



FOLLOW THE MONEY

Aligning Workforce Funding in Georgia

July 16, 2019

10:00am





OBJECTIVES

#1: Explore what the current labor market conditions mean for the future of Georgia's workforce development policies, programs, and funding

#2: Gain a deeper understanding of how Georgia deploys funding to support workforce development across the state

#3: Explore steps the State of Georgia can take to deepen its impact and prepare a ready, equipped workforce while helping workers remove barriers to employment.

GBPI
Georgia Budget & Policy Institute

PEOPLE-POWERED PROSPERITY

A People-First Economic Vision for Georgia



PROSPER GEORGIA RECAP

PROSPER is a collective of workforce advocates committed to an inclusive economy in Georgia.

Opportunities to secure good, stable, and upwardly-mobile jobs exist, but so do stubborn systemic barriers, misaligned systems, and inadequate funding

PROSPER Georgia is a coalition of workforce advocates who champion an inclusive economy. The coalition's goal is to eliminate poverty in Georgia by removing barriers to meaningful, family-supporting jobs. We can get there by advancing policy and practice solutions that:



Bolster access to middle-skills training in the state's high-demand career sectors.



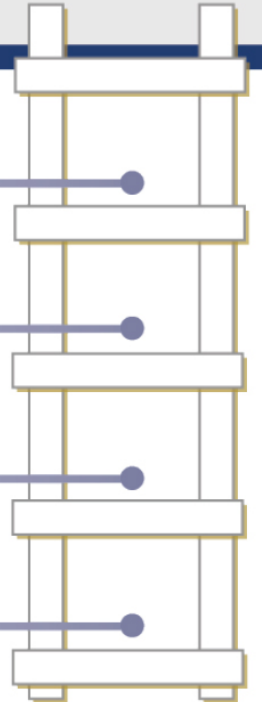
Implement seamless career paths that help people move up the economic ladder.



Prioritize equity to improve the inclusiveness of Georgia's training and employment opportunities.



Strengthen key work supports that help people find and maintain good jobs.



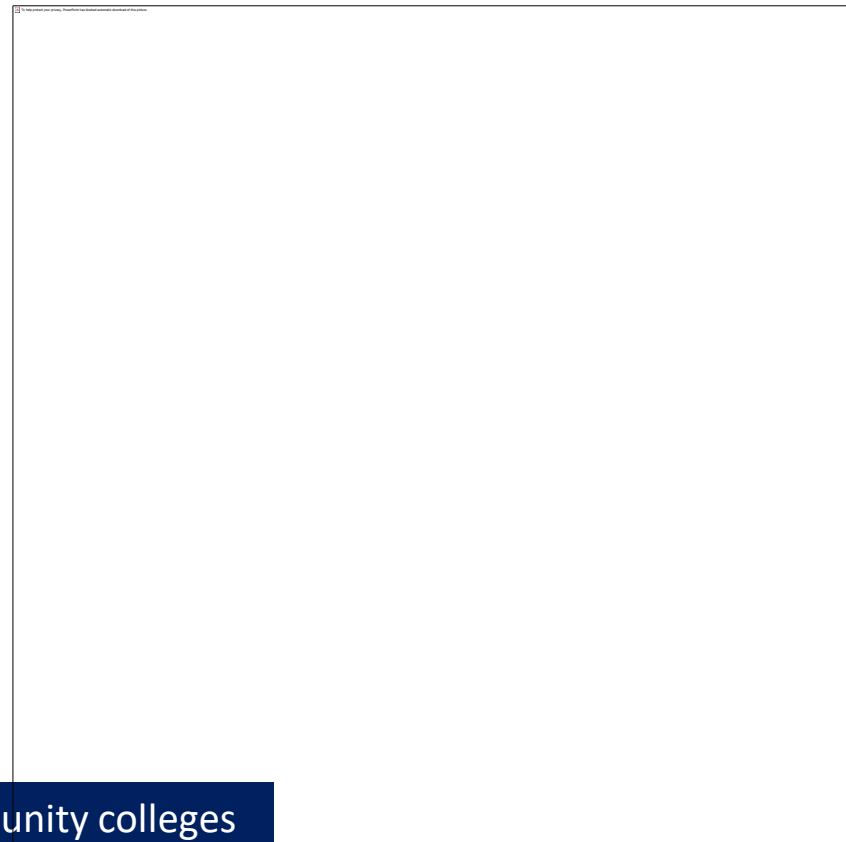


KEY OBJECTIVES

- **Develop new state workforce policy proposals.** Harness the expertise of local practitioners, businesses, trade associations, and advocates to generate new ideas for training low-income people for good jobs
- **Bring workforce policies to scale across Georgia.** Increase the number of local areas implementing skills policies and practices that increase economic opportunity for low-income families
- **Inform state policy and practice innovation.** Use a network of diverse statewide expertise to shape key state policies on workforce/talent development, higher education, and social services/work supports



PROSPER GEORGIA



Create closer links between technical/community colleges and businesses to help technical/community colleges train people for the jobs businesses are hiring for.

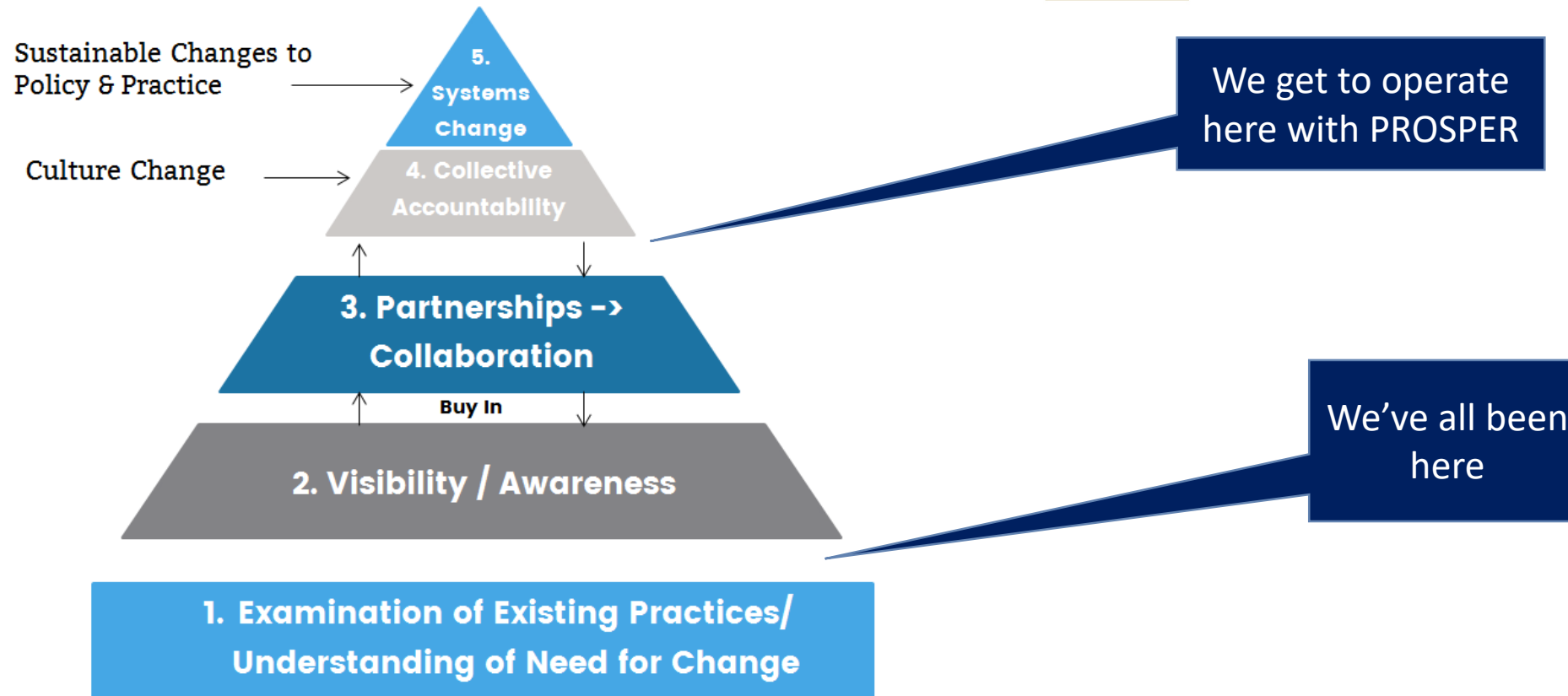
97% support



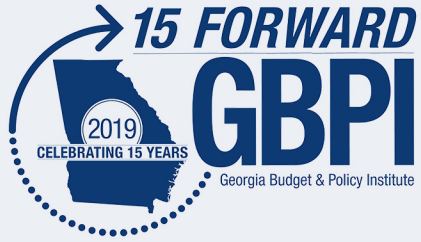
PARTNERSHIP



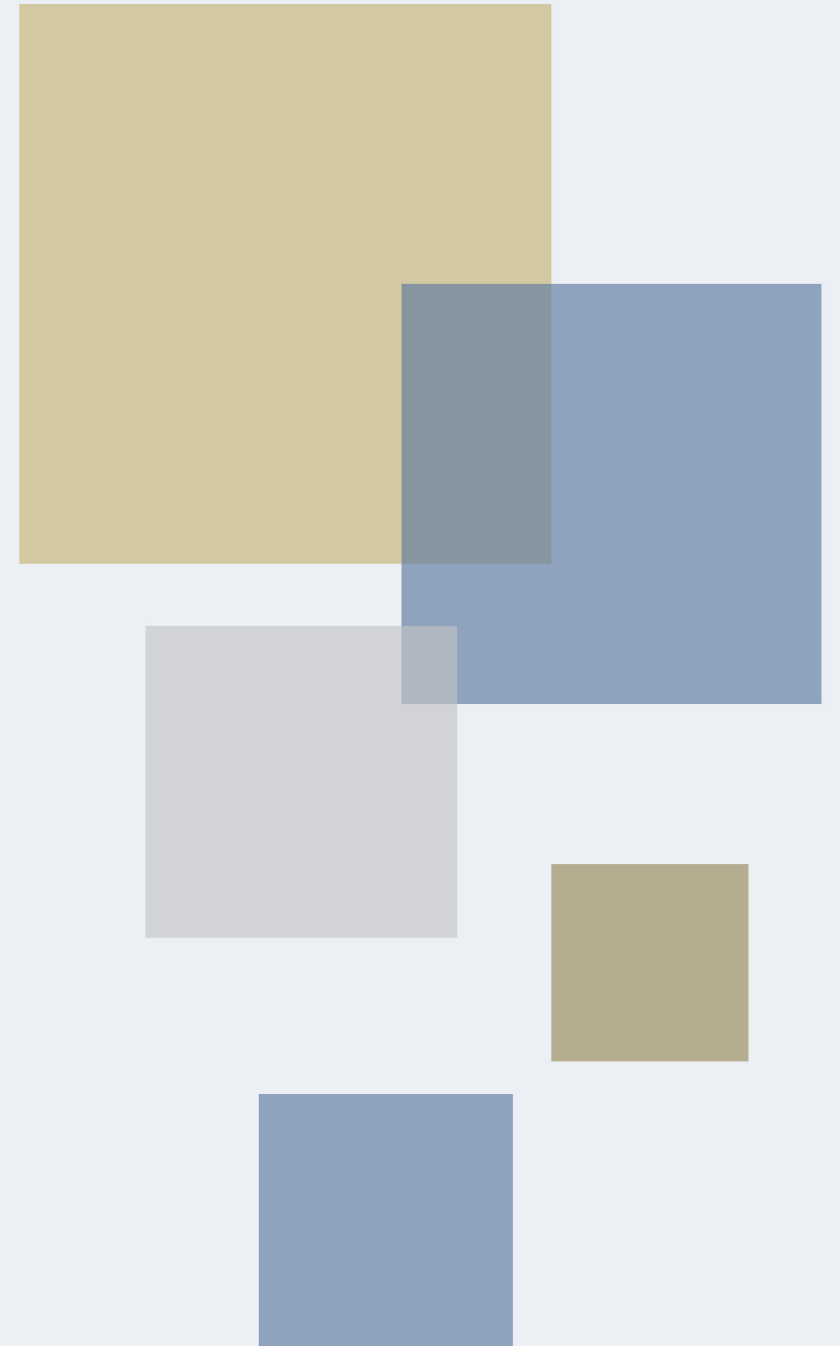
Systems Change Process



*Developed by Desert Vista Consulting, Karen W. Linkins and Jennifer Brya



A CHANGING LABOR MARKET





GEORGIA'S PEOPLE

“The full utilization of our people and their active participation in the mainstream of our economy and culture is one of the major mandates for our nation and state.

The health, even the survival, of the nation depends on adequate solutions to our problems. Through planning, determining the needs, and training the workforce to fill the needs, we can reduce the necessity for welfare and enrich the lives of all citizens through a healthy productivity.”

Georgia Office of the Governor, A Status Report on Human Resources, 1968

THE MIDDLE SKILL OPPORTUNITY

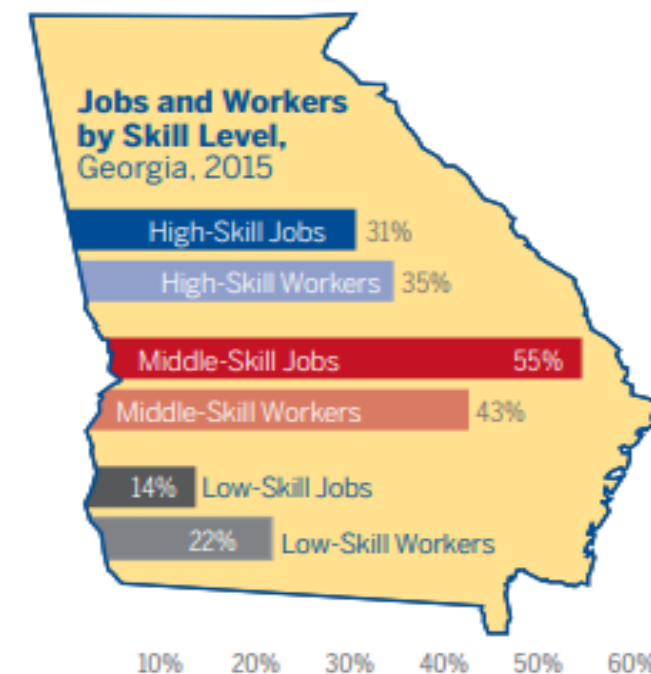
Most jobs in Georgia's labor market – **55 percent** – are middle-skill jobs, which require more than a high school education but less than a four-year degree.

Middle-skill jobs include *paralegals, computer network support specialists, and dental hygienists*.

However, **only 43 percent** of Georgia workers are trained to the middle-skill level. This “skills gap” threatens the state's economic competitiveness now and in the future.

A MIDDLE SKILL GAP

Middle-skill jobs account for 55 percent of Georgia's labor market, but only 43 percent of the state's workers are trained to the middle-skill level.



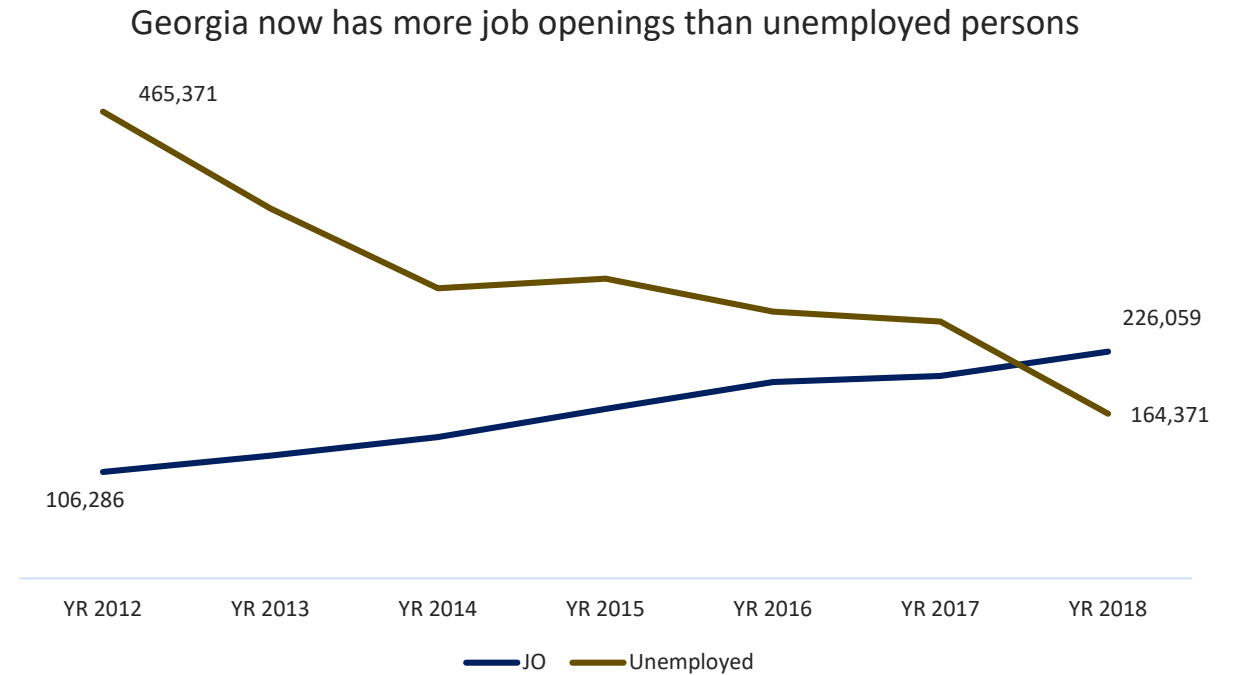
Source: NSC analysis of Bureau of Labor Statistics Occupational Employment Statistics by State, May 2015 and American Community Survey data, 2015.

A GEORGIA JOBS “BOOM”

Georgia’s employers will need to compete more for workers.

Caution: available workers might not have the credentials/skills employers are looking for

Not all jobs are “good jobs”



Source: GBPI analysis of State Jobs Openings and Labor Turnover Survey JOLTS data, 2012-2018

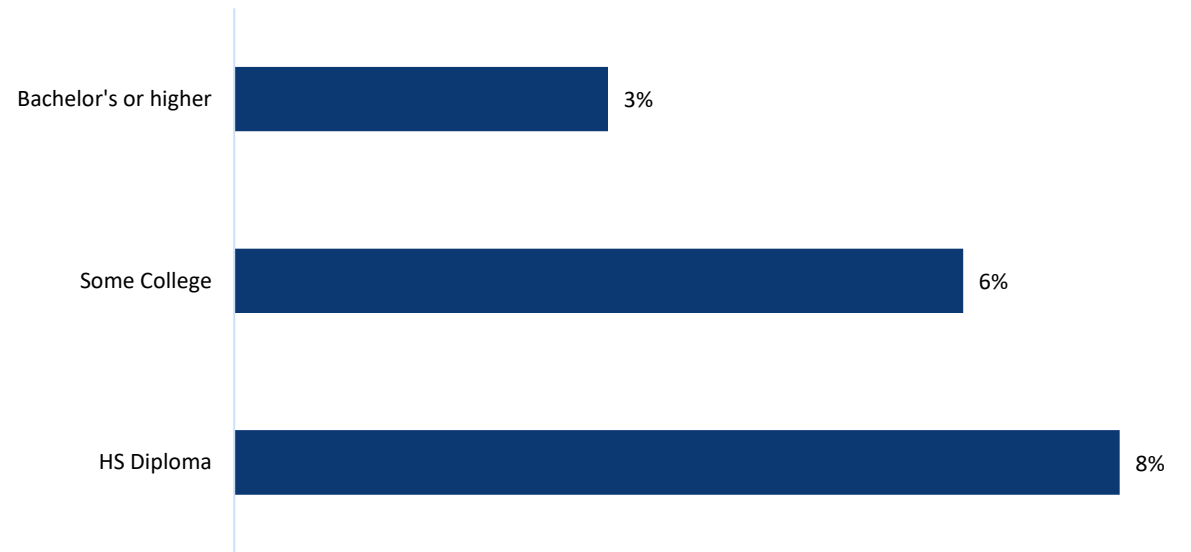
UNEVEN RECOVERY

Georgia ranked **41st** in percentage of adults with a high school diploma/GED

46% of Georgia families in poverty where no adult has some postsecondary education

Unemployment rates for Georgians with only a high school diploma **more than 2 times higher** than those with a bachelor's degree

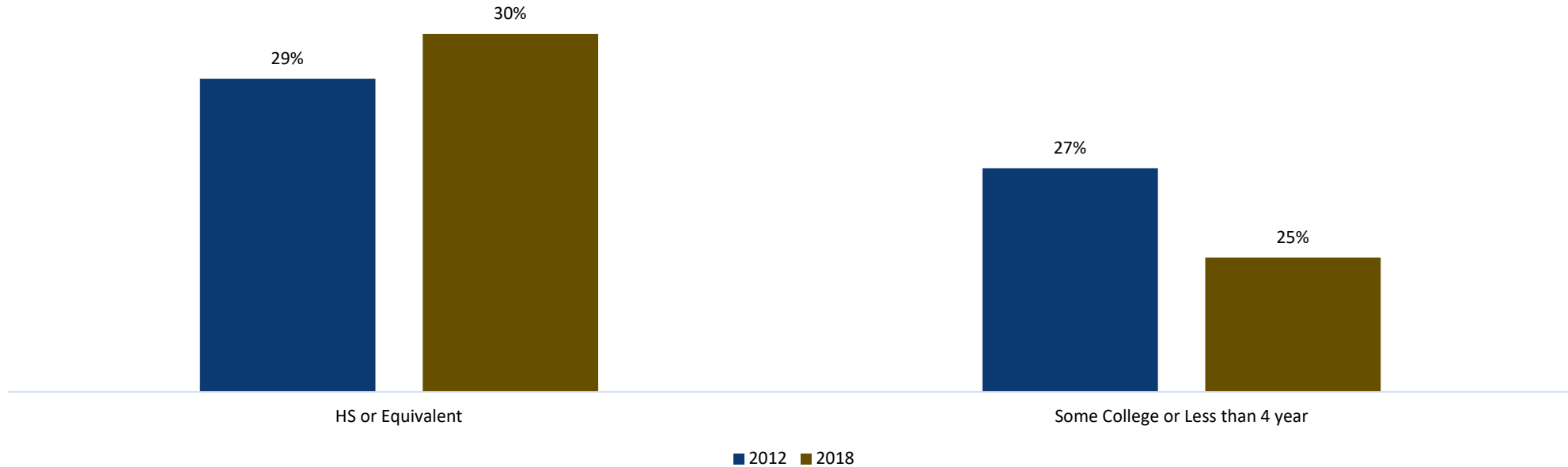
Low Educational Attainment Can Lead to Higher Unemployment Rates for Georgians



Source: GBPI analysis of American Community Survey Data, 2017

UNEVEN RECOVERY

The percentage of adults 25 and older with only a high school diploma or GED has increased, while adults with some postsecondary training is decreasing

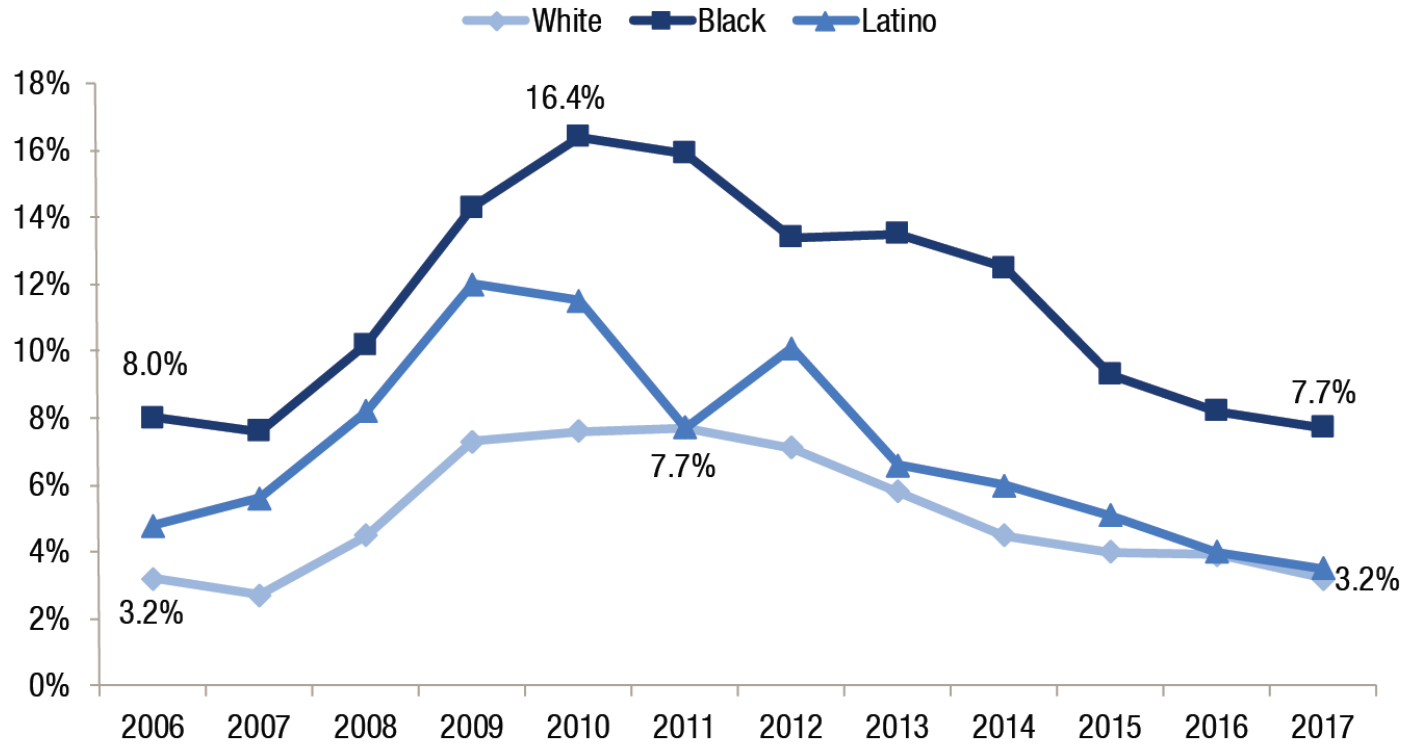


Source: GBPI analysis of Current Population Survey Data, 2012-2018

UNEVEN RECOVERY

Joblessness Consistently Lower for White Georgians

Georgia statewide unemployment rate, by race, 2006-2017



UNEVEN RECOVERY

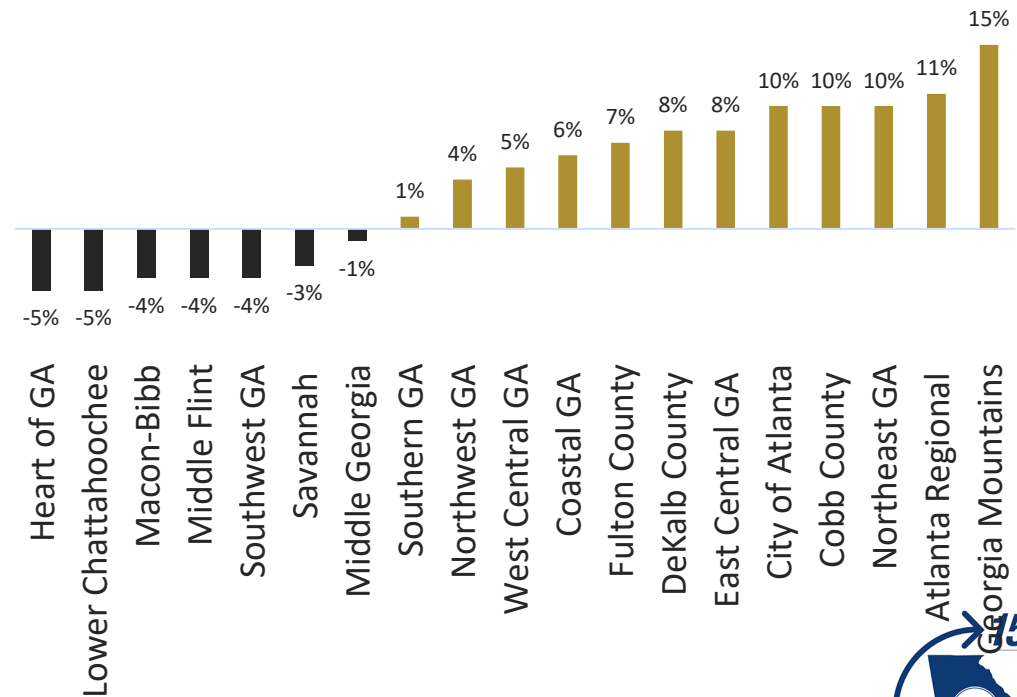
Labor force participation rate:

The percentage of the population that is either working or actively seeking work.

Reasons the labor force is declining:

Aging workers, younger workers not seeking employment as much, poor worker protections and supports for women and people of color, people with records, etc.

Change in Labor Force Participation in Georgia's 19 Local Workforce Development Areas (LWDAs), 2012-2018





THREATS TO GEORGIA'S WORKFORCE

High costs of education and training

Adult re-entry

Lack of transportation

Extremely high child care expenses

Poor proximity to training and “good” jobs

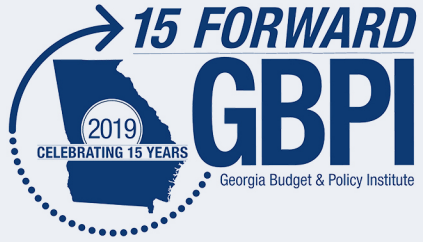
Insufficient wages

Barriers for Immigrant workers

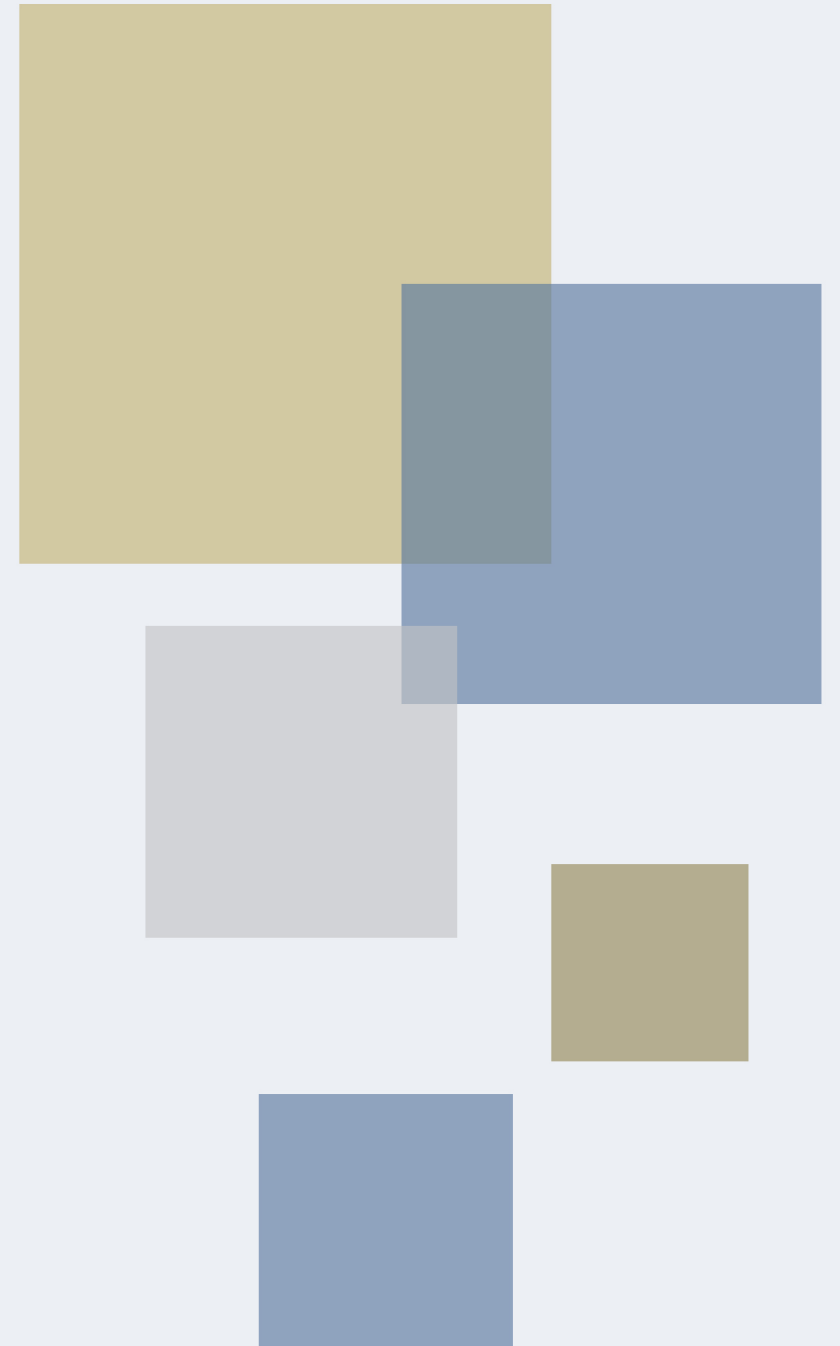
Persistent Discrimination in Hiring

Pay gaps for women and people of color

Imported workforce vs. nurturing “homegrown” talent

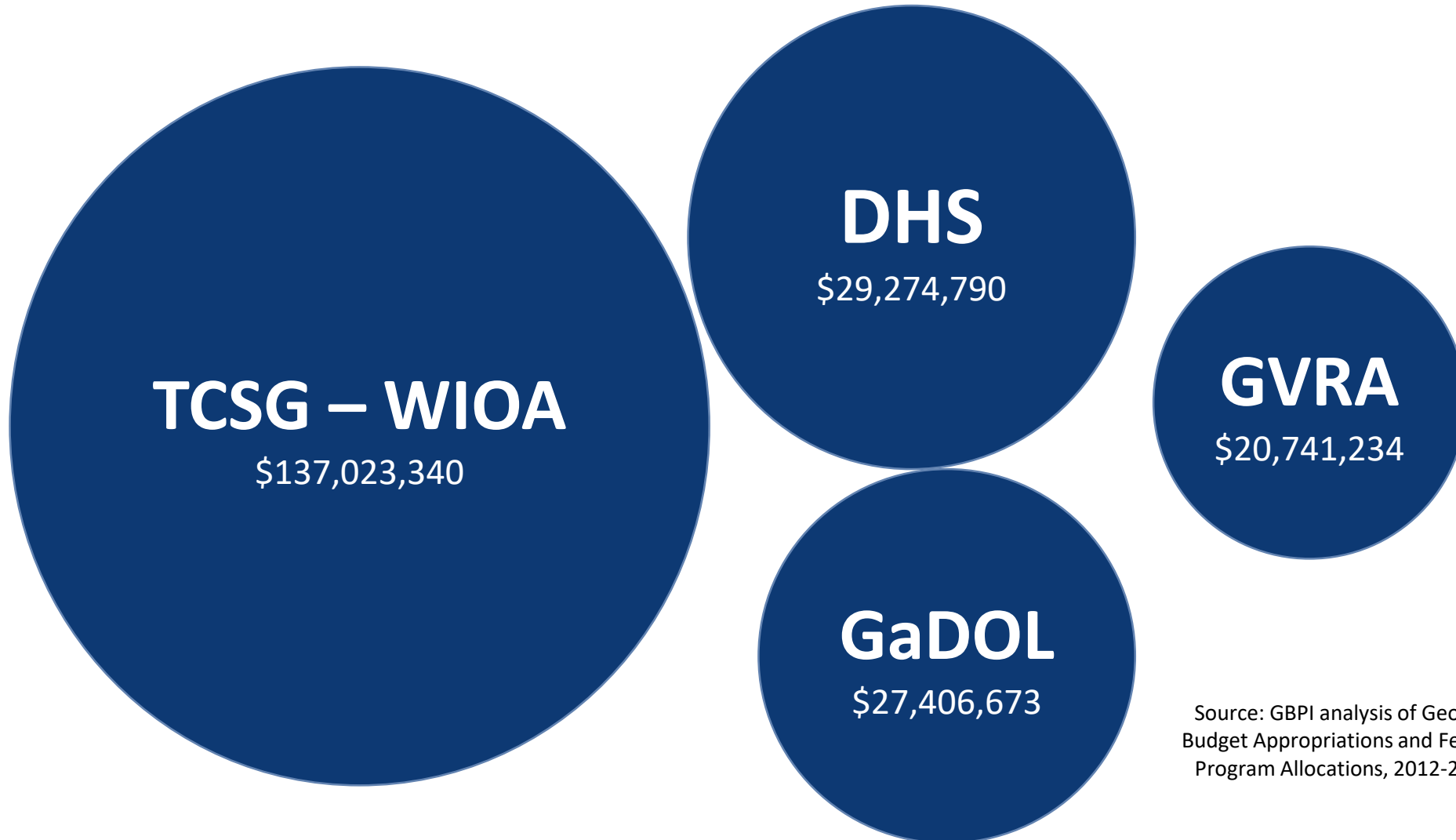


FUNDING IS KEY





GEORGIA'S MAJOR WORKFORCE AGENCIES: \$214M IN WORKFORCE FUNDS



TCSG – WIOA: Technical College System of Georgia, Workforce Innovation Opportunity Act

DHS: Georgia Department of Human Services

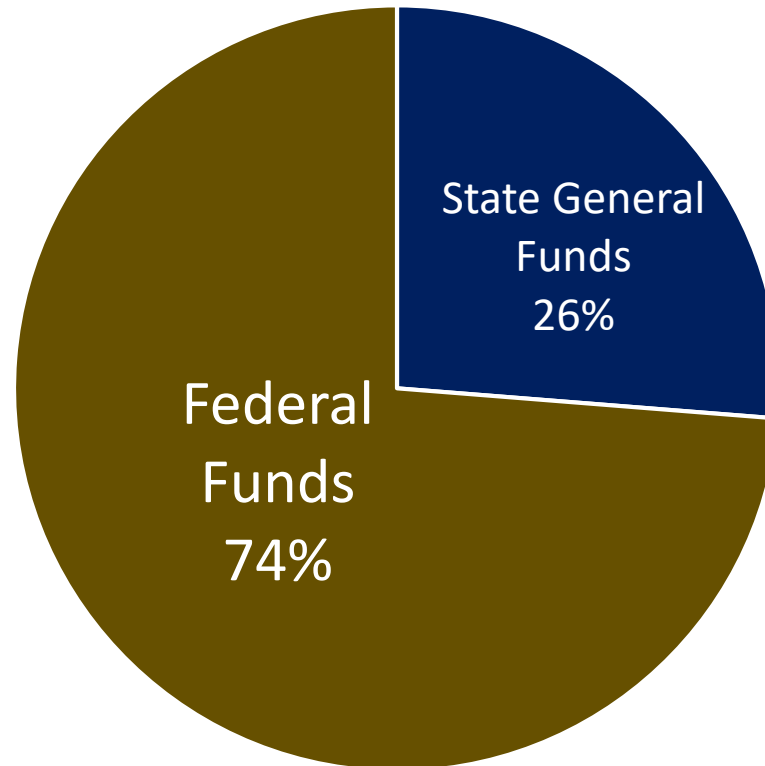
GaDOL: Georgia Department of Labor

GVRA: Georgia Vocational Rehabilitation Agency

Source: GBPI analysis of Georgia Budget Appropriations and Federal Program Allocations, 2012-2019



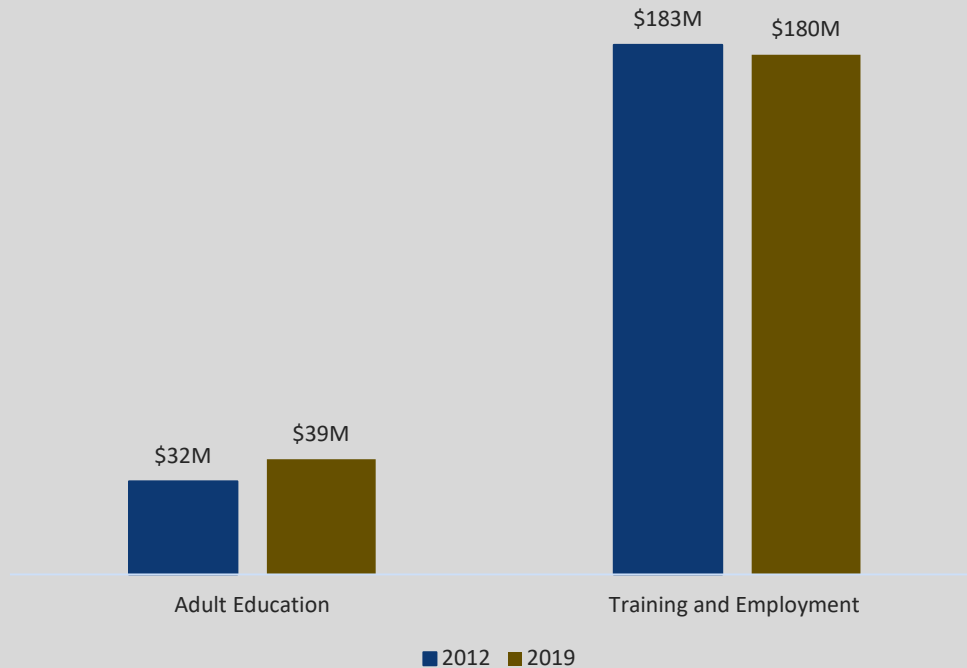
GEORGIA DEPENDS HEAVILY ON FEDERAL FUNDS TO SUPPORT WORKFORCE DEVELOPMENT



Source: GBPI analysis of Georgia Budget Appropriations and Federal Program Allocations, 2012-2019

PUBLIC FUNDS FOR WORKFORCE IN GEORGIA

Public Funds for Georgia's Training and Employment declined between 2012 & 2019



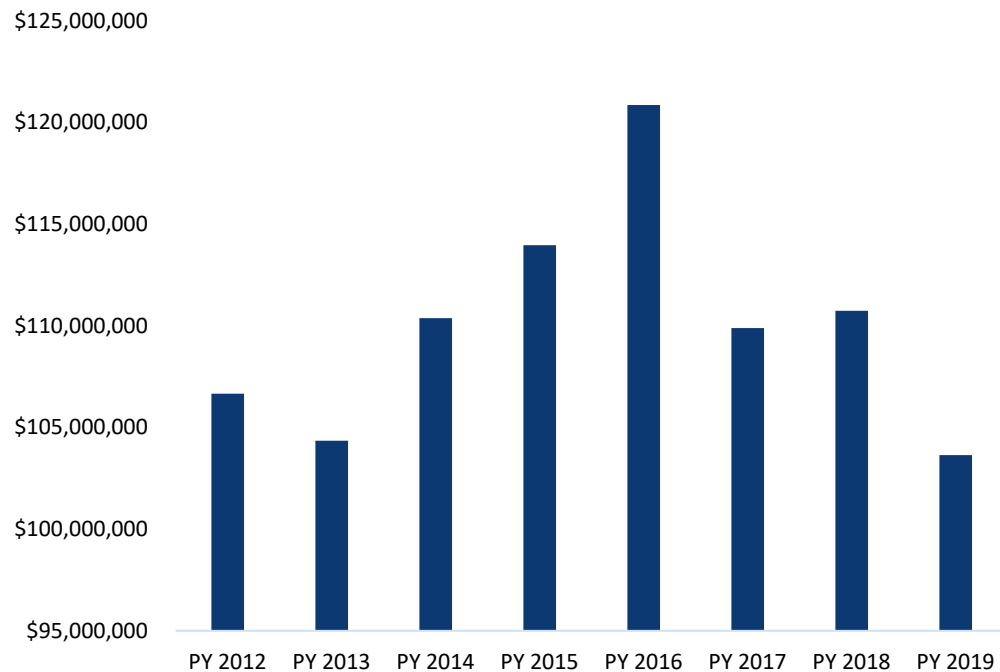
Source: GBPI analysis of Georgia Budget Appropriations and Federal Program Allocations, 2012-2019

State and federal funds for job training in Georgia have fallen in recent years



WIOA SUPPORT FOR WORKFORCE TRAINING DECLINING

Federal WIA/WIOA Allocations to Georgia by Year



Source: GBPI analysis of WIA/WIOA Allocations by Program Year, 2012-2019

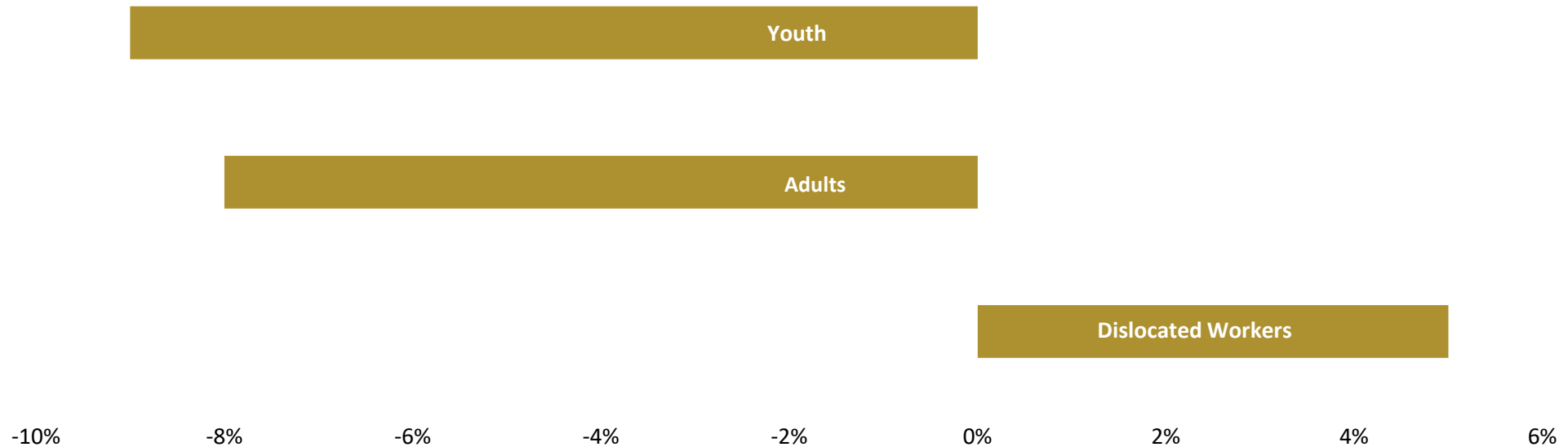
Federal Workforce Innovation and Opportunity Act (WIOA) funds make up the largest share of workforce funds in Georgia.

Funding in Georgia for 2019 is less than it was in 2012.



DEEP CUTS TO CORE PROGRAMS

Deep cuts to Youth and Adult WIOA Title I funding in Georgia



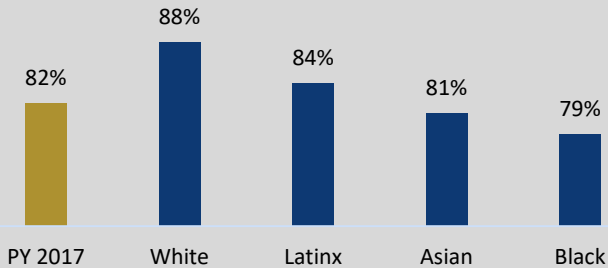
Source: GBPI analysis of WIA/WIOA Allocations by Program Year, 2012-2019



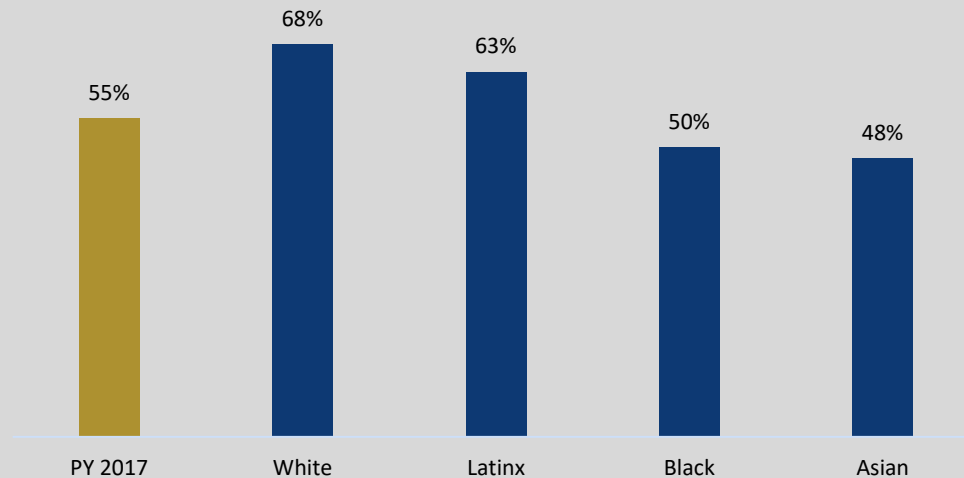
CREDENTIAL ATTAINMENT RATES

WIOA requires Georgia to report recognized postsecondary or secondary credentials attained by participants who received services. Youth participants have the lowest rates, while also being the most difficult to serve. For youth and adults, people of color have more difficulty than white participants acquiring new credentials during or after program exit, yet these two areas are seeing the deepest funding cuts.

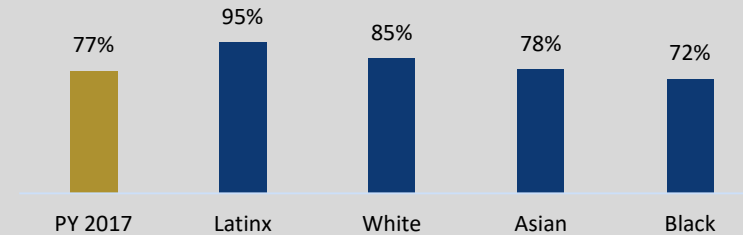
Credential Attainment Rates - Adult



Credential Attainment Rates - Youth



Credential Attainment Rates - Dislocated Workers



Source: GBPI analysis of WIOA state annual reports, Program Year 2017

MORE FEDERAL FUNDING STREAMS

SNAP Employment & Training

\$1.9 million in FY 2019

Temporary Assistance for Needy Families (TANF)

\$11.2 million in FY 2018 (latest available *expenditures* for work assistance, employment & training)

-46%

Community Service Block Grant (CSBG)

\$16 million in FY 2019 allocations

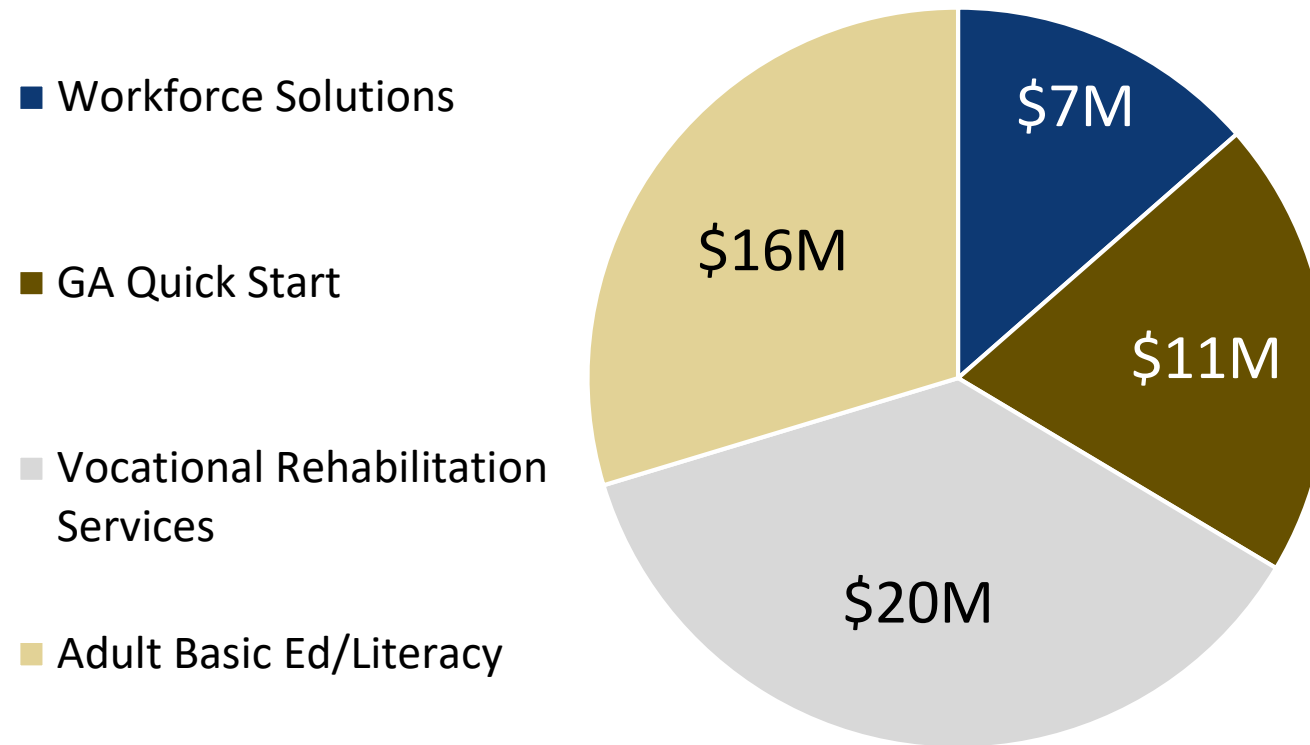
-7%

HUD Section 3

Spending data unavailable



STATE GENERAL FUNDS FOR WORKFORCE SERVICES: \$56M



Source: Georgia Budget Appropriations, FY 2019



QUICK START FUNDS LOST

GA Quick Start funding for customized training has fallen 13%

\$12,910,423



2012

\$11,293,977



2019

Source: Georgia Budget Appropriations, FY 2012 & 2019

Quick Start is one of Georgia's most important tools for economic development. The program provides no-cost, customized job-specific training to workers for qualified companies relocating or expanding in Georgia. The program also targets local residents for local jobs.

Despite being ranked as “one of the top training programs in the U.S.”, **funding for Quick Start has fallen 13% since 2012.**



STATE FUNDS FOR COLLEGE ACCESS

HOPE Grants cover a portion of tuition costs for individuals seeking certificates or diplomas.

Program Group	HOPE Grant		Zell Miller Grant		HOPE Career Grant		Total HOPE Grant Program		
	Fiscal Year	Students	Dollars	Students	Dollars	Students	Dollars	Students	Dollars
	2014	81,290	\$73,012,029.41	.	.	7,207	\$4,753,100.42	81,290	\$77,765,129.83
	2015	67,014	\$54,855,086.15	14,563	\$17,662,368.07	13,698	\$8,906,700.30	75,344	\$81,424,154.52
	2016	48,414	\$42,080,270.91	15,768	\$19,281,971.45	14,808	\$9,803,722.26	60,278	\$71,165,964.62
	2017	43,386	\$38,092,362.57	13,940	\$17,050,127.40	15,374	\$9,986,786.19	54,444	\$65,129,276.16



JOB TRAINING TAX CREDITS

Training-Related Tax Credits in Georgia	FY 18	FY 19	FY 20
Employer GED Tax Credit	0	0	0
Approved Employee Retraining Credit	\$52,000,000	\$56,000,000	\$61,000,000
Total	52,000,000	56,000,000	61,000,000

Source: Georgia Department of Revenue, 2019

Qualified Job Training Tax Credit:

Sales of tangible personal property and services to a qualified job training organization located in this state when such organization is tax exempt under 501(c)(3).

Employer GED Tax Credit:

Businesses which provide or sponsor an approved adult basic skills program may receive a tax credit. The program is administered by the Technical College System of Georgia

Approved Employee Retraining Credit:

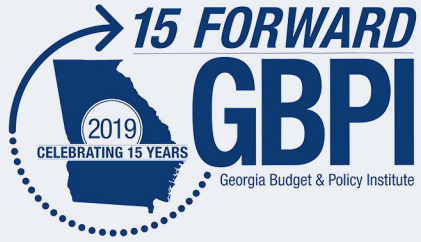
The retraining tax credit allows employers to claim certain costs of retraining employees to use new equipment new technology, or new operating systems.



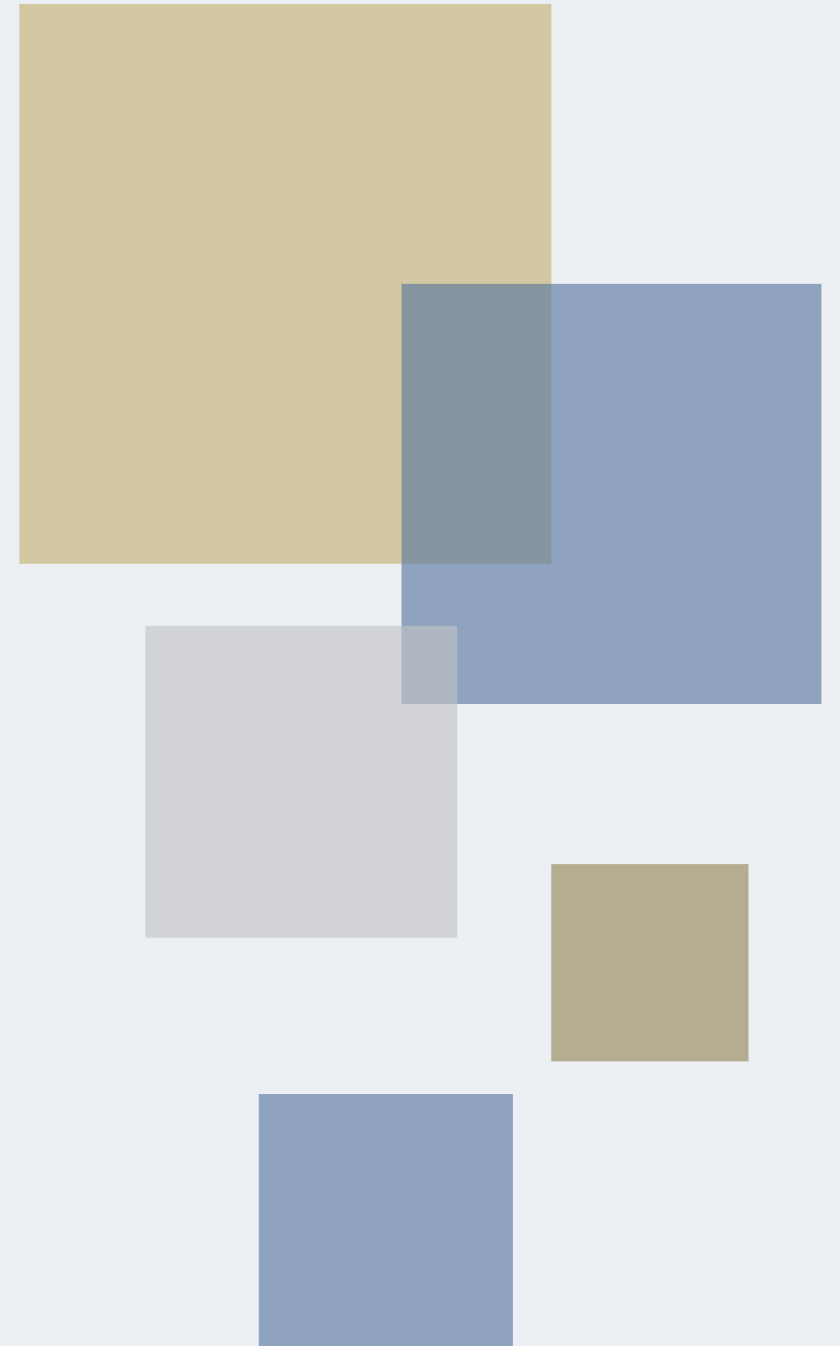
FUNDING FOR MAJOR WORKFORCE PROGRAMS IN GEORGIA

	Program	Agency	Type of Funds	2012	2019	% Change
Adult Education	State ABE Program	TCSG	State	\$13,144,937	\$16,743,009	27%
	WIOA Title II: Adult Literacy	TCSG	Federal	\$19,110,000	\$23,199,486	21%
Workforce Development Funding for Job Training	WIOA Title I: Youth	TCSG	Federal	\$ 25,482,226	\$ 23,153,178	-9%
	WIOA Title I: Adult	TCSG	Federal	\$ 24,047,603	\$ 22,242,515	-8%
	WIOA Title I: Dislocated Worker	TCSG	Federal	\$ 36,619,541	\$ 38,491,175	5%
	WIOA Title III: Wagner-Peyser	TCSG	Federal	\$ 20,518,463	\$ 19,757,815	-4%
	Workforce Solutions	GaDOL	State	\$6,588,215	\$7,648,858	16%
	GA QuickStart	TCSG	State	\$12,910,423	\$11,293,977	-13%
	Temporary Assistance for Needy Families*	DHS	Federal	\$20,717,480	\$11,264,653	-46%
	Vocational Rehabilitation Services	GVRA	State	\$12,895,493	\$20,741,234	61%
	Community Services Block Grant	DHS	Federal	\$17,282,159	\$16,110,137	-7%
	SNAP E&T	DHS	Federal	-	\$1,900,000	-

Source: GBPI analysis of Georgia Budget Appropriations and Federal Program Allocations, 2012-2019; TANF dollars represent expenditures



STATE POLICY OPTIONS





RAISE STATE INVESTMENT IN TRAINING AND SUPPORT

GEORGIANS SUPPORT INVESTMENT



Nine out of 10 Georgians support increased investment in training and education that translates into high-quality jobs that support thriving families.

**People-
Powered
Prosperity**
poll, July 2018

In order to meet the growing demand for technically skilled jobs, grow the economy and tax base in Georgia, would you support or oppose tuition-free post-secondary technical training in Georgia?

75% support

Would you support or oppose state funding for a need-based financial aid program to make college more affordable?

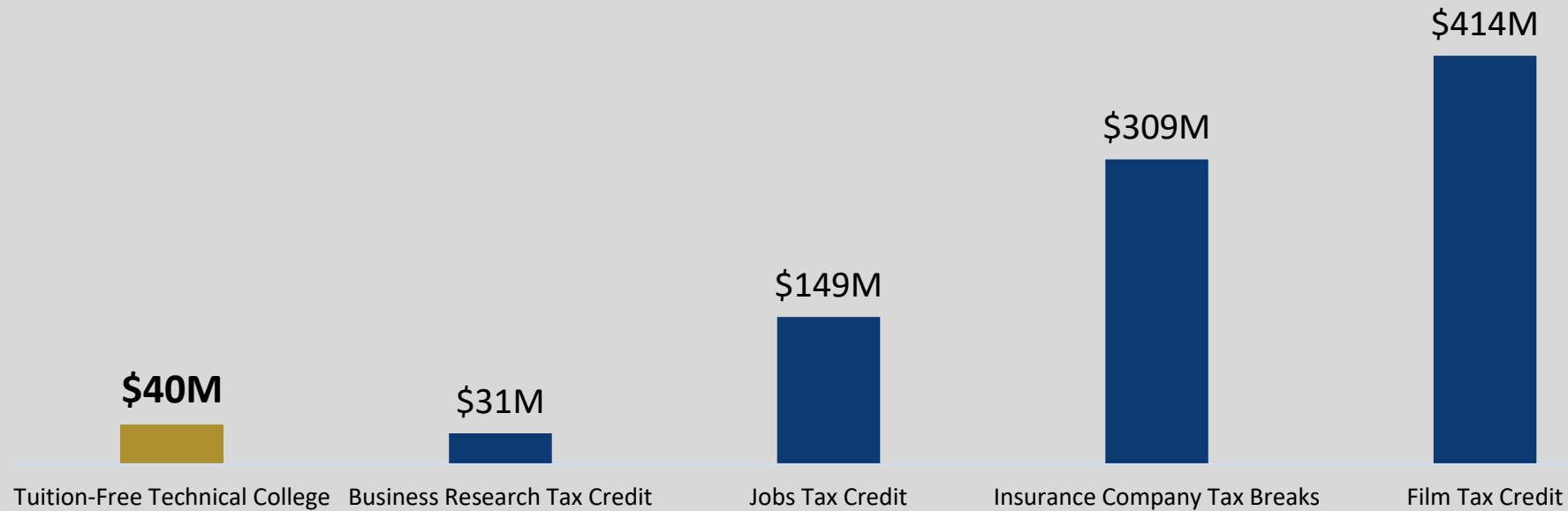
82% support

Make it easier for people who receive government assistance like welfare or food stamps to get skills training, so they can find a family supporting job.

88% support

#1: TUITION-FREE TECHNICAL COLLEGE

Georgia Can Afford An Investment in Tuition-Free Technical College





#2: RESTORE HOPE

HOPE Grants link individuals to hundreds of sector-based training opportunities in the Technical College System.

HOPE Grant Funding covers less tuition costs than it used to since TCSG raised tuition rates.

Increasing HOPE Grant funding to cover 100% of tuition costs is needed to ensure industry demands are met and Georgians with low-incomes can afford training for high-growth, high wage jobs

HOPE Grants cover *less* tuition now than they did in 2012.

	FY 2012	FY 2020
HOPE Grant Award Per Credit Hour	\$61	\$76
TCSG Tuition Per Credit Hour	\$75	\$100
HOPE Grant as Percentage of Cost	81%	76%

Source: Georgia Student Finance Commission, FY 2012 & 2019



#3: EXPAND HOPE TO INCLUDE ASSOCIATE'S DEGREES

HOPE Career Grants do not apply to associate's degrees in high-demand fields:

Technical colleges offer associate's degrees in many high-demand fields, **but these students are not eligible for HOPE Career Grants.**

For example, a student pursuing a practical nursing diploma can get a HOPE Career Grant, but a student in a registered nursing associate's degree program cannot.

Including associate's degrees in HOPE Career Grants would help align colleges with employers' workforce needs.

Georgia could help **make career pathways seamless** by extending the HOPE Career Grant to associate's degree-seeking students.

Estimated Cost =
\$15.6 million



#4: INVEST IN APPRENTICESHIP

Apprenticeship:

“Training which takes place within the context of a wage-earning, long-term employment relationship between a business and a worker, in which the learning worker has the opportunity to develop measurable skills through instruction both at the work site and, where appropriate, off site at a school or other training program.”


Despite being home to hundreds of apprenticeship programs, **Georgia does not have a dedicated state funding source to help job seekers access registered apprenticeships.**

States that use general funds for apprenticeships:

- North Carolina
- South Carolina
- Iowa
- Connecticut

States with tax credits for apprenticeships:

- Alabama
- Arkansas
- Louisiana
- South Carolina



#5: EXPAND CAPS TO ALL COLLEGE STUDENTS

- Georgia is one of only **10 states** that limits parents receiving state-funded child care subsidies to less than a bachelor's degree.
- This rule threatens the future earning potential and financial security of families.
- If a parent currently decides to pursue a bachelor's degree to move up the economic ladder, they become ineligible for child care assistance, leading them to fall off the child care cliff.

#6 SECOND CHANCE FOR GEORGIA

- The Second Chance for Georgia Campaign, led by the **Georgia Justice Project (GJP)** to expand Georgia's expungement law to allow expungement of certain misdemeanor and felony convictions after a period of conviction free years.
- **4.2 million** people (nearly 40% of adults) have a Georgia criminal record. Currently, only arrests that did not lead to a conviction and certain misdemeanor convictions before someone turned 21 can be expunged in Georgia. Everything else stays on forever, creating **lifetime barriers** under Georgia's current law.
- Changing Georgia's law so that certain misdemeanor and felony convictions can be restricted and sealed after a period of time will unlock opportunity for thousands of Georgians who want to work, rebuild their lives, and provide better futures for their families.

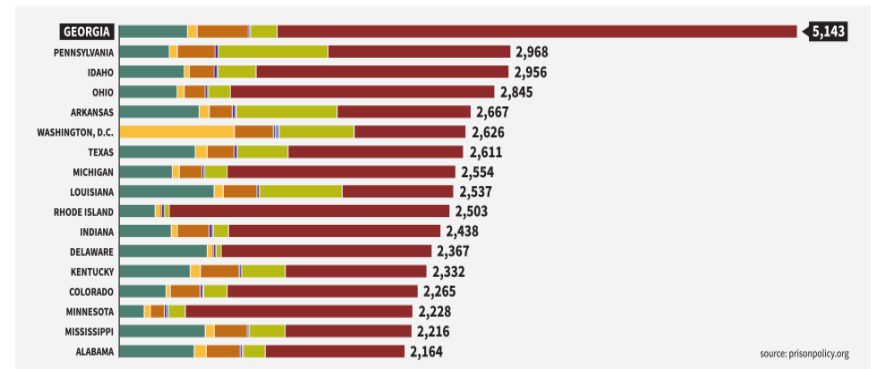


**SECOND
CHANCE
FOR GEORGIA**

unlocking
opportunity
through
expungement

Rates of Correctional Control

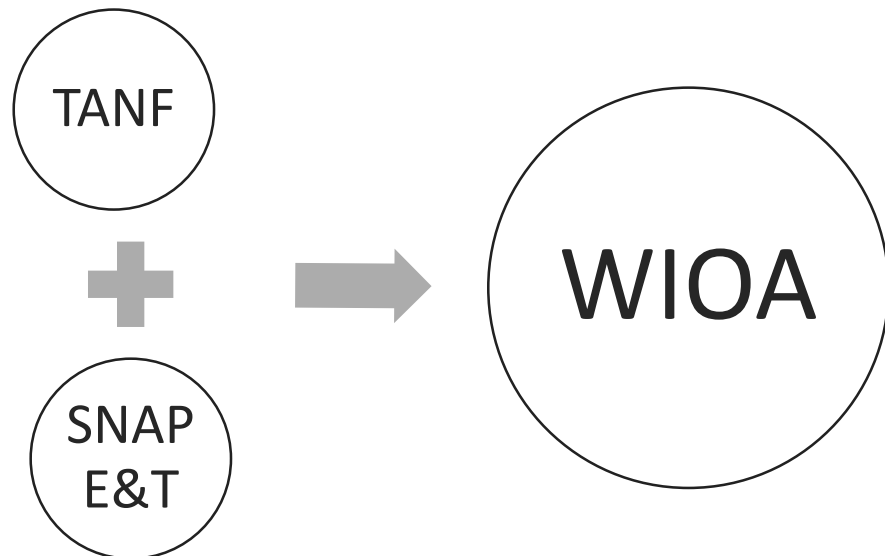
State Prison Rate Federal Prison Rate Local Jail Rate Youth Confinement Rate
Involuntary Commitment Rate Indian Country Jails Rate Parole Rate Probation Rate



#5: ALIGN SYSTEMS TO LAUNCH CAREER PATHWAYS

It is clear that Georgia's workforce system cannot depend on just one funding source. Multiple sources that flow into Georgia should be aligned – especially since they serve many of the same individuals.


Georgia's WIOA state plan **does not include TANF and SNAP E&T as partner programs**, despite the many ways both funding sources could augment WIOA service delivery.



Arkansas: An Aligned Model for Career Pathways

The Arkansas Career Pathways Initiative provides academic and support services to help people with low incomes and low skills secure credentials or degrees necessary to acquire and maintain jobs in selected high-wage, high-demand industries.

TANF and state general funds combine at the community college level to cover the costs of tuition, fees, books, child care, transportation and other support for TANF ***eligible*** individuals. Each student is assigned a counselor trained to identify barriers people in poverty often face.


The background image shows a large, multi-story brick building with a prominent central tower. In the foreground, a low brick wall features the college's name in large, dark letters. A grassy area with several black benches is visible in the lower right. The sky is clear and blue.

**ALIGNING SYSTEMS:
SNAP EMPLOYMENT & TRAINING
AND
CENTRAL GEORGIA TECHNICAL
COLLEGE**

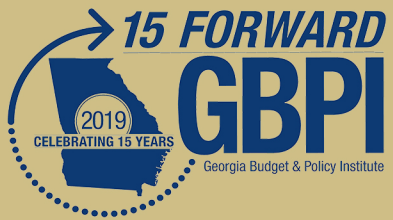
Speakers:

***Ruby Holmes-Hamb,
Central Georgia Technical
College***

***Tatrina Young,
Georgia SNAP Employment and
Training, DHS***



Q & A



THANK YOU

Thoughtful Analysis, Responsible Policy

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