

WEEKLY NEWSLETTER

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Strengthening Cities Through
Workforce Development



THE U.S. CONFERENCE OF MAYORS
WORKFORCE DEVELOPMENT COUNCIL

May 27, 2025



Appropriations

On Thursday, May 22, in a vote of 216-214, the House passed President Donald Trump's multitrillion-dollar domestic policy package along party lines. House Appropriations Chair Tom Cole (OK) indicated that Republicans intend to move quickly on FY26 funding bills, aiming to pass some before the August recess and bring others to the House floor in June or July.

Despite House passage, the bill faces significant hurdles in the Senate. Senator Rand Paul (KY) has expressed his opposition to the reconciliation bill because it raises the debt limit. Senator Ron Johnson (WI) is strongly opposing the House Republicans' reconciliation bill, warning it will increase the national deficit and calling it fiscally irresponsible. He claims there are enough like-minded GOP senators to block the bill unless deeper spending cuts are made and deficit reduction becomes a priority.

The House Appropriations Committee is tentatively scheduled to consider the FY26 Department of Education funding bill in July, with a subcommittee markup on July 21 and full committee review on July 24. During a May 21 budget hearing, U.S. Secretary of Education Linda McMahon outlined priorities that include returning greater control of education policy to states. While some lawmakers supported a reduced federal role, others raised concerns about proposed cuts, particularly a nearly \$1.6 billion reduction to TRIO and GEAR UP — programs that assist low-income students in preparing for college. Democratic members also raised concerns about the status of FY25 funds — questioning the Department's decision to pause or discontinue about \$1 billion in mental health grants for schools. The department noted plans to reassess and possibly re-compete these grants, which were funded under the Bipartisan

Safer Communities Act. Secretary McMahon emphasized that the department is reviewing all programs and will comply with legal obligations regarding appropriated funds.

Separately, college leaders warned senators that proposed changes in the House GOP's reconciliation bill could reduce higher education access for low-income students. The plan would redefine full-time enrollment for Pell Grant eligibility and make students enrolled less than half-time ineligible. Over six million students currently receive Pell Grants, and the Congressional Budget Office estimates that more than half could see reduced awards under the proposal. Education officials expressed concern that changes to Pell Grants, combined with proposed limits on student loan borrowing, could significantly impact students with the greatest financial need. The Senate has not yet released its version of the bill.

Senate Appropriations Subcommittee Hearing

On Thursday, May 22, U.S. Secretary of Labor Lori Chavez-DeRemer testified before the Senate Appropriations Subcommittee on Labor, Health and Human Services, Education, and Related Agencies, fielding tough questions for both sides of the aisle — especially on the Trump Administration's stance on the Job Corps program. The Administration has proposed eliminating the program in its FY26 budget, citing concerns over cost-effectiveness and participant outcomes. Senate Appropriations Chair Susan Collins (ME) expressed strong opposition to the proposed cuts, highlighting the impact of the program on vulnerable youth in her state and urging the department to resume enrollment at Maine's Job Corps centers. She emphasized that the program has helped young people overcome significant challenges and attain career success. Senator Jack Reed (RI) also criticized a Department of Labor (DOL) performance report, suggesting it misrepresented the program's effectiveness. Chavez-DeRemer responded by saying the report was not intended to be misleading but reflected the administration's concerns about the program's sustainability and noted that while improvements are possible, the future of Job Corps remains under review.

During the hearing, Secretary Chavez-DeRemer spoke in favor of the Administration's proposal to consolidate workforce development funding into block grants and expand registered apprenticeships. While there is bipartisan support for expanding apprenticeships, several lawmakers questioned how the Administration's goals — increasing the number of annual apprenticeships from approximately 700,000 to 1 million — aligns with the proposed funding cuts to programs that currently support apprenticeship infrastructure. Concerns were also raised over the lack of detailed information about the proposed block grant model and reductions in departmental staffing.

[Click here](#) to watch a recording of the Senate hearing.

Letter on Modernizing Federal Regulations

On Thursday, May 22, House Education and Workforce Committee Chairman Tim Walberg (MI), along with several other GOP committee members, sent a letter to U.S. Department of Labor (DOL) Secretary Lori Chavez-DeRemer requesting that her agency modernize federal regulations by making electronic delivery the default for benefit providers to communicate with *Employee Retirement Income Security Act (ERISA)* health and welfare plan participants. The lawmakers argued that the current reliance on physical mail is outdated and creates unnecessary administrative burdens. They emphasized that shifting to electronic delivery would reduce costs for employers and health plans, improve access to benefit information for

workers, and minimize reliance on paper-based communication. The letter calls on DOL to prioritize rulemaking to establish a safe harbor for default electronic delivery, noting the need for coordination with the Departments of Health and Human Services and the Treasury.

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

Letter on TRIO Grants

On Thursday, May 22, Senator Jeanne Shaheen (NH) and Senate Appropriations Chair Susan Collins (ME) sent a letter to U.S. Department of Education Secretary Linda McMahon urging her to immediately release funding for TRIO Upward Bound programs, which support underrepresented high school students in preparing for college. In the letter, the senators expressed serious concern over delays in funding for the upcoming program year — emphasizing that some programs set to begin June 1 are at risk of being canceled as well as potential staff layoffs if funds are not received soon. They highlighted that current Upward Bound grant recipients were awarded five-year grants in 2022 and should be able to count on their fourth-year funding without disruption. The delay is creating “extreme uncertainty” and what the senators call an “existential crisis” for programs that serve thousands across the country.

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

House Subcommittee Hearing

On Tuesday, May 20, the House Education and Workforce Subcommittee on Workforce Protections held the hearing *Empowering the Modern Worker*. Witnesses for the hearing included American Trucking Associations Vice President for Workforce Policy Nathan Mehrens; freelance writer and editor Kim Gavin; National Employment Law Project Director of Work Structures Laura Padin; and Mercatus Center and George Mason Senior Research Fellow Dr. Liya Palagashvili.

The hearing examined legislative options to protect independent contractors and offer optional benefits. Subcommittee chairman Ryan Mackenzie (PA) and witnesses raised concerns about recent state laws and federal rules that reclassify contractors as employees, warning of economic consequences and reduced worker flexibility. Testimony emphasized that many workers prefer independent status for the control it offers and often use it to supplement traditional employment. Lawmakers and experts also discussed the burden of shifting regulations and the potential of portable benefits programs. Proposed legislation, such as the Modern Worker Empowerment Act, was presented as a solution to preserve independent work arrangements.

[Click here](#) for more information about the hearing.

Protecting Older Workers Against Discrimination Act

On Tuesday, May 20, a bipartisan group of lawmakers reintroduced the Protecting Older Workers Against Discrimination Act (POWADA) in both chambers of Congress. The legislation aims to strengthen protections against age discrimination by restoring the legal standard used before the 2009 *Gross v. FBL Financial Services* Supreme Court decision. That ruling raised the burden of proof for age discrimination claims, requiring workers to show age was the decisive

factor in adverse employment actions rather than just a contributing factor. POWADA would amend several federal laws to reinstate the earlier "mixed-motive" standard. This change would allow workers to pursue claims using various forms of admissible evidence and align age discrimination standards with those for other protected categories such as race and national origin.

[Click here](#) to read the full text of the bill.

[Click here](#) to read a fact sheet on the bill.

[Click here](#) to read a section-by-section summary of the bill.

[Click here](#) to read the press release on the Senate bill.

[**Click here to read the full Washington Update.**](#)



TEGL: Program Year 2025 Funding Allotments and Application Instructions for the WIOA Section 166 Indian and Native American Programs Grantees

On Tuesday, May 20, the U.S. Department of Labor (DOL) Employment and Training Administration (ETA) released the Training and Employment Guidance Letter (TEGL) *Program Year 2025 Funding Allotments and Application Instructions for the WIOA Section 166 Indian and Native American Programs Grantees*.

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

TEGL: WIOA Adult, Dislocated Worker, and Youth Activities Program Allotments for Program Year (PY) 2025; PY 2025 Allotments for the Wagner-Peyser Act Employment Service Program; and PY 2025 Allotments of Workforce Information Grants to States and Outlying Areas

On Tuesday, May 20, the U.S. Department of Labor (DOL) Employment and Training Administration (ETA) released the Training and Employment Guidance Letter (TEGL) *Workforce Innovation and Opportunity Act Adult, Dislocated Worker, and Youth Activities Program Allotments for Program Year (PY) 2025; PY 2025 Allotments for the Wagner-Peyser Act*

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

TEN: Announcing the Addition of New Do Not Pay (DNP) Data Sources and Services Accessible to State Unemployment Insurance (UI) Agencies through the UI Integrity Data Hub (IDH) and Upcoming Webinar

On Tuesday, May 20, the U.S. Department of Labor (DOL) Employment and Training Administration (ETA) released the Training and Employment Notice (TEN) *Announcing the Addition of New Do Not Pay (DNP) Data Sources and Services Accessible to State Unemployment Insurance (UI) Agencies through the UI Integrity Data Hub (IDH) and Upcoming Webinar*.

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

State Employment and Unemployment Summary

Unemployment rates were higher in April in 3 states and the District of Columbia, lower in 2 states, and stable in 45 states, the U.S. Bureau of Labor Statistics reported today. Twenty-six states and the District had jobless rate increases from a year earlier, 1 state had a decrease, and 23 states had little change. The national unemployment rate was unchanged at 4.2 percent but was 0.3 percentage point higher than in April 2024.

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

Initial Jobless Claims

In the week ending May 17, the advance figure for seasonally adjusted initial claims was 227,000, a decrease of 2,000 from the previous week's unrevised level of 229,000. The 4-week moving average was 231,500, an increase of 1,000 from the previous week's unrevised average of 230,500.

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



Old Tacoma Elementary School to Become New Childcare Center, Workforce Hub

A building that once housed Willard Elementary School and Early Learning Center in Eastside Tacoma will become a new childcare and workforce development hub after Washington state contributed \$5 million to its acquisition earlier this month.

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

More Talk About Apprenticeships, Block Grants

The U.S. labor secretary on Thursday again pitched block grants for workforce development programs and expanding apprenticeships, this time to Senate appropriators, some of whom questioned how it could be done when the department seeks to cut funding for training programs that support apprenticeships.

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

Washington Jobs Program Finds Success with Career Coaching, Education—and Cash

Toward the end of 2020, Ann-Jannette Molinari, now 50, was barely scraping by. The Vancouver, Washington, mother was caring for her teenage daughter and her 80-year-old mother who had been diagnosed with Alzheimer's disease. She was working part-time at Costco, making \$20 an hour with no opportunity to work overtime—or even a full 40-hour week. In fact, her hours were being cut from 30 to 25. Feeling defeated, Molinari went to WorkSource SW Washington, a nonprofit overseen by the local workforce board, to see if she could find a better opportunity.

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

The Great Career Reinvention and How Workers Can Keep Up

The nature of work is shifting faster than ever. The dramatic and ongoing policy changes from Washington, D.C., represent the latest acceleration in the creation and destruction of jobs. But industry shifts and AI's rapid rise have already transformed job demand over the past five years—and the pace of change is only accelerating. To keep up, both workers and employers must adapt or risk being left behind.

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

How Idaho Uses Data to Fill In-Demand Jobs

From now until mid-June, depending on their location, thousands of high school students in Idaho will graduate and then have the intimidating task of working out what to do next. Helping ease that transition is the Idaho Workforce Development Council, an independent state agency that supports various projects to build the state's workforce, including through apprenticeships, adult learning and other training. It also houses Idaho LAUNCH, which exists for adults and high school students.

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

Career Education is Having a Moment. Here's How It's Adapting for Future Jobs

Career and Technical Education (CTE) is at a turning point. What once lived on the margins of academic planning is now front and center in national conversations around workforce development, education equity and student well-being.

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

How Higher Ed Institutions Help Advance Skills-Based Hiring

State and local governments are grappling with an ongoing tech talent shortage, as outdated infrastructure, an aging workforce and tough competition with the public sector make it increasingly difficult to find and recruit young talent.

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

America's Veterans are Becoming a Major Part of the Solar Workforce. Here's Why.

For most service members, their time in military service is only one step in a larger career journey. Roughly one out of every twenty working Americans is a veteran, and too often, veterans find it difficult to transition into the civilian workforce and find a supportive employer that values their transferable skills and previous experience.

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



New from the U.S. Department of Education

U.S. Department of Education Releases Secretary McMahon's Supplemental Grant Priorities

On Tuesday, May 20, U.S. Secretary of Education Linda McMahon announced her first three proposed priorities for U.S. Department of Education (Department) discretionary grants: evidence-based literacy, expanding education choice, and returning education to the states. These will be used in grant competitions across the Department to address the urgent needs of our students, families, and states.

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

New from Brookings

Will the reconciliation bill's Child Tax Credit changes leave out children in low-income working families?

Congress is considering increasing the value of the Child Tax Credit (CTC) as part of the budget reconciliation bill. The 2017 tax law raised the CTC from \$1,000 per child to \$2,000 through 2025. While the reconciliation bill is expected to extend this increase, a number of congressional tax writers have expressed a desire to expand the CTC further.

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



Fact of the Week

The world's largest HR department belongs to the U.S. Department of Defense, managing over 3.4 million employees worldwide.



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