

Federal Funding for Workforce Development

What are Goodwill Industries International's funding priorities?

While one of the greatest strengths of Goodwill Industries® is its entrepreneurial approach to sustaining its mission, federal resources are critical to the organization's ability to deliver quality mission services. While Goodwill® agencies rely on a host of federal funding streams, funding for the Workforce Investment Act (WIA), the Vocational Rehabilitation Act, and the Senior Community Service Employment Program (SCSEP) is critical. Funding is also needed to train individuals in green jobs, support people with disabilities in rural areas, and help the millions of people with criminal records — through the Second Chance Act — to break the cycle of recidivism through the dignity of work.

The Challenge

While the nation anticipates the positive effect of the nearly \$4 billion Congress invested in the workforce system through the recently enacted American Recovery and Reinvestment Act of 2009, Congress is working to develop its FY 2010 spending bills, including those that fund the U.S. Departments of Labor, Justice and Agriculture. Especially during such trying economic times, congressional appropriators must determine how to stretch limited resources to support an ever-increasing list of national priorities — with the struggling economy and jobs at the top of its list.

Federal Funding and Goodwill

Goodwill Industries International's network of agencies collectively raises approximately \$3.2 billion annually through retail and contracting businesses. The majority of this revenue (approximately 84 percent) is used to supplement federal funding sources that support the delivery of services to people — including people who have severe disabilities, have criminal backgrounds, are older workers, are unemployed, or take home low wages.

Goodwill's Positions

As North America's leading nonprofit provider of employment and training services for people with disabilities and disadvantages that keep them from being successful in the workforce, Goodwill Industries International urges Congress to take steps that would allow its network of local Goodwill agencies to do more by:

- **Restoring funding for WIA and Vocational Rehabilitation.** For the past several years, funding for WIA's adult, youth, and dislocated workers programs has steadily eroded — from \$3.9 billion in FY 2002 to \$3.2 billion FY 2007. The experience of local Goodwill agencies informs us that training is desperately underfunded. With WIA funding insufficient, mandatory partners — including vocational rehabilitation programs — are being asked to contribute more funding to pay for infrastructure and other costs associated with the operation of one-stop centers.
- **Maintaining funding for older workers.** SCSEP helps older workers learn new job skills while working for public and nonprofit organizations in their communities. Program participants provide vital services in their communities at locations such as housing agencies, food banks, libraries, schools, senior centers, and child care centers while learning critical skills that lead to unsubsidized placement in the community. During Program Year 2008 (July 1, 2007, through June 30, 2008), as one of the newest SCSEP grantees, Goodwill Industries International has worked with the U.S. Department of Labor as a national intermediary to enroll or place 1,200 older workers in community service opportunities or jobs. These SCSEP participants contributed a total of 1,186,407 community service hours. More than 300 participants exited the program for employment, with an average starting wage of \$9.84.
- **Providing full funding for the Second Chance Act.** Goodwill Industries believes that helping people with criminal backgrounds to attain and retain jobs is a key to reducing recidivism. Local Goodwill agencies are helping an increasing number of people with criminal records to successfully reenter their communities through the dignity of work. In fact, the number of people with criminal backgrounds served by local Goodwill agencies increased dramatically between 2005 and 2007 — from 45,000 to 82,000. Congress took a good first step when it passed landmark legislation, the Second Chance Act, in 2008. Unfortunately only partial funding was appropriated, and not until March 2009. Goodwill Industries urges Congress to support the Second Chance Act by ensuring that it provides the full authorized amount — \$330 million over two years.
- **Supporting training in the high-growth green jobs sector.** Goodwill Industries International believes that the green jobs sector is an up-and-coming opportunity for people with employment barriers to secure employment in high-growth industries. Goodwill agencies currently are creating ways to help workers learn skills that will help them secure jobs in energy efficiency and alternative energy job markets. Other transitional job opportunities in recycling and e-cycling, which can serve as a springboard to better jobs, exist within Goodwill. Goodwill Industries International urges Congress to provide full funding for the Green Jobs Act and to direct additional resources toward sectoral initiatives that will provide employment opportunities in green jobs.
- **Training for people with disabilities in rural communities.** Goodwill Industries is proud of its long-term commitment to meet the employment and training needs of persons with disabilities who live and

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work in rural communities. The U.S. Department of Agriculture (USDA) AgrAbility Project is the cornerstone of Goodwill's efforts with rural communities. The AgrAbility Project enables a system that provides specialized information, referrals and services for farmers, ranchers and other agricultural workers with disabilities, as well as their families, so that they can continue to lead successful careers in production agriculture and farming or in another chosen field. Currently, the USDA provides funding for 22 states to have State AgrAbility Projects, with limited resources for new state projects to be established. We urge Congress to provide adequate funding for full implementation of AgrAbility Programs in all states, thereby assuring these critical services are available to farmers and ranchers with disabilities.

Action Requested

Goodwill Industries International urges Congress to support "hard-to-serve" populations and other people with employment barriers by providing adequate funding for:

- The Workforce Investment Act
- Vocational Rehabilitation
- Senior Community Service Employment Program
- The Second Chance Act
- Green Jobs
- AgrAbility

About Goodwill Industries International

Goodwill Industries International trains people for careers in fields such as financial services, computer programming and health care. To pay for its programs, Goodwill sells donated clothes and other household items in more than 2,200 retail stores, and online at shopgoodwill.com. The organization also builds revenues and creates jobs by contracting with businesses and government to provide a wide range of commercial services, including janitorial work, packaging and assembly, and food service preparation. In 2007, more than 1.1 million people benefited from Goodwill's career services. Goodwill Industries International reported \$3.2 billion in revenues, and channels 84 percent of its revenues directly into its programs and services.

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