

MICHELLE LUJAN GRISHAM GOVERNOR OF NEW MEXICO CHAIR SPENCER COX GOVERNOR OF UTAH VICE CHAIR JACK WALDORF

November 25, 2024

The Honorable Charles Schumer Majority Leader United States Senate S-221 The Capitol Washington, DC 20510

The Honorable Mike Johnson Speaker House of Representatives H-232, The Capitol Washington, DC 20515 The Honorable Mitch McConnell Minority Leader United States Senate S-230 The Capitol Washington, DC 20510

The Honorable Hakeem Jefferies Minority Leader House of Representatives H-204, The Capitol Washington, DC 20515

Dear Majority Leader Schumer, Minority Leader McConnell, Speaker Johnson, and Minority Leader Jefferies:

On behalf of Western Governors, we express our support for provisions within S. 3891, the Economic Development Reauthorization Act of 2024, and support the passage of the legislation through any appropriate vehicle. The Economic Development Administration (EDA) provides critical support for western communities to invest in rural development, support workforce development, and expand broadband access. Reauthorizing EDA while modernizing and improving its economic development programs would advance many of the bipartisan policy recommendations included in Western Governors' Association (WGA) policy resolutions 2023-06, Rural Development; 2023-07, Broadband Connectivity; and 2022-03, Workforce Development in the Western United States (attached).

The legislation makes important improvements to EDA programs that will help more communities access the resources needed to diversify and grow their economies. Many rural communities are unable to dedicate the staff time and resources necessary to apply for and manage federal grants and are not able to take advantage of EDA funding opportunities. Western Governors support provisions to allow communities to cover administrative expenses, including predevelopment activities, with grant funding for economic development planning. Similarly, many of our rural communities have limited municipal budget capacity and little access to capital due to few available private funds focused on rural issues. Non-federal cost-share requirements put federal resources beyond the reach of these communities. Western Governors support the additional flexibility the legislation would give EDA to reduce or waive match requirements for communities that need it most.

In addition to increasing access for rural communities, the legislation also modernizes economic development programs to better meet today's needs. In WGA Policy Resolution 2023-06, Rural Development, Western Governors note that "changes in our economy, labor force, and technological innovations require fundamental changes and new approaches to economic development strategies." Increasing EDA's ability to support broadband deployment, workforce training, and manufacturing site development will help meet that imperative.

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Improving and modernizing EDA programs will promote rural and economic resilience in the West. We appreciate congressional efforts to reauthorize EDA's important work and hope this effort can be completed before the conclusion of the 118th Congress. Please contact us if we can be of assistance as you consider this legislation.

Sincerely,

Michelle Lujan Grisham Spe er Cox

Governor of New Mexico Chair, WGA

Spender Cox Governor of Utah Vice Chair, WGA

Attachments



Policy Resolution 2023-06 Rural Development

A. <u>BACKGROUND</u>

Vibrant and prosperous rural communities are essential components of western states and the nation. Rural communities in the West grow and supply food, steward natural resources, contribute disproportionately to the armed services, and are critical to state economies. These communities are often richly diverse and face varying threats and opportunities, although they do share some common challenges – including low population density, distance from urban centers, and capacity constraints – that are more pronounced than in other regions and are frequently not reflected in the design of federal programs.

The COVID-19 pandemic and the rise of virtual systems such as telework, distance learning, and telehealth have transformed migration trends and the ways in which people live, work, and learn. However, these common challenges continue to hinder the delivery of services, connectivity, and economic development across the rural West. The planning and management processes required to implement solutions and to access and deploy federal funding to address such challenges are increasingly complex, compounding disinvestment over time and increasing geographic inequities.

B. <u>GOVERNORS' POLICY STATEMENT</u>

- 1. Western Governors believe that strengthening social infrastructure in rural communities is the best strategy to ensure rural quality of life and prosperity. Congress and federal agencies should increase the proportion of rural economic development and infrastructure funding that goes toward capacity-building, particularly for U.S. Department of Agriculture (USDA) Rural Development programs, and Congress should allow agencies to negotiate the percentage of financial versus technical assistance within appropriations. Western Governors call for ample and consistent federal funding and consistent regulatory requirements across agencies for institutions, training, and technical assistance so that state and local governments, nonprofit organizations, and associations can assist communities in applying for and managing funding. Robust social infrastructure is fundamental to economic and community development and maximizes the impact of state and federal resources.
- 2. Criteria used to define rural and underserved communities vary at the federal level. Western Governors encourage federal agencies to be consistent in these definitions, and to consider the unique characteristics of the West and use the best data available to make program eligibility determinations.
- 3. Western Governors believe that many federal programs for rural development and distressed communities include unintended barriers for rural individuals and entities that need assistance most. Western Governors urge federal agencies to work with states to: thoroughly evaluate program requirements; identify barriers for rural applicants; and revise onerous requirements in a manner that recognizes the limited resources and capacity of rural applicants. In particular, Western Governors are concerned by:

- a. Scoring criteria that relate to numerical size and impact, such as the number of jobs created or the number of people served, which disadvantage small and isolated communities;
- b. Requirements that applicants partner with other institutions like community colleges or foundations, which may not operate in the rural community seeking assistance;
- c. Financial match or cash-on-hand requirements that rural organizations cannot meet;
- d. Overly complicated or technical applications that deter rural customers from applying;
- e. The use of median household income to determine program eligibility, particularly in coal, hard-rock mining, oil and gas, and power plant communities; and
- f. Low administrative allowances that hinder communities from hiring qualified staff to cover the amount of territory and comply with federal regulatory requirements.
- 4. Western Governors also urge federal agencies to use state data for eligibility determinations when requested by states. States often have more up-to-date and granular data for rural communities than federal sources.
- 5. Western Governors recognize and support efforts at the federal and state level to coordinate the deployment of resources, leverage funding, and create one-stop application processes for rural customers. Western Governors are interested in exploring strategies to expand those models to include more funders and further enhance coordination between agencies and between states and the federal government.
- 6. Western Governors believe that changes in our economy, labor force, and technological innovations require fundamental changes and new approaches to economic development strategies. Western Governors promote and are dedicated to sharing rural development policies that focus on quality of life, the support of small businesses and entrepreneurs, and economic diversification, spurred by federal incentives for innovation. This will develop rural communities that are attractive places to live and work while protecting their rural character, natural resource-based industries, and natural areas.
- 7. Western Governors are eager to work with public universities, community colleges, and the business community to expand opportunities for young people to stay in their rural communities. There is a high demand for skilled workers in rural communities and states and territories should work together on regional solutions that provide the appropriate training and skills for the jobs that are available in rural communities where possible. Western Governors are also committed to increasing employment among veterans, people with disabilities, and historically disadvantaged communities in the rural West.
- 8. To address lower labor force participation in rural areas, Western Governors recommend that the federal government: invest in education and training programs that are tailored to the needs of rural communities; provide resources and support for entrepreneurs, such as

access to capital and business incubators to encourage more people to start their own businesses and create jobs in rural areas; invest in broadband infrastructure and expand access to internet services for new job opportunities and the ability to work remotely; and offer tax incentives, grants, or other financial incentives to support businesses locating in rural areas.

- 9. Western Governors encourage Congress to help create the conditions necessary to attract manufacturing enterprises and jobs to rural areas.
- 10. Rural communities in the West are envisioning transformative and systems-wide solutions to meet the unique needs of their communities. Western Governors urge Congress and federal agencies to be responsive to these successful, community-based methods and allow maximum flexibility in the use of federal economic development resources and the design of new and existing programs. Increased flexibility will also facilitate investments in quality of life and amenities in rural communities. Governors believe that metrics based solely on the absolute number of jobs created do not reflect the important economic benefits of investments in community assets that make rural communities attractive places to live, nor do they account for the relative impact of job creation in less populated rural communities or areas with high unemployment or poverty rates.
- 11. Western Governors support the adoption of community cooperative business models to preserve rural businesses and fill needs for child care, homecare, main street businesses, housing, sustainable food supply, and other community needs. Western Governors recognize the need for substantial technical assistance and education in developing new cooperative businesses and support federal funding of such efforts.
- 12. The Economic Development Administration (EDA) provides adequate resources for community and economic development planning, yet funding for project implementation is limited to specific geographic areas or types of infrastructure. Western Governors request that Congress and EDA broaden the eligible use of EDA funds to support the execution of community and economic development plans, create actionable improvements, and scale ideas across communities. Western Governors are especially interested in making agricultural innovation and housing eligible for EDA programs.
- 13. Western Governors have developed robust policies addressing a host of sector-specific issues and the challenges of providing services and maintaining infrastructure essential to communities across the vast expanse of the rural West. These policies focus on broadband connectivity, health care, affordable housing, transportation, workforce development, agriculture, water quality, and the relationship between communities and land management. Western Governors are committed to working with Congress and federal agencies to advance these priorities and improve the efficacy of federal, state and territorial programs to support critical infrastructure in the rural West.
- 14. Western Governors are concerned by food security challenges in rural communities. Rural grocery store closures jeopardize livability and community health. However, we are encouraged by the efforts occurring within our states. Western Governors are interested in exploring creative and comprehensive strategies to ensure rural food security and sustainability by strengthening and diversifying local agricultural economies and developing regional approaches to rural food supply chains.

- 15. The Cooperative Extension System, which serves every county in western states, is an important asset for rural development. Western Governors believe that Cooperative Extension can play a more meaningful role in economic development efforts in distressed communities and support continued investment in the system, especially for upskilling, training, and funding for new positions as it responds to the changing needs of rural communities. Western Governors are committed to maximizing the efficacy of Cooperative Extension in their states.
- 16. Western Governors assert that access to high-quality, culturally and linguistically relevant early education and child care is critical to rural communities and encourage Congress to allocate funding for these services. Access to child care is essential to ensure positive short and long-term health, development, and educational outcomes for young children and to allow families in rural communities to pursue the economic and educational opportunities that help them achieve a more secure future.
- 17. An absence of congressional action has resulted in a lack of consistency in the design and implementation of the Community Development Block Grant (CDBG) Program. Western Governors encourage Congress to reauthorize CDBG and standardize the program's environmental and administrative processes.

C. <u>GOVERNORS' MANAGEMENT DIRECTIVE</u>

- 1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
- 2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

This resolution will expire in June 2026. Western Governors enact new policy resolutions and amend existing resolutions on a semiannual basis. Please consult <u>http://www.westgov.org/resolutions</u> for the most current copy of a resolution and a list of all current WGA policy resolutions.



Policy Resolution 2023-07 Broadband Connectivity

A. <u>BACKGROUND</u>

High-speed internet, commonly referred to as "broadband," is the critical infrastructure of the 21st century and a modern-day necessity for businesses, individuals, schools, and government. Many rural and tribal western communities lack the business case for private broadband investment because of the high cost of infrastructure and the low number of customers in potential service areas. Factors such as the vast distances between these communities, challenging terrain, sparse middle mile and long-haul fiber-optic cable, and the need to permit and site infrastructure across federal, state, territorial, tribal, and private lands make planning, siting, and maintaining broadband infrastructure especially difficult. This has left many rural businesses and citizens at a competitive disadvantage compared to urban and suburban areas with robust broadband access.

Historically, federal broadband investment has struggled to address these inequities, due in large part to inaccurate and overstated data. Whether or not an area is considered "served" depends not only on if households have access to the internet, but also the speeds and bandwidth that they have access to. This determination has significant effects on a community's eligibility for federal broadband infrastructure support and can prevent businesses, local governments, and other entities from applying for and securing federal funds to assist underserved or unserved communities. High-quality data is required to ensure that current public broadband deployment efforts are cost-effective and prioritize these areas, while digital inclusion efforts are needed to provide access to affordable broadband and devices and to build the digital skills to utilize broadband.

B. <u>GOVERNORS' POLICY STATEMENT</u>

- 1. Western Governors encourage Congress and federal agencies to recognize that the current definition of broadband 25/3 Mbps does not correspond with the requisite download and upload speeds necessary to support many business, education, and health care applications that promote economic and community prosperity. We support efforts to adopt a higher, scalable, and consistent standard across federal broadband programs at least 100/20 Mbps and scalable to 100 Mbps symmetrical that more accurately reflects modern innovations and bandwidth demands.
- 2. Western Governors request that the Federal Communications Commission (FCC), National Telecommunications and Information Administration (NTIA), U.S. Department of Agriculture (USDA), and other federal entities prioritize scalable broadband infrastructure investments that meet communities' increased bandwidth demands into the future. Funds for equipment maintenance and upgrades are essential to ensure that federal broadband investments continue to provide high-quality service.
- 3. While Western Governors are heartened by significant federal investments in broadband, principally the \$42.5 billion Broadband Equity, Access, and Deployment (BEAD) Program established through the Infrastructure Investment and Jobs Act (IIJA), it is imperative that

federal program design and implementation does not repeat the mistakes of the past. Federal funding represents a historic opportunity to close the digital divide and should help states and territories reach areas in most need of assistance. To do so, Western Governors urge the FCC, NTIA, USDA, and other federal agencies involved in broadband deployment to work closely with Governors and state and territorial agencies and respond to and address their needs and concerns prior to releasing large tranches of funding. In particular, federal agencies that make independent broadband infrastructure awards should consult with states and territories prior to finalizing awards to ensure they align with state and territorial BEAD plans.

- 4. Due to their unique characteristics, western states and territories have a disproportionate amount of high-cost areas to serve. Federal funding and allocation formulas should reflect the exorbitant costs and challenges that the West faces when deploying broadband so that states and territories receive adequate funding to bring sufficient internet access to as many hard-to-reach households as possible.
- 5. The FCC should recognize state and territorial institutional knowledge about broadband needs and ensure that they have a significant role in data collection, verification, and mapping. The FCC should also make map challenge processes transparent and give states and territories ample time and resources to participate in these processes.
- 6. Western Governors note that continued federal investment will be needed to shore up connectivity gaps and backfill BEAD funding. We encourage Congress to consider supplementary funding for broadband deployment, including innovative and flexible ways to redirect existing resources, such as the Rural Digital Opportunity Fund.
- 7. Western Governors recognize that rural communities have unique challenges related to completing broadband deployment objectives for federal grant requirements. We recommend that the federal government allow states and territories to assume control of these funds for broadband purposes if grantees do not meet their objectives. Recovering funding at the state and territorial level would help communities seek a new solution in response to a state or territorial Notice of Funding Opportunity or redirect the capital to other pressing broadband needs.
- 8. Streamlining permitting processes is critical for western states, territories, and partners to meet federal funding deadlines. Western Governors encourage federal agencies to pursue strategies to prioritize reviews and standardize requirements for broadband infrastructure permits on federal lands and improve planning and permitting coordination between public land management agencies. We support efforts to reduce permitting timelines for broadband infrastructure co-located with existing structures and other linear infrastructure, such as roads, transmission lines, and pipelines. The Department of the Interior (DOI) and the U.S. Forest Service's online mapping platforms identifying telecommunications infrastructure sites on their lands will be helpful tools to accomplish this goal. Further, Governors urge DOI, USDA, and other federal land management agencies to allocate sufficient funding to support additional permitting staff. Without sufficient staff, western states and territories will see backlogs and long permitting timelines that will jeopardize projects that cross federal lands.

- 9. Regulations affecting broadband infrastructure permitting and siting vary by state and can create additional obstacles to private and public investment. Where possible, Western Governors should work together to minimize this barrier.
- 10. Western Governors encourage Congress and federal agencies to address application barriers for businesses, local governments, cooperatives, tribes, and other entities involved with broadband deployment in rural communities. The Governors have highlighted substantive policy recommendations related to these barriers in our rural development policy resolution. Western Governors are also committed to sharing best practices on how to collaborate with organizations, localities, and tribes in our states and territories, and establish a strategy among these partners on applying for federal broadband programs to enhance success and reduce competition for funds.
- 11. Western Governors appreciate USDA and FCC efforts to promote on-farm connectivity and the growth of the precision agriculture sector, which reduces water and pesticide usage and increases productivity. We request that Congress provide additional funding to support the adoption of precision agriculture and extend connectivity from the home to the field and encourage both agencies to engage with Governors' offices, state and territorial broadband representatives, and state departments of agriculture as they pursue policy and program initiatives to support this technology.
- 12. Western Governors recommend that adequate wireless spectrum be allocated to support rural residential connectivity and advanced and emerging agricultural technologies.
- 13. Western Governors emphasize the growing importance of internet exchange points (IXPs) in promoting cost-effective, reliable broadband service in rural areas. We encourage Congress and federal agencies to promote investment in rural IXPs via applicable broadband deployment programs, legislative proposals addressing infrastructure, and other methods.
- 14. Western Governors encourage federal agencies to continue expanding the eligibility of electric and telephone cooperatives to pursue USDA and FCC broadband deployment program support, as cooperatives' existing infrastructure and access to rights-of-way can help promote low-cost connectivity solutions for rural communities.
- 15. Western Governors urge federal agencies and Congress to expand policy, programmatic, and fiscal opportunities to improve broadband connectivity on tribal lands. This includes designing federal programs in a way that promotes partnerships between tribes, states, and various broadband providers. We recommend that federal broadband programs allocate a designated portion of their available funding to supporting projects on tribal lands.
- 16. Western Governors encourage Congress and federal agencies to leverage community anchor institutions in rural communities to spur connectivity to surrounding areas. We support efforts to advance "to and through" policies that provide flexibility to incentivize additional private or public broadband infrastructure investment beyond connected community anchor institutions.
- 17. Western Governors appreciate USDA Rural Development's efforts to promote broadband connectivity across the rural West and responsiveness to our recommendations. We encourage the federal government to streamline USDA's many broadband offerings and

authorize the Rural eConnectivity Program, otherwise known as the ReConnect Program. In so doing, USDA should require ReConnect to consult with state and territorial broadband offices prior to making awards to ensure coordination with state and territorial broadband infrastructure deployment plans.

- 18. Western Governors support efforts to promote flexibility within the FCC E-Rate Program in order to deliver home connectivity solutions for unserved and underserved students and respond to connectivity issues associated with the COVID-19 pandemic. We encourage the FCC to support bus wi-fi and other creative efforts that seek to address the homework gap.
- 19. Western Governors recognize the importance of ensuring that individuals and communities have the skills, technology, and capacity to reap the benefits of our digital economy. The Digital Equity Act within the IIJA provides states with capacity grants to address needs for digital skills in newly connected communities. Western Governors encourage NTIA to speed up the review and approval process for these funds so states and territories can begin to deploy funds. Further, Governors encourage Congress and federal agencies to work with states and territories to ascertain unmet and ongoing needs for digital equity following the expenditure of capacity grant funds in 2026.
- 20. Notwithstanding the many federal, state, and territorial initiatives to date to bring better connectivity to communities, internet affordability remains the largest barrier to closing the digital divide. Eighteen million households have access to the internet but cannot afford to connect to it. The Affordable Connectivity Program is a foundation of states' digital equity and inclusion strategies. Over 17 million households now rely on the program to pay for their monthly home internet bill each month. Western Governors call on Congress to continue to fund this vital program, without which future infrastructure projects may be underutilized.

C. <u>GOVERNORS' MANAGEMENT DIRECTIVE</u>

- 1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
- 2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

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Policy Resolution 2022-03

Workforce Development in the Western United States

A. <u>BACKGROUND</u>

- 1. Workforce development efforts contribute to the economic well-being of western states by enabling people to find fulfilling, well-paying jobs, fostering economic mobility and equity, and ensuring that businesses have access to the skilled employees they need to thrive.
- 2. The COVID-19 pandemic has had widespread effects on the labor market in the United States, including periods of record-high unemployment and higher than average churn in and out of the workforce and across occupations. The pandemic also accelerated trends in the nature of work, such as increasing automation and growth of remote work, and laid bare existing inequities in the workforce. The pandemic had a disparate effect on low-wage workers in essential jobs, with job loss concentrated in industries with large low-wage workforces, such as retail, hospitality and tourism. Remote work has fueled increased migration to fast-growing states in the West. Demand for reskilling opportunities has also increased.
- 3. The United States had over 10 million unfilled jobs in July 2021, a record high.¹ Many businesses report that they cannot find qualified candidates for open positions. At the same time, many jobseekers are unable to find good jobs for which they are qualified.
- 4. Workforce development challenges are particularly acute in rural communities, which are commonly characterized by higher rates of unemployment, a lack of economic diversity, geographic isolation, and limited infrastructure, including access to broadband.
- 5. Economic equity continues to be a problem across states, with people of color and people with disabilities, regardless of career preparation and credential levels, seeing poorer rates of employment and earnings than majority populations.
- 6. Postsecondary education and training is critical in today's economy. Higher levels of educational attainment correlate to higher median earnings and lower unemployment rates.
- 7. Many Americans start a college degree but do not complete it, leaving them with the burdensome costs of higher education but no wage benefit 33 million people over 25 have some college credits but no degree.²
- 8. As students increasingly pursue indirect routes to higher education, over 70 percent of students enrolled in postsecondary education are now "nontraditional students" who may be older, working full or part time, or caring for children.

¹ Bureau of Labor Statistics, Job Openings and Labor Turnover Summary, July 2021.

² U.S. Census Bureau, Educational Attainment in the United States: 2020, April 21, 2021.

- 9. Technology will continue to be a disruptive force in the labor market, driving potentially drastic changes in the labor demands of certain industries. It is expected that many jobs that will be in demand in 2030 do not yet exist. Workers will need to be able to acquire new skills over their careers to adapt to change.
- 10. Many western states are taking on an influx of refugees from Afghanistan and will need to accommodate their needs in traditional refugee and workforce development programs. Online training modalities, with access to broadband and support for online learning, as well as partnerships with other systems, such as local libraries, can stretch the capacity of traditional refugee and workforce development programs. New Afghan arrivals can bring transferable skills and experience into local economies experiencing labor shortages.
- 11. To address these issues, Western Governors have prioritized a variety of workforce development efforts, from better aligning education with labor market demands, to expanding workforce services and training opportunities for the unemployed and underemployed, to attracting more skilled workers.
- 12. Western states are also leading the way on expanding work-based learning opportunities for both students and adults. Work-based learning programs, including registered apprenticeships, allow people to acquire in-demand skills while earning a salary. Apprenticeship programs in European countries are more widespread and established. These programs offer a useful model for increasing and diversifying the occupations for which apprenticeships are available.
- 13. Employer leadership is critical to ensure that workforce development efforts are satisfying the needs of an ever-changing economy. Businesses in the West have taken an active role in working with educational institutions and workforce agencies but increasing industry participation, as partners in workforce planning, program design and work-based learning, will remain critical.

B. <u>GOVERNORS' POLICY STATEMENT</u>

- 1. Western Governors recognize that there are many pathways that students can take to a successful career, including short-term education and skills training or work-based learning programs such as registered apprenticeships.
- 2. Education and workforce development policies should facilitate lifelong learning. Western Governors encourage Congress to expand student access to skills training programs, including through extending Pell Grant program eligibility to high-quality, short-term training programs leading to industry-recognized credentials, to increase access and completion for adult learners. These flexible workforce oriented funds should be coupled with plans to adopt and report outcomes metrics tied to employment and earnings to maximize the success of this policy in equipping workers for high-opportunity jobs and careers.
- 3. Western Governors also support the expansion of work-based learning programs, including registered apprenticeships. Western Governors encourage Congress and federal agencies to support and incentivize state-, local-, and industry-led partnerships to create and scale work-based learning and apprenticeship programs, including by providing states technical assistance to strengthen partnerships between workforce and apprenticeship entities.

Western Governors recommend that new federal investments be provided through lineitem formula funding and aligned with existing efforts to foster a coherent system that expands work-based learning and registered apprenticeship with minimal duplication at the federal, state, and local level.

- 4. Career and technical education (CTE) helps expose students to their career options and develop skills they will need in the workforce. Western Governors call on Congress to reauthorize and fully fund the Carl D. Perkins Career and Technical Education Act. Reauthorization of the act should take into consideration the following principles:
 - Governors and states are in the best position to determine how to use federal CTE funding to meet the unique needs of their economies.
 - High-quality CTE programs should lead to in-demand, high wage careers; include career and academic advising; include pathways to four-year degrees, for example through articulation agreements or stackable credentials; provide credit for prior learning; and develop employability skills through integrated education and training, work-based learning or leadership opportunities.
- 5. Western Governors note that federal funding for workforce development through the Workforce Innovation and Opportunity Act (WIOA) supports economic growth and job creation in the states. Congress should grant states more flexibility under the current WIOA funding streams to better anticipate coming labor market disruptions and help workers who are not traditionally eligible for assistance or at-risk incumbent workers prepare for displacement. That flexibility should include allowing Governors to fund outreach and marketing of services in an effort to reach more people, especially in states with a large rural population. Western Governors request that the 15 percent reserve for statewide activities be maintained. This funding allows Governors to be flexible in addressing state needs and supports innovation.
- 6. Western Governors call for enhanced federal investments and more state flexibility to transform the career services and skills development system. Short term and competitive funding for innovative programs is inefficient and creates unintended obstacles for small states with limited grant-writing resources.
- 7. Western Governors call for enhanced federal investments and an expanded WIOA funding stream for youth, targeted toward youth who are disconnected from school and work, as well as a carve-out of Carl Perkins funding directed to the workforce system to support stronger linkages to K-12 and higher education. Western Governors also call for the establishment of a Youth Employment Taskforce to make further recommendations on effective workforce strategies to address the crisis in youth employment.
- 8. Western Governors also call for matching incentives to encourage states to fund workforce efforts outside of WIOA, Wagner-Peyser, and other current mechanisms. State funds matched by federal funds would allow for the creative solutions and conditional flexibility states need to pivot with changing economic forces in real time and through situation specific needs assessment and program adaptation.

- 9. Western Governors encourage federal agencies, including the U.S. Department of Labor and U.S. Department of Education, to coordinate their efforts to better align federal workforce development, career and technical education, and higher education programs.
- 10. Greater alignment of policies, performance metrics, regulations and reporting requirements across federal workforce, human services, housing and education agencies would support better outcomes for program participants, with focus on outreach and support services and attention to community-based organizations and employer partnerships.
- 11. Western Governors recognize the benefits of measuring and reporting outcomes by institution and program. Reporting completion rates, employment and earnings will provide useful information for students and their families and help promote the success of these programs to prepare students for in-demand jobs and careers in their regions. Western Governors encourage Congress to include the College Transparency Act in reauthorization of the Higher Education Act to facilitate reporting on earnings, employment, and credential attainment metrics by education provider and individual program in a manner that protects student privacy and ensures data security.
- 12. Employers play an important role in state workforce development efforts. Western Governors support efforts to incentivize employers to play a more active role in talent development through partnership with state workforce development agencies and educational institutions or investments in the skills and training of their employees, including apprenticeship and other earn and learn strategies.
- 13. Rural communities are at risk of falling further behind in skills necessary for the economy of the future due to a lack of broadband access and digital skills. Western Governors encourage federal agencies and Congress to continue to deploy resources to solve this urgent need including funding for digital skills pilots and online training.
- 14. Professional licensing requirements vary by state and can create a barrier to mobility for professionals in western states. Where possible, Western Governors should work together to minimize this barrier and to establish reciprocity across states.
- 15. Automation could potentially help alleviate some of the workforce shortages affecting businesses in the West. Western Governors support efforts to help businesses and workers take advantage of these new technologies while also investing in skills training so that workers are not left behind.
- 16. Western Governors call on the federal government to work with states in revising temporary work visa programs to meet state needs. J1 visas were curtailed during the COVID-19 pandemic, exacerbating worker shortages in certain occupations. Additionally, some highly-skilled occupations in high demand in the West require post-secondary credentials other than college degrees. Western Governors are interested in exploring foreign worker visa programs that allows consideration of alternative credentials.
- 17. Workplaces welcoming of the talents of all people, including people with disabilities, are critical to build an inclusive and strong economy. Workforce development programs and policies should be inclusive of people with disabilities. Congress and the U.S. Department of Labor should provide additional training and funding for states to conduct outreach and

education on equal opportunity and nondiscrimination and to link workforce programs with K-12 special education services.

- 18. Investments in state data infrastructure are needed to respond to better support state education and workforce development, including responding to changing labor market demand, improving the effectiveness of policies and programs, and improving the delivery of services. Congress should:
 - a. Provide adequate funding to support state Labor Market Information (LMI) shops and the U.S. Bureau of Labor Statistics, a critical statistical agency, for production of labor market data under the federal-state cooperative statistics programs.
 - b. Ensure states a greater share of funds under the federal-state cooperative arrangement so they can fulfill their responsibilities to produce high quality survey data and statistics without diverting funds from other priority data products and projects.
 - c. Support significantly greater ongoing funding through the Workforce Information Grants to States to enhance state capacity for evidence-based decision making and the production of locally relevant labor market intelligence.
 - d. Invest long-term in multi-state data collaboratives and in more voluntary state participation in collaboratives to enable a truly national data infrastructure to emerge.

C. <u>GOVERNORS' MANAGEMENT DIRECTIVE</u>

- 1. The Governors direct WGA staff to work with congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
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