

# WEEKLY NEWSLETTER

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Strengthening Cities Through  
Workforce Development



## THE U.S. CONFERENCE OF MAYORS WORKFORCE DEVELOPMENT COUNCIL

**February 2, 2026**



# Washington Update

## **Appropriations**

On Friday, January 30, on a vote of 71-29, the Senate passed a \$1.2 trillion spending package that maintains current funding levels for most federal agencies through September while extending current funding for the Department of Homeland Security for two weeks to allow for further negotiations over immigration enforcement. Despite passage, a partial shutdown started early Saturday morning since the House was in recess, and is expected to last until at least Tuesday, when the House is scheduled to vote on the package.

Agencies impacted by the partial shutdown include the Departments of Labor, Education, Defense, Financial Services, Health and Human Services, Homeland Security, Housing and Urban Development, Transportation, as well as related agencies and programs. A prolonged shutdown could significantly disrupt operations at the the Department of Labor and the National Labor Relations Board and delay the release of key economic data from the Bureau of Labor Statistics (BLS), though some BLS-related functions remain funded through previously enacted legislation.

The legislation will move through the House Rules Committee before advancing to the House floor for a vote. While the package requires only a simple majority and is expected to pass, opposition from some House Democrats and the narrow GOP could create potential obstacles to final passage. The agreement would complete more than 95 percent of federal funding for the fiscal year, leaving negotiations over a long-term DHS funding bill as the primary unresolved issue. The shutdown's impact is expected to be limited, with employees furloughed for only a short period of time with minimal disruption to services.

On Monday, February 2, the Department of Labor (DOL) released Training and Employment Notice (TEN) 05-25 outlining the impact of a temporary suspension of federal government services on DOL's Employment and Training Administration and Office of Career, Technical, and Adult Education funded programs and activities.

[Click here](#) to access the TEN.

## Departments of Labor, Education Alignment

On Monday, January 26, the U.S. Department of Labor (DOL) Employment and Training Administration (ETA) released the Training and Employment Guidance Letter (TEGL) "Modification Requirements for Workforce Innovation and Opportunity Act (WIOA) State Plans for Program Years (PYs) 2026 and 2027." Issued jointly with the Department of Education (ED), the guidance is intended to support states in updating their WIOA State Plans and advancing greater alignment across federal workforce and education programs.

The TEGL builds on recent efforts to streamline administration and improve coordination, including the transition of the WIOA State Plan Portal to DOL, alignment of grant and payment systems, and clarification of available waivers and flexibilities. It encourages states to use the plan modification process to strengthen integration among WIOA programs, adult education, career and technical education, and vocational rehabilitation, with a focus on aligning training with in-demand occupations and recognized credentials.

[Click here](#) to access the press release.

## Senate HELP Committee Task Force

On Monday, January 26, Senate Health, Education, Labor and Pensions (HELP) Committee Chairman Bill Cassidy (LA) announced the creation of a task force to address fraud in the use of federal funds, including education spending. The task force will include subcommittees focused on Health, Labor and Pensions, and Education. Senators Jon Husted (OH) and Tommy Tuberville (AL) will lead the Education anti-fraud efforts while Senators Markwayne Mullin (OK) and Tim Scott (SC) will lead the Labor & Pensions subcommittee.

Committee Republicans cited prior investigations in Minnesota as a factor informing the initiative, pointing to weaknesses in oversight of federal grant programs. Those investigations included fraud involving a nonprofit that improperly claimed hundreds of millions of dollars in federal meal reimbursements, prompting federal agencies to freeze some funding and increasing scrutiny of state oversight practices.

An April 2024 Government Accountability Office (GAO) report estimated that the federal government loses between \$233 billion and \$521 billion annually to fraud. Separately, the U.S. Department of Education has reported significant losses in federal student aid due to fraudulent activity, including false student identities and administrative errors, which has reinforced calls for stronger fraud prevention measures.

[Click here](#) to access the press release on the task force.

## House Education & Workforce Subcommittee Hearing

On Tuesday, February 3, at 10:15 am, the House Education and Workforce Subcommittee on Health, Employment, Labor, and Pensions will hold the hearing "Building an AI-Ready America: Adopting AI at Work."

[Click here](#) to learn more and access a livestream of the hearing.

## H-2C Visas

Restaurant owners and construction industry groups are urging Congress to expand legal pathways for foreign workers as stepped-up immigration enforcement intensifies labor shortages in service and building trades. Their efforts center on Congressman Lloyd Smucker's (PA) bill, the Essential Workers for Economic Advancement Act, introduced in September, that would establish a new H-2C visa category, allowing nonagricultural employers to hire foreign workers after demonstrating unsuccessful efforts to recruit U.S. workers.

Industry data indicate significant workforce gaps, particularly in construction, where hundreds of thousands of additional workers are needed to meet current demand. Some lawmakers have raised concerns that immigration raids have disrupted job sites and constrained local economies, prompting calls for federal agencies to consider the labor impacts of enforcement actions.

The proposal has received limited bipartisan interest and faces significant obstacles, including a lack of Republican leadership endorsement, historically narrow support for visa expansions outside agriculture, and mixed signals from the Trump Administration. Industry groups warn that continued labor shortages could constrain construction activity, drive up costs, and affect housing supply and broader economic growth.

[Click here](#) to access the press release on the legislation.



## U.S. Department of Labor Announces 2026 National Apprenticeship Week Set for April 26-May 2

On Wednesday, January 28, the U.S. Department of Labor announced the 2026 National Apprenticeship Week will take place from April 26-May 2, marking the nationwide celebration's move to spring. National Apprenticeship Week is an annual nationwide celebration for employers, educators, state agencies, unions, and many others to showcase how Registered Apprenticeship improves and expands career pathways for American workers, while helping employers drive economic growth across all industries.

[Click here](#) to access the full press release.

## **U.S. Department of Labor, Arkansas Announce American Manufacturing Apprenticeship Incentive Fund Portal Now Accepting Applications**

On Wednesday, January 28, the U.S. Department of Labor announced the launch of the American Manufacturing Apprenticeship Incentive Fund portal, which will accept applications from eligible Registered Apprenticeship sponsors nationwide. This initiative was designed through a cooperative agreement with Arkansas and represents an innovative approach that aligns with America's Talent Strategy, the Trump Administration's blueprint for transforming the federal government's approach to workforce development, and supports President Trump's goal of reaching and surpassing 1 million active apprentices.

[Click here](#) to access the full press release.

## **U.S. Department of Labor Honors More Than 880 Employers Committed to Veterans' Employment with 2025 HIRE Vets Medallion Awards**

During a Thursday, January 29, ceremony at the Frances Perkins Building, the U.S. Department of Labor recognized 888 employers for their commitment to employing and supporting the nation's service members by presenting them with the 2025 Honoring Investments in Recruiting and Employing American Military Veterans Medallion Award.

[Click here](#) to access the full press release.

## **State Employment and Unemployment Summary**

In December, unemployment rates were higher in 6 states and stable in 44 states and the District of Columbia. Nonfarm payroll employment was essentially unchanged in all 50 states and the District.

[Click here](#) to access the full report.

## **Unemployment Insurance Program Letter 07-26**

On Thursday, January 29, the U.S. Department of Labor (DOL) Employment and Training Administration (ETA) released the Unemployment Insurance Program Letter "Implementation of Sequestration under the Budget Control Act of 2011 (BCA) for mandatory Unemployment Insurance (UI) Programs for Fiscal Year (FY) 2026.

[Click here](#) to access the full UIPL.

## **Initial Jobless Claims**

In the week ending January 24, the advance figure for seasonally adjusted initial claims was 209,000, a decrease of 1,000 from the previous week's revised level. The previous week's level was revised up by 10,000 from 200,000 to 210,000.

[Click here](#) to access the full report.



# WDC in the News

## Job Opening: Worksystems - Executive Director

Worksystems is seeking a dynamic, relationship-focused Executive Director committed to improving the quality of the workforce in the City of Portland and Multnomah and Washington counties. The Executive Director is responsible for strategic, fiscal, and program oversight and overall leadership for the organization. Responsibilities include leading and implementing a comprehensive strategic vision, producing a financially sound budget, developing and maintaining strong relationships and partnerships, managing staff, and supporting effective collaboration throughout the region and state. The Executive Director provides strategic leadership for the regional workforce system by coordinating and aligning workforce partners to support individual prosperity and advance business competitiveness.

[Click here](#) to access the full job description.

## Workforce Connections: 2025 Annual Highlights Report

Recently, Workforce Connections released its 2025 Annual Highlights Report, which highlights community impact and reaffirms that workforce development is economic development.

[Click here](#) to access the report.

## Job Opening: Bipartisan Policy Center - Director, Workforce and Postsecondary Pathways

The Bipartisan Policy Center (BPC) is seeking a strategic, collaborative, and policy-driven Director to lead its work on workforce and postsecondary pathways within the Human Capital Program. This role will oversee a growing portfolio focused on strengthening education-to-workforce alignment, expanding high-quality postsecondary pathways, and advancing bipartisan solutions that support a skilled workforce.

[Click here](#) to access the full job description.

## We've Got to Start Helping In-Career Degree Seekers

Stephanie started working at a branch of a national bank in her early twenties. Over the next few years she grew within the company, accumulating technical skills and company-specific knowledge. She enjoyed her job, which aligned with her skills and interests. But Stephanie then hit her ceiling.

[Click here](#) to read the full article.

## **Skills, Not Titles: A Skills Based Workforce Strategy**

Modern IT and cyber work move faster than traditional HR models. A skills-based workforce strategy treats skills, not job titles and degrees, as the core unit of planning, so leaders can build workforce pipelines that actually deliver on digital and security outcomes.

[Click here](#) to read the full article.

## **Most Workers at Risk from AI Can Transition, Report Finds**

Most American workers in jobs that are at risk from artificial intelligence have the capacity to manage job transitions, although policymakers can help make the transition easier, according to new research released last week.

[Click here](#) to access the full article.



### **New from U.S. Government Accountability Office**

#### **Older Workers: Department of Labor Should Help State and Local Partners Share Promising Practices**

As the U.S. population ages, so does its labor force. But some older people may struggle to find jobs. The Departments of Labor and Education administer workforce development programs to help them. These programs provide career counseling, job search help, skill training, and more—customized to meet older people's specific needs. This Q&A reviews these programs and the unique challenges older people face in the workforce. For example, they may need extra help building digital literacy skills for the job market. They may also benefit from targeted outreach to ensure that they know about programs and services.

[Click here](#) to access the full report.

### **New from U.S. Department of Education**

## **U.S. Department of Education Announces Negotiated Rulemaking to Reform and Strengthen America's Higher Education Accreditation System**

On Monday, January 26, the U.S. Department of Education (the Department) announced its intent to establish the Accreditation, Innovation, and Modernization (AIM) negotiated rulemaking committee to develop proposed regulations that would, among other goals, simplify the Secretary's recognition of emerging and existing accreditors; examine the extent to which accreditation contributes to rising higher education costs and credential inflation; safeguard against undue influence from related private trade associations; eliminate standards or policies that discriminate on the basis of immutable characteristics; and refocus quality assurance and improvement on data-driven student outcomes.

[Click here](#) to access the full press release.

## **New from National Science Foundation**

### **NSF Seeks Input on Investing in U.S. Workforce Training to Revitalize America's Energy Dominance**

The U.S. National Science Foundation Directorate for Technology, Innovation and Partnerships (NSF TIP) and Directorate for STEM Education (NSF EDU) announced a bold new initiative to renew American manufacturing, revitalize America's energy dominance and address the shortage of a trade and skilled workforce. NSF seeks feedback on this initiative through a Request for Information (RFI).

[Click here](#) to access the full press release.

## **New from National Governors Association**

### **NGA Launches Working Group on AI & The Future of Work**

The National Governors Association Center for Best Practices (NGA Center), in partnership with Center for Civic Futures and McKinsey & Company, launched the Working Group on AI & the Future of Work. The working group is comprised of Governors' advisors from a bipartisan set of NGA members, who will meet regularly to develop A Roadmap for Governors on AI & the Future of Work.

[Click here](#) to access the full press release.

## **New from Brookings**

### **Building an Evidence Base for the Business Case for Apprenticeships**

Support for expanding apprenticeships in the United States is growing, but low employer participation remains a significant barrier. Employers interested in apprenticeships often ask, "What's my expected return on investment?" This report draws on a literature scan and qualitative interviews with subject matter experts and employers to understand the business case for apprenticeships.

[Click here](#) to access the full article.

## Measuring US Workers' Capacity to Adapt to AI-Driven Job Displacement

Extensive research has investigated the “exposure” of occupations to artificial intelligence (AI). While definitions vary, studies using exposure measures seek to estimate the extent to which AI systems can help complete the work tasks of different jobs. But these measures are not predictions of job displacement. Rather, they provide signals about where AI’s complex labor market effects are most likely to emerge first.

[Click here](#) to read the full article.



### Fact of the Week

Employee engagement in the U.S. has declined from its 2020 peak, with younger workers reporting the steepest drops in role clarity and feeling supported at work.

[Click here](#) to read the full article.



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