

WEEKLY NEWSLETTER

Strengthening Cities Through
Workforce Development



THE U.S. CONFERENCE OF MAYORS
WORKFORCE DEVELOPMENT COUNCIL

June 1, 2026



Appropriations

House Appropriations Chair Tom Cole (OK) said he plans to release the full slate of FY27 bill totals by the end of this week, including topline for notoriously contentious bills like Homeland Security, Labor-HHS-Education, and Defense.

In the Senate, the Appropriations Committee is scheduled to begin consideration of the FY27 funding bills this week, with markups of the Agriculture-FDA, Legislative Branch, and Commerce-Justice-Science bills set for Tuesday, June 2.

Meanwhile, House Republicans have advanced most of their own FY27 appropriations bills through committee and passed the Military Construction-Veterans Affairs measure on the House floor. However, a bipartisan, bicameral agreement on final spending levels is unlikely before midterm elections. As a result, Congress is widely expected to pass a continuing resolution (CR) to keep the federal government funded beyond the September 30 deadline while negotiations on final FY27 spending levels continue.

OMB Proposed Rule

On Thursday, May 28, the Office of Management and Budget (OMB) released a proposed rule that would significantly revise the federal grantmaking process governing more than \$1 trillion in annual federal assistance. The proposal, which specifically builds on the previous Executive Order "Improving Oversight of Federal Grantmaking," would provide federal agencies with broader authority to terminate grant awards that no longer align with agency priorities,

program goals, or the national interest. It would also establish new government-wide requirements related to grant eligibility, oversight, foreign affiliations, free speech protections, immigration verification, and the use of federal funds for certain activities. The rule would increase the role of political appointees in reviewing grant awards and is intended to standardize grant regulations across federal agencies.

OMB has opened a 45-day public comment period and is targeting October 1 for implementation, which would determine the requirements applicable to FY27 grant awards.

Matt Hanson, Managing Director, Grants and Policy at Witt O'Brien's (a leading risk management and emergency response partner for governments and corporations) will be strategizing with mayors at our upcoming U.S. Conference of Mayors Annual Meeting in Long Beach on amendments to a regulatory resolution before the USCM Metro Economies Committee to develop policy for addressing the implications of the OMB rule. Formal comment and/or a legal strategy is to follow. Matt Hanson will be speaking at the Friday, June 5, 8:00 a.m. breakout session "Managing Federal Grants." The rule has a comment period that ends in 42 days (7/13/2026).

[Click here](#) to access the proposed rule and view comment instructions.

H-2A Visas

On Tuesday, May 26, House Agriculture Committee Chair G.T. Thompson (PA) released draft legislation to expand and revise the H-2A agricultural guest worker program. The legislation would broaden eligibility by allowing jobs lasting fewer than 350 days to qualify as "temporary," including year-round operations such as dairy farms. The bill would also adjust wage calculations for entry-level H-2A positions, limit annual wage fluctuations, waive interview requirements for returning workers, create a public online recruitment registry, and transfer petition approval authority to the Department of Homeland Security. Agriculture industry groups have long pushed for changes to address ongoing labor shortages and expand access to foreign agricultural workers.

[Click here](#) to access the draft bill.

House Education and Workforce Subcommittee Hearing

On Wednesday, June 3, at 10:15 a.m. (ET) the House Education and Workforce Subcommittee on Higher Education and Workforce Development will hold its seventh hearing in a series examining artificial intelligence "Building an AI-Ready America: Higher Education in the Age of AI."

[Click here](#) to learn more about the hearing.



Department of Labor Announces 2026 National Disability Employment Awareness Month Theme

The U.S. Department of Labor’s Office of Disability Employment Policy announced today that this year’s National Disability Employment Awareness Month theme will be “Celebrating Value and Talent,” carrying the spirit of last year’s celebration forward through 2026 in honor of America’s 250th birthday.

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

Training and Employment Guidance Letter No. 14-25

On Thursday, May 28, the U.S. Department of Labor (DOL) Employment and Training Administration (ETA) released the Training and Employment Guidance Letter “Modification Requirements, Priorities, and Technical Assistance for Senior Community Service Employment Program Stand-Alone State Plans for Program Years 2026-2027 for States, Territories, and Outlying Areas.”

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

Initial Jobless Claims

In the week ending May 23, the advance figure for seasonally adjusted initial claims was 215,000, an increase of 5,000 from the previous week's revised level. The previous week's level was revised up by 1,000 from 209,000 to 210,000.

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



Mayor Lurie Awards More Than \$21 Million in Funding to Support Workforce Development, Connect San Franciscans to Good-Paying Jobs

On Wednesday, May 27, San Francisco Mayor Daniel Lurie announced more than \$21 million in funding to strengthen critical workforce programs that connect thousands of San Franciscans to sustainable, good-paying jobs and provide local businesses with a highly skilled talent pipeline.

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

Job Training Needs New Financing, Not New Debt

Artificial intelligence is accelerating a labor-market challenge that America has never solved well: how to help workers move into better jobs without asking them to shoulder all the risk of getting there. Policymakers and employers all say that skills matter. But too often, the burden of acquiring those skills falls on workers least able to bear it. A worker seeking a better-paying job in health care, advanced manufacturing, information technology, or the skilled trades may find a strong training program.

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

What the Education Department Projects for Workforce Pell

After the U.S. Department of Education finalized regulations for Workforce Pell last week, the looming question centers on what its impact might be—how quickly and widely Pell Grants will roll out to low-income students in short-term training programs. Department officials estimated over 100,000 students could benefit in the initial years of the program, though they acknowledged in their final rule that making programs eligible for Workforce Pell will take time and come at some cost for states and higher ed institutions.

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

Building the Infrastructure of Opportunity

The U.S. education and training system has been quietly transformed over the past generation. Credential Engine calculates that nearly 1.9M unique credentials are offered by more than 134K providers, with \$2.34T invested annually in education and workforce development. These offerings include traditional high school diplomas and college degrees, technical training credentials, industry certifications, badges, apprenticeships, and combinations hard to imagine a few decades ago.

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

Connecting the Tangled Systems of Reentry Training and Employment

It's no secret that a felony conviction negatively affects a person's ability to land a job upon reentry. After release, formerly incarcerated people must navigate a maze of government systems, workforce programs, and parole requirements. They are rarely prepared to do this,

and as a result, nearly half (45%) report no earnings within the first year of their release, according to research from the Brookings Institution.

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



New from Aspen Institute

Durable Skills, Strong Starts: What Employers Really Want from Early-Career Talent

For many employers, hiring early-career talent means weighing limited work experience alongside signals of readiness, reliability, and growth potential. This report draws on a national survey of more than 550 employers to explore how durable skills and attributes factor into real hiring decisions for entry-level roles, how employers group and prioritize these attributes, and what the findings suggest for preparing workers to succeed in their first jobs.

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

New from Bipartisan Policy Center

Who Cares for Our Kids? Understanding the Child Care Workforce.

The child care workforce is responsible for the care and early development of young children. This includes supervising children, supporting daily routines, and engaging in developmentally appropriate interactions that promote early learning and school readiness.

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

New from Brookings

AI and Economic Mobility: Opportunities and Challenges

On June 10, the Brookings Center on Regulation and Markets will host a fireside chat with Neil Thompson, director of the FutureTech project at MIT, to explore the intersection of AI and economic mobility. The discussion will be moderated by Sanjay Patnaik, director of the Center on Regulation and Markets. The event will be open to attend in person or watch online.

[Click here](#) for more information on the event.

Shock, Awe, and Economic Fallout: The Employment Effects of ICE Enforcement in US Cities

The current administration's 2025 interior immigration enforcement campaign has been promoted, in large part, as a labor market policy: remove unauthorized workers and create jobs for Americans. This research evaluates that claim and finds the reverse: Enforcement surges cost jobs, including jobs held by American-born workers.

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



Fact of the Week

According to the recent Deloitte 2026 Gen Z and Millennial Survey, more than half of Gen Zs (55%) and millennials (52%) say they are delaying major life decisions, such as marriage, starting a family or business, or furthering education, due to their financial situation. And a majority say that the availability or affordability of housing has a direct impact on their career decisions and where they can work.

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



THE U.S. CONFERENCE OF MAYORS
WORKFORCE DEVELOPMENT COUNCIL