

**The Crystal Ball:**  
**What to expect in**  
**Washington moving forward**





# WHERE WE ARE NOW

## 114<sup>th</sup> Congress winding down

- **Re-election takes precedence**
- **Continuing Resolution through December 9<sup>th</sup>**
- **0.5% Across the Board cut to FY funded programs**



# WHERE WE ARE NOW

## Post election Lame Duck session

- **Focus – completion of FY 17 Appropriations bills**
- **Minibuses or Omnibus?**

**Issue – Will the Labor-HHS Appropriations bill be included in a final package**



# WHERE WE ARE NOW

## FY 17 Labor-HHS bill

- **Traditionally, the most contentious appropriations bill.**
- **Both House and Senate bills moved through Committee – no floor action**
- **House bill partisan**
- **Senate bill bipartisan**
- **Both chambers focused on increasing funding for NIH**



# WHERE WE ARE NOW

## Labor-HHS Appropriations bill

### Key Workforce funding levels:

	<b>FY 16</b>	<b>FY17</b>	<b>FY17</b>
	<b>Enacted</b>	<b>Senate</b>	<b>House</b>
<b>WIOA Adult</b>	<b>815</b>	<b>782</b>	<b>815</b>
<b>WIOA Youth</b>	<b>873</b>	<b>838</b>	<b>873</b>
<b>Dislocated Worker</b>	<b>1.020</b>	<b>1.016</b>	<b>1.040</b>
<b>State Grants</b>			
<b>WIOA formula total</b>	<b>2.709</b>	<b>2.636</b>	<b>2.729</b>



# WHERE WE ARE NOW

## Labor-HHS Appropriations bill

### Key Workforce funding levels:

	<b>FY 16 Enacted</b>	<b>FY17 Senate</b>	<b>FY17 House</b>
<b>Governor's 15%</b>	<b>406</b>	<b>395</b>	<b>409</b>
<b>NEG</b>	<b>220</b>	<b>220</b>	<b>120*</b>

**\*Footnote:**

The FY2017 House Bill rescinds \$200 million provided as an advance in the FY 2016 appropriations legislation for the Dislocated Workers Assistance National Reserve, available for October 1, 2016 through September 30th 2017.



# WHERE WE ARE NOW

## Labor-HHS Appropriations bill

### Key Workforce funding levels:

	<b>FY 16</b>	<b>FY17</b>	<b>FY17</b>
	<b>Enacted</b>	<b>Senate</b>	<b>House</b>
<b>One Stop/ LMI</b>	<b>67</b>	<b>70</b>	<b>67</b>
<b>Apprenticeship Grants</b>	<b>90</b>	<b>100</b>	<b>eliminated</b>
<b>Foreign Labor Cert</b>	<b>62</b>	<b>68</b>	<b>63</b>
<b>VETS state grants</b>	<b>175</b>	<b>175</b>	<b>175</b>



# WHERE WE ARE NOW

## Labor-HHS Appropriations bill

### Key Workforce funding levels:

	<b>FY 16</b>	<b>FY17</b>	<b>FY17</b>
	<b>Enacted</b>	<b>Senate</b>	<b>House</b>
<b>Employment Service</b>	<b>680</b>	<b>671</b>	<b>664</b>
<b>RESEA</b>	<b>115</b>	<b>115</b>	<b>120</b>
<b>UI State Operations</b>	<b>2.745</b>	<b>2.697</b>	<b>2.660</b>





# WHAT TO EXPECT

## FY 17 Funding

- Elections will determine whether Appropriations process will be completed this Congress
- House and Senate majorities – clear the decks
  - House conservative block would like to have CR through March
- Crystal Ball – Omnibus Appropriations bill passes just before Christmas or in early January



# WHAT TO EXPECT

## FY 17 FUNDING – WORKFORCE SYSTEM

- **Fight over WIOA formula levels**
- **Apprenticeship**
- **UI Admin**
- **Employment Service**

### Crystal Ball:

- **Horse trading will some, but not all, cuts**



# HOW WILL NASWA ENGAGE MOVING FORWARD?

- **New Administration – New Opportunities**
- **Transition team**
- **Priorities memo**
- **Educate decision makers on success of the workforce system**
- **Provide Pros and Cons of new regs**
- **Influence FY 18 budget proposal**



# **WHAT TO EXPECT IN THE NEW CONGRESS**

## **House Leadership**

- **Will remain unchanged in both parties**
- **Speaker Paul Ryan hopes for bipartisanship in workforce related bills**

## **Senate Leadership**

- **Republican leadership unchanged**
- **Democrats - new leader Chuck Schumer (D-NY)**



# **WHAT TO EXPECT IN THE NEW CONGRESS**

## **Senate HELP Committee**

- **Leadership likely to remain the same**
- **Priorities:**
  - **HEA reauthorization**
  - **CTE**
  - **Health related legislation**
  - **WIOA implementation will also be on their agenda**



# WHAT TO EXPECT IN THE NEW CONGRESS

## House Education and Workforce Committee

- **New Chair – Dr. Virginia Foxx (R-NC)**
  - **Co-author of WIOA**
  - **Strong conservative credentials**
  - **Indicates desire for bipartisanship**
- **Top priorities:**
  - **Career and Technical Education – first order of business**
  - **Higher Education Act reauthorization**
  - **Will be holding hearings on WIOA implementation**



# WHAT TO EXPECT IN THE NEW CONGRESS

## House Ways and Means Committee

- Oversees mandatory programs and tax legislation
- Key Subcommittee – Human Resources
  - Oversees UI, TANF, and anti-poverty programs
- Likely to have new Subcommittee Chair



# WHAT TO EXPECT IN THE NEW CONGRESS

## House Ways and Means Committee Human Resources Subcommittee

### Core Priority – How to get ahead of the next recession

#### Key areas of Focus:

##### 1) TANF reauthorization

- Passed series of small bills, including subsidized employment and pay for success
- Senate did not act on these bills
- Seeking ideas for a broad overhaul next year
- Expect emphasis on more flexible supportive services to move people back to work





# WHAT TO EXPECT IN THE NEW CONGRESS

## House Ways and Means Committee Human Resources Subcommittee

### 2) UI reform - Areas of potential focus:

- Program integrity
- Stronger programmatic alignment
- Expansion of RESEA
- How improve EB trigger
- Re-examine role of Employment Service



# WHAT TO EXPECT IN THE NEW CONGRESS

**UI reform - Key area of potential impact for NASWA**

**Human Resources Subcommittee is seeking NASWA's input and guidance on UI over the next several months**

- **Seeking recommendations on what works/what needs to be overhauled**
- **Policy recommendations sought – requesting additional UI admin funds is a nonstarter**
- **Look for House to take the lead on these key issues next Congress**

A large American flag is positioned at the top of the slide, with the stars and stripes clearly visible.

**CRYSTAL BALL**

**ELECTION**



The background of the slide features a stylized American flag with stars in the upper left and stripes across the top.

# CRYSTAL BALL- CONGRESS

- **Unprecedented turbulence, but not a wave election in Congress**
- **Presidential race much closer than anticipated**
- **Generic Congressional approval ratings relatively even - D+2**
- **Wave elections have double digit approval gap**
- **However, overall support of Congress is dismal – 12%**

The background of the slide features a stylized American flag with stars and stripes. The stars are white and arranged in a pattern on a blue field, while the stripes are red and white.

# CRYSTAL BALL - CONGRESS

## House

- **Republicans hold largest majority in 80 years**
- **Democrats smelling potential gains with Trump as Republican flagbearer, but no change in the majority anticipated**



# CRYSTAL BALL - CONGRESS

## Senate

- **24 Republican seats up for election, just 10 Democrats**
- **Democrats need either four seats if Clinton wins or five seats if Trump wins to take back Senate**



# CRYSTAL BALL - CONGRESS

## Senate

- **Republican states likely to turnover to Democrats – WI, IL**
- **Republican states currently toss ups – IN, PA, NH,**
- **Republican states leaning Republican - NC, OH, MO, FL**
- **Democratic tossup - NV**
- **Dark horse race - AZ**



# CRYSTAL BALL - CONGRESS

**Key takeaway – Senate majority still too close to call**

- **Presidential election generally determines control of Senate – races break one way at the end**
- **However, margin is razor thin at this point**
- **Democrats do better in Presidential years**

**Keep an eye out for 2018 - Senate 25 Democrats v. 8 Republicans**

- **Narrow margins in Senate for foreseeable future will require bipartisan efforts to be successful**





# CRYSTAL BALL - PRESIDENT

- **The two most unpopular candidates in modern history**
- **Net negative ratings:**
  - **Clinton -13**
  - **Trump -20**



# CRYSTAL BALL - PRESIDENT

**THREE KEY QUESTIONS (Fox poll)**

**Qualified to be President?**

**Clinton 61%**

**Trump 45%**

**Temperament to serve effectively as president**

**Clinton 59%**

**Trump 38%**

**Honest and Trustworthy**

**Clinton 34%**

**Trump 39%**



# CRYSTAL BALL - PRESIDENT

- **What are voters top concerns with the candidates?**

## **Clinton**

- **36% judgment and decisions (Syria, Iraq and Libya)**
- **29% use of a private email server.**

## **Trump**

- **33% temperament to be commander in chief**
- **27% language about women, immigrants and Muslims.**
- **13% praise for Putin**



# CRYSTAL BALL - PRESIDENT

## KEY TAKEAWAY TO DATE

- **Candidate who is the focus of media attention declines in the polls**
  - **August – bad month for Trump**
  - **September – bad month for Clinton**
- **If this election becomes a referendum on Clinton, she loses. If it is a referendum on Trump, he loses**



# **CRYSTAL BALL - PRESIDENT**

**However, Structural advantages favor Clinton:**

- **Electoral College**
- **Changing American demographics**
- **Campaign organization**
- **Rising Obama popularity**



# CRYSTAL BALL - PRESIDENT

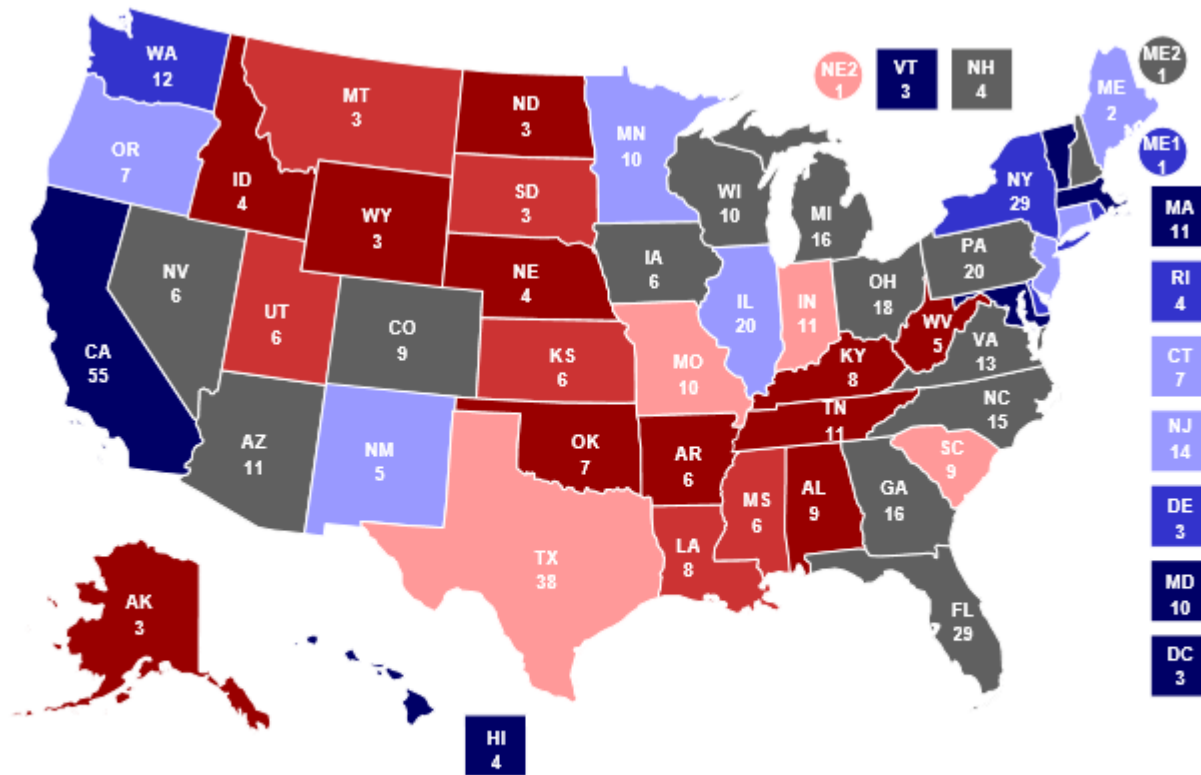
## Electoral College

- **270 electoral college votes needed to win Presidency**
- **Republicans at a significant disadvantage**
- **Greater Democratic turnout in Presidential years**
- **Trump needs to win in some traditionally blue states**
- **Clinton only needs to maintain blue states**

# CRYSTAL BALL - PRESIDENT

## TODAY'S ELECTORAL COLLEGE MAP:

Clinton 200 Trump 164 Toss Ups 174





# CRYSTAL BALL - PRESIDENT

## TOSS UPS – TILTING CLINTON

Ahead by at least 2.5% in the following states

- Colorado (9) - Clinton +2.5
- Wisconsin (10) - Clinton +4.7
- New Hampshire (4) - Clinton +5.0
- Michigan (16) - Clinton +5.2
- Virginia (13) - Clinton +6.0
- Pennsylvania (20) - Clinton +6.6

Total of 72 Electoral College votes

**\*\*\*All of the states voted for Obama in 2008 and 2012**





# CRYSTAL BALL - PRESIDENT

## TOSS UPS – LEANING TRUMP

Trump is ahead in the following states:

- North Carolina (15) - Trump +1.2
- Arizona (11) - Trump +1.6
- Ohio (18) - Trump +1.8
- Nevada (6) - Trump +2.0
- Georgia (16) - Trump +4.4
- Iowa (6) - Trump +6.3

Total of 72 electoral college votes – still needs to win more states to get to 270



# CRYSTAL BALL - PRESIDENT

## Dead Heat

- **Florida (29) –  
(Obama won in 2008 and 2012)**



# CRYSTAL BALL - PRESIDENT

## BOTTOM LINE:

- Clinton has more pathways to electoral college success
  - Only needs to maintain current lead in blue states to win Presidency
- Trump must “run the table”:
  - Win all of the toss ups in which he is currently leading, several of which he is leading by under 2%
  - Florida
  - One other blue state in which Clinton is currently winning



# CRYSTAL BALL - PRESIDENT

## BOTTOM LINE:

- Debates critical
- Election has proven to be extremely volatile
- Angry electorate
- Third parties could play a spoiler role again
- GOTV will decide election



# What to expect from our next President?

## Trump

- **First 100 days –**
- **Deregulate – unwind rulemaking**
- **Undo Executive orders**
- **Domestic policy advisor:**
  - **DOL not on Trump's immediate agenda**
  - **Concerned about too many job training programs**
  - **Platform includes six weeks paid maternity leave via UI – plan is opposed by Congressional Republicans**



# What to expect from our next President?

## Clinton

- **1<sup>st</sup> since Grover Cleveland?**
- **No honeymoon/tight margins in Congress**
- **Agenda will include infrastructure spending**
- **Free community college?**
- **Manufacturing focus**
- **Apprenticeships – tax credit to employers**
- **Youth unemployment**
- **Former Member of the HELP Committee with strong focus on children's issues**



# CRYSTAL BALL - PRESIDENT

## WHAT DOES IT ALL MEAN FOR US?

- **Closely divided Congresses moving forward**
- **White House winner will not be a “unifier”**
- **We need to refine our priorities now**
- **Engage with transition team**
- **Work with the Committees of interest**
- **Tell our story to policymakers**
- **Lead the workforce system on the national stage**



# QUESTIONS

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# CRYSTAL BALL - PRESIDENT

**Just for fun - tied electoral college map**

