwise be disclosed to the public under the Freedom of Information and Privacy Acts. Release of these materials could significantly impede the transition process in the Department. Consequently, the contents of this book are labeled "~~Confidential~~" and no additional copies should be made except those needed to assist the incoming Secretary.

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Divider Title: **Introductory Memorandum**

INTRODUCTION

This confirmation briefing book is designed to provide basic information on the key Department of Labor (DOL) issues of interest to the Labor and Human Resources Committee who will conduct the confirmation hearings. The initial transition book provided an overview of the mission and a general review of themes, initiatives and issues which make up the work of the Department. This set of fact sheets focusses on issues of congressional concern, and provides the next level of detail for purposes of preparation for the hearings. These will serve as the background information for staff briefings which will begin Tuesday, January 7.

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Divider Title: **Member Profiles**

MEMBER PROFILES OUTLINE

DRAFT

SENATE LABOR AND HUMAN RESOURCES COMMITTEE

JIM JEFFORDS (VT)
DAN COATS (IN)
JUDD GREGG (NH)
BILL FRIST(TN)
MIKE DEWINE (OH)
MIKE ENZI (WY)*
TIM HUTCHINSON (AR)*
SUE COLLINS (ME)*
JOHN WARNER (VA)*
MITCH MCCONNELL (KY)*

TED KENNEDY (MA)
CHRIS DODD (CT)
TOM HARKIN (IA)
BARBARA MIKULSKI (MD)
JEFF BINGAMAN (NM)*
PAUL WELLSTONE (MN)
PATTY MURRAY (WA)*
JACK REED (RI)*

*new committee member

Note: Included are Labor and Human Resources Committee profiles. This is a rolling document which will be updated to reflect additional staff and Member input over the next few weeks. We will also be developing similar profiles for the Senate leadership.

Where possible, interest group ratings are included for each Member. The ratings are provided by Americans for Democratic Action (ADA) founded in 1947 by liberal Democrats; the AFL-CIO; the Chamber of Commerce (CCUS); and the American Conservative Union (ACU). Except as otherwise noted, the ratings listed are for 1994 -- the last year available.

KEY VOTE INDEX :

o Welfare Reform - final passage of Welfare Reform. Administration supported the bill on final passage.

o Bond Amendment - Senate amendment to the minimum wage bill which would have denied a minimum wage increase to 10.5 million workers in smaller businesses and create a permanent 180 subminimum wage for workers starting a new job regardless of age. Administration opposed the amendment.

o Goodling Amendment - House amendment to the minimum wage bill which would have exempted businesses under \$500,000 annual gross, approximately 10.5 million workers, from the Fair Labor Standards Act. Administration opposed the amendment.

o Job Corps - An amendment to maintain a national Job Corps program. Administration supported the amendment.

o TAA (Trade Adjustment Assistance) - An amendment to maintain trade adjustment assistance as a national program, as opposed to block granting the program as favored by Kassebaum. Administration supported the amendment.

o Right to Work - A bill to repeal those provisions of federal law that require employees to pay union dues or fees as a condition of employment. Administration opposed the bill.

o TEAM Act - A bill to amend the National Relations Labor Act relative to cooperative efforts and labor/management relations. Administration opposed the bill.

o Compensatory Time - A bill to amend the Fair labor Standards Act to provide compensatory time for all employees. Administration opposed the bill.

o Portal to Portal - A bill to amend compensatory time provisions relating to the payment of wages to employees who use employer owned vehicles. Administration opposed the bill.

o CAREERS - A bill to provide consolidated workforce development and literacy programs, and for other purposes. Administration supported the bill.

o ETI - A bill to place restrictions on the promotion by the Department of Labor and other federal agencies and instrumentalities of economically targeted investments in connection with employee benefit plans. Administration opposed the bill.

MAJORITY MEMBERS

JIM JEFFORDS (VT) (CHAIRMAN-FULL COMMITTEE)



513 Hart Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources (Chairman); Finance; Veterans
Affairs; Aging
PH: 224-5141
FAX: 228-0338

Biographical Information:

Born: 5/11/34, Rutland, Vermont
Home: Shrewsbury, Vermont
Education: Yale, B.S.I.A. 1956; Harvard LLB. 1962
Profession: Attorney
Political Career: VT Senate 1967-1969; VT Attorney General 1969-1973; U.S. House of
Representatives 1975-1989.
Religion: Congregationalist
Marital Status: Married (Elizabeth Daley); two children.
First Elected: 1988
Reelection Year: 2000

Senator Jeffords has championed education issues both on the authorizing committee, and as a member of the Appropriations Committee. He will leave the Appropriations Committee in the 105th Congress to become a member of the Finance Committee. Senator Jeffords will not assume a subcommittee chairmanship in L&HR, but will hold education and health care reform issues at the full committee level. Jeffords served as the ranking member on the Labor Committee in the House.

Employment and Training:

- o While in the House helped create the Job Training Partnership Act (JTPA).
- o Criticized Senator Kassebaum's staff for resorting to partisanship in the handling of the CAREERS/Workforce Development Conference. Has expressed his intention to take a more bipartisan approach to job training consolidation legislation.
- o Strong supporter of One-Stop and School To Work (STW). Vermont has now received a grant from DOL to implement both programs throughout the state.

- o Supported major increases in education spending as Member of Appropriations Committee; however did not include training programs in his definition of education.
- o Has advocated a "small state minimum" in education and training formula debates.

Labor Law/Regulatory issues:

- o Compensatory time (on which Senator Jeffords favors more action) and TEAM Act (on which he spoke ardently on the floor in favor of) are likely to receive attention early in the 105th.
- o Supported the President's position on minimum wage.
- o Supported Kassebaum OSHA reform bill (which DOL opposed) in 104th Congress.
- o Cosponsored Administration's pension audit bill in 104th Congress.
- o Introduced legislation to create an independent commission to examine national retirement income security (pension) issues.
- o Interested in finding ways to help small businesses obtain health care coverage for workers. He expressed interest in exploring Cong. Fawell's proposal to federalize Multiple Employer Welfare arrangements (MEWAs), which was opposed by DOL in the last Congress.
- o Voted in favor of a Kennedy amendment to the Budget Resolution which declared that there would be no budget saving from any repeal of Davis Bacon.

Other:

- o Only Republican member to cosponsor the Clinton health care bill.
- o Likely to examine health care quality issues relating to HMOs early in new Congress; disinclined to support continuing incremental reforms in health care quality in favor of more comprehensive reform.
- o Finance Committee Chairman Roth(R-DE) has indicated that he would like to get Secretary-designate on the record on the subject of the CPI revision and is likely to ask Senator Jeffords to pose questions in this area.
- o One of the most supportive of the Committee members on Labor Department positions on key budget votes during the 104th Congress. He supported the Domenici amendment to increase the FY 1997 Budget Resolution spending for domestic programs and the Specter/Harkin amendment in March 1996 to add \$1.2 billion for

education and job training in the FY 1996 appropriation, he voted against the Breaux/Chafee balanced budget amendment that would have, among other things, saved substantial amounts through a CPI adjustment. The only major budget vote contrary to the Administration's position was on the Balanced Budget Constitutional Amendment, which in June

- o The only member of the Committee of either party who is a member of the Senate Centrist Coalition that has worked to craft a bipartisan 7-year balanced budget agreement. The proposal had less reduction in discretionary spending than the President's proposal, and placed special emphasis on investments in education (which Jeffords fought for) and the environment. The proposal was rejected by the Senate in May 1996 (46-53), but the group plans to offer a similar proposal this year.
- o Maintains good working relationships with Vermont Governor Howard Dean(D), Chair of the Democratic Governors Association, and Governor Roy Romer (D) of Colorado with whom Jeffords serves on GOALS 2000 Board.
- o The Secretary spoke with Senator Jeffords in the past year regarding the minimum wage (which Jeffords voted to raise), the pension audit bill, PWBA's pension education campaign, and regulatory reform legislation.

Key Votes:

Welfare Reform - Y
Bond - N
TEAM Act - Y

TAA - N
Job Corps -N
Right to Work - N

Interest Group Ratings:

ADA
85

AFL-CIO
50

CCUS
55

ACU
12



DAN COATS (IN)

404 Russell Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources; Armed Services
PH: 224-5623
FAX: 228-4137

Biographical Information:

Born:	5/16/43; Jackson, Michigan
Home:	Fort Wayne, Indiana
Education:	Wheaton College, B.A. 1965; Indiana Univ. J.D. 1971
Profession:	Attorney
Political Career:	U.S. House of Representatives 1981-1988
Religion:	Presbyterian
Marital Status:	Married (Marcia Anne Crawford); three children.
First Elected:	1990 (Appointed to Senate January, 1989)
Reelection Year:	1998

Senator Coats, who will continue to chair the Children and Families Subcommittee, has announced his retirement after the 105th Congress. He has a long history in work and family issues, advocating a families agenda based on tax cuts and vouchers. In the House, Coats served as the ranking minority member on the House Select Committee on Children, Youth and Families.

Employment and Training:

- o Strongly supported Senator Kassebaum in her efforts to block grant job training consolidation legislation, despite theoretical support for vouchers.

Labor Law/Regulatory issues:

- o Coats is likely to follow party line on regulatory issues, particularly relating to OSHA.
- o Supported Family and Medical Leave Act (FMLA). However, did conduct a hearing in 104th Congress to review effectiveness of impact of FMLA; likely to continue to conduct oversight on the implementation of the law.

- o Voted in favor of a Kennedy amendment to the Budget Resolution which declared that there would be no budget saving from any repeal of Davis Bacon.

Budget/Appropriations:

- o Was the least supportive of the Committee members on Labor Department positions on key budget votes during the 104th Congress. He opposed the Domenici amendment to increase the FY 1997 Budget Resolution spending for domestic programs and the Specter/Harkin amendment in March 1996 to add \$1.2 billion for education and job training in the FY 1996 appropriation, he voted for the Breaux/Chafee balanced budget amendment that would have, among other things, saved substantial amounts through a CPI adjustment, and voted for the Balanced Budget Constitutional Amendment in June 1996.

Key Votes:

Welfare Reform - Y
Bond - Y
TEAM Act - Y

TAA - N
Job Corps - N
Right to Work - Y

Interest Group Ratings:

ADA
5

AFL-CIO
0

CCUS
82

ACU
92



JUDD GREGG (NH)

393 Russell Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources; Appropriations
(Labor, HHS, Education Subcommittee)
PH: 224-3324
FAX: 224-4952

Biographical Information:

Born: 2/14/47; Nashua, New Hampshire
Home: Greenfield, New Hampshire
Education: Columbia Univ., B.A. 1969; Boston Univ. J.D. 1972, L.L.M. 1975
Profession: Attorney
Political Career: U.S. House of Representatives 1981-1989; Governor of New Hampshire 1989-1993
Religion: Congregationalist
Marital Status: Married (Kathleen MacLellan); three children.
First Elected: 1993
Reelection Year: 1998

Senator Gregg will chair the Aging Subcommittee. He has aggressively sought to reshape the Community Service Employment Program, during reauthorization of the Older Americans Act, arguing to transfer funds now earmarked for national contractors into 1 grants to the states. Gregg is also a member of the L/HHS Appropriations Subcommittee and has argued against funding for several DOL programs.

Employment and Training:

- o As indicated above, Gregg has concentrated his attention on the Community Service Employment Program. Gregg is very critical of the current program and of the nine national grantees which receive the bulk of the funding. He is likely to again seek changes to the program in the 105th. The Administration is seeking to move administration of the Community Service Employment Program to HHS.
- o Strongly supported Senator Kassebaum's Workforce Development Act.
- o He actively opposed School-to-Work and Goals 2000.

Labor Law/Regulatory issues:

- o Strongly supported the majority's regulatory reform bills in 104th Congress.
- o He was the primary sponsor of Republican bills to curb OSHA and to expand the application of the Beck decision regarding mandatory union dues and political activity.
- o Sponsored the FY '96 appropriations rider to nullify the Administration's Executive Order on striker replacement.
- o He actively opposed FMLA.
- o Voted against Kennedy amendment to the Budget Resolution which declared that there would be no budget saving from any repeal of Davis Bacon.

Other:

- o During L/HHS Appropriations hearings he was often an aggressive questioner of the Secretary on budgetary issues. He is the only majority Committee member who also serves on the Labor/HHS appropriations subcommittee, which decides the Department's budget.
- o Was one of the least supportive of the Committee members on Labor Department positions on key budget votes during the 104th Congress. He only supported the Administration's position on the Domenici amendment to increase the FY 1997 Budget Resolution spending for domestic programs. He opposed the Specter/Harkin amendment in March 1996 to add \$1.2 billion for education and job training in the FY 1996 appropriation, he voted for the Breaux/Chafee balanced budget amendment that would have, among other things, saved substantial amounts through a CPI adjustment, and voted for the Balanced Budget Constitutional Amendment in June 1996.

Key Votes:

Welfare Reform - Y
Bond - Y
TEAM Act - Y

TAA - N
Job Corps - N
Right to Work - Y

Interest Group Ratings:

ADA
15

AFL-CIO
0

CCUS
82

ACU
79



BILL FRIST (TN)

825 Hart Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources; Budget; Commerce,
Science and Transportation; Foreign Relations
PH: 224-3344
FAX: 228-1264

Biographical Information:

Born: 2/22/52; Nashville, Tennessee
Home: Nashville, Tennessee
Education: Princeton Univ., B.A. 1974; Harvard Medical School, M.D. 1978
Profession: Surgeon
Career: Practicing Surgeon 1978-1984; Director, Vanderbilt Medical Center
Heart-Lung Transplant Program 1986-1993
Religion: Presbyterian
Marital Status: Married(Karyn)
First Elected: 1994
Reelection Year: 2000

Senator Frist is a former surgeon who will chair the newly created Public Health and Safety Subcommittee.

Employment and Training:

- o Not active on employment and training issues.

Labor Law/Regulatory issues:

- o Supported Chairman Kassebaum on regulatory issues in 104th Congress, including OSHA reform legislation.
- o Jurisdiction for OSHA in the committee, which previously resided in the Labor Subcommittee, has been moved to the Health and Safety Subcommittee which Frist will chair.
- o Voted against Kennedy amendment to the Budget Resolution which declared that there would be no budget saving from any repeal of Davis Bacon.
- o Prime sponsor of organ donor bill enacted in 104th Congress.

- o Supported Kennedy-Kassebaum health care bill.
- o Cosponsored Administration backed Drive-by Baby bill with Senator Bradley in 104th Congress which was enacted into law.

Budget/Appropriations:

- o One of the more supportive of the Committee members on Labor Department positions on key budget votes during the 104th Congress. He supported the Administration's position on the Domenici amendment to increase the FY 1997 Budget Resolution spending for domestic programs, the Specter/Harkin amendment in March 1996 to add \$1.2 billion for education and job training in the FY 1996 appropriation, he voted against the Breaux/Chafee balanced budget amendment that would have, among other things, saved substantial amounts through a CPI adjustment; however, he voted for the Balanced Budget Constitutional Amendment in June 1996.

Key Votes:

Welfare Reform - Y
Bond - Y
TEAM Act - Y

TAA - N
Job Corps - N
Right to Work - Y



MIKE DEWINE (OH)

140 Russell Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources; Judiciary; Intelligence
PH: 224-2315
FAX: 224-6519

Biographical Information:

Born: 1/5/47; Springfield, Ohio
Home: Cedarville, Ohio
Education: Miami(Ohio) Univ., B.A. 1969; Ohio Northern Univ. J.D. 1972
Profession: Attorney
Political Career: Greene County Prosecutor 1977-1981; Ohio Senate 1981-1983;
U.S. House of Representatives 1983-1991; Lt. Gov. 1991-1995
Religion: Catholic
Marital Status: Married(Frances Struewing); eight children(one deceased)
First Elected: 1994
Reelection Year: 2000

DeWine, who will chair the newly created Labor and Training Subcommittee, is a former House member and Lt. Governor. Very active in employment and training and immigration issues in the 104th Congress. Has signaled a desire to work on a bipartisan basis to develop job training consolidation legislation.

Employment and Training

- o Was active in the consideration of the Workforce Development Act, where he primarily focused on increasing funding for youth programs.
- o Will likely take the lead on job training consolidation in the 105th Congress and has already signaled his desire to work with the House and the Administration on a consensus bill.
- o Has visited all of the Job Corps Centers in Ohio and took an active role in development of zero tolerance policy for drugs and violence in Job Corps.
- o Maintains strong relationships with Ohio Governor George Voinovich (R), co-chair of the National Governors Association and Columbus, Ohio Mayor Greg Lashutka (R), the immediate past chair of the National League of Cities and a leader in workforce development issues.

Labor Law/Regulatory issues:

- o Supported Kassebaum OSHA reform bill.
- o Voted in favor of a Kennedy amendment to the Budget Resolution which declared that there would be no budget saving from any repeal of Davis Bacon.

Other:

- o Met with the Secretary in March 1995 and discussed Job Corps, job training legislation, summer youth employment, JTPA, and Davis-Bacon.
- o One of the more supportive of the Committee members on Labor Department positions on key budget votes during the 104th Congress. He supported the Administration's position on the Domenici amendment to increase the FY 1997 Budget Resolution spending for domestic programs, the Specter/Harkin amendment in March 1996 to add \$1.2 billion for education and job training in the FY 1996 appropriation, he voted against the Breaux/Chafee balanced budget amendment that would have, among other things, saved substantial amounts through a CPI adjustment; however, he voted for the Balanced Budget Constitutional Amendment in June 1996.

Key Votes:

Welfare Reform - Y
Bond- Y
TEAM Act - Y

TAA - N
Job Corps - N
Right to Work - N

**Interest Group Ratings:*

ADA
17

AFL-CIO
17

CCUS
54

ACU
83

* These ratings are from 1990 when Sen. DeWine served in the House.



MIKE ENZI (WY)

116 Hart Senate Office Building
Washington, DC 20510

Committees: Labor and Human Resources; Banking, Housing and
Urban Affairs; Aging
PH: 224-4748(temporary)
FAX:

Biographical Information:

Born: 2/1/44; Bremerton, Washington
Home: Gillette, Wyoming
Education: M.B.A. Univ. of Denver
Profession: Businessman(shoe store chain owner); Oil service accounting manager
Political Career: Mayor of Gillette 1975-1985; Wyoming House 1986-1991; Wyoming
Senate 1991-1996
Religion: Presbyterian
Marital Status: Married(Diane); three children
First Elected: 1996
Reelection Year: 2002

New to the Congress, Senator-elect Enzi was a low key state politician. Did not seek the Labor Committee assignment. Favors tax incentives for small business. Was a safety trainer for company in Wyoming.

- o He could develop an interest in MSHA since Wyoming is the nation's largest coal producing state.
- o Will seek to revise OSHA rules to reduce the burden on business regarding safety and responsibility.



TIM HUTCHINSON (AK)

Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources; Environment and Public
Works; Veterans' Affairs
PH: 224-2353
FAX:

Biographical Information:

Born: 8/11/49; Bentonville, Arkansas
Home: Bentonville, Arkansas
Education: Bob Jones Univ., B.A. 1979; Univ. of Arkansas, M.A. 1990
Profession: Minister, Businessman, Professor
Political Career: Arkansas House of Representatives 1984-1992; U.S. House of
Representatives 1993-1995
Religion: Baptist
Marital Status: Married (Donna Jean King); three children
First Elected: 1996
Reelection Year: 2002

New to the Senate, Hutchinson is a former Baptist minister who served on the EEO Committee in the House. Conservative with a strong dislike of the Department's regulatory agenda. Voted no on School To Work, FMLA, Goals 2000 and GATT, but yes on NAFTA.

Employment and Training:

- o Authored a tougher welfare reform bill than his Republican colleagues were willing to support -- the focus of his efforts was to impose stiffer work requirements on welfare recipients.
- o Strong supporter of veterans programs.
- o Opposed School-to-Work.

Labor Law/Regulatory issues:

- o He spoke in opposition to the minimum wage on the House floor (although he voted in favor of the minimum wage conference report which included the small business tax cuts).

- o In the 105th Congress, sponsored House legislation that would have exempted employees who work as substitute parents to needy children from minimum wage and overtime requirements. (DOL did not support his legislation.) He successfully pushed the bill through Committee but it was never considered on the floor. It is likely that he will attempt once again to move this legislation.
- o Opposed motor voter and FMLA.
- o Along with Congressman Hoekstra, took personal interest in Oklahoma problems with Davis-Bacon survey process. Supports repeal of Davis-Bacon.
- o Opposes affirmative action programs.
- o Voted in favor of legislation to limit pension investments in Economically Targeted Investments (ETIs).

Other:

- o Took personal interest in merger of DOL with Department of Education when House hearings were held in 104th Congress exploring such a merger.
- o Strong ties to the conservative religious community.

Key Votes:

Welfare Reform - Y
 Goodling -Y
 Compensatory Time - Y
 TEAM Act - Y

ETI - Y
 CAREERS - Y
 Portal to Portal - Y

Interest Group Ratings:

ADA
 5

AFL-CIO
 22

CCUS
 100 (1993)

ACU
 95



SUE COLLINS (ME)

Senate Office Building
Washington, DC 20510

Committees: Labor and Human Resources;
PH:
FAX:

Biographical Information:

Born:	12/7/52; Caribou, Maine
Home:	Bangor, Maine
Education:	St. Lawrence Univ.
Profession:	Business Center Director
Political Career:	Former Congressional staffer to Senator William Cohen; former New England Regional Administrator of the Small Business Administration; former Commissioner of the Maine Department of Professional and Financial Regulation; Gubernatorial candidate, 1994
Religion:	Catholic
Marital Status:	Single
First Elected:	1996
Reelection Year:	2002

Senator-elect Collins served as a long-time senior adviser to Senator Cohen on business issues and describes small-business protection and job creation as her top priorities. Ran a self-described moderate campaign. State has a large dislocated worker population. Senators Cohen and Snowe worked hard to ensure the opening of a new Job Corps Center which will open in the state at the former Loring Air Force Base in January/February.

Employment and Training:

- o Opposed cuts to federal job training programs, but supports elimination of Education Department.

Labor Law/Regulatory Issues:

- o Supports a 7 year sunset on regulations.

- o Initially objected to the 90-cent minimum wage increase, preferring a more modest boost of 50-cents, but after enactment she said she would have supported the larger increase over none at all.

Other:

- o Former New England regional administrator of Small Business Administration.



JOHN WARNER (VA)

225 Russell Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources; Armed Services;
Environment and Public Works; Rules and Administration(Chairman);
Small Business
PH: 224-2023
FAX: 224-6295

Biographical Information:

Born: 2/18/27; Washington, DC
Home: Middleburg, Virginia
Education: Washington and Lee Univ., B.S. 1949; Univ of Virginia, L.L.B. 1953
Profession: Attorney, farmer
Political Career: Assistant U.S. Attorney, 1956-1960; Undersecretary of the Navy, 1969-1972; Secretary of the Navy 1972-1974
Religion: Episcopalian
Marital Status: Divorced; three children.
First Elected: 1978
Reelection Year: 2002

Moderated his position on labor issues during the last Congress, possibly in anticipation of tough campaign. Has not been a leader on labor issues in the Senate, but FDA and tobacco related issues are why he wanted to be appointed to the Committee. The primary focus of Senator Warner's long career has been armed services issues.

Employment and Training:

- o Has not been particularly active on employment and training issues, although he may show interest in dislocated worker programs for both the defense industry and down-sized federal workers, both important to Virginia.
- o Governor Allen has been an active proponent of UI devolution and may ask Senator Warner to ask questions on that issue.

Labor Law/Regulatory Issues:

- o Likely to involve himself in OSHA's indoor air quality proposal because of Virginia's tobacco industry.

- o Actively supported TEAM Act and participated in committee hearings as a non-member.
- o Likely to support enactment of generic regulatory reform legislation being advocated by the Virginia business community.
- o Voted against Kennedy amendment to the Budget Resolution which declared that there would be no budget saving from any repeal of Davis Bacon.
- o Also may involve himself in MSHA-related issues.

Budget/Appropriations:

- o His voting record is mixed on Labor Department positions on key budget votes during the 104th Congress. He opposed the Administration's position on the Domenici amendment to increase the FY 1997 Budget Resolution spending for domestic programs [this top spending priority is defense]; he supported the Specter/Harkin amendment in March 1996 to add \$1.2 billion for education and job training in the FY 1996 appropriation; he voted against the Breaux/Chafee balanced budget amendment that would have, among other things, saved substantial amounts through a CPI adjustment; and he voted for the Balanced Budget Constitutional Amendment in June 1996.

Key Votes:

Welfare Reform - Y
 Bond - Y
 TEAM Act - Y

TAA - N
 Job Corps - Y
 Right to Work - Y

Interest Group Ratings:

ADA
 20

AFL-CIO
 25

CCUS
 91

ACU
 80



MITCH MCCONNELL (KY)

361A Russell Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources; Appropriations;
Agriculture, Nutrition & Forestry; Rules and Administration;
Ethics(Chair)
PH: 224-2541
FAX: 224-2499

Biographical Information:

Born: 2/20/42; Sheffield, Alabama
Home: Louisville, Kentucky
Education: Univ. of Louisville, B.A. 1964; Univ of Kentucky, J.D. 1967
Profession: Attorney
Political Career: Deputy Assistant Attorney General 1974-1975; Jefferson County Judge
Exec. 1977-1984
Religion: Baptist
Marital Status: Married(Elaine Chao); three children.
First Elected: 1984
Reelection Year: 2002

Will focus on health related issues because of state's tobacco interests. Senator McConnell has focused much of his Senate career on election-related issues, including campaign finance reform -- issues that are likely to consume again much of his efforts in the 105th.

Labor Law/Regulatory Issues:

- o Likely to be concerned about OSHA's indoor air quality proposal because of Kentucky's tobacco industry.
- o He is a strong supporter of expanding the application of the Beck decision and curbing the role of labor unions in political campaigns.
- o Voted against Kennedy amendment to the Budget Resolution which declared that there would be no budget saving from any repeal of Davis Bacon.
- o May also take an interest in MSHA issues, due to importance of mining industry to Kentucky.

Budget/Appropriations:

- o His voting record is mixed on Labor Department positions on key budget votes during the 104th Congress. He opposed the Administration's position on the Domenici amendment to increase the FY 1997 Budget Resolution spending for domestic programs [this top spending priority is defense]; he supported the Specter/Harkin amendment in March 1996 to add \$1.2 billion for education and job training in the FY 1996 appropriation; he voted against the Breaux/Chafee balanced budget amendment that would have, among other things, saved substantial amounts through a CPI adjustment; and he voted for the Balanced Budget Constitutional Amendment in June 1996.

Key Votes:

Welfare Reform - Y
Bond - Y
TEAM Act - Y

TAA - N
Job Corps - N
Right to Work - N

Interest Group Ratings:

ADA
5

AFL-CIO
0

CCUS
91

ACU
92

MINORITY MEMBERS

TED KENNEDY (MA)



315 Russell Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources(Ranking); Judiciary; Armed Services; Joint Economic
PH: 224-4543
FAX: 224-2417

Biographical Information:

Born: 2/22/32, Boston, Massachusetts
Home: Boston, Massachusetts
Education: Harvard, B.A..1956; The Hague Intl. Law School, 1958; Univ. of Virginia, L.L.B. 1959
Profession: Attorney
Political Career: Suffolk County Assistant District Attorney 1961-1962; United States Senate 1962-
Religion: Catholic
Marital Status: Married (Victoria Reggie); three children and two stepchildren.
First Elected: 1962
Reelection Year: 2000

Kennedy is the full committee ranking member (the Minority have not announced their ranking members on the subcommittees) who championed many of the Department's key issues in the 104th Congress. Kennedy has a good relationship with Jeffords.

Employment and Training:

- o Was the Administration's champion during the consideration of job training legislation. He is likely to support and efforts to move a consensus job training bill in the 105th Congress.
- o Is also likely to focus on reform of employment-based immigration programs.

Labor Law/Regulatory Issues:

- o Opposed efforts to repeal Davis-Bacon Act and Service Contract Act. Led fight against the TEAM Act, Right to Work Act, and Republican OSHA reform legislation.
- o Strong supporter of OSHA.

- o Strongly opposed to regulatory reform proposals discussed in 104th Congress.
- o Interested in pension reform legislation to stimulate retirement savings for low-income workers and to shift larger portion of federal pension tax subsidies to lower income individuals.
- o Introduced a bill close to the President's proposal to extend transitional health care coverage to the unemployed and will likely want to move on that issue in the 105th Congress. Has also introduced legislation to expand children's health insurance coverage.

Other:

- o Communicated with the Secretary on pensions, TAA, alien labor certification and Section 13(c)
- o During the past year, the Secretary met or spoke with Senator Kennedy periodically to discuss the overall Labor Department agenda, in particular - budget/appropriations, CAREERS/Workforce Development legislation, pension audit bill, minimum wage, health care portability, and worker protection issues in the immigration bill and Summer Youth funding and welfare reform.
- o The most supportive of the Committee members on Labor Department positions on key budget votes during the 104th Congress. He supported the Domenici amendment to increase the FY 1997 Budget Resolution spending for domestic programs and the Specter/Harkin amendment in March 1996 to add \$1.2 billion for education and job training in the FY 1996 appropriation, he voted against the Breaux/Chafee balanced budget amendment that would have, among other things, saved substantial amounts through a CPI adjustment; and he voted against the Balanced Budget Constitutional Amendment in June 1996.
- o Took the lead on many floor amendments both on the Budget Resolutions and Appropriation bills to increase funding for education and training.

Key Votes:

Welfare Reform - N
Bond - N
TEAM Act - N

TAA - Y
Job Corps - Y
Right to Work - N

Interest Group Ratings:

ADA
90

AFL-CIO
88

CCUS
27

ACU
0



CHRIS DODD (CT)

444 Russell Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources; Budget; Banking, Housing
and Urban Affairs; Foreign Relations; Rules and Administration
PH: 224-2823

FAX: 224-1083

Biographical Information:

Born:	5/27/44, Willimantic, CT
Home:	East Haddam, CT
Education:	Providence College, B.A..1966; Univ. of Louisville, J.D. 1972
Profession:	Attorney
Political Career:	U.S. House of Representatives 1975-1981
Religion:	Catholic
Marital Status:	Divorced
First Elected:	1980
Reelection Year:	1998

Dodd is likely to continue as ranking member on Children and Families Subcommittee. He was Chairman of the Commission on Family and Medical Leave, which was created in the Family and Medical Leave Act (FMLA), and was charged with studying family and medical leave policies. The report showed that the law has been beneficial and not a burden on business. Strong supporter of organized labor.

Employment and Training:

- o Strong interest in dislocated worker issues. Led the fight to retain the Secretary's discretionary fund for Title III of JTPA. While CT has a low unemployment rate, there is significant worker dislocation in the defense industry.
- o Advocate for expansion of child care services in the transition from welfare to work.

Labor Law/Regulatory Issues:

- o Will seek expansion of FMLA (he was the original Senate sponsor).
- o Advocate for health insurance industry, which has a large presence in state.

- o Champion of health care expansion for kids.
- o Successfully pushed "Harris Trust" legislation to clarify the treatment of insurance company assets under ERISA. DOL-supported these ERISA changes.

Budget/Appropriations:

- o One of the most supportive of the Committee members on Labor Department positions on key budget votes during the 104th Congress. He supported the Domenici amendment to increase the FY 1997 Budget Resolution spending for domestic programs and the Specter/Harkin amendment in March 1996 to add \$1.2 billion for education and job training in the FY 1996 appropriation, he voted against the Breaux/Chafee balanced budget amendment that would have, among other things, saved substantial amounts through a CPI adjustment; and he voted against the Balanced Budget Constitutional Amendment in June 1996.
- o As a member of the Senate Budget Committee, he also worked to protect education and training funding in the Committee deliberations on the Budget Resolution.

Key Votes:

Welfare Reform - N
Bond - N
TEAM Act - N

TAA - Y
Job Corps - Y
Right to Work - N

Interest Group Ratings:

ADA
80

AFL-CIO
75

CCUS
44

ACU
0



TOM HARKIN (IA)

531 Hart Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources; Appropriations (Ranking, Labor, HHS, Education Subcommittee); Agriculture, Nutrition and Forestry; Small Business
PH: 224-3254
FAX: 224-7431

Biographical Information:

Born:	11/19/39, Cumming, Iowa
Home:	Cumming, Iowa
Education:	Iowa State Univ., B.S. 1962; Catholic Univ., J.D. 1972
Profession:	Attorney
Political Career:	U.S. House of Representatives, 1975-1985
Religion:	Catholic
Marital Status:	Married (Ruth); two children
First Elected:	1984
Reelection Year:	2002

Ranking member of the Labor-HHS Appropriations Subcommittee. He has demonstrated a strong interest in disability and international child labor issues.

Employment and Training:

- o Has worked to include training programs in the various Democratic leadership "message" amendments that have been offered over the last 2 years. His relationship with Chairman Specter helped to ensure training and worker protection add-backs were included in the final FY '97 budget deals.
- o Strong supporter of dislocated worker programs and Job Corps.
- o Senator Harkin spoke with the Secretary in April 1996 to discuss his concern about the Monfort Beef plant closing which caused the loss of 1,300 jobs. These workers later in the year received funding for training from the Title III National Reserve Account.
- o The Secretary also personally thanked Senator Harkin for his leadership in restoring Summer Youth Employment Program money.

- o In May 1996, the Secretary spoke with Senator Harkin in regards to the CAREERS/Workforce Development and the FY'97 Budget Resolution and sought and received his support for Administration positions.
- o Has been the Committee's leader on disability issues.

Labor Law/Regulatory Issues:

- o Senator Harkin spoke at the Department's Garment summit which was held in August of 1996, and has proposed the use of an international label as a means for identifying companies which are committed to labor standards---similar to the rugmark label. His staff has had a continuing interest in the progress of the garment industry working group's activities.
- o Has shown significant interest in international child labor. He has introduced legislation that would ban the import of goods made with exploited child labor. Also, via various appropriations bills, he required ILAB to produce several studies on international child labor.
- o Strong supporter of worker protection programs, particularly Davis-Bacon and OSHA. He is an outspoken opponent of regulatory changes to increase the use of low paid "helpers" on construction projects covered by Davis-Bacon.
- o Introduced the Fair Pay Act last year promoting equal employment opportunity for women and minorities.
- o Champion of President's striker replacement order.

Budget/Appropriations:

- o One of the most supportive of the Committee members on Labor Department positions on key budget votes during the 104th Congress. He supported the Domenici amendment to increase the FY 1997 Budget Resolution spending for domestic programs and the Specter/Harkin amendment in March 1996 to add \$1.2 billion for education and job training in the FY 1996 appropriation, he voted against the Breaux/Chafee balanced budget amendment that would have, among other things, saved substantial amounts through a CPI adjustment; however, in 1996 he voted for the Balanced Budget Constitutional Amendment, reversing his previous vote.
- o He is the only minority Committee member who also serves on the Labor/HHS appropriations subcommittee. As Ranking Minority, he has worked to ensure adequate funding for DOL's programs.

Key Votes:

Welfare Reform - Y
Bond- N
TEAM Act - N

TAA - Y
Job Corps - Y
Right to Work - N

Interest Group Ratings:

ADA
100

AFL-CIO
88

CCUS
36

ACU
0



BARBARA MIKULSKI (MD)

709 Hart Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources; Appropriations; Ethics
PH: 224-4654
FAX: 224-8858

Biographical Information:

Born: 7/30/36, Baltimore, Maryland
Home: Baltimore, Maryland
Education: Mount Saint Agnes College, B.A.1958; Univ. of Maryland, M.S.W. 1965
Profession: Social Worker
Political Career: Baltimore City Council 1971-1977; U.S. House of Representatives, 1977-1987
Religion: Catholic
Marital Status: Single
First Elected: 1986
Reelection Year: 1998

Likely ranking member on Aging Subcommittee, where she focused largely on Senior Employment Service Reauthorization. Was not actively engaged on labor related issues in the 104th Congress. Will be important to establish a relationship with her early in the 105th Congress. She is a member of the Senate leadership team as Secretary of the Democratic conference.

Employment and Training:

- o In keeping with her concentration on aging, Senator Mikulski introduced the successful floor amendment to remove the Senior Employment program from job training consolidation legislation.
- o Has been an advocate for non-traditional work opportunities for women.

Budget/Appropriations:

- o As a member of the Appropriations Committee, Senator Mikulski was supportive of labor positions, but most of her committee activity focused on her assignment on

HUD/NASA/VA Appropriations. As a member of the full Appropriations Committee, however, she has supported the Department's position on full Committee votes.

- o One of the most supportive of the Committee members on Labor Department positions on key budget votes during the 104th Congress. She supported the Domenici amendment to increase the FY 1997 Budget Resolution spending for domestic programs and the Specter/Harkin amendment in March 1996 to add \$1.2 billion for education and job training in the FY 1996 appropriation, she voted against the Breaux/Chafee balanced budget amendment that would have, among other things, saved substantial amounts through a CPI adjustment; and she voted against the Balanced Budget Constitutional Amendment in June 1996.

Key Votes:

Welfare Reform - Y
Bond - N
TEAM Act - N

TAA - Y
Job Corps - Y
Right to Work - N

Interest Group Ratings:

ADA
85

AFL-CIO
75

CCUS
40

ACU
0



JEFF BINGAMAN (NM)

703 Hart Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources; Armed Services; Energy
and Natural Resources; Joint Economic
PH: 224-5521
FAX: 224-2852

Biographical Information:

Born: 10/03/43, El Paso, TX
Home: Santa Fe, NM
Education: Harvard, B.A. 1965; Stanford Univ., J.D. 1968
Profession: Attorney
Political Career: New Mexico Attorney General 1979-1983
Religion: Methodist
Marital Status: Married(Arne Kovacovich); one child
First Elected: 1982
Reelection Year: 2000

Was a member of the Committee in the 103rd Congress. He was actively involved in the health care reform debate. There is an ongoing discrimination complaint regarding the Los Alamos lab that is moving from reconciliation to enforcement. Senator Bingaman's staff has asked to be kept up to date on the status of the complaint.

Employment and Training:

- o Has been supportive of dislocated worker programs.

Labor Law/Regulatory Issues:

- o Corporate responsibility and wage equity are important issues for him. Authored report for Democratic Policy Committee on these issues in 104th Congress.
- o This past February, the Secretary spoke with Senator Bingaman regarding corporate citizenship. The Secretary worked with the Senator to shape the proposal, and then spoke at the Democratic Policy Committee briefing on the issue.
- o Has cosponsored pension proposal with Senator Jeffords to expand pension coverage for small businesses that establish "Pension Pro-Save" Accounts.

- o Potentially interested in seeking compromise with TEAM Act sponsors.

Budget/Appropriations:

- o Has been supportive of the Department on key budget votes during the 104th Congress. He supported the Domenici amendment to increase the FY 1997 Budget Resolution spending for domestic programs and the Specter/Harkin amendment in March 1996 to add \$1.2 billion for education and job training in the FY 1996 appropriation; however he voted for the Breaux/Chafee balanced budget amendment that would have, among other things, saved substantial amounts through a CPI adjustment; but he voted against the Balanced Budget Constitutional Amendment in June 1996.

Key Votes:

Welfare Reform - N
Bond - N
TEAM Act - N

TAA - Y
Job Corps - Y
Right to Work - N

Interest Group Ratings:

ADA
60

AFL-CIO
75

CCUS
55

ACU
16



PAUL WELLSTONE (MN)

717 Hart Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources; Foreign Relations; Indian
Affairs; Small Business
PH: 224-5641
FAX: 224-8438

Biographical Information:

Born:	7/21/44, Washington, DC
Home:	Northfield, MN
Education:	Univ. of North Carolina, B.A. 1965, Ph.D 1969
Profession:	Professor
Political Career:	United States Senate 1990-
Religion:	Jewish
Marital Status:	Married(Sheila Ison); three children
First Elected:	1990
Reelection Year:	2002

Active supporter and spokesperson for all labor-related issues. He favors domestic over military spending and often takes the Senate floor to condemn misplaced priorities.

Employment and Training:

- o In FY '97 defense authorization bill, offered floor amendment to restore funds for education and training programs to President's requested level.
- o Very supportive of one-stop and youth programs. MN was awarded a state-wide One-Stop implementation grant in 1995. Played a major role in the budget debate as an advocate for DOL funding.
- o Active in job training consolidation legislation. Sought increased funding for one-stop and youth programs.
- o In May 1996, Senator Wellstone spoke with the Secretary several times regarding his concerns with the CAREERS/Workforce Development bill.
- o Worked to restore the homeless veterans program which Congress rescinded in 1995.

Labor Law/Regulatory issues:

- o Active on minimum wage and striker replacement issues.

Budget/Appropriations:

- o One of the most supportive of the Committee members on Labor Department positions on key budget votes during the 104th Congress. He supported the Domenici amendment to increase the FY 1997 Budget Resolution spending for domestic programs and the Specter/Harkin amendment in March 1996 to add \$1.2 billion for education and job training in the FY 1996 appropriation, he voted against the Breaux/Chafee balanced budget amendment that would have, among other things, saved substantial amounts through a CPI adjustment; and he voted against the Balanced Budget Constitutional Amendment in June 1996.
- o Wellstone has fought both within the Democratic caucus, with the White House, and on the floor over the past four years in an effort to protect spending for education and training programs. He has given equal emphasis to training--with priority on disadvantaged youth, One-Stop, and homeless vets.

Key Votes:

Welfare Reform - N
Bond - N
TEAM Act - N

TAA - Y
Job Corps - Y
Right to Work - N

Interest Group Ratings:

ADA
100

AFL-CIO
100

CCUS
9

ACU
4



PATTY MURRAY (WA)

111 Russell Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources; Appropriations; Budget
PH: 224-2621
FAX: 224-0238

Biographical Information:

Born: 10/11/50, Seattle, WA
Home: Seattle, WA
Education: Washington State Univ., B.A. 1972
Profession: Educator
Political Career: Shoreline School Board 1983-1989; Washington State Senate 1989-1993;
Religion: Catholic
Marital Status: Married(Rob Murray); two children
First Elected: 1992
Reelection Year: 1998

Familiarity with labor issues through her work on Appropriations, particularly around School-to-Work and dislocated workers (particularly timber workers served by a non-legislative set-aside within JTPA Title III). Campaigned as "mom in tennis shoes" in 1992, and has focused much attention on children's issues during her time in the Senate. She maintains strong working relationship with Seattle Mayor Norm Rice, who chairs US Conference of Mayors Welfare to Work Task Force.

Employment and Training:

- o Strong supporter of STW and other education related issues.
- o She has shown a strong interest in dislocated workers, particularly in the timber industry, as well as youth program issues. Washington received a \$4,000,000 Title III grant in June 1996 for dislocated timber industry workers.
- o Worked to restore the homeless veterans program which Congress rescinded in 1995.

Labor Law/Regulatory Issues:

- o Senator Murray was a member of the bipartisan 21 member Glass Ceiling Commission, which was chaired by Secretary Reich. In 1995, the Commission released a two volume report, supported by Murray, which among other things recommended that affirmative action be used by business as tool to help break the glass ceiling.
- o She has been supportive of affirmative action. In the 104th Congress, when the provisions of the Dole-Canady anti-affirmative action bill were added on to the Commerce/Justice/State appropriations bill, she worked with then Senator Cohen (R-ME) to get the provisions taken out of the bill
- o Strong supporter of OSHA.

Budget/Appropriations:

- o She supported DOL programs and fought cuts in worker protection programs, as well as employment & training, as a member of the Budget Committee.
- o One of the most supportive of the Committee members on Labor Department positions on key budget votes during the 104th Congress. She supported the Domenici amendment to increase the FY 1997 Budget Resolution spending for domestic programs and the Specter/Harkin amendment in March 1996 to add \$1.2 billion for education and job training in the FY 1996 appropriation, she voted against the Breau/Chafee balanced budget amendment that would have, among other things, saved substantial amounts through a CPI adjustment; and she voted against the Balanced Budget Constitutional Amendment in June 1996.

Key Votes:

Welfare Reform - N
Bond - N
TEAM Act - N

TAA - Y
Job Corps - Y
Right to Work - N

Interest Group Ratings:

ADA
90

AFL-CIO
88

CCUS
27

ACU
0



JACK REED (RI)

Senate Office Building
Washington, D.C. 20510

Committees: Labor & Human Resources; Banking, Housing and
Urban Affairs

PH:

FAX:

Biographical Information:

Born: 11/12/49, Providence, RI
Home: Cranston, RI
Education: United States Military Academy, B.S. 1971; Harvard Univ., M.P.P.
1973, J.D. 1982
Profession: Attorney
Political Career: Rhode Island Senate 1985-1991; U.S. House of Representatives
1993-1996
Religion: Catholic
Marital Status: Single
First Elected: 1996
Reelection Year: 2002

New to the Senate, served on the EEO Committee in the House. Strong supporter of STW and was active in championing RI's application for a statewide implementation grant which it won this fall. The Laborers are a major union in Rhode Island, and he has an interest in Davis-Bacon reform and the helpers regulations.

Employment and Training:

- o Champion for Rhode Island dislocated workers, particularly those in the fishing industry. Pushed the State of RI to include needs-related payments for workers dislocated from the closing of a large grocery chain (ALMACS).

Labor Law/Regulatory Issues:

- o Since the Laborers are a major union in Rhode Island, Reed is likely to continue to oppose the repeal or weakening of Davis-Bacon.

Other:

- o Supporter of Clinton Health Reform Plan, but was concerned about costs that would be imposed on small businesses.

Key House Votes:

Welfare Reform - Y
Goodling - N
Compensatory Time - N
TEAM Act - N

ETI - Y
CAREERS - Y
Portal to Portal - Y

Interest Group Ratings:

ADA
85

AFL-CIO
78

CCUS
18 (1993)

ACU
5

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Divider Title: **Employment and Training**

EMPLOYMENT AND TRAINING

Employment Service

GI Bill - Employment and Training Consolidation

Immigration: Employment Based Permanent Labor Certification Reform

Job Corps

JTPA Dislocated Worker Program (Title III)

JTPA Wagner-Peyser Statutory Waivers

One Stop

School-to-Work

Summer Jobs (JTPA Title II-B)

Super Section 127 Tax Credit

TAA and NAFTA/TAA Reauthorization

Unemployment Insurance

Welfare-to-Work/Welfare Reform

Work Opportunity Tax Credit

Youth Opportunities Grants

EMPLOYMENT AND TRAINING ADMINISTRATION

MISSION STATEMENT

The Employment and Training Administration (ETA) assists all Americans in gaining access to the information and other resources they need to successfully manage their connection with good jobs at decent wages, and to ensure that U. S. businesses have access to the skilled and secure workers they need to successfully compete in a global economy.

To achieve its mission, ETA underwrites a wide range of employment and training services that enable both individuals and employers to participate effectively in a robust labor market environment. As the Federal steward of a highly decentralized employment and training system, ETA is reliant upon its partners in state/local government, as well as in the private sector, for quality management and service delivery.

BUDGET

(dollars in thousands)

FISCAL YEAR	DISCRETIONARY \$	MANDATORY \$	FTE
1997	\$8,619,201	\$24,112,932	1,328
1998	\$10,139,109	\$25,551,491	1,423

The Employment Service

Issue: What is the role of the Employment Service in the emerging workforce development system?

Background: The Employment Service, sometimes called the Job Service, is a federally funded and state operated system that offers labor exchange services (such as job matching, job search, and job placement assistance), and related employment services (e.g. job information and employment counseling) to job-seekers and employers. The Employment Service (ES) is authorized under the Wagner-Peyser Act of 1933.

The ES administrative costs (staffing and related costs) -- both state and federal -- are financed by a tax on employers authorized under the Federal Unemployment Tax Act (FUTA). Funds are appropriated from the relevant FUTA account to fund ES administrative costs. These funds are distributed by formula (2/3 based on a state's share of the national civilian labor force and 1/3 based on the state's share of individuals employed nationwide). In FY 1997, approximately \$761.7 million was appropriated and distributed to States to provide services authorized under the Wagner-Peyser Act. The same level of Wagner-Peyser funding was available to States in FY 1996. This funding supported a system of over 1700 local Job Service offices.

In the Program Year (PY) that ended on June 30, 1995 (PY 1995), about 18.5 million people applied to the Job Service for some type of service. Of these applicants, about 3.2 million or 17 percent, entered employment, i.e. were either placed in jobs by the Job Service, or obtained employment on their own after receiving a reportable service. The average wage at placement was \$6.67.

Job orders are indicative of the number of employers who use the Job Service. In PY 1995, about 3.2 million job orders were received. 870,000 job orders were posted with America's Job Bank (AJB), the automated, self-service job listing service on the Internet. Job orders have been increasing over time with the AJB experiencing the most dramatic increase in job orders. A job order may contain more than one job opening. Thus, in PY 1995 about 5.9 million job openings were listed with the Job Service. About 3 million of these job openings were filled.

*Current
Status:*

The ES is one of the oldest workforce development institutions. Overtime, it has been called upon to fulfill various workforce development objectives. Now, the ES will play a major role in the operation of the One-stop Career Center System by providing the labor exchange, job information and other employment services needed to make the One-stop Career Center System capable of providing workforce development service that are universal in scope. Indeed, in many states that have received One-stop implementation

grants, the ES plays the core role in providing labor exchange and employment services.

Delivering high quality and effective labor exchange and employment services in a One-stop context confronts a number of challenges. Among these are:

Maintaining sufficient funding for labor exchange and related employment services. States point to declining ES appropriations over time and new mandates that they believe are not adequately funded as straining the ability of the system to improve its performance. In FY 1994, the Wagner-Peyser allotments to states totaled \$832 million. The House mark for FY 1997 was \$723 million although, the Administration succeeded in having funding restored to \$761.7 million.

Overcoming the negative image of ES. ES performance has been criticized for low placement rates and a low rate of penetration with respect to the share of all job openings employers list with the ES. In part, this negative has led to proposals to privatize the delivery of labor services as part of One-stop system-building.

Privatization. DOL is currently conducting a review of rules relating to the contracting out of ES functions. Spurred by privatization efforts in Texas and Massachusetts, this is seen as a critical challenge to the previously all-public ES system.

To meet these challenges ETA and DOL has supported efforts to halt the decline in ES funding and to argue for funding increases. To improve ES' negative image and to enhance the delivery of labor exchange services in a One-stop environment, ETA is encouraging expanded use of automated, self-service labor exchange services through the AJB on Internet. Automated labor exchange also makes it possible to link UI claims filing and job search in such a way that filing a UI claim initiates an automated job search. ETA is also continuing to pursue improvements ES through ES revitalization, an initiative to improve the customer service performance and staff capacity in the ES system.

Key

Constituents: Employers, one-stop grantees, public employee unions and Congressional committee concerned with workforce development oversight and appropriations. Public employee unions are particularly concerned by the privatization movement.

Hill

Positions: Congressional support of One-Stop is strong and it is possible to use this support to bolster the support for ES. Attempts by Senator Kassebaum to consolidate ES within a job training system were rebuffed in favor of this One-Stop integration approach.

Pros/Cons: Labor exchange services are an integral part of the One-Stop Career Center system. Congress needs to become more aware of the ES/One-stop link and how employment services can be improved in a One-stop context.

The President's G.I. Bill Proposal - Employment and Training Consolidation

Issue: The President's G.I. Bill Proposal -- Employment and Training Program Consolidation in the 105th Congress

Background: In January, 1995, the President proposed a G.I. Bill for America's Workers as part of his Middle Class Bill of Rights. While formal legislation was not introduced, the G.I. Bill would have consolidated 70 different job training and workforce education programs into four block grants. Although both Houses in the 104th Congress initially advanced legislation on a bipartisan basis to reform and consolidate job training programs, no final consensus was reached. The conference bill, which was reported along partisan lines, failed to incorporate key elements of the President's proposal, including vouchers for training, maintenance of a dislocated worker funding stream, retention of School-to-Work legislation, and provisions on funding, accountability and local governance. These issues were all laid out in a Presidential letter to conferees and the Administration was successful in ensuring that the Conference Report did not receive floor action.

Despite the failure of a legislative reform bill, we have been able to proceed administratively to implement some aspects of the GI Bill for America's Workers through waivers and system-building grants, underscoring the Administration's commitment to reforming the status quo. However, new legislation is needed to implement essential elements of the proposal. There was considerable consensus in the last Congress on many features of the legislation, and we believe that in the next Congress, the Administration should seek enactment of these consensus elements in workforce development legislation.

Current Status: Preliminary consultations have taken place with Congressional staff, and preliminary DOL staff work has begun on the development of an outline for a bipartisan proposal. While no decisions have been made about a new Administration proposal, we anticipate that a proposal would at least include items in the G.I. Bill on which there was a bipartisan consensus. The Department of Education is pursuing a separate track for reauthorization of Vocational Education and Adult Education programs, which were included in the original GI Bill. In addition, the Administration's Welfare-to-Work Jobs initiative could be added to the proposal. The FY '98 budget will likely help clarify the Administration's next steps on the legislation.

Key Constituents:

During the 104th Congress most constituencies (mayors, counties, organized labor, community-based organizations) supported reform, but, like the Administration, opposed the conference report as being too extreme. These groups appreciated the Administration's tough stance in rejecting the partisan conference report. The National Governors' Association strongly supported the Senate legislation, which used a block grant approach with considerable control for Governors. In an effort to save the bill, they urged Senator Kassebaum to try to reach a bipartisan agreement. Still, the governors were the one group whose position most diverged from the Administration, and were the most disappointed in the failure to complete work on the legislation.

Hill Positions:

During the December Republican Governors' meeting, Congressman Goodling, Chairman of the House Committee on Economic and Educational Opportunities, indicated that he believed that new workforce development legislation would be introduced. Representative McKeon who chaired the subcommittee that authored the House job training reform bill during the 104th, also stated that job training reform was needed and that to be successful, it would need to be bipartisan. With the retirement of Senator Kassebaum, and the assumption of Senate Labor Committee leadership by Senator Jeffords, who has explicitly bemoaned the partisanship of last year's conference, the prospects for genuinely consensus legislation seems to have improved.

Pros/Cons:

The major decision to be made is whether to seek enactment of consolidation/reform legislation in the Republican-controlled 105th Congress, given the failure to achieve enactment of the G.I. Bill. The President has repeatedly called for both reform and investment in this area and the improved Congressional environment argues for pursuing legislation. There is always the danger that the "reform" legislation emerging from Congress could be harmful to the job training system and the customers it serves and, therefore, must be monitored closely. However, without the prospect of reform, Congress may reduce future appropriations for workforce development programs.

Down the road, we may be faced with questions regarding linking the Welfare-to-Work Jobs Initiative to the job training reform proposal.

Immigration: Employment-based Permanent Labor Certification Reform

Issue: Possible legislative and administrative reforms to the employment-based immigration programs administered by the Labor Department.

Background: The Labor Department administers several programs that allow employers to bring foreign workers into the United States:

- o The Alien Labor Certification (ALC) Program permits primarily skilled alien workers to immigrate permanently to the United States.
- o The H-1A program temporarily allowed foreign nurses to enter the United States; that authority has now expired.
- o The H-1B program admits up to 65,000 skilled foreign "temporary" (for up to 6 years) workers each year.
- o The H-2A program temporarily admits farm workers.
- o The H-2B program admits seasonal workers (e.g., resort workers, crab pickers).

The principal criticism of the skilled workers programs (ALC, H-1A and H-1B) is that U.S. workers do not have a fair opportunity to get these high-wage, high-skill jobs.

On May 22, 1996, the Labor Department's Inspector General (OIG) issued an audit report that was highly critical of the ALC (permanent) program and the H-1B (temporary skilled workers) program. While the report concluded that ETA is doing all it can to achieve the objectives of these programs within its existing authority, it found that the permanent program does not adequately assure U.S. workers a fair opportunity to compete for the high-skill, high-wage jobs into which foreign workers are being placed. It also found that the H-1B program requires legislative reform to provide needed protections for U.S. workers.

U.S. employers seeking to employ foreign workers in certain permanent immigrant categories must first obtain a "certification" from the Department that no U.S. worker is able, willing, qualified, and available for the job to be filled by the immigrant worker. The labor certification process requires employers to demonstrate that they have recruited U.S. workers but have not been able to find a qualified worker. The OIG report found, however, that in the majority of cases a foreign temporary worker is already employed (either legally or

illegally) in the job for which the employer is recruiting. As a result, the OIG concluded that the recruitment process is a sham. U.S. workers are hired in less than one-half-of-one percent of cases. In cases where U.S. workers are hired, they are usually placed in jobs other than the one for which the foreign worker is sought.

Even before the OIG report, DOL worked closely with Congress (Senator Kennedy in particular) on reforming employment-based immigration. A number of proposals to improve the ALC program supported by DOL were discussed with Senator Kennedy, including:

A labor certification system that requires businesses to employ U.S. workers as a substantial majority of its workforce and its recent hires during the 2 years prior to application.

- Recruitment provisions that require the employer to have engaged in bona fide recruitment before a foreign workers has been hired.
- New enforcement powers for DOL.

In the last Congress, the Administration also proposed H-1B reforms that were contained in early versions of the immigration reform bill. These provisions would have, among other things:

- o Prohibited employers from laying-off U.S. workers to replace them with immigrant or foreign temporary workers;
- o required employers to recruit and retain U.S. workers before hiring a foreign temporary worker; and
- o reduced the length of time foreign temporary workers can stay in the U.S. from 6 to 3 years.

*Current
Status:*

Immigration reform legislation passed by Congress addressed only illegal immigration. Consequently, none of the provisions described above became law. However, Senator Kennedy has expressed continuing interest in measures to correct weaknesses in the permanent employment-based immigration program. The Department will be working closely with Senator Kennedy's office on these matters in the near future.

The Department agrees with the OIG's recommendations and has supported proposed legislative reforms. In the absence of congressional action, ETA has initiated reengineering efforts to streamline the

certification process. Also, together with ASP, ESA and SOL, ETA has considered regulatory options to change the recruitment process for the ALC program to address program weaknesses. These options are modeled on the Senator Kennedy's draft amendment on recruitment under the permanent program.

An immediate and direct result of the OIG report was a 20% cut in the appropriations for the Alien Labor Certification program. ETA is working with BLS to change the way we collect data for certifications in an attempt to reduce their costs given ETA's new budget constraints.

The President's FY '98 budget request will include a user fee proposal. The remaining question is whether ETA can capture the funds, or whether the fees will revert to general revenue, the more likely outcome.

*Key
Constituents:*

Certain employers --- high-tech companies, health care employers, colleges and universities, among others --- have a strong interest in liberal employment-based immigration. Unions and other advocates representing U.S. workers in these industries support reform.

*Hill
Positions:*

Senator Kennedy supports the reforms enumerated above. Any hope of progress on employment-based immigration reform must be tempered by the strength of business interests that will oppose measures that restrict employment-based immigration or increase its cost (e.g. increased enforcement powers, payment of user fees, and requiring majority of workforce and recent hires to be U.S. workers). The retirement of Senator Simpson, a long-time leader on immigration reform, will also hurt chances for legislation this year.

Pros/Cons:

The legislative changes proposed would provide enhanced protections to U.S. workers, while not significantly affecting employers' access to international labor markets. Nonetheless, enactment of these legislative changes may be difficult if employer opposition is comparable to that mounted in the last Congress.

JOB CORPS: Congressional Concern with Job Corps

Issue:

Senate Committee on Labor and Human Resources raised serious questions about violence, drug abuse, other unacceptable behavior among students at many Job Corps centers, and accountability issues with regard to poor performing centers.

Background:

The Senate Committee, chaired by Senator Nancy Kassebaum, held oversight hearings on Job Corps in 1994/1995. As part of her Workforce Development legislation, Senator Kassebaum fought very hard to turn Job Corps over to the states as part of a youth block grant. In a showdown floor vote (57-42) on Job Corps, Senators Specter and Simon successfully offered an amendment to retain Job Corps as a national program. The Department has implemented a range of policies to address the Committee's concerns. These included:

- ▶ initiation of a code of conduct at all Job Corps centers requiring zero tolerance policy for violence and drugs,
- ▶ establishing a 30-day probationary period after enrollment whereby students are terminated for failure to adhere to the zero tolerance policy,
- ▶ introduction of a strengthened applicant selection process to ensure that recruited young people are both committed and motivated to benefit from the program,
- ▶ establishment of improved placement definitions and performance standards to focus on full-time job placements,
- ▶ development of a follow-up survey system to determine status of students three months after they are placed in a job or school,
- ▶ implementing strong actions on poor-performing centers, such as terminating contracts, stopping input, and providing intensive technical assistance through high-performance challenge teams, and
- ▶ incorporating student surveys into Job Corps' performance assessment system.

Current

Status:

The Office of Job Corps continues to focus its efforts on improved performance. Several initiatives are being undertaken:

- ▶ Job Corps is converting from its rigid franchise model for serving severely disadvantaged youth to an outcomes-based, innovative School-to-Work (STW) system. This involves revising training policies, integrating academic and vocational training, changing the role of Federal staff from compliance monitoring to that of technical assistance and structuring programs to meet local employer and Workforce Development needs within the framework of a national program.
- ▶ Efforts are underway to enable Job Corps centers to take full advantage of technological advancements in all areas of their training operations.
- ▶ Increased emphasis is being placed on student employability in jobs that are training-related, pay well, and are consistent with long-term employment status.
- ▶ Intensive on-site assistance will continue to be provided to improve training and outcomes at centers with a demonstrated record of poor performance.

*Key
Constituents:*

State Workforce Development Boards, State and local STW systems, various advocacy groups such as the Children's Defense Fund, employers, and Job Corps contractors and eligible youth.

*Hill
Positions:*

While Senator Kassebaum has retired, we should continue to anticipate interest from the Senate Committee on Labor and Human Resources, the House EEO Committee and Appropriations.

Pros/Cons:

As a result of Congressional interest and the Department's response to these concerns, the Job Corps has become a stronger program. Centers are safer, with substantially reduced behavior problems and enhanced performance. Nevertheless, even with the programmatic steps undertaken, the new Congress may still take issue with some of these areas or with other concerns such as cost per participant, gang activity and placement levels and wage rates.

Job Training Partnership Act -- Title III B: Secretary's National Reserve Account For Dislocated Workers

Issue: The Secretary of Labor's approval of requests for discretionary funds to serve dislocated workers under the National Reserve Account (NRA), JTPA Title III B is required under current Departmental procedures. Requests are received on an ongoing basis. The Department's commitment is to make a decision relative to each request within 30 days of receipt.

Background: Of the funding appropriated by the Congress each year for the Title III Dislocated Workers program, 80 percent is allocated by formula directly to the States and local areas to provide reemployment services for eligible dislocated workers. The remaining 20 percent of the annual appropriation is reserved by the Secretary of Labor for special projects, and to respond to unanticipated worker dislocations caused by mass layoffs and plant closures and natural disasters that cannot be adequately supported with existing State or local formula funds. Funding is also made available to assist in clean-up and restoration activities as a result of natural disasters. These funds are available to States and local communities through grants awarded under the National Reserve Account (NRA). Grants are awarded in response to applications submitted by eligible applicants, primarily States. The need for NRA funding assistance in most instances is immediate: Layoffs have occurred or are imminent and workers are in need of readjustment and/or reemployment assistance.

Current Status: Of the approximate \$211 million available for Title III discretionary activities for the funding period beginning July 1, 1996, over \$39 million has already been awarded in 18 grants to States. Another \$10 million is currently pending approval by the Secretary of Labor. Another approximate \$18 million is pending review and recommendation. An additional \$17.9 million has been reserved to supplement assistance for trade-impacted worker dislocations and to provide assistance for workers dislocated from timber and timber-related industries in the northwest. Also, more than \$30 million has been reserved for demonstration projects to test the efficacy of various approaches to serving dislocated workers and to provide technical assistance to improve the quality of the services delivered.

Key Constituents: Workers dislocated as a result of plant closures or mass layoffs, including workers affected by the closures of mines resulting from implementation of the Clean Air Act, and workers affected by decisions of the Base Realignment and Closure Commission relative to military bases and installations; States and local areas submitting such requests

and, in many cases, workers representatives such as organized labor.

Note: The Department has made a commitment to fund Clean Air Act and Defense Conversion/Diversification grants out of the NRA, even though the appropriation for these programs has expired.

Hill Positions:

Members, in many cases, are actively involved in the Department's response to Title III NRA funds. Senator Dodd was instrumental in retaining a national reserve account within the Senate-passed job training legislation, and while a separate funding stream for dislocated workers at the state level is still an issue, there is agreement that a national "emergency" account is a necessary feature. Senator Specter chairs our Appropriations Subcommittee and has been very supportive of funding for this program. The Philadelphia Naval Shipyard is one of several NRA funded projects in his State.

There also have been numerous grants to states represented by members of our authorizing committee; examples of these grants will be supplied prior to confirmation hearing.

Job Training Partnership Act/Wagner-Peyser Statutory Waivers.

Issue: Job Training Partnership Act/Wagner-Peyser Statutory Waivers. During the first 100 days of 1997, states will be petitioning the Secretary of Labor to waive statutory requirements in certain titles under the Job Training Partnership Act and Wagner-Peyser.

Background: With the Administration's active support, DOL 1997 Appropriations included authority, for the first time, for the Secretary to consider requests from States to waive statutory provisions in the Job Training Partnership Act and Wagner-Peyser. The authority for operating programs under these waivers is limited to Program Year 1997 which begins on July 1, 1997. However, the Administration will propose an extension of this authority as part of its' FY '98 budget request. We support this waiver authority as a demonstration of our interest in reform, over the status quo, and respect for state ingenuity.

Current Status: DOL policy to implement Appropriations Act authority is under development for issuance to the States. Departmental guidance must be available before the end of February so that States can begin planning, submitting requests, and implementing approved waivers in time for the start of the program year.

There are two types of waivers authorized -- six states will be chosen as "workflex" states, where Governors will be given authority to grant waivers to local areas, according to an approved plan. Other waiver requests will come directly to the Department for approval.

Key Constituents: ▶Organized labor and community based organizations want to ensure funds are available for targeted populations. Public employee unions particularly wary about waiving Wagner-Peyser (Employment Service) rules, due to questions of job security and privatization.

▶Governors and State officials want to maximize flexibility of JTPA funds to respond to state initiatives such as welfare-to-work.

▶Local elected officials, National Association of Counties, Conference of Mayors, National Association of Private Industry Councils, CBOs and other stakeholders want to ensure retention and enhancement of local decision-making and receipt of funds.

Hill Positions: Senator Hatfield initiated JTPA waivers for Oregon in the FY 1996 and 1997 Appropriation Acts. In 1997, a separate and modified authority was granted to the Secretary for JTPA and Wagner-Peyser programs in all states. The Appropriations Committee cleared the language with the

Senate Labor and Human Resources Committee and House Economic and Educational Opportunities Committee.

Certain statutory requirements are excepted from this authority, such as eligibility, labor standards, service delivery areas, and functions of private industry councils.

Pros/Cons:

Proposed workforce development reform legislation died in the last Congressional session. The Secretary has the opportunity to solicit or promote certain types of waiver requests that will move the system in a direction consistent with the Administration's vision for a one-stop based workforce development system and a school-to-work system. In fact, we are able to point to this authority to demonstrate how we are achieving reform even while pursuing legislation.

Organized labor could well lead a fight over the continuation of the waiver process in FY '98 budget and appropriations process.

One Stop Career Centers

Issue: Continuing Congressional bi-partisan support for One-Stop Career Center system-building in the authorization and appropriations process.

Background: A common frustration among job-seekers and employers today is the difficulty of finding quality information on available employment and training programs, having to go from one place to another to actually receive information and services. The One-Stop Career Center System is the Administration's organizing vehicle for transforming this fragmented array of employment and training programs into an integrated service delivery system for job-seekers and employers. The Department, in partnership with the States and locals, has been working since PY 1994 to transfer this vision of an integrated, high-quality delivery system into reality. As Secretary Reich recently noted: "One-Stop Career Centers are at the hub of the new workforce development system. They provide user-friendly access to services and resources both to workers seeking new or better jobs and employers seeking workers with the skills needed to maintain and grow their businesses."

While each state's One-Stop system is being designed in conjunction with local communities to best meet their particular needs, the following four principles are key to all One-Stop Career Center systems:

Universality. All population groups will have access to a wide array of jobseeking and employment development services, including the initial assessment of skills and abilities, self-help information relating to career exploration and skill requirements of various occupations, consumer report information on the performance of local education and training providers, and quality labor market information.

Customer Choice. Giving customers choices is critical to a One-Stop Career Center system. Employers and job seekers will have choices in where and how they can obtain information and services and will have access to the information they need to make informed choices among education and training options.

Integration. A One-Stop Career Center system offers a seamless approach to service delivery, providing access to services under a wide array of employment, training, and education programs. This program integration also requires integration of governance structures at both the state and local levels.

Performance Driven/Outcome Based Measures. To ensure customer satisfaction, One-Stop Career Center systems must have clear outcome measures and consequences for failing to meet them.

Our One-Stop grant program also supports important research, development

and operational activities under America's Labor Market Information System (ALMIS). ALMIS is designed to provide all American workers and businesses with the information and value-added services necessary to exercise *informed choice* in their workforce-related decisions and to successfully compete in a global economy. Our Federal-State cooperative work will result in the further expansion of America's Job Bank, America's Talent Bank, and America's Training Network; consumer report card systems; significant improvements in the breadth, accuracy and timeliness of occupational forecasts and wage surveys; and, the continuing integration of emerging LMI products and applications through the ALMIS Database System into the One-Stop service delivery settings.

*Current
Status:*

One-Stop and School-to-Work remain important cornerstones of the Department's strategy as we move to a new workforce development system and transform a fragmented array of employment and training programs into an integrated service delivery system. As of January 1997, a total of 33 States had received implementation grants. These three year grants -- with each year's funding based on satisfactory performance -- provide seed money to establish the system's infrastructure (cross-training of staff, development of customer satisfaction surveys, installation of technical infrastructure, etc.). The remaining 21 States and territories have received planning grants to prepare for implementation.

The PY 1994 inaugural investment in One-Stop was \$50 million, followed by increases in PY 1995 (\$100 million), PY 1996 (\$110 million) and PY 1997 (\$150 million). The President's 1998 request is \$150 million. By the beginning of the PY 1998 budget cycle, the Federal funding commitment will have ended for those 16 States which received funding to implement One-Stop in PY 1994 and PY 1995. During 1998, the Department will continue to provide resources to 26 - 29 States which are entering their respective Year 2 or Year 3 of implementation activities, award initial Year 1 grants to the balance of prepared States and territories, and supply a limited amount of extension funding for a performance-qualified subset of our current 22 Local Learning Laboratory and system-building grants.

Currently, there are more than 150 One-Stop Career Centers operating in the 16 original implementation states which received grants in PY 1994 and PY 1995.

Key

Constituents: One-Stop has enjoyed considerable support from the Department's traditional key constituents and partners. The Federal emphasis has been on the development of State and local partnerships and cooperative working relationships between the major delivery systems (Employment Service, Job Training Partnership Act, Unemployment Insurance). The involvement of unions, educational organizations, and businesses has been a prime criterion in the Department's competitive award process for implementation grants, and

has generally been a hallmark of the States' implementation strategy.

As States pursue implementation, however, some issues have surfaced. The Department is currently developing a policy on "out-sourcing" -- i.e., addressing the degree to which a State may contract out Wagner-Peyser funded labor exchange operations to an outside party other than a State agency. (Note: This is not an issue for the JTPA-funded job training services which may be and are often out-sourced.) Massachusetts, for example, elected to implement a "competitive model," putting the traditional service delivery mechanisms in some jeopardy. The public service employee union (SEIU) has raised its concerns on this issue to the Secretary's office. This competition issue has also been raised in Texas and several other States.

Hill

Positions:

One-Stop has enjoyed bipartisan support in the Congress. While terminology and descriptions varied in the House and Senate workforce development bills of the 104th Congress, both recognized the strategic importance of One-Stops to the proposed consolidation and reform of government employment and training programs. It should be noted that the conference bill (Careers Act) would have "folded in" One-Stop implementation funding into a block grant arrangement.

Pros/Cons:

The disappearance of a discrete funding stream for One-Stop in workforce development legislation would not necessarily reduce the system-building attention of Governors and State legislatures. It would, however, place the Department's funding (viewed and advertised as discrete "seed capital" for system-building) in a State-elective process with the other objectives (economic development, job training, service to welfare claimants, etc.) endorsed in such future legislation.

School-To-Work

Issue: The School-to-Work Opportunities Act of 1994: Threats of Repeal.

Background: The School-to-Work Opportunities Act was signed into law by the President in May 1994. It is jointly administered by the Departments of Labor and Education. It is a new approach to learning that seeks to better prepare all American youth for careers in high skill, high wage jobs and to strengthen the link between what is learned in school and what is needed in the workplace. The Act, which sunsets in 2001, provides venture capital to states and local communities to begin systemic reform efforts that will better prepare today's youth for the world of work. Funds are also a set-aside for national activities that support system building through technical assistance and capacity building activities, outreach and communications efforts, and research and evaluation. The Act was never intended to become a permanent federal program. It was designed to provide seed money for development and implementation activities for a maximum duration of 5 years to each State with a declining federal investment over time.

Current Status: Appropriations under the School-to-Work Opportunities have been: \$245 million in FY/PY'95 and \$350 million in FY/PY'96. The Administration is expected to request \$400 million in FY/PY'97. Currently 37 States have been awarded multi-year implementation grants and more than 100 communities receive funds directly from the National School-to-Work Office. Sufficient funds are available in the 1997 funding year (available July 1) to fund the remaining States for implementation. Under the current spending plan, all States could receive the equivalent of five years of funding prior to the Act's scheduled expiration in 2001. However, during the last Congress, legislation passed each House that would consolidate a number of existing employment, training and education programs into block grants to the States. The proposed legislation would have repealed the School-to-Work Opportunity Act and incorporated some School-to-Work principles into the block grant legislation. The Administration was **strongly opposed** to repeal of the School-to-Work Opportunities Act. The repeal effort was defeated

Key Constituents: Business, labor, education and public interest groups (including the Governors, mayors, county officials and state legislators) have largely been supportive of the School-to-Work initiative. Vocal opposition to this effort has come almost exclusively from the conservatives such as the Eagle Forum and the Christian Coalitions.

Summer Youth Jobs Program

Issue: Continued funding of the Summer Youth Jobs Program (Job Training Partnership Act, Title II-B). Congressional members will be closely monitoring this program to determine whether increased numbers of youth are served during the summer of 1997.

Background: The Summer Youth Jobs program provides low-income youth, especially inner-city minority youth, with valuable employment experiences that most will not get from private companies. In early 1995 and again in 1996, Congress attempted to zero out the summer youth program. Only through the tireless efforts of the Secretary, chief elected officials of cities, counties and States, community based organizations, and many private citizens was it restored. As a result, the summer program for both 1995 and 1996 were announced late and local jurisdictions had to scramble to make necessary arrangements to get the program in place. As a result of that, and of new authority to transfer funds between the summer and year-round programs, in the summer of 1996 there were only 407,000 youth served.

For calendar year 1997, the President's request for the Summer Youth Jobs Program was fully funded at \$871 million (\$246 million above the 1996 appropriation). It has been projected that this increased level will permit 500,000 low-income young people ages 14-21 to have an opportunity to get a first job, use some of the skills they have learned in school, and build their knowledge of the demands of the workplace. The Department will be issuing guidance to the employment and training system in January to kick-off the planning for this summer's youth jobs program. In addition, we will be sending technical assistance materials which will focus on how to further involve the private sector.

Current Status: The FY '98 budget for the Summer Youth Jobs Program is continued at the FY '97 level of \$871 million.

Key Constituents: Chief elected officials at the city and county levels. They have actively supported the continuation of the Summer Youth Jobs Program as a key learning and earning opportunity for youth.

Hill Positions: Senator Kennedy has been a strong advocate for this program and has worked with members of the Senate Labor and Human Resources Committee to continue the funding of this program. Senators Specter and Harkin led the efforts in both FY '95 and FY '96 to overturn the house's proposed elimination of the program. In contrast, the House Republican leadership has publicly noted that they feel the funds are not well spent. Fortunately, bi-partisanship by members of the House on

this program, especially from Jack Quinn (R. NY) saved it from elimination and resulted in the continued funding.

Pros/Cons:

Pros: The Department is totally committed to the funding of this program for the following reasons:

- It is a proven way to give youth an opportunity to test the labor market while earning so they can cover back-to-school costs they would not be able to do otherwise.
- It gives youth jobs which would not be possible from the private sector, especially for the cohort of youth 14-16. Also, it encourages the leveraging of local resources and involvement of complementary private sector summer jobs program.
- It provides a connection between school and work that is real to the youth and permits them to understand the demands of the workplace in such diverse job areas as administrative, clerical, health, and maintenance.
- It provides academic enrichment during the summer months for a group of at risk youth who may be thinking of dropping out of school when formal learning is all but eliminated.
- It provides an important funding level for future negotiations on workforce legislation.

Cons: The Summer Youth Program has been characterized by persons opposed to this investment in the following ways:

- It is expensive in this era of budget cutting and should be eliminated or greatly reduced.
- Youth should take private sector jobs during the summer rather than asking the government to pay for them to get jobs, especially with the tightening of the labor market.
- It provides little real value in the way of job experience or learning - it is a "make work" program.

Super Section 127 - Employer Assistance for Continuing Education and Training

- Background:* Section 127 of the Internal Revenue Act provides for educational assistance which is administered by the Treasury Department and has been in the tax code for over 15 years. It is a program of tuition assistance for employees paid for through employer tax credits provided by the federal government. Under this provision, tuition reimbursement received by employees is not treated as taxable income. It has an annual cost of some \$500 million to the Treasury. The program has been primarily used by large corporations. Last year the Secretary proposed an additional 10% tax credit for small businesses to encourage them to enter the program at a cost of approximately \$25 million. The provision was not included in the final Small Business Tax Relief Act, largely due to overall cost considerations of the bill as a whole.
- Current Status:* The authorization for Section 127 expires on June 30, 1997. The President will seek a permanent extension of the program, including the Secretary's credit for small business, in his February budget release.
- Key Constituents:* The business and educational community are strong supporters of the program.
- Hill Positions:* Members in both chambers and on both sides of the aisle have been strong supporters of the program. The legislative future of Section 127 will likely be wrapped up in larger revenue and offset questions the Ways and Means and Finance Committees must face as they develop a tax bill; the tax writing committees most likely will be forced to find savings because of an almost certain reconciliation process that will occur in the spring in conjunction with balanced budget revenue and savings requirements.
- Pros/Cons* Section 127 has widespread political support. It is likely to be reauthorized, but for how long will be determined by larger revenue requirements.

Trade Adjustment Assistance (TAA) and North American Free Trade Agreement Transitional Adjustment Assistance (NAFTA-TAA)

Issue: Trade Adjustment Assistance (TAA) and the North American Free Trade Agreement Transitional Adjustment Assistance (NAFTA-TAA) programs expire at the end of fiscal year 1998.

Background: The TAA program provides job retraining, income support, job search relocation benefits, and other reemployment services to production workers impacted by increased imports generally. The NAFTA-TAA program provides the same services to production workers who lose their jobs as a result of increased imports from, or by a firm shifting production to Canada or Mexico. These are entitlement programs authorized through amendments to the Social Security Act, and the level of income support is consistent with workers' entitlements to unemployment compensation.

During fiscal year 1996, over 32,000 workers entered training, and over 30,000 received some income support under the TAA program. These figures represent an increase of approximately 20 percent overall compared to fiscal year 1995. Under the NAFTA-TAA program, also during fiscal year 1996, over 2,200 workers entered training, and over 1,800 received some income support; these figures represent an increase of approximately 10 percent overall compared to fiscal year 1995. Where workers can qualify for both programs ("dual certification") they generally choose to be served under TAA because it allows for flexibility in receipt of income support while waiving delaying participating in job training.

Current Status: Comprehensive workforce development legislation proposed by the Administration which included these trade programs was not enacted. Separate pieces of workforce development legislation considered by the House and by the Senate in the last session did not address the Trade Act. Reauthorization legislation must be sent to the Hill this spring.

Key Constituents: TAA and NAFTA-TAA are strongly supported by organized labor, although labor has continued its opposition to NAFTA.

The Teamsters Union is lobbying to add service workers to the NAFTA-TAA program so that truck drivers who are expected to be impacted by NAFTA would be eligible for benefits.

Hill Positions: These entitlement programs are under the jurisdiction of the House Ways and Means Committee and Senate Finance Committee. Proposals to consolidate these programs into the larger job training consolidation bill were abandoned by the House and defeated on the Senate Floor.

Yet, since these programs are strongly supported by organized labor, the majority in Congress could use reauthorization of TAA and NAFTA-TAA as an opportunity to take on labor, arguing that job training consolidation would be incomplete unless these programs are included.

Pros/Cons:

Experience has identified both policy and technical issues which can be addressed in a reauthorization. However, any discussion of modifying the Trade Act will be viewed as a threat by organized labor. On the other hand, the Administration will have to defend allowing program inconsistencies (such as the waiver provision within TAA) to go unaddressed.

Unemployment Insurance

Issue: How the unemployment insurance (UI) program works and some of the current issues involved.

Background: UI is a Federal-State entitlement program, implemented through the Social Security Act of 1935, providing temporary income support for experienced workers who are out of work due to no fault of their own. The program helps to maintain individual worker's earning power and functions as an automatic economic stabilizer during recessions. In FY 1997 it is projected that 8.9 million unemployed workers will receive UI benefits. The program will pay out nearly \$24 billion in benefits and revenues of over \$23 billion will be collected by States. In addition, the Federal government will collect approximately \$5.8 billion for administration, extended benefit payments and loans to insolvent States.

Each State has its own UI law which conforms with requirements spelled out in the Federal statutes. State laws establish eligibility requirements claimants must meet, the weekly benefit amount and duration of benefits, disqualifications that apply to individuals, and tax rates to be paid by employers to finance the payment of benefits. The Federal government, through a separate Federal unemployment tax on employers, finances costs of administration of the program.

When unemployment in a State is high, the program provides up to 13 or 20 of additional weeks of benefits (depending on the rate of unemployment) under the Extended Benefits (EB) program. No State is currently triggered "on" to the EB program.

Current Status:

Current issues involve administrative financing levels that many believe are inadequate to meet the needs of the States. While benefit payments are part of the mandatory portion of the unified Federal budget, administrative funds are discretionary -- causing a disconnect (essentially an unfunded mandate) between workload levels and administrative resources when arbitrary budget cuts are made. Over the years such cuts have caused a number of States to implement separate taxes to supplement the Federal allocation and have generated an interest by some in devolving administrative financing responsibilities to the States. This Department has not supported devolution, although there has been some interest expressed by OMB. The FY 1997 budget is 8.57 percent below levels calculated as needed to properly administer the program and the FY 1998 budget submission will be 10.84 percent below need.

A number of proposals to devolve the administrative financing of the program threaten to weaken available policy options in the management of this national

program and are counter to the findings of the Congressionally mandated Advisory Council on Unemployment Compensation which concluded deliberations in December 1995. The proposals have implications for the Federal budget deficits as UI trust funds are used as offsets. In addition, the President's initiatives on workforce development include UI as a baseline program in the One Stop System. Devolution could adversely impact the initiative.

Related to funding, the FY 1998 request includes \$200 million to assist States in making automated systems year 2000 compliant and \$89 million above budget caps for States to use in integrity activities -- designed to reduce error and fraud in benefit payment and tax collection.

In 1991 Congress legislated that a report be developed outlining a proposal to change the methodology used by the Federal government to allocate administrative funds to the States. A report has been developed with input from States and is in the clearance process to OMB. It is expected to be delivered to the Hill in late spring after publication in the Federal Register and any resulting adjustments are made.

Key

Constituents: Organized labor and employer groups are interested in the program and in the devolution proposals. Employer groups are not opposed to devolution while organized labor has expressed grave concerns. Devolution and the administrative financing proposal have generated mixed reactions from States.

Hill

Positions: With respect to devolution, position is unknown in general, although the House Ways and Means committee tentatively has plans to hold hearings on devolution in March this year.

Pros/Cons: Basic issue is the level of Federal involvement in the continuation of the UI program.

Welfare-to-Work Jobs Initiative/Welfare Reform

Issue: Welfare-to-Work Jobs Initiative/Welfare Reform

Background: The welfare reform bill signed by the President requires that states move 25% of their welfare caseloads into "work activities" by the end of FY '97 and 50% by the end of FY 2000. As a result, one of the President's top priorities will be to help states create job opportunities for welfare recipients.

There is concern over how existing employment law protections (e.g., minimum wage, overtime, safety and health) will be applied to welfare recipients in "work activities." It is DOL's preliminary view that these protections apply as they would to any other worker. The Department is working with HHS and the White House to establish mechanisms for providing technical assistance to the states regarding the application of labor law protections to participants.

The President's FY '98 budget request will contain an entirely new proposal to create job opportunities for welfare recipients. The Welfare-to-Work Challenge would provide \$3 billion in mandatory spending over three years to help communities move one million of the hardest-to-employ welfare recipients into jobs. A portion of grant funds would be paid as a bonus to communities for each long-term recipient who is placed and retained in a private sector job for at least nine months. While no final decision has been made as to whether the Department of Health and Human Services or Labor would administer this initiative, Department's FY '98 budget. Both Departments have been working closely with OMB to develop the proposal.

We believe that the Welfare-to-Work initiative design should be guided by the principles that govern the President's G.I. Bill for America's Workers: individual opportunity and informed choice, strong private sector roles, greater accountability, streamlined systems, and State and local flexibility. We also believe that it (a) should be targeted on the harder-to-serve of the employable welfare recipients; (b) focus on placements into "real" private sector jobs; and (c) include strong local and private sector roles.

Current Status: On the Welfare-to-Work Challenge, DOL, HHS, and OMB have prepared papers on various issues relating to the design of the President's welfare-to-work proposal. These proposals have been discussed at meetings chaired by OMB. This proposal will likely be included in the President's FY '98 budget. OMB has drafted a decision memo for the White House on key issues, which is now being reviewed

by the two Departments. DOL, HHS and the White House will be meeting to work out details of technical assistance for the States on the application of labor laws. On worker protections for welfare recipients, the Department is working with the White House and HHS on a technical assistance system.

Key Constituents: Governors would likely welcome the additional resources that will come from the Welfare-to-Work Challenge to use in transitioning welfare recipients into employment, but would strongly prefer "no strings" on the use of funds. They will be skeptical about strict enforcement of employment laws on behalf of welfare recipients.

Mayors want a stronger role in welfare reform, which the Welfare-to-Work Challenge offers them. Counties and community-based organizations would welcome additional resources, but may be skeptical about details of the proposal.

Organized labor is concerned about worker protections in the Welfare-to-Work Challenge. They are deeply concerned about the displacement effects on other low-wage workers of moving welfare recipients into work. They are also very focused on how the Department will assure that welfare recipients' rights under employment laws are protected.

Hill Positions: Key Republicans (Archer, Shaw) have indicated they are not receptive to substantive changes to last year's welfare reform legislation. Budget pressures will make it extremely difficult to fix the perceived inequities, especially in light of the hefty price tag. Should these political pressures consume the initiative, Republicans may prefer simply adding funds to the TANF block grant or to the adult training program under JTPA (Title II-A). Harkin and Kennedy are strong supporters of the Welfare-to-Work Challenge being administered by DOL.

Pros/Cons: The key remaining issues relating to the design of the Welfare-to-Work Jobs Initiative and the pros and cons of various options are discussed in the draft OMB memo.

Work Opportunity Tax Credit (WOTC) Implementation/Expansion

Issue: Will employer participation in the WOTC program be extensive enough to make it and proposed expanded tax credit programs a major resource in welfare-to-work transition?

Background: The Work Opportunity Tax Credit (WOTC) replaces the Targeted Jobs Tax Credit (TJTC) which expired on December 31, 1994. TJTC had come under criticism from DOL's Office of the Inspector General (OIG) and Secretary Reich as a program that was a windfall for employers. Under TJTC, some employers would inventory their existing workforce to identify incumbent workers for whom the credit could be claimed. Thus, TJTC would leverage no new hires. WOTC revamped the TJTC to address these criticisms. Program eligibility determinations must be made before a job offer is made, and an employee must now work 400 hours (vs. 120 under TJTC) before employers can earn a tax credit.

New hires from among 7 target groups can establish an employer's eligibility for a tax credit under the WOTC program. The WOTC provides a maximum tax credit of \$2100 to employers who hire targeted adults, and \$1050 for targeted summer youth. WOTC became effective on October 1, 1996 and is authorized for one year ending September 30, 1997.

Welfare recipients are likely to be the largest WOTC target group and the Administration has identified the WOTC as a key resource in welfare-to-work transition. Also, the WOTC provides a foundation for **expanded tax credit programs** proposed by the Administration for authorization in FY 1998 as part of the Welfare-to-Work Jobs Challenge. These expanded tax credit programs are the **Targeted Welfare-to-Work Tax Credit**, a tax credit for employers who hire long-term welfare recipients and the **Expanded Work Opportunity Tax** a tax credit targeted on adults age 18-50 who become ineligible for Food Stamps because they did not satisfy the work requirements of the new welfare reform law.

The ability of the WOTC and the proposed expanded tax credit programs to serve as a key resource in welfare-to-work transition depends on the scope of employer participation in the program and strategic use of the tax credit by workforce development and welfare agencies serving welfare recipients. Broad-based employer participation requires a program that is easy for employers to use and a Job Service system that is eager to provide a level of service that renders certification decisions quickly and avoids uncertainty about

whether eligibility for the tax credit has been established. The Job Service certifies an employer's eligibility for the tax credit.

*Current
Status:*

Operating guidance for the program has been issued and the first round of training for state and Federal regional staff has been held. A second round of training is planned for early February 1997 on the updated handbook for WOTC administration. Feedback from large employers indicates that the program's operating guidance defines a certification process that will be easy for them to use.

ETA is organizing marketing efforts to enlarge the scope of employer participation to include medium-sized and small employers. The traditional users, large employers who use consultants as intermediaries with the Job Service, are likely to match or exceed their participation in WOTC compared to the TJTC. The participation of medium- and small-sized employers in TJTC was low.

Marketing and program development efforts are also targeted on workforce development agencies, welfare agencies, Empowerment Zones/Enterprise Communities, et. al. -- agencies that are in a position to use the WOTC strategically to transition welfare recipients to jobs. An aspect of this effort will focus on Job Service concerns about administrative funding for WOTC. \$20 million has been allocated to states in FY 1997 for WOTC administration. The same amount is requested in FY 1998 when the expanded tax credit programs are proposed for implementation. Some Job Service agencies have noted that available funding is not commensurate with the workload the WOTC presents. ETA's marketing and program development in this connection will emphasize the opportunity for leadership on a key aspect of welfare-to-work that WOTC presents to the Job Service.

*Key
Constituents:*

Awareness of the WOTC is relatively low among agencies that are in a position to use the WOTC strategically to transition welfare recipients to jobs. Marketing and program development initiatives are intended to correct this.

Large employers support the WOTC and have responded positively to the operating guidance that ETA has issued. Awareness by medium- and small-size employers needs to be increased. ETA marketing plans are designed to increase awareness.

Hill Positions:

Relevant tax and oversight committees of the Congress generally support WOTC as correcting the major weaknesses the TJTC. Support is strong among certain Members of Congress including Congressman

Charles B. Rangel (D-NY; Ways and Means), Amory Houghton (R-NY; Ways and Means), Senator Orrin Hatch, and Senator Max S. Baucus (D-MT; Senate Finance).

State and local elected officials remain skeptical about the potential interest in the WOTC. They are not yet hearing from employers that a tax credit will make a real difference. ETA marketing plans will include outreach to elected officials who interact with business leaders regularly.

The WOTC expires on September 30, 1997. Congress is likely to request evidence concerning the performance of the WOTC to inform its decisions on reauthorization and its action on proposals for expanded tax credit programs.

Pro/Cons:

The Administration has an interest in demonstrating that tax credit programs like the WOTC can have a significant and positive welfare-to-work impact. Affirmative Congressional action on expanded tax credit programs could be influenced by the achievements of the WOTC during its first year.

Youth Opportunity Area Grants

Issue: The President's budget provides for \$250 million for Youth Opportunity Grants.

Background: Out-of-school youth in many of our country's inner-city neighborhoods currently have employment rates of less than 50 percent, and school dropout rates in these areas can exceed 60 percent. These problems contribute significantly to crime, youth gangs, welfare dependency, and drug abuse in these communities. Because of the difficulty in effectively serving youth in high-poverty areas and the overwhelming need to do so, the President requested \$250 million in his FY 1997 budget for new competitive grants to selected high-poverty urban and rural communities aimed directly at boosting the employment rate of out-of-school youth in these pilot areas to levels commensurate with that of non-poor communities, with the hope of having a dramatic impact on all aspects of life in these target areas.

Although Congress did not appropriate funds for this initiative in FY97, it recognized the complex and extraordinary needs of out-of-school youth by stating in the omnibus appropriations act language that it "expects the Department to continue using a portion of pilot and demonstration funds to support this initiative." Three communities -- Chicago, Houston, and Los Angeles -- were awarded three-year demonstration grants under a competition in 1996 to be pilot sites for this broader initiative. We hope that in implementing these three pilot sites, we will be better able to implement the broader initiative.

The President again will propose \$250 million in his FY 1998 budget for this initiative. Because many of those targeted are welfare recipients or young minority males who experience extremely high rates of non-employment, this initiative will complement welfare reform and the welfare-to-work jobs initiative.

This initiative builds on preliminary results from Labor's Youth Fair Chance (YFC) initiative that suggests that programs that concentrate resources can have community-wide impacts. Youth Fair Chance provided a large amount of funds for youth development programs in selected high-poverty communities. Localities typically developed a combination of community learning centers for youth, alternative schools, work opportunities, in-school programs, and comprehensive sports and recreation activities. Results from the seven initial pilot sites show dropout rates going down in six of the seven sites, and adolescent births going down in all six of the sites for which data were available.

Current Status:

The Department plans to announce a new competition next month to select an additional site or two. We would also propose that this initiative be authorized as part of any new workforce development legislation.

Key Constituents:

Mayors and counties with high poverty inner-city neighborhoods and rural areas would welcome additional resources to target out-of-school youth. Governors would be skeptical about the success of concentrating large amounts of resources in high poverty areas with strong local control. Community-based youth-serving organizations generally will be supportive, but will want to assure that these resources have a broad youth development focus and avoid setting up separate delivery systems for out-of-school youth. Schools and organized labor will be concerned about local and State matching funds that might shift scarce resources from students to out-of-school youth.

Hill Positions:

Pressures to consolidate training programs and increase State and local flexibility will make it extremely difficult to authorize a separate program for out-of-school youth or to obtain funding for such an initiative. Although Congress recognizes the role that pervasive joblessness plays in explaining poverty, welfare dependency, the rise of single parent households, and crime in high poverty communities, appropriators may prefer to continue directing the Department to support the initiative through existing programs/funds. It is too early to know whether House or Senate authorizing committees would support some form of "national reserve" for youth opportunity areas similar to that for dislocated workers.

Pros/Cons:

Current efforts to consolidate job training programs and to give broad authority to Governors do not lend themselves to programs that concentrate funds in selected neighborhoods and we will be asked to defend keeping any programs outside of consolidation. States and local political constraints will drive consolidated program resources towards being disbursed widely to serve as many persons and geographic areas as possible which argues more emphatically for that need for this initiative. However, the evidence supports concentration models, especially for youth, and if we really want to promote "what works", this needs to be part of the package.