

# JOBS ACTION PLAN



# A LETTER FROM THE TASK FORCE

The New Democrat Coalition (New Dems) are building an economy that works for everyone by giving Americans the tools they need to thrive. New Dems have been instrumental in passing historic investments in economic growth, wage increases, and global competitiveness through legislation including the Inflation Reduction Act, Infrastructure Investment and Jobs Act, and the Chips and Science Act. While the unemployment rate under the Biden Administration has remained at a steady, low rate of 3.7%, millions of Americans feel the constraints of a workforce system that's not working for them.<sup>1</sup> New Dems are committed to removing barriers to employment and creating opportunities for hardworking Americans.

In a constantly developing economy, it is imperative that people are trained with the skills needed to adapt to fast changing jobs. Nearly every industry across the country is experiencing workforce shortages despite hiring rates outpacing quit rates. Workers without college degrees, people of color, and women face additional hurdles to employment, and New Dems are dedicated to leveling the playing field.

The New Dem Workforce Development Task Force is made up of a group of Members committed to finding and passing solutions that create workforce opportunities for all Americans. After analyzing the state of labor and economic conditions and meeting with stakeholders, the Task Force is proud to release the New Democrat Coalition's Jobs Action Plan.

In this report, the Workforce Development Task Force lays out suggestions for how the federal government can support employees and employers with commonsense and equitable legislative solutions. The report provides a brief overview of barriers to labor growth, specifically for people of color, women, and people without college degrees, including obstacles like a lack of infrastructure and outdated immigration laws.

By coming together and finding common ground on legislation to improve workforce conditions, the federal government can strengthen the backbone of the American economy and bolster the United States' position as a global leader. New Dems are committed to working with the Biden Administration and our colleagues on both sides of the aisle to empower all Americans to participate in and benefit from job creation and a growing economy.



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## CHALLENGE #1—IT'S TOO HARD FOR NON-COLLEGE WORKERS TO GET THE SKILLS THEY NEED

There are 109 million working-age adults without a college degree—and far too many struggle to acquire the postsecondary skills they need to succeed.<sup>2</sup> By 2031, 72% of all jobs in the United States are predicted to require some sort of postsecondary education or training. Right now, nearly six-in-ten workers believe they lack the skills needed to apply for the job they want.<sup>3</sup>

The growing divide between the skills workers have and the ones they need is a symptom of a lagging US workforce development system. Non-college workers often must navigate a fragmented job-training landscape on their own. There are too few resources to help them understand the career paths available to them, what skills they are missing, and how to find quality programs that fit their needs.<sup>4</sup> Women and people of color may face additional barriers including disproportionate caregiving responsibilities, lack of reliable transportation, and discrimination during and after the hiring process. Increasing access to apprenticeship programs would help address this skills gap, but despite constituting half the population, only 14% of women are active apprentices.<sup>5</sup> Among apprentices aged 16-24, nearly 62% are white, 21% Latino, and 8% Black, we must ensure that closing the skills-gap is an equitable process.<sup>6</sup> It can also be hard for employers to access and utilize federal funding that might help close this gap, especially for smaller employers. On top of that, the United States is woefully behind its peers on earn-as-you-learn training models—less than 1% of the working-age population is in an apprenticeship program.<sup>7</sup>

All of this creates a shortage of the skills needed for jobs critical to US global competitiveness. For example, the Taiwan Semiconductor Manufacturing Company (TSMC) is struggling to recruit people who can work in chip fabrication plants in Arizona, and has delayed the opening of a factory until at least 2025.<sup>8</sup> More electricians retire every year than join the workforce, which is slowing down the country's clean energy transition.<sup>9</sup> And while investments in infrastructure and broadband are expected to create as many as 800,000 new jobs annually over the next decade, many places are currently seeing more job openings than trained workers.<sup>10</sup>



## RECOMMENDATIONS

- Reauthorize and fully-fund the [S.3825](#), the Workforce Innovation and Opportunity Act (WIOA), which will help workers get the skills they need to thrive.
- Pass [H.R. 2851](#), the National Apprenticeship Act of 2023, introduced by Representative Bobby Scott (VA-03), which will scale-up the number of apprenticeships across the country, improve access to apprenticeships for employers and workers, and support economic growth for in-demand sectors while maintaining apprenticeship program quality.
- Pass [H.R. 1536](#), the Leveraging and Energizing America's Apprenticeship Programs (LEAP) Act introduced by Representative Nikki Budzinski (IL-13), which would utilize federal tax credits to incentivize small businesses to employ apprentices and pre-apprentices. This bill has been endorsed by the New Democrat Coalition leadership.
- Pass [H.R. 5987](#), the Adult Education Workforce Opportunity and Reskilling for Knowledge and Success (WORKS) Act introduced by Representative Lucy McBath (GA-07), to support the professionalization of the adult education field by expanding professional development opportunities and career pathways for adult educators.
- Pass [H.R. 7517](#), the Skills Investment Act introduced by Representative Derek Kilmer.



## CHALLENGE #2—BARRIERS TO WORK ARE LIMITING LABOR GROWTH

Currently, there are 9.5 million job openings in the United States, but 6.5 million people are unemployed.<sup>11</sup> Put a different way, the United States has more open jobs than it currently has workers available. The New Democrat Coalition’s Immigration and Border Security Task Force’s Framework for Commonsense Immigration Reform (New Dems Immigration Framework)<sup>12</sup> outlines common sense visa reforms that will allow migrants to fill the drastic gaps in our workforce and boost our economy.

From 2020-2021, the United States only saw a net increase of 247,000 persons from migration, the lowest rate in decades.<sup>13</sup> Recently, 730,000 non-US workers registered to receive one of 65,000 available H-1B visas.<sup>14</sup> And we currently have no temporary visa category for full-time, non-seasonal, skilled workers to fill jobs that don’t require a bachelor’s degree, but for which we have a workforce shortage. Limited visas have contributed to firms struggling to fill positions—across agriculture, food service, hi-tech industries, and more.<sup>15</sup> The New Dems’ Immigration Framework would reform the visa system to prioritize integrating migrant workers into the workforce across the U.S. to address shortages and bolster our businesses.

Furthermore, we must modernize our criminal justice system to ensure returning citizens can reenter the workforce. Over 600,000 people are released from prison each year.<sup>16</sup> And yet, 60% of formerly incarcerated Americans are unemployed due to policies restricting employment opportunities.<sup>17</sup> Punitive parole and probation systems, discrimination in hiring, and lack of in-demand skills contribute to an environment that makes it difficult for formerly incarcerated individuals to achieve gainful employment.<sup>18</sup>

Additionally, we must address the issue of substance use disorders, which hurts far too many workers’ ability to maintain a stable, well-paying job. Ten million full-time workers suffer from addiction, and substance misuse contributes to the economic loss of \$206 billion annually.<sup>19</sup>

Workers struggling with substance use disorders are twice as likely to skip work and more likely to have sick days than other workers.<sup>20</sup>



## RECOMMENDATIONS

- Bolster the prison-based apprenticeship system with increased WIOA funding for prison-based training, create jail-based American Jobs Centers, and create intermediary organizations to better coordinate skills training.
- Overhaul our nation's immigration system consistent with the New Democrat Coalition's Immigration Framework, including pushing for a visa category for non-seasonal skilled workers in high demand industries
- Pass the bipartisan [H.R. 7050](#), the Substance Use Disorder Workforce Act, led by Representatives Annie Kuster (NH-02) and Brad Schneider (IL-10), which would train more doctors to treat those impacted by substance use disorders.
- Pass the bipartisan [H.R. 4097](#), the Mental Health Improvement Act, introduced by Representative Emilia Sykes (OH-13), which would extend the authorization of the Behavioral Health Workforce Education and Training (BHWET) Program to increase the supply of behavioral health professionals and improve access to behavioral health services. This bill has been endorsed by the New Democrat Coalition's Health Care, Substance Use, and Mental Health Task Force.



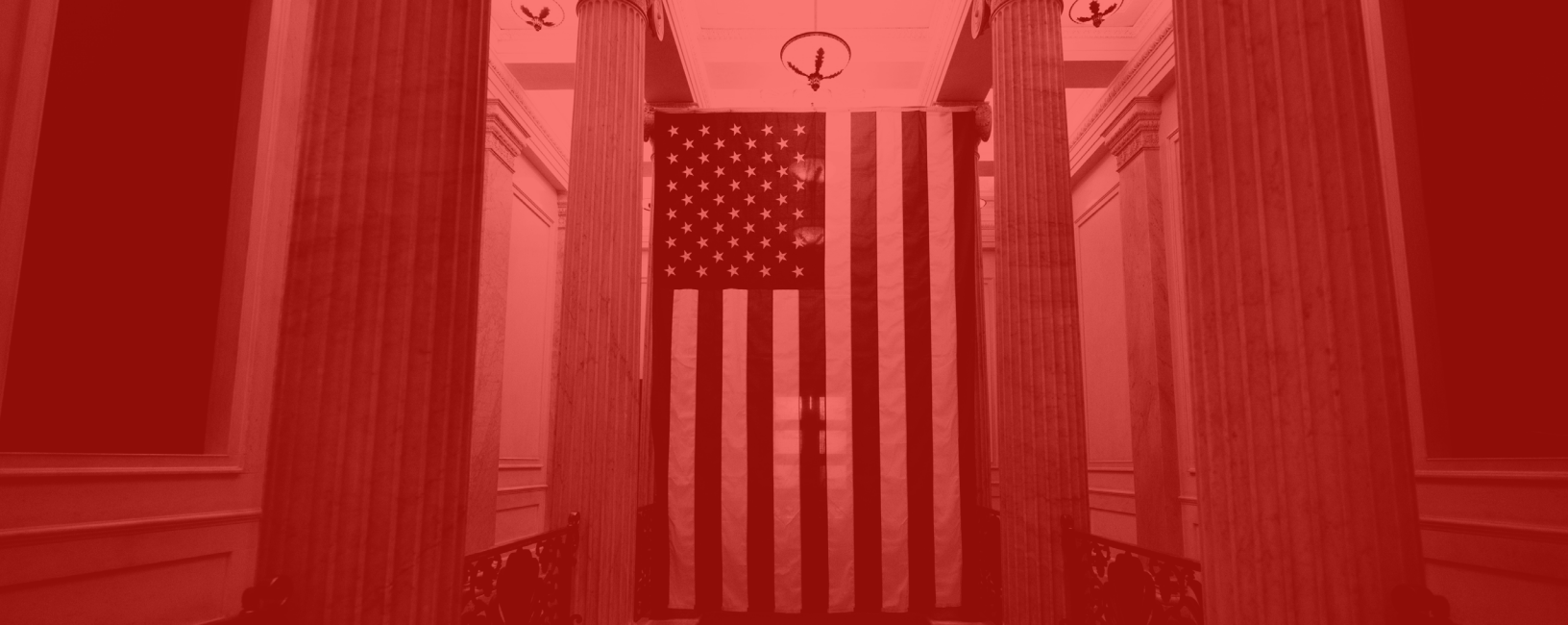
## CHALLENGE #3—THERE ARE TOO MANY HURDLES TO EMPLOYMENT

While there are numerous challenges to getting workers into jobs, there are other barriers that make it difficult for Americans to *remain* employed. Without safe and plentiful housing close to work, reliable transportation, and affordable childcare, keeping a job can be a challenge for too many people.

The New Democrat Coalition’s Housing Action Plan describes the barriers to affordable housing, which are also key barriers to remaining employed.<sup>21</sup> Two thirds of Americans struggle to find affordable housing in their communities.<sup>22</sup> On top of that, 54% of parents find it at least somewhat difficult to find quality child care within their budget.<sup>23</sup> According to the U.S. Bureau of Labor Statistics, as many as 100,000 Americans have been forced to stay home from work each month because of child care problems.<sup>24</sup> To afford housing and child care while remaining employed, Americans are moving farther away from their jobs—and commuting longer. Despite falling during the pandemic, the average commute to and from work is nearly an hour long each day.<sup>25</sup> As these barriers mount up, some workers will find themselves working less, taking lower-paying jobs, or quitting altogether.

The structure of our social support systems can exacerbate this problem. The “time tax” refers to the time Americans spend fighting with their own government’s bureaucracy to access social safety net programs they are eligible for, time that could be better spent on job searching or skills development.<sup>26</sup> Relatedly, many low-income workers also face a “benefit cliff,” the point where they suddenly lose access to public benefits as their incomes increase, and others are enrolled in programs that wind down transfers at steep rates when earnings rise. This can make the choice between working and not working a choice between higher earnings and secure housing and health care. As a result, taking a job sometimes leaves an individual financially worse-off despite providing them with higher wages, limiting their economic mobility and employment options.





## RECOMMENDATIONS

- Pass [H.R. 3507](#), the Yes In My Back Yard Act, introduced by Representative Derek Kilmer (WA-06), which aims to remove discriminatory zoning policies and spur increased development of affordable housing.
- Pass [H.R. 3238](#), the Affordable Housing Credit Improvement Act, introduced by Representative Suzan Delbene (WA-01), which would expand the Low-Income Housing Tax Credit.
- Expand access to child care and paid family leave so workers are not forced to choose between working and taking care of their families.
- Support investments in public transportation through the implementation of the Infrastructure Investment and Jobs Act.
- Pass New Democrat Coalition Leadership endorsed slate of tax reform bills that would provide relief for hard-working American families and support American competitiveness in the global marketplace.
- Expand and make permanent the Child Tax Credit.



## **CHALLENGE #4—TOO MANY WOMEN AND PEOPLE OF COLOR ARE STUCK IN LOW-QUALITY JOBS**

Women represent nearly two-thirds of our country's low-wage workforce, while Black and Hispanic workers disproportionately fill jobs in the service and retail sectors.<sup>27</sup> At the same time, these groups are underrepresented in higher-paying occupations like those in the medical and legal professions. As a result, women earn 83 cents on the dollar relative to men, and Black Americans earn 81 cents for every dollar earned by white Americans.<sup>28</sup>

The low pay, poor benefits, and instability of many of these occupations leave too many women and people of color struggling to make ends meet even while working full-time. In 2020, the rate of working women in poverty was nearly 30% higher than the rate for working men.<sup>29</sup> And Black and Hispanic workers were twice as likely to be considered poor compared to White workers.<sup>30</sup> These disparities will persist unless pathways to better jobs and higher wages are opened to disadvantaged groups.



## RECOMMENDATIONS

- Pass [H.R. 4685](#), the Workforce Development Investment Act, introduced by Representative Annie Kuster (NH-02), which creates a tax credit for businesses to partner with community college and apprenticeship programs to develop workforce training programs.
- Pass [H.R. 5350](#), the Investing in Tomorrow's Workforce Act of 2023, introduced by Representative Brad Schneider (IL-03), which would authorize grants to partnerships that train workers who are likely to become dislocated workers from automation, including women and workers of color.
- Pass [H.R. 15](#), the Equality Act, which would prohibit discrimination on the basis of sex or gender in employment.
- Invest in internet infrastructure and research. Fully fund the Affordable Connectivity Program to ensure people in rural areas have reliable internet access.



## CHALLENGE #5—MANY WORKERS CAN'T FIND OPPORTUNITIES WHERE THEY LIVE

Cities continue to capture a significant portion of economic growth in this country while many communities, especially in rural areas, fall further behind. Just five metro areas accumulated 30% of the nation's new tech jobs in the last decade, while rural America accounted for a mere 1% of new business growth.<sup>31</sup> The continued exodus of college-educated workers from rural places has increased social segregation, decreased economic growth, and hollowed out resources in many of these counties.<sup>32</sup> Meanwhile, in urban areas, non-college workers are finding it harder than ever to find good jobs and afford necessities.<sup>33</sup>

Technological advancement and innovation reward a few small metro areas in this country, while too many places continue to face economic stagnation and decline. In many regions, job training has not kept pace with changing economic trends, leaving many places without workers to fill job openings and workers without access to jobs suited to the skills they do have.<sup>34</sup> At the same time, many local employers struggle without the tools and resources to capitalize on federal investments and create thriving main streets.<sup>35</sup> Even in booming metro areas there are neighborhoods suffering from a dearth of well-paying jobs.<sup>36</sup> This geographic mismatch of economic opportunity creates poorer outcomes for workers, businesses, and communities as a whole.



## RECOMMENDATIONS

- Appropriate significant funds for the Recompete Pilot Program at the U.S. Economic Development Administration, which is aimed at helping connect people with good jobs in economically distressed regions of the country.
- Make investments in addressing gaps in job-training and apprenticeship opportunities in rural areas.
- Help businesses in left-behind and economically distressed areas access capital to start and grow their own small businesses.

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