

November 23, 2026



Appropriations

On Monday, November 16, Senate Republicans released their FY27 spending bill for the Departments of Labor, Health and Human Services, and Education (Labor-HHS-Education). The measure proposes $209.9 billion in discretionary funding. It would provide $13.41 billion for the Department of Labor (DOL), which is $52 million (0.4 percent) below the FY26 enacted level and $3.5 billion above the President's budget request. It also includes $112.06 billion for the Department of Health and Human Services (HHS) and $93.91 billion for the Department of Education (ED) - which is $15.1 billion above FY26 enacted levels and $18.2 billion above Trump's budget request.

Funding for the Department of Labor includes:

- Workforce Innovation and Opportunity Act (WIOA) programs would receive $3.96 billion, including:
  - $860.6 million for Adult Training, $15 million less than the FY26 enacted level;
  - $933.1 million for Youth Training, $15 million less than FY26;
  - $1.1 billion for Dislocated Worker Assistance, even with FY26;
  - $105 million for YouthBuild, even with FY26 funding;
  - $90 million for Reentry Employment Opportunities programs, $20 million decrease from FY26;
  - $6 million for the Workforce Data Quality Initiative, level funding with FY26;
  - $305 million for Apprenticeship programs, $20 million above the FY 2026 funding level;
  - $300.8 million for the Dislocated Workers National Reserve (DWNR), level-funding with FY26, which includes:

        - $20 million for Career Pathways for Youth Grants, with a focus on soft skill development and age appropriate workforce development programs.
        - $70 million for the Strengthening Community College Training Grants program.
        - $60 million for the Workforce Opportunity for Rural Communities program, $5 million above the FY 2026 level.
- $1.76 billion for Job Corps, level-funded with FY26;
- $5 million for Women in Apprenticeship and Nontraditional Occupations grants;
- $711.5 million for the Bureau of Labor Statistics; a $3 million increase over FY26;
- $626.1 million for the Occupational Safety and Health Administration; a $3.2 million decrease from FY26 enacted levels; and
- $260 million for the Wage and Hour Division, level-funded with FY26.

Funding for the Department of Education includes:

- $18.4 billion in flat funding for Title I funding for high-poverty schools;
- $15.54 billion for special education, a $50 million increase over FY26;
- $2.19 billion for career, technical, and adult education programs, $10 million above FY26 levels. The proposal provides:
    - $1.46 billion for Career and Technical Education (CTE) programs, including $1.45 billion for State grants and $12.4 million for national activities, of which up to $6.1 million supports Innovation and Modernization grants;
    - $729.2 million for Adult Education, including $715.5 million for Adult Education State grants.
- $41.72 billion for federal student aid, a $15 billion increase over FY26 enacted funding. The bill includes:
    - $37.5 billion in discretionary funding for Pell Grants, a $15 billion increase over FY26 enacted levels to address a projected multibillion-dollar shortfall. This would provide a total maximum award of $7,395 for the 2027-2028 award year;
    - $2.06 billion for Student Aid Administration, level funded;
    - $1.23 billion for Federal Work Study, level funded;
    - $910 million for Federal Supplemental Education Opportunity Grants, level funded.
- $3.25 billion for higher education programs, roughly level-funded with FY26 enacted levels. The bill provides:
    - $1.197 billion for TRIO programs, a $6 million increase over enacted FY26 levels;
    - $393 million for GEAR UP, a $5 million increase over FY26 levels;
    - $75.66 for International Education and Foreign Language Studies, a $5.34 million decrease from FY26 levels;
    - Level funding for institutional aid programs under Title III and Title V, including HBCUs, TCCUs, Strengthening Institutions Programs, and Minority-Serving Institutions.
- $1.33 billion for 21st Century Community Learning Centers, which is a $5 million increase over FY26 enacted levels.

The bill directs ED to administer TRIO programs consistent with prior practice and congressional intent, following bipartisan concerns about changes to grant competitions that have emphasized workforce development and apprenticeships. It also establishes new oversight requirements related to the Administration's restructuring of the Department. ED would be required to provide Congress with biweekly briefings on interagency agreements, including staffing transfers and agency performance, and publish a detailed report on implementation, covering grant administration, facility changes, expenses, and layoffs. The Department would also have to provide Congress with a complete list of college programs eligible for the new Workforce Pell Grant program.

Other provisions include a requirement that agencies funded through the bill submit operating plans to Congress, providing greater oversight of future funding changes and reprogramming. The bill also includes $1 billion in supplemental funding for the Administration for Children and Families' Low Income Home Energy Assistance Program (LIHEAP).

Senate Appropriations Labor-HHS-Education Subcommittee Chair Shelley Moore Capito (WV) sponsored the measure with the support of Senate Appropriations Committee Chair Susan Collins (ME). Democrats did not support the bill's release. Committee Vice Chair Patty Murray (WA) criticized the funding levels and raised concerns that the proposal does not adequately address the Administration's restructuring of ED or potential politicization of federal grants.

The Senate has now released all 12 annual appropriations bills, following the release of the final five measures on November 16. The House has advanced all 12 bills through committee and passed three on the floor, but lawmakers have yet to reach agreement on full-year funding. With the current continuing resolution (CR) set to expire December 11, some Democrats are pushing for another short-term extension that would carry funding into the next Congress. House Appropriations Committee Chair Tom Cole (OK) has advocated continuing negotiations toward full-year appropriations, but there is no meeting scheduled for the four top appropriators in Congress. Given that and the differences between the chambers and the approaching deadline, another temporary funding measure remains a possibility.

Separately, on Thursday, November 19, Senate Appropriations Committee Chair Susan Collins (ME) and Ranking Member Patty Murray (D-WA) indicated they would seek to block the Administration's proposed requirement that political appointees review all discretionary federal grants. Collins plans to include language prohibiting the policy in the next CR, which Congress must pass by December 11 to avoid a government shutdown. Congress previously blocked the proposal in the September CR. The proposed Office of Management and Budget policy, introduced in May, would require discretionary grants to demonstrate that they advance the President's policy priorities. Although appropriators had discussed including similar restrictions in the Labor-HHS-Education or Financial Services and General Government spending bills, research advocates remain concerned that a temporary funding restriction may not prevent the Administration from ultimately implementing the policy or terminating research grants and clinical trials for political reasons.

Click here to access the Labor-HHS-Education Bill Summary.

Click here to access the Labor-HHS-Education Explanatory Statement.

Click here to access the Labor-HHS-Education Bill Text.

Congressional Leadership

On Wednesday, November 18, Congressman Hakeem Jeffries (NY) secured the Democratic nomination for Speaker of the House, positioning him to become the first Black speaker when the new Congress convenes in January. Jeffries, who has served in the House since 2013 and as Democratic leader since 2023, won the secret-ballot vote 251-11, securing an overwhelming majority but falling short of unanimous endorsement. Although some members withheld their support, Jeffries worked to address concerns through private meetings and policy commitments. His nomination follows the historic significant Democratic gains in the midterm elections, which gave the party a House majority that could reach 260 seats once all votes are counted.

Congressional Action on Department of Education

On Tuesday, November 17, House Republicans advanced the Less Bureaucracy, Better Workforce Development Act (H.R. 9607), which would permanently transfer federal career, technical, and adult education programs from the Department of Education (ED) to the Department of Labor (DOL), codifying a key part of President Trump's efforts to restructure the Education Department.

Introduced by Chairman Tim Walberg (MI), the bill was formally reported by the House Education and the Workforce Committee following its approval in July by a 19-16 vote. The legislation would transfer the programs' funding, personnel, and administrative responsibilities to DOL's Employment and Training Administration (ETA). Affected programs include adult education and family literacy initiatives under the Workforce Innovation and Opportunity Act (WIOA) and career and technical education programs authorized under the Carl D. Perkins Career and Technical Education Act of 2006.

It builds on interagency agreements initiated by the Administration in 2025 that shifted management of several ED programs to other federal agencies while retaining ED's legal oversight. The legislation would go further by transferring that authority to DOL. Republicans argue the changes would reduce administrative duplication and better align education and workforce programs, while Democrats have raised concerns about potential funding disruptions and reduced federal oversight.

On Wednesday, November 18, Senate Republicans introduced a 10-bill package, the Less Bureaucracy, Better Education Act, that builds on the House bill and would codify the Administration's broader efforts to move ED programs to other federal agencies, including DOL, the Department of Health and Human Services, and the Department of the Interior. Education Secretary Linda McMahon has described the interagency agreements as a demonstration of how the transfers could work and has encouraged Congress to make them permanent.

The House bill has been placed on the Union Calendar but has not been scheduled for a floor vote. The Senate package also faces an uncertain path, as Republicans will need Democratic support to advance the legislation.

Click here to access the House bill.

Click here to access information on the Senate bill.

Department of Labor Independent Contractor Rule

On Thursday, November 19, the U.S. Department of Labor (DOL) finalized a rule reinstating the 2021 Independent Contractor rule, revising the criteria used to determine whether workers are classified as independent contractors or employees. The rule replaces the 2024 Biden-era regulation, which established a six-factor test for determining worker classification. The 2021 rule, adopted during the first Trump administration, used a two-factor economic reality test that focused primarily on an individual's control over their work and opportunity for profit or loss. The 2024 rule replaced this approach with a six-factor test that considered the economic dependence of a worker on a potential employer.

Under the new rule, the DOL returns to the two primary factors while retaining skill, permanence, and unit production as relevant considerations in evaluating an individual's

control over their work, rather than as separate measures of economic dependence. The department's stated goal is to provide greater clarity and consistency in determining worker classification.

Worker classification has implications for both individuals and businesses. Misclassification can affect workers' flexibility and autonomy and expose businesses to potential penalties. Classification also determines which employment protections and requirements apply to a particular working relationship.

Independent contracting provides an alternative to traditional employment arrangements, allowing individuals to determine when, where, for whom, and how much they work. Independent contractors can also work across industries and adapt to changing workforce needs. The DOL expects the revised standard to reduce compliance costs and litigation by simplifying the classification process and providing greater certainty for businesses and workers.

More than 74 million Americans freelance nationwide, representing approximately 42% of the U.S. workforce. According to one survey, 78% of independent workers say their independence is entirely by choice and that they plan to remain independent.

The final rule reinstates the DOL's 2021 approach to independent contractor classification, replacing the six-factor standard adopted in 2024. The revised criteria will affect how businesses and workers determine employment status, with implications for workforce flexibility, regulatory compliance, and access to employment protections.

Click here to access the press release and final rule.

Climate Workforce Resilience Act

On Thursday, November 19, Congresswoman Pramila Jayapal (WA) introduced the Climate Resilience Workforce Act, which would invest in workforce development and job creation in climate resilience sectors, with a focus on communities disproportionately affected by climate change. The legislation would establish a grant program for states, local governments, tribal governments, labor organizations, and community-based nonprofits to create climate resilience jobs and expand workforce training, prioritizing pre-apprenticeship and apprenticeship programs.

It would also address employment barriers for individuals with prior criminal justice involvement by limiting employer inquiries into criminal history before a job offer and providing protections against offer revocation. Additionally, it would establish a pathway to citizenship for certain workers employed in climate resilience sectors or participating in related workforce training programs. The legislation would support regional, state, local, and community-based climate resilience planning and create a White House Office of Climate Resilience focused on planning, worker protections, and equity.

Click here to access the full press release on the bill.

Midterm Elections

Congresswoman Virginia Foxx (NC) has officially conceded her midterm election to Democratic challenger Chuck Hubbard following a recount. Foxx, who previously served as Chair of the House Education and Workforce Committee, continues to serve on the panel and played a

major role in shaping the Republican workforce and education agenda. She received a rare waiver in 2022 to remain committee chair despite House Republican Conference rules limiting members to three consecutive terms in the position.



State Employment and Unemployment Report

On Friday, November 20, the U.S. Department of Labor (DOL) Bureau of Labor Statistics (BLS) released the State Employment and Unemployment Monthly report, which showed that in October, unemployment rates were lower in 3 states and the District of Columbia, higher in 1 state, and stable in 46 states. Nonfarm payroll employment increased in 4 states and was essentially unchanged in 46 states and the District.

Click here to access the full report.

U.S. Department of Labor Issues Opinion Letters Addressing Fair Labor Standards Act Exemption, Family and Medical Leave Act Hours of Service

On Tuesday, November 17, the U.S. Department of Labor's Wage and Hour Division issued two opinion letters that address real-world questions related to the Fair Labor Standards Act and the Family and Medical Leave Act. The two opinion letters address the applicability of the exemption for amusement and recreational establishments under the Fair Labor Standards Act and the hours-of-service requirement under the Family and Medical Leave Act.

Click here to access the full press release.

Initial Jobless Claims

In the week ending November 14, the advance figure for seasonally adjusted initial claims was 203,000, an increase of 1,000 from the previous week's revised level. The previous week's level was revised up by 2,000 from 200,000 to 202,000. The 4-week moving average was 197,750, an increase of 2,000 from the previous week's revised average.

Click here to access the full report.



National Workforce Expert Tapped to Lead Fast-Growing Apprenticeship Nonprofit

Apprenticeships for America (AFA), the national network advancing high-quality apprenticeship across the country, announced Matthew Muench as its next CEO. Muench, a multi-sector leader who has served as Head of Jobs & Skills at JPMorganChase and in senior leadership for the City of Chicago, brings nearly two decades of experience at the intersection of workforce development policy and program innovation. He will assume the role of CEO on January 11, 2027, succeeding John Colborn, who has led AFA since 2023.

Click here to access the full press release.

The Role of Nondegree Credentials in Education and Training

Nondegree credentials once sat in the shadows. Because of their short-term nature and vocational focus, they did not receive sustained attention and were excluded from major data collections. This changed in 2009 when Cecilia Rouse, a labor economist and former chair of the Council of Economic Advisers, led a Brookings Institution roundtable on subbaccalaureate credentials. The event inspired significant research and data collection efforts that have established nondegree credentials as a crucial component of education and training in the U.S.

Click here to access the full article.

Connecting Learners, Colleges, and Employers

Learners need clear, affordable routes from education and training into good jobs, and communities need a skilled workforce to attract and keep employers. Policymakers want to encourage training that will pay off but may not know how to incentivize the pathways and organizational structures that work for learners and training institutions alike.

Click here to access the full article.

Five Policy Planks to Prepare U.S. Workers for Dislocation Caused by Artificial Intelligence

The rise of artificial intelligence and the potential for new technology to spark widespread job dislocation reflects a unique challenge for policymakers because of how wide the range of scenarios might be for the depth, breadth and speed of displacement. Economists and

technologists have suggested possibilities that range from a transition that is challenging for a subset of workers but in line with prior technological advances to much more dramatic disruptions that dislocate tens of millions of workers, end career paths that previously felt reliable and even lead to a net reduction of jobs with gains concentrated among a relative few.

Click here to access the full report.

Maryland Launches Statewide Data Training Program

A new training program in Maryland aims to help state employees and residents use government data better to optimize decision-making and service delivery. Through the Maryland Data Academy, which launched this week, users will have access to online courses, microcourses, data policy guidance and standards resources and templates designed to inform data-related projects and improve their data literacy.

Click here to access the full article.



New from U.S. Department of Education

U.S. Department of Education Approves Workforce Pell Grant Program in New York

On Thursday, November 19, the U.S. Department of Education (the Department) approved a Workforce Pell Grant program in New York, marking the eighth state in the nation to receive a program approval. Eligible students at Ulster County Community College can now use Federal Pell Grants to enroll in the Certified Clinical Medical Assistant program, preparing them for in-demand careers in the healthcare industry.

Click here to access the full press release.

New from Federal Reserve Bank of Atlanta

Better Data, Better Outcomes: Lessons for Workforce Programs

Is your workforce development program achieving its intended impact? While most programs collect some data, it is critical to design collection and analysis systems with clear evaluation goals in mind. Such data systems and intentional analysis can provide information on program participants, outputs, and outcomes that enable organizations to evaluate program

effectiveness and make informed, evidence-based decisions about deploying resources for maximum impact. In today's rapidly evolving labor market, particularly with the emergence and integration of artificial intelligence, robust measurement and evaluation strategies are essential for workforce programs to remain responsive to the needs of both employers and the communities they serve.

Click here to access the full article.

New from MDRC

What Makes a Sector Program Work?

Sector programs train job seekers for high-quality employment in specific industries and occupational clusters that demonstrate strong local demand and the opportunity for career advancement. They have the strongest evidence base in the workforce development field, having been shown to help people earn credentials, find employment in their target sector of the labor market, and increase earnings. This infographic summarizes what leads to good results and what design features matter in building a successful sector program.

Click here to access the full article.

New from Aspen Institute

Foundational Skills: National Survey Findings

Earlier this year, we released findings from our 2026 Room for Growth survey, which focused on the upskilling approaches that employers use in their organizations, and the metrics leaders use to gauge the success of those programs. In the summer of 2026, we surveyed more than 600 employers across the nation representing all major industries and 42 states. We were specifically interested in how foundational skills show up in employers' programs and priorities.

Click here to access the full article.

New from Brookings

How Will Medicaid Work Requirements Impact Workers?

The One Big Beautiful Bill Act (OBBBA) will make people ineligible for Medicaid if they fail to meet work requirements. While this provision was originally slated to take full effect January 1, 2027, new guidance from the Centers for Medicare & Medicaid Services (CMS) gives states the option to delay denying or taking away coverage until July 1, 2027. On December 10, The Hamilton Project at the Brookings Institution will host a virtual event to discuss the impact of OBBBA's Medicaid work requirements on individuals and the broader health care system. The event will feature a presentation from Aviva Aron-Dine (The Hamilton Project) and a panel discussion with Elizabeth Ananat (Barnard College), Lauren Bauer (The Hamilton Project), Peter Ganong (University of Chicago), and Bradley Hardy (Georgetown University).

Click here to register for the event.

How New Governors and Legislators Can Ready Their States for the AI Transition

Voters made the recent midterms the nation's first true "AI election," with more than half of the electorate telling exit pollsters that AI and data centers weighed heavily on their choices. Altogether, voters chose 21 new governors, raising the stakes for states, which hold the most practical levers for turning AI into shared economic gains. Given that, this report scans promising state initiatives across the main pillars of the Brookings/Opportunity@Work AI readiness framework—a simple outline of the basics of meaningful AI adoption and how regions can achieve it.

Click here to access the full article.



Fact of the Week

A Pew Research Center analysis found that from 2017-2019 to 2023-2026, men's employment growth outpaced women's in occupations with greater exposure to artificial intelligence (AI). For every one-point increase in an occupation's AI exposure score, men's employment grew by 6.3%, compared with just 0.2% for women. While the findings do not establish a direct causal link between AI and employment trends, they point to a potential gender gap as AI adoption expands in the workplace.

Click here to access the full article.

THE U.S. CONFERENCE OF MAYORS

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