

TO: President-Elect Donald J. Trump
Vice President-Elect JD Vance
President-Elect Trump Transition Team

FROM: Maria Flynn, President & CEO, Jobs for the Future

DATE: November 8, 2024

RE: Recommendations for Administration Action in the First 100 Days and Beyond

Jobs for the Future (JFF) is a national nonprofit that drives transformation of the U.S. education and workforce systems. We want our nation's federal and state policies to eliminate dead ends that are hurting people's chances to succeed in school, at work, and in life. We are calling for solutions to improve our nation's economic competitiveness and growth. Our North Star is that by 2033, 75 million people facing systemic barriers to advancement will work in quality jobs, which we define as positions that offer family-sustaining wages and benefits, and also provide stability, flexibility, training and mentoring, a chance to contribute expertise and ideas, and opportunities to advance.

Through our more than 40 years of experience working at federal, state, and local levels with employers, investors, entrepreneurs, policymakers, and education and workforce development providers, JFF has offered trusted, nonpartisan leadership in translating effective practices into policy solutions. Over the past 16 years, we have led a bicameral, bipartisan Congressional Staff Network for Economic Advancement as well as, more recently, a cross-agency Executive Branch Network, providing senior officials with opportunities to examine effective education and workforce approaches and consider related policy implications. We offer nonpartisan policy assistance, and we convene key stakeholders to build momentum for change. As a part of our No Dead Ends campaign, JFF is building a diverse coalition of education and workforce stakeholders to share specific and practical solutions, uplifting policy options with bipartisan support. JFF is looking forward to partnering with President-Elect Trump, Vice President-Elect Vance, and the transition team to advise on key priorities, help build momentum for policy change, and offer support to ensure that policies are implemented with fidelity in the field.

This memo outlines several executive actions and legislative priorities that JFF encourages the Trump-Vance Administration to take in the first 100 days in office and throughout the next four years to eliminate dead ends to opportunity for millions of hardworking Americans. We offer recommendations that would advance a number of the education and workforce issues and priorities raised during the campaign, such as promoting a skills-first economy; ensuring

that young people have access to meaningful career exposure and work-based learning experiences while in school; creating more affordable alternatives to a traditional four-year college degree programs; transforming the public workforce development system to help communities predict disruption, adapt to economic shifts, and prepare for the future of work; and reintegrating people with criminal records into their communities and the economy.

The memo is organized into four major sections, each addressing the needs and circumstances of Americans facing barriers to opportunities, with a focus on policy solutions for modernizing the nation's education, workforce, poverty alleviation, and economic development systems. In each section, JFF recommends specific actions for the Administration to take, including White House initiatives, cross-agency task forces, executive orders, guidance and rulemaking, budget requests, and legislative proposals.

Major Sections of the Memo

- Prepare Every Young Person for Success by expanding access to high-quality
 work-based learning experiences and "intentional" dual enrollment, and by providing
 targeted supports to young adults who are disconnected from school and work.
- Invest in Skills as the New Currency for Career Advancement by transforming
 the workforce development ecosystem to be worker-centric and industry-driven,
 improving access to high-quality skills training and apprenticeship opportunities,
 strengthening career navigation supports, and prioritizing skills-first and fair chance
 hiring practices.
- 3. Adapt Postsecondary Education to the Needs of Today's Learners and Workers by encouraging more affordable and accelerated alternatives to traditional higher education, including competency-based approaches and stackable credentials; enhancing program quality; and promoting innovative financing models that make education more affordable and accountable to labor market demands.
- Realize the Potential of America's Untapped Talent by encouraging entrepreneurship, supporting caregivers, enhancing re-employment and training assistance, and strengthening pathways to good jobs for people with records.



Education and workforce training are vital to improving pathways to good jobs and ensuring robust economic growth and global competitiveness.

The Need for 'No Dead Ends'

In 2025, the Trump-Vance Administration will face a rapidly evolving economy marked by the rise of artificial intelligence (AI) and other technological advances, shifting labor demographics, and increasing global competition. Despite low unemployment and steady job growth, millions of workers still aren't accessing good jobs, while employers are continuing to struggle to find the talent they need to grow their businesses. For instance, there are only enough cybersecurity workers to fill 85% of open jobs; in the financial services sector, there are only six available workers for every 10 open jobs; and the construction industry needs an estimated 501,000 new workers (on top of normal hiring) to meet demand just this year—and that number is expected to jump to 2.1 million by 2030.1

Education and workforce training are vital to improving pathways to good jobs and ensuring robust economic growth and global competitiveness.² Yet our country's education and workforce systems—and the policies that govern them—are not keeping pace with the changing needs of learners and workers or the evolving conditions of the labor market. These systems were designed for a bygone era, when it was presumed that most people made a linear journey through life: graduate from high school and, perhaps, college, get a job, raise a family, and retire. Today, people need a different approach that supports lifelong learning, so they can retool their skills to take advantage of new career opportunities and advance economically. This requires a bold policy agenda for modernizing traditional education and workforce systems that are too rigid, fragmented and cumbersome to navigate; that include too many costs and risks; that keep learning separate from work; that produce too many credentials with little labor market value or portability along pathways; that don't recognize people's skills, competencies, and potential when their experiences don't fit neatly into the mold of a bachelor's degree; and that too often force impossible choices between focusing on one's career and taking care of family responsibilities.

These challenges are systemic and deep, and eliminating them will require political will, the use of the White House's bully pulpit, bold new ideas, and collaboration with Congress. The American people deserve a system with no dead ends to opportunity.

JFF's policy recommendations address the critical needs of millions of Americans whose economic prospects are at risk, including:

- The <u>two-thirds of Gen Z students</u> who are worried about taking on college debt for a postsecondary pathway that doesn't lead to a good job.
- The nearly 5 million youth and young adults disconnected from both school and work.
- The <u>more than half of adults</u> who believe they need to gain new skills to prepare for the impacts of artificial intelligence and other seismic changes to the economy.
- The <u>36.8 million adults</u> who have earned some college credit but stopped out before attaining a credential
- The <u>thousands of Americans</u> who want to work but have to stay home from work each month because of child care issues.

• The <u>one-third of U.S. adults</u> with records of arrest, conviction, or incarceration, who face a complex web of rules and regulations that exclude them from pursuing jobs they're qualified for or can learn to do. The economic impact on people with records amounts to \$372.3 billion in lost wages annually.³

What Voters Want

JFF's national polling finds that strong majorities of Republicans, Democrats, and independents support policies for improving economic opportunities for workers and their families and ensuring that high schools and colleges prepare students for careers. According to the <u>September 2024 poll</u>, which was conducted by Morning Consult, at least 70% of registered voters—including about two-thirds of Republicans—said it is important that the next president act on key issues that JFF endorses. The chart below offers a more detailed look at the findings.⁴

Top Five Education and Workforce Issues for the President's First 100 Days

Percentages of registered voters who <u>indicated</u> that it is very or somewhat important to them that the next president take action on these issues within 100 days of taking office

Issue	All	Republicans	Democrats	Independents
Expand apprenticeship programs, so more people can earn a living while they learn a skill	74%	68%	81%	71%
Provide better guidance to people to help them find education, training, and career options that fit their needs and lead to jobs that pay family-sustaining wages.	74%	65%	83%	71%
Make it possible for more people to be hired based on their skills and not on whether they hold a college degree by removing unnecessary college degree requirements from government contract positions and by encouraging private-sector businesses to do the same	74%	67%	80%	72%
Make child care more affordable and accessible, by expanding tax credits to working parents and to employers who provide child care for their employees.	72%	64%	83%	67%
Emphasize K-12 and higher education curriculum that prepares students for jobs in high-skill, high-wage, and in-demand industries.	71%	66%	78%	67%

Similarly strong majorities of registered voters said that they want the next president to act within the first 100 days to fund skills training programs that have proven records for improving employment outcomes and increasing earnings of program participants, including:

- 69% who said they support incentivizing employers to invest in the skills development of their workers
- 66% who want the ability to use Pell Grants for short-term credentials
- 66% who want the president to increase the transparency of the labor market value of college degrees and other postsecondary credentials

Finally, registered voters polled by JFF said that they want the next president to strengthen supports for workers and their families facing economic uncertainties. This includes 67% who said they want the next president to act swiftly to enhance transitional assistance to workers whose jobs are shifting due to AI and other technological advances disrupting the labor market, and 61% who said they want the next president to make it easier for people with records to get a job and go to college.

Section 1

Prepare Every Young Person for Success

Recommendation 1

Launch a White House Initiative Championing Future-Focused Learning for Every Youth and Young Adult

President Trump should launch a full government initiative for strengthening talent pipelines for young people ages 16 to 20. This should include setting a bold goal of ensuring that every young adult successfully completes at least one high-quality work-based learning experience before they graduate from high school or postsecondary education. The initiative should emphasize the needs of young people who are members of populations that have been underserved in education to career pathways programs and who experience barriers to education and employment, including youth and young adults from low-income households; individuals who would be the first generation in their households to attain a postsecondary credential; residents of rural, tribal, and urban core areas; or individuals who have been involved in foster care and juvenile justice systems. Specifically, JFF urges President Trump to:

• Issue an executive order directing relevant federal agencies to collaborate in building robust talent pipelines for youth and young adults. This effort should include the departments of Education, Labor, Commerce, Energy, Transportation, Housing and Urban Development, Health and Human Services, and Justice, as well as all relevant offices within those agencies, such as the offices of policy development, the offices of workforce development,

and the Education Department's Office of Career and Technical Education and Office of Postsecondary Education. The interagency work group should focus on ways to make young people—and their parents and school advisors and counselors—aware of career pathways that lead to good in-demand jobs, such as improving existing federal grant programs aimed at expanding pathways opportunities; increasing public awareness of the variety of high-quality and viable pathways beyond high school that lead to jobs paying family-sustaining wages; and improving federal interagency data collection and coordination on pathways. The order should also instruct federal agencies to prioritize the funding of high-quality work-based learning, including youth apprenticeship and pre-apprenticeship programs, in existing grant programs and target resources to engage youth and young adults who have barriers to participation and who are at risk of not otherwise achieving postsecondary and work readiness.

- Propose in the FY26 budget a competitive grant program to provide governors with the
 flexibility, autonomy, and resources to craft strategies that help all young people—especially
 those experiencing barriers to education and employment—achieve postsecondary and
 career readiness as an integral part of high school and the first two years of postsecondary
 education. This grant program would enable states to facilitate statewide, cross-agency
 approaches for expanding college and career pathway programs. JFF encourages governors
 to take approaches that build a shared responsibility for the longer-term career outcomes of
 16-to-20-year-olds. The grant program should also provide funding to state and local
 intermediaries to support cross-sector collaboration.
- Prioritize the use of teacher grant programs authorized in Title II of the Higher Education
 Act to support state efforts to recruit and retain diverse cohorts of industry professionals to
 teach career and technical education courses. Funding should be directed to evidencebased approaches, such as teacher apprenticeship programs.

Recommendation 2

Prioritize 'Intentional' Dual Enrollment in Federal Grants, Data Collection, and Guidance
Despite strong evidence demonstrating the positive impact dual enrollment has on student success, there is not a dedicated federal funding stream supporting these programs. Fe encourages the Trump-Vance Administration to set as a priority boosting federal support for dual credit or dual enrollment experiences that are designed to intentionally connect students to their desired college majors and career fields of interest and increase enrollment in such experiences among students who are members of populations that are traditionally underserved by and underrepresented in college-in-high school programs. President Trump should instruct the Department of Education to undertake programs that advance the following priorities:

• Make intentional dual enrollment a priority in discretionary grant programs administered by the Department of Education and ensure that grant recipients focus on serving underrepresented student populations.

• **Improve the department's collection of dual enrollment data** so that such efforts focus not only on student access but also on student outcomes, with data disaggregated by race, ethnicity, gender, and geography.

Recommendation 3

Make a Whole Government Commitment to Address the Needs of the Nearly 5 Million Youth and Young Adults Disconnected From Both School and Work.

The federal government lacks a single, coherent policy that addresses the challenges faced by young people who are neither enrolled in school nor participating in the labor market. To address the complex needs of these young people, JFF urges President Trump to take the following actions:

- Establish a White House Commission on Youth Disconnection whose members include all federal agency heads with responsibility for programs that are designed to serve youth and young adults who are at risk of disconnection; experts from education, workforce development, and youth-serving programs; and young people themselves. The commission should be charged with identifying the comprehensive needs of this population; identifying evidence-based practices for meeting the needs of youth who are experiencing disconnection; examining how current programs are serving these young people and what changes are needed in federal policy; and identifying the resources that are needed to better serve this population and better align and leverage currently siloed federal programs for youth and young adults. Areas of focus should include bolstering federal support for education, skills training, mental health, trauma-informed care, juvenile justice, transportation, stable housing, food, emergency assistance, and developing a centralized location where young people can go to find assistance. This commission should build on the lessons learned from prior Administrations' investments and initiatives that sought to address the needs of youth and young adults disconnected from school and work.
- Propose in the FY26 budget a new competitive grant program to serve local areas with high concentrations of youth and young adults at risk of disconnection. This grant program should aim to align multiple programs and partners through collective impact strategies for serving out-of-school youth; establish career pathways and other evidence-based strategies for helping youth attain needed skills, credentials, and family-supporting careers; where possible, connect young people to opportunities created by Infrastructure and CHIPS investments; and focus on interventions that address the education and employment needs of youth from low-income backgrounds and communities with high rates of unemployment, including members of Black, Latine, and Indigenous populations, and that also recognize the differing circumstances and needs of young men and young women

Section 2

Invest in Skills as the New Currency for Career Advancement

Recommendation 1

Fully Fund and Transform the Nation's Workforce Development System to Address the Needs of America's Workers

In Fiscal Year 2023, funding for the nation's workforce development system, including funding for skills development and attainment of nondegree credentials, represented a mere fraction of the country's investment in traditional higher education programs. The nation's workforce system under the Workforce Innovation and Opportunity Act (WIOA) must receive adequate funding and be modernized to meet the needs of America's workers and businesses while providing high-quality affordable alternatives to a four-year degree. The Administration can do this by improving critical career navigation services for learners and workers, including through the use of real-time labor market information; increasing skill matching and customized training for employers; designating funding for evidence-based approaches, such as sector initiatives and career pathway efforts; targeting vital education and training services for youth and young adults who are disconnected from school and work; deepening supportive services for individuals in need; and most important, expanding access to high-quality skills training programs.

Recommendation 2

Ensure That Skills Training and Workforce Development Programs Are Worker-Centric and Industry-Driven

To make sure federal investments in skill development lead individuals to employment, increased wages, and career advancement, the Administration should commit to building stronger partnerships with employers and to measuring and tracking outcomes of federally funded programs to understand their labor market impact. To do this, JFF encourages President Trump to take the following actions:

- Issue an executive order to strengthen interagency coordination on employment and training. The order should instruct all agencies and offices responsible for workforce development, skills training, and credential attainment to work collaboratively to ensure greater communication across agencies related to overlapping workforce priorities, helping with interagency alignment and coordination, leveraging of resources and data, and avoiding needless duplication. Key activities should include sharing lessons and evidence on how to run effective workforce programs; evaluating the efficacy of programs; identifying critical gaps and weaknesses in federal responses to workforce realities; and convening employers and industry sectors to better understand their skill needs.
- Launch a White House Council of Impact Employers to champion employer-driven solutions for addressing America's most pressing workforce needs and expanding access to

good jobs This council would include Fortune 500 companies, trade associations, and small and midsize businesses across key industry sectors. The council should be empowered to advise the president on issues including evolving labor market realities and partnerships to expand access to high-quality work-based learning and apprenticeships for youth and adults. The council should offer a future-forward vision for what should be the defining features of good jobs for a U.S. economy five to 10 years into the future. In doing so, the council should bring attention to emerging approaches that employers are taking to increasing access to good jobs across regions and sectors (such as those employer practices described in JFF's Impact Employer Framework), including through employer-provided or employer-enabled skills training for incumbent workers and through efforts to scale the adoption of skills-based hiring. The council should also spotlight key commitments and best practices of corporations and small and medium-size businesses in hiring people with criminal records and supporting their career advancement.

• Propose in the FY26 budget a competitive grant program to expand industry sector-based skill initiatives to ensure that education and training programs are industry-led and yield strong labor market outcomes. Sectoral strategies bring together employers within an industry sector to identify and align the skill needs of their workers with regional education and training opportunities. Despite strong evidence of their efficacy, these programs have not scaled domestically. The Administration should aim to increase investments in current competitive grant programs, allowing more geographic regions to compete for public resources to support public-private partnerships and more closely align these efforts with the workforce development system under WIOA. These funds would go to areas supporting key industries and would require participating employers to co-develop curriculum, actively inform training, provide mentorship, and hire individuals who complete the programs.

Recommendation 3

Provide Flexible, Portable Funding for Skills Training Programs That Prepare Jobseekers, Workers, and Learners for High-Demand Jobs

It's clear that the federal government must do more to encourage multiple pathways to economic and career advancement. Immediate action is critical to meeting the needs of the American people while also responding to the nation's economic realities. The Administration must adequately invest in rapid reskilling and upskilling solutions that prepare individuals to gain a foothold in high-demand industries and provide employers with the talent they need to remain competitive and grow their businesses. JFF encourages President Trump to take the following actions:

• Issue an executive order elevating the President's ongoing commitment to expanding high-quality apprenticeships and modernizing the U.S. apprenticeship system. The order should urge federal agencies and offices, as well as federal grantees, to develop and offer high-quality apprenticeship programs, which JFF defines as programs that are industry-led; allow individuals to earn wages while participating in structured on-the-job training with support from a mentor; provide related classroom instruction; and end with a nationally

recognized credential with labor market value. Additionally, this order should instruct the U.S. Department of Labor (DOL) to advance a set of priorities to modernize the national apprenticeship system through the following actions: reducing requirements on apprenticeship sponsors; improving incentives to employers and intermediaries to encourage scaling of high-quality apprenticeship programs in new occupations and industries (i.e., a tax credit modeled after the bipartisan Leveraging and Energizing America's Apprenticeship Program Act championed by Senators Tim Scott and Corey Booker); and encouraging the growth of competency-based models that allow apprentices to progress based on demonstrated mastery of skills, rather than based on completion of clock hours. Lastly, this order should instruct agencies to collaborate on national definitions and standards for youth apprenticeship and pre-apprenticeship to ensure quality, greater consistency, and understanding and adoption of these programs across the country.

- Work with Congress to develop federally sponsored lifelong learning accounts
 universally available to all Americans to pay for skills training over the course of their
 working years. These worker-owned accounts would include contributions from individuals
 and their employers, and the funds would be matched by contributions from the federal
 government, with lower-earning workers receiving larger matches. Workers would use these
 accounts to fund upskilling and reskilling opportunities across their entire careers.
- Urge Congress to pass the Jumpstart Our Businesses by Supporting Students (JOBS)
 Act to expand the Pell Grant to cover shorter-term, workforce-oriented postsecondary
 programs. The president should urge the new Congress to reintroduce this bill and pass it
 within the first 100 days of the new Administration taking office.

Recommendation 4

Invest in Career Navigation Services and Supports to Help Learners and Workers Navigate the Changing World of Work and the Vast Array of Degree and Nondegree Postsecondary Options

JFF encourages President Trump take the following actions to support the expansion of career coaching and counseling services in high schools, postsecondary institutions, and one-stop career centers to ensure that learners and workers have access to career navigation supports that are designed to meet regional workforce development needs:

Propose in the FY26 budget a technology and data transformation fund to provide resources to states or regions to modernize their career navigation services. This could cover the procurement or development of career navigation tools and platforms that would be accessed across education and workforce systems, the provision of the professional development and technical assistance required for staff to appropriately use the technologies, and the procurement and integration of real-time labor market information and tools into state LMI and career navigational systems to provide people with a better picture of job and skill demands.

Direct the departments of Education and Labor to co-develop career coaching best
practices with the help of practitioners and subject matter experts and then issue joint
guidance that outlines available funding sources, models for cross-sector collaboration, and
professional development strategies to prepare a strong career coaching workforce.

Recommendation 5

Continue to Prioritize Skills-Based Approaches in the Federal Government

Research shows that millions of workers have demonstrated skills for roles with salaries at least 50% higher than their current jobs. Yet, despite this reality, skills-based interventions for workers and employers, including skills-based hiring, have yet to reach scale. JFF encourages President Trump to take the following action to continue to prioritize this issue and expand opportunities for learners and workers without a four-year degree:

• Issue an executive order that deepens the federal government commitment to skills-based hiring. The order should build on previous administration actions that removed unnecessary college degree requirements from federal government jobs by expanding coverage to include federal contractors, ensuring speedier implementation processes across federal agencies, and deploying more robust technical assistance and guidance from the Department of Labor to help employers across the country transition to these practices.

Section 3

Adapt Postsecondary Education to the Needs of Today's Learners and Workers

Recommendation 1

Prioritize Postsecondary Modernization and Innovation Toward the Vision of 'No Dead Ends' JFF encourages President Trump to center postsecondary education and training systems on the needs of today's learners and workers by taking the following actions to drive innovation, scale what works, and build the evidence base for new modes of designing and delivering postsecondary education that offer more accelerated and flexible pathways to good jobs:

Create a quasi-independent agency for research and development dedicated to
innovative approaches to postsecondary education and workforce development that
create fully permeable, no-dead-end pathways to career, economic, and education
advancement. This effort should augment federal investments in the Institute of Education
Sciences and focus on innovation across all federal postsecondary education and workforce
development efforts to test innovative models that support learners and workers in
accelerating their paths to upward mobility. This entity would be modeled after the Defense

Advanced Research Projects Agency (DARPA) and would focus on taking big swings at innovation in the postsecondary attainment, skill-development, and transition assistance space. Research and evaluation could focus on, but would not be limited to, the following: piloting new and promising models that meet the nation's 21st-century workforce needs, such as online learning and the effective use of digital learning and employment records; testing alternative accreditation and quality assurance models for postsecondary and workforce programs; testing the efficacy of innovative technologies such as AI and extended reality; and designing effective learning models, particularly for Black and Latine students.

- Use the Administration's bully pulpit to promote student-centered postsecondary models, including competency-based education (CBE), prior learning assessment, and accelerated pathways to credentials. The Department of Education should launch an initiative to elevate replicable models, foster peer-to-peer learning, and collaborate with the field to co-create best practices for evaluating student learning directly based on demonstration of content mastery; establish equivalencies between competencies and credit hours for the purposes of Title IV aid disbursement; and deliver academic support to students in CBE programs to ensure continual advancement along learning pathways. Further, the Administration must work with Congress to codify a national definition for CBE programs and build an evidence base for quality competency-based education models.
- Advance systems-level change by prioritizing applications from states and consortia
 of institutions in the next round of the DOL's Strengthening Community Colleges Training
 Grants Program. JFF also urges the DOL to give priority consideration to projects focused on
 developing stackable credentials and ensuring seamless articulation from noncredit
 credentials to for-credit programs.
- Revamp the U.S. Department of Education's Experimental Sites Initiative to authorize pilots, experiments, or demonstration projects that allow Title IV funding to be used to test emerging and promising methods of delivering postsecondary content, such as alternative providers and tech-enabled strategies that accelerate credential attainment; approaches that provide Pell Grant reimbursement for programs that meet agreed-upon outcomes; and new modes of differentiated instruction. In carrying out these pilots, rigorous quality control processes and evaluations are critical to maintaining a priority on student outcomes, safeguarding federal student aid against fraud and abuse, and documenting lessons learned for future policy considerations. All pilot programs should include capacity support for participating institutions so they can effectively participate in pilots, robust evaluations, and opportunities to scale programs that show positive results.

Recommendation 2

Promote Quality, Accountability, and Transparency Across all Postsecondary Programs

The proliferation of education and training programs and credentials makes it increasingly difficult for individuals to know which options provide good returns on their investments. Recent <u>analysis</u> by Georgetown University's Center on Education and the Workforce found that, in most local labor markets across the country, at least 50% of all sub-baccalaureate credentials offered do not convey

in-demand skills. ⁷ JFF encourages President Trump to take the following actions to leverage enforcement mechanisms to drive improvements in program quality and ensure full transparency and accuracy in performance reporting:

- Strengthen education-to-work data systems and publicly report outcomes of all federally-funded education and training programs. This includes calling on Congress to provide stable, long-term funding for the development of statewide longitudinal data systems, issue guidance to states on effective data governance approaches and access to wage records to enable reporting of workforce outcomes, and create a robust, privacy-protected federal student-level data network, as proposed in the <u>College Transparency Act</u>, to ensure accurate reporting on learner outcomes.
- Refine the Department of Education's Gainful Employment (GE) regulations. A vital mechanism for holding postsecondary education institutions accountable for the earnings and debt burden outcomes of the students they serve, gainful employment regulations state that federal loans should not subsidize education that does not create economic advancement. However, the rule is not perfect—we must continue to further refine GE metrics to ensure that they yield fair and accurate evaluations of postsecondary quality, particularly when assessing complex factors such as graduates' earnings.
- Transform the WIOA Eligible Training Provider List (ETPL) through guidance that clarifies
 the responsibility of states for matching student records with state administrative data
 (including wage records) for the purposes of performance reporting; strengthens the ability of
 state and local workforce agencies to remove poor-performing providers from the ETPL; and
 encourages reciprocity for multi-state providers.

Recommendation 3

Create an Environment for Innovative Education Financing Models to Prosper

JFF encourages President Trump undertake the following actions to ensure that our regulatory and tax systems do not unnecessarily impede schools, employers, and the government in their attempts to make education more affordable:

- Clarify and strengthen the regulatory treatment of alternative private financing
 approaches to encourage innovation and strengthen student protection. Legislative
 measures like the Investing in Students Act would clarify and update the regulatory treatment
 of outcomes-based loans and income share agreements, strengthening consumer
 protections and simultaneously creating more space for innovation. Federal regulatory
 agencies can also take actions to provide regulatory clarity absent Congressional action.
- Work with Congress to revise the tax code to encourage employers to provide
 financial assistance to their workers for education. Key steps could include the following:
 amending Section 127 of the tax code to double the amount of tax-free educational
 assistance employers can offer from the current \$5,250 limit (where it has been stuck since

1986, despite massive increases in tuition) to \$10,500 and making the expanded definition of "educational assistance" under Section 127 permanent to allow employers to help their employees pay down their student loans without tax consequences.

Section 4

Realize the Potential of America's Untapped Talent

Recommendation 1

Modernize Social Insurance and Business Development Programs to Ensure That All Americans Can Adapt to Economic Changes and New Ways of Work

As America's economy continues to evolve due to shifting working conditions, the shrinking half-life of skills, and the automation of job tasks, President Trump should take the following actions to empower more workers to transition into entrepreneurship and other career paths that are gaining popularity and are more resilient to economic disruptions:

- Issue an executive order to increase the mandate and lending capacity of the Small
 Business Administration and the Minority Business Development Agency to fuel
 American entrepreneurship. By delivering targeted resources to women and minority
 business owners, the Administration can harness innovation and potential across all corners
 of the labor market, bolstering U.S. competitiveness. The Administration should also charge
 these agencies with the responsibility to develop novel ways to accelerate small business
 growth and partner with the private sector to offer startup capital and low-cost debt.
- Propose in the FY26 budget increased funding for the Self Employment Assistance (SEA) program through the U.S. Unemployment Insurance (UI) system. This program allows people who have recently lost their jobs to receive assistance while building a small business. This program can open doors for business owners who are members of communities that are underrepresented in entrepreneurship, including women, parents, and people of color, while also supporting those with barriers to employment (including people who are reentering their communities following incarceration). However, currently only two states operate functioning SEA programs: Oregon and New York.
- Establish a White House commission to modernize transition assistance for workers affected by economic change. The commission should convene leaders from U.S. industry (including from tech and other relevant industry sectors), federal officials, economists, and worker advocates, to examine the readiness and resources available to the federal government to assist workers whose jobs are shifting due to AI and other technological advances and other structural shifts in the economy. The commission should issue policy recommendations to the Administration and to Congress for strengthening transition assistance, based on its assessment of whether current or former federal programs designed

to assist workers facing job disruptions could be used and are adequate to respond to future workforce disruptions, including unemployment insurance, trade adjustment assistance, and the WIOA dislocated worker program. In particular, the commission should consider reforms to provide a more robust set of services for getting individuals on a rapid path to reemployment, including workforce education and training, wage replacement, relocation support, and robust case management and career navigation services.

Recommendation 2

Take Executive and Legislative Actions to Shore Up the U.S. Caregiving Infrastructure

Federal policy must recognize that access to reliable, quality caregiving support is not merely an individual need; it is an economic imperative. ReadyNation, a national network of business leaders, estimates that the early childhood care crisis costs the U.S. economy \$122 billion per year in lost earnings, productivity, and revenue. Further, 37.1 million Americans provide unpaid elder care, and roughly 4.5 million of them are simultaneously caring for children. JFF encourages President Trump to address caregiving issues through the following actions:

- Work with Congress to expand the Child Tax Credit (CTC). Making the CTC fully
 refundable is vital for families with low incomes, who are otherwise unable to access the tax
 benefits that exist to support working families. Its temporary expansion in 2021 dramatically
 reduced child poverty to a record low of 5.2%. Unfortunately, its sunset in 2022 resulted in a
 swift doubling of the child poverty rate to 12.4%.
- Work with Congress to expand the Earned Income Tax Credit (EITC) for people working in child care, elder care, and long-term care to recognize the true economic value of their work. This tax benefit would help mitigate the low pay that plagues the care economy, while incentivizing more people to work in care jobs to fill critical gaps in the care economy workforce. Expanding the EITC would top off the wages of these workers, offering a government subsidy where the market is failing. Because the federal government would cover the increased cost, there would be no direct increase of care costs to consumers or employers.
- Propose in the FY26 budget funding for child care at levels commensurate with need by allocating more resources to the Child Care and Development Block Grant, the Head Start and Early Head Start programs, and the Child Care Access Means Parents in Schools program.

Recommendation 3

Strengthen Pathways Out of Poverty

Some unemployed or underemployed adults are already connected to government via health and human services programs, so a structure already exists to better support their learn and work journeys. By intentionally bridging these systems with education and workforce development offerings, this Administration can foster inclusive economic growth, meet employer demand for

skilled workers, and empower all available workers to attain good jobs and long-term economic stability. Initial steps would include ensuring that education and training are allowable services made available under Temporary Assistance for Needy Families and the SNAP Employment and Training program. In addition, JFF urges President Trump to take the following actions to improve well-being and ensure that people from low-income backgrounds can access pathways to self-sufficiency and fulfilling careers:

- Establish a cross-agency initiative to modernize social safety net programs such that they serve as a launchpad, not just a lifeline, to help working families achieve long-term economic stability and career success. Building on President Trump's Executive Order 13828 of 2018, this Administration should require agencies that oversee social safety net programs, including the departments of Agriculture, Labor, Health and Human Services, the Treasury, and Housing and Urban Development, to collaboratively review eligibility and compliance requirements, performance reporting systems, and agency rules and regulations across programs to identify areas of misalignment and opportunities to achieve the following goals: streamline service delivery; mitigate the "cliff effect" (where benefits drop off sharply as earnings increase, resulting in a net decrease to household income); and promote career pathways strategies. This cross-agency task force should be charged with developing a comprehensive set of policy solutions for Congress to consider, focused on aligning safety net programs to promote self-sufficiency and upward mobility.
- Develop a 'Beyond FAFSA' Initiative for Talent Development. Through funding and guidance, the Department of Education should seek ways—beyond federal financial aid—to reduce the financial burden of the full cost of attendance for Pell-eligible students. The Education Department can improve college access and completion for low-income students by prioritizing student support services in its discretionary grants—including affordable child care, transportation, food, mental health, and access to technology services. The department should also elevate best practices in this space and put out guidance on ways institutions of higher education can help students gain access to the variety of social service supports.

Recommendation 4

Unlock the Potential of People With Criminal Records

Ninety-five of people who are sent to prison will one day return home to their communities. Yet these workers face barriers to work and skills training that hinder their prospects, elevating the risk of recidivism and diminishing economic growth potential for our communities. Their success matters to all Americans, including law enforcement officers who see firsthand the cycle of recidivism that can result when the system fails to provide pathways to good jobs for individuals released from prison. In his first term, President Trump led the way in breaking these cycles of failure by enacting the First Step Act, legislation that, according to U.S. Department of Justice data, is working to reduce the rate at which people with past convictions commit new offenses. In addition, by opening up Pell Grants to people in prison, President Trump's first administration cleared the way for vocational and educational programs in prisons, which research finds can yield three dollars in return for every

dollar taxpayers invest.⁸ JFF urges President Trump to build on this success and take the following actions to provide people with records a fair chance to work, which would ease critical workforce shortages, contribute to the revitalization of communities, and reduce costs and constraints of the criminal justice system:

- Re-establish the Federal Interagency Reentry Council to leverage the power of the federal government to clear barriers to work for individuals with criminal records. Ensure that no stone is left unturned when it comes to removing obstacles to work for people with records. An interagency body could, among other actions, examine obstacles to good jobs posed by burdensome licensure regulations holding back the American economy. As a part of the process of establishing the council, the Administration should set a legislative agenda for alleviating barriers to employment and economic opportunities for people who have completed their sentences and fulfilled their obligations to the criminal justice system. JFF proposes that such a legislative agenda should include the Clean Slate Act, which would build on the success of initiatives in states like Oklahoma and Utah in automating clearance of criminal records, and the Driving for Opportunity Act, which would incentivize states to follow the lead of states like Mississippi to end the practice of debt-based driver's license suspensions.
- Work with Congress to codify the Reentry Employment Opportunities (REO) grant program and significantly increase available funds. Administered by the DOL, REO provides funding for a range of activities intended to improve labor market outcomes for youth and young adults who have been impacted by the justice system, as well as adults who were once incarcerated. But the current structure through which REO is authorized makes REO programs dependent on the annual appropriations process to implicitly authorize REO every year. If REO were authorized as a national program under WIOA in the same way that many other workforce programs are, the DOL's Employment and Training Administration would also have the flexibility to fund other activities under the demonstration authority in WIOA.
- Propose in the FY26 budget request a competitive grant program to help states expand prison education programs to support in startup funding for prison education programs that prepare individuals for good jobs that meet the needs of businesses facing severe labor shortages. Lifting the federal ban on Pell Grant eligibility for people in prison has created new opportunities to expand prison education programs. Yet many educational institutions lack the startup funds to innovate in this space; an influx of federal funds would ensure broader access to prison education, which has been shown to strengthen the workforce and lower recidivism.⁹

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