



**TESTIMONY OF ILANA BOIVIE, SENIOR POLICY ANALYST
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**For the FY 2017 Budget Oversight Hearing
For the Deputy Mayor for Greater Economic Opportunity
DC Council Committee on Business, Consumer, and Regulatory Affairs
April 20, 2016**

Chairman Orange and members of the Committee on Business, Consumer & Regulatory Affairs, thank you for the opportunity to speak today. My name is Ilana Boivie, and I am the Senior Policy Analyst at the DC Fiscal Policy Institute. DCFPI is a non-profit organization that promotes budget and policy choices to expand economic opportunity and reduce income inequality for District of Columbia residents, through independent research and policy recommendations.

We are pleased to see that the proposed FY 2017 budget for the Office of the Deputy Mayor for Greater Economic Opportunity (DMGEO) includes some steps toward compliance with the new federal Workforce Innovation and Opportunity Act (WIOA). However, at the same time, it does not seem to include enough money to begin implementing important next steps. We encourage the Council to consider targeted investments to move forward.

It is important to note that as the proposed FY 2017 budget was being developed, the Bowser administration was taking a number of fundamental steps to strengthen DC's workforce system.

For example, city leaders have recently submitted to the Department of Labor the District's WIOA State Plan to comply with the new law. Directors from various agencies, including DOES, OSSE, DDS, and DHS came together to write a thorough plan that can serve to expand and improve the District's workforce development system.

In addition, DC government offices were reorganized to better oversee the city's workforce system. For example, the mayor created a new office – the Deputy Mayor for Greater Economic Opportunity (DMGEO) – to facilitate job creation and workforce development in traditionally underserved communities in the District.

Third, changes were made to the Workforce Investment Council (WIC), which oversees workforce development policy including federal job training funds administered by the Department of Employment Services. A number of new WIC members were appointed last year to fill vacancies. In December, local business owner Andy Shallal was named the new WIC Chair. And in January, Odie Donald was hired as staff director, a position that had been vacant for some time. Finally, oversight of the WIC moved from the office of the Deputy Mayor for Planning and Economic Development to the DMGEO, a move that we believe better aligns the District's workforce development infrastructure.

These changes should serve to empower leaders and city officials to begin making necessary reforms to the city’s workforce development system.

Regarding the FY 2017 budget, the mayor’s proposed budget includes some modest increases to accommodate WIOA implementation, including:

- **The Career Pathways Innovation Fund.** In FY 2016, \$500,000 was allocated to establish a Career Pathways Innovation Fund, in order to begin testing and expanding new models to blend adult literacy and occupational training, as mandated by WIOA. The FY 2017 budget reflects the plan adopted in 2016 to fund an additional \$1.5 million to the Innovation Fund to design, pilot, and implement effective programs that create adult career pathways and improve the performance of adult education and training programs.
- **DMGEO Office.** The FY 2017 budget adds three new full-time staff to the office of the Deputy Mayor for Greater Economic Opportunity (DMGEO), to focus on workforce development policy and provide administrative support. Funding for the office would increase by \$330,000.

Budget and FTEs at the DMGEO Office		
	Approved FY 2016 Budget	Proposed 2017 Budget
DMGEO Budget*	\$713,125	\$1,043,000
Full-Time Equivalent Employees	5.0	8.0
*Figures adjusted for inflation to equal 2017 dollars.		

These increases signal initial efforts to strengthen the planning needed to develop a more comprehensive and effective workforce development system, as envisioned by DC’s WIOA State Plan.

However, many new initiatives discussed in the State Plan will require additional resources that are not funded in the FY 2017 budget. For example, the State Plan calls for increasing the number of “earn while you learn” job training programs, more robust engagement with the employer community, and other activities. Unfortunately, the proposed budget does not seem to reflect increases for these activities. Agency officials have discussed finding cost savings by aligning existing resources and finding other efficiencies, but it is unclear as yet how much savings this will provide, and whether it will be sufficient to meet the goals of the State Plan.

DC’s WIOA State Plan notes that several recurring implementation meetings will be held: monthly leadership meetings between the relevant agencies, quarterly CAPSTAT meetings to assess progress toward goals, and stakeholder meetings to provide customer feedback. Hopefully, the information coming from these meetings will inform the Council and the public on steps being taken or planned to implement the State Plan, as well as the funding required to achieve these steps.

Regarding the WIC, the proposed budget provides no funding or staffing increases for this body. This is unfortunate, given that additional employees could help the WIC become a stronger body with the ability to make more robust recommendations. For example, the agency has noted the need

for one or more data analysts to collect and analyze performance data, in order to inform the WIC's recommendations. Such a position could be valuable in the effort to improve the city's workforce system.

DCFPI recommends that money be allocated in the FY 2017 budget to hire an additional staff member at the WIC, dedicated to data analysis. We believe that this would better inform the Deputy Mayor's office in making decisions over implementing elements of the WIOA plan.

Thank you again for the opportunity to testify. I am happy to answer any questions.