WIAC Subcommittee 3 – WLMIS Collaboration and Funding

Report to the Workforce Information Advisory Council
November 1, 2017

Overview

Meeting Dates: Aug 21, Sept 28, Oct 11

Participants

WIAC members: Andrew Reamer (chair), Aaron Fichtner, Cynthia Forland
SME contributors: Rebecca Rust (BLS)

Materials

- Context-setting Materials for the Report of the Council

Improvement 1 – Base for WLMIS Agency Collaboration (Reamer)

- **What:** The WIAC recommends that Secretary Acosta direct ETA and BLS to convene a one-day gathering of representatives from federal and state programs that contribute information essential to a well-functioning workforce and labor market information system (WLMIS), as defined by Congress.

  This meeting's general purpose is to initiate WLMIS development. More specifically, it is to:

  - allow each WLMIS agency to have a full understanding of the data resources of other WLMIS agencies,
  - promote relationship-building across federal and state WLMIS agencies, and
  - determine how representatives of these agencies might periodically gather to facilitate WLMIS design and implementation.

  Agencies to be invited to send program representatives to the meeting include:

  - Federal
    - Bureau of Labor Statistics, U.S. Department of Labor
    - Employment and Training Administration, U.S. Department of Labor
    - Census Bureau, U.S. Department of Commerce
    - National Center for Education Statistics, U.S. Department of Education
    - National Center for Science and Engineering Statistics, National Science Foundation
    - National Center for Health Workforce Analysis, U.S. Department of Health and Human Services
  - State
    - State labor market information agencies (through the NASWA LMI Committee and the LMI Institute)
    - State higher education agencies (via the State Higher Education Executive Officers Association)

  Individual federal and state programs essential to the WLMIS are identified by agency in the attached schematic.

- **Why:** The Workforce Innovation and Opportunity Act of 2014 (WIOA) directs Secretary Acosta to "oversee the development, maintenance, and continuous improvement of a workforce and labor market information system" with specific capabilities that support labor market decision-making and research at the national, state, and local levels.[1]

  WIOA further directs Secretary Acosta to develop and maintain the WLMIS:

  - through the Bureau of Labor Statistics and the Employment and Training Administration,
  - in collaboration with States,
  - in cooperation with other Federal agencies, to ensure complementarity and eliminate data gaps and duplication, and
  - in consultation with the Workforce Information Advisory Council.[2]

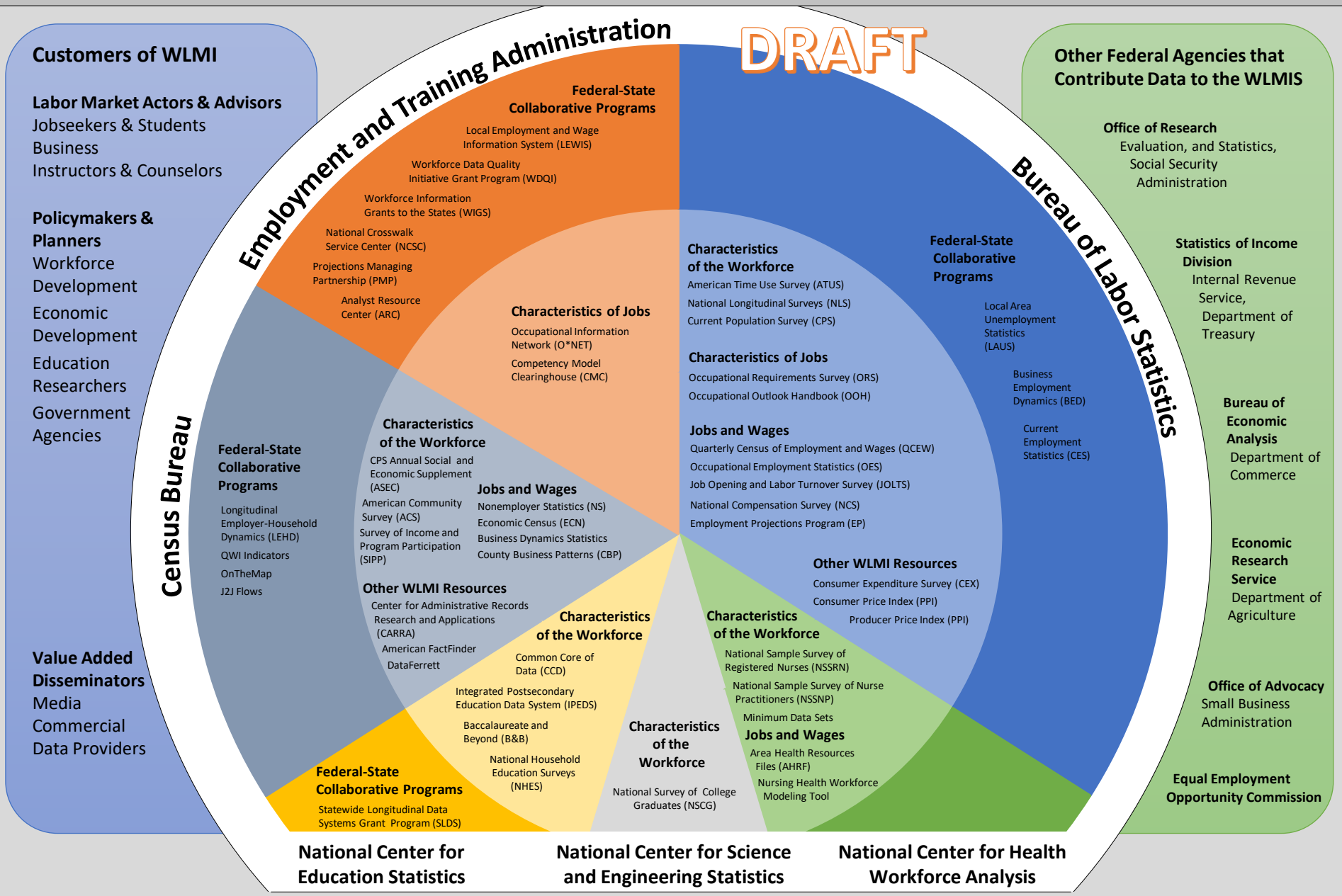
  In addition, successful implementation of multiple programs authorized by WIOA depends on the availability of current, reliable data on "in-demand occupations and industries" at the state and local level.[3] Congress has directed that the WLMIS supply this information.[4]

- **How:** The WIAC suggests that ETA and BLS create a small meeting planning group. In light of the WIAC's in-depth knowledge of WLMIS agency programs and personnel, it is suggested that the planning group consult with the WIAC regarding invitations, agenda, process. The planning group would seek to arrange meeting welcome addresses from their respective leadership and Secretary Acosta's office. It would seek to issue invitations in the first quarter 2018.

[1] See 29 USC 49l-2(a) – WLMI System Content.
[2] See 29 USC 49l-2(b) – WLMI System Responsibilities – and 29 USC 49l-2(e) – State Responsibilities.
[3] Highlighted WIOA text of mandated uses of "in-demand occupations and industries" and other WLMI is available here.
[4] According to 29 USC 49l-2(a), "The Secretary . . . shall oversee . . . a nationwide workforce and labor market information system that includes . . . statistics on . . . current and projected employment opportunities, wages, benefits (where data is available), and skill trends by occupation and industry, with particular attention paid to State and local conditions . . . ."

Federal-State Workforce and Labor Market Information System (WLMIS)

Workforce Information Advisory Council (WIAC)



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Federal-State Workforce and Labor Market Information System (WLMIS)

Program Details, by Agency and Category

Employment and Training Administration

Resource	Freq.	Geog.*	Key Data
Federal-State Collaborative Programs			
Local Employment and Wage Information System (LEWIS)			Support state agencies estimating local employment and wage levels
Workforce Data Quality Initiative Grant Program (WDQI)	Annual		Grants to support development of longitudinal workforce databases
Workforce Information Grants to the States (WIGS)	Annual		Grants that support state LMI agencies.
National Crosswalk Service Center (NCSC)			SOC and NAICS crosswalks to other systems
Projections Managing Partnership (PMP)			Supports state agencies making employment projections
Analyst Resource Center (ARC)			Maintains a standardized LMI database structure states may use
Characteristics of Jobs			
Occupational Information Network (O*NET)	Rolling		Database of occupational descriptions
Competency Model Clearinghouse (CMC)			KSAs needed by employees in selected industries

Census Bureau

Resource	Freq.	Geog.*	Key Data
Federal-State Collaborative Programs			
Longitudinal Employer-Household Dynamics (LEHD)	Quarterly	City + MSA	Employment, commuting & employment patterns
QWI Indicators, OnTheMap, J2J Flows			Online tools for accessing LEHD data
Characteristics of the Workforce			
CPS Annual Social and Economic Supplement (ASEC)	Annual	State	Detailed information on employment by occupation, education, etc.
American Community Survey (ACS)	Annual	Neighbor-hood	Employment by occupation and educational attainment
Survey of Income and Program Participation (SIPP)	Annual	National	Movement into and out of government transfer programs
Jobs and Wages			
Nonemployer Statistics (NS)	Annual	County + MSA	Self-employment
Economic Census (ECN)	Quinq-uennial	County + MSA	Comprehensive information about establishments
Business Dynamics Statistics (BDS)	Annual	State + MSA	Changes in number of establishments and jobs over time
County Business Patterns (CBP)	Annual	County + MSA	Economic data by industry
Other WLMI Resources			
Center for Administrative Records Research and Applications (CARRA)			Conducts research using administrative data collected for other uses
American FactFinder and DataFerrett			Online tools for accessing and analyzing Census, ACS, and ECN data

National Center for Education Statistics

Resource	Freq.	Geog.*	Key Data
Federal-State Collaborative Programs			
Statewide Longitudinal Data Systems Grant Program (SLDS)	Annual	State	Grants to su0pport development of longitudinal student databases
Characteristics of the Workforce			
Common Core of Data (CCD)	Annual	District/ School	Attendance levels for primary and secondary schools
Integrated Postsecondary Education Data System (IPEDS)	Annual	Institution	Graduation rates by program for postsecondary institutions
Baccalaureate and Beyond (B&B)	Quad-rennial	Institution	Academic and labor market outcomes, by postsecondary program of study
National Household Education Surveys (NHES)	Irregular	National	Various topics, including non-degree credential attainment

Bureau of Labor Statistics

Resource	Freq.	Geog.*	Key Data
Federal-State Collaborative Programs			
Local Area Unemployment Statistics (LAUS)	Monthly	City + MSA	Employment & Unemployment for smaller areas
Business Employment Dynamics (BED)	Quarterly	State	Job gains and losses over time
Current Employment Statistics (CES)	Monthly	State + MSA	Monthly nonfarm jobs held by industry
Characteristics of the Workforce			
American Time Use Survey (ATUS)	Annual	National	Time spend on various activities
Current Population Survey (CPS)	Monthly	State	Employment, unemployment, labor force participation
National Longitudinal Surveys (NLS)	Longitudinal	National	Repeated surveys of select groups over time.
Characteristics of Jobs			
Occupational Requirements Survey (ORS)	Annual	National + MSA	Typical requirements for occupations
Occupational Outlook Handbook (OOH)	Biannual	National	Characteristics of and outlook for hundreds of occupations
Jobs and Wages			
Quarterly Census of Employment and Wages (QCEW)	Quarterly	County + MSA	Quarterly jobs held, earnings, no. of establishments by industry
Occupational Employment Statistics (OES)	Annual	State + MSA	Annual nonfarm jobs held, by occupation and industry
Job Opening and Labor Turnover Survey (JOLTS)	Monthly	National	Job openings, hires, and separations, labor demand gaps
National Compensation Survey (NCS)	Quarterly	National	Employer costs for compensation over time
Employment Projections Program (EP)	Biennial	National	Employment projections
Other WLMI Resources			
Consumer/Producer Price Indexes (CPI/PPI)	Monthly	State + MSA	Principal indicator for inflation
Consumer Expenditure Survey (CEX)	Annual	National + MSA	Information on the buying habits of America's consumers

National Center for Health Workforce Analysis

Resource	Freq.	Geog.*	Key Data
Characteristics of the Workforce			
National Sample Survey of Registered Nurses (NSSRN)	Annual, 1977 - 2008	State	Trends and projections of the future supply of nursing resources
National Sample Survey of Nurse Practitioners (NSSNP)	2012	National	Estimates for the nurse practitioner workforce
Minimum Data Sets			Common core of data elements for health workforce databases
Jobs and Wages			
Area Health Resources Files (AHRF)	Varies by Source	County	Health workforce data compiled from a variety of sources
Nursing Health Workforce Modeling Tool		State	Tool for analyzing and predicting supply and demand for nurses

National Center for Science and Engineering Statistics

Resource	Freq.	Geog.*	Key Data
Characteristics of the Workforce			
National Survey of College Graduates (NSCG)	Biennial	National	Labor market outcomes for postsecondary graduates

* Indicates smallest geographical area for which estimates/data are available.

Draft Version 2
October 12, 2017

Improvement 2 – Double Funding for Workforce Information Grants to the States (WIGS) and BLS Federal-State Cooperative Program Grants (Forland and Reamer)

- **What:** The WIAC recommends that the Department of Labor budget for FY2020 include a request for annual funding for grants to states from BLS for the Federal-State Cooperative Statistics System and from ETA for Workforce Information Grants to States (WIGS) at twice the current funding level, that is, from $96.9 million in FY2017 to $193,752,000 in FY2020.
  - BLS labor statistics grants from $64,876,000 in FY2017 to $129,752,000 in FY2020.
  - WIGS program funding from $32,000,000 in PY2017 to $64,000,000 in FY2020.
- **Why:** BLS and WIGS grants to states are essential for the production, dissemination, and analysis of state and local labor force statistics. These data are a central component of the WLMIS, as specified by Congress, and are critical to state and local government decision-makers and public and private labor market participants. Moreover, state and local WIOA and Department of Education grantees use state-produced data to determine investments of $4 billion in education and training programs for "in-demand occupations and industries," as required by law.[5]

  Total annual federal support for state-produced labor force statistics is $96.9 million, down from 2001 spending of $110 million in nominal terms and $178.2 million adjusted for inflation.[6] The proposed FY2020 funding level reflects greater congressional expectations now compared to 2001 as well as expected inflation between 2017 and 2020.

  The ongoing decline in real funding since 2001 has led to reductions in the quantity and quality of data and analyses important to the participants in the workforce system. By enabling a robust federal-state WLMIS, the proposed infusion of new funds will lead to significantly more functional labor markets; substantial federal and state cost savings in unemployment compensation, disability payments, health care costs, retraining costs, student debt defaults, and criminal justice costs; and increased federal and state revenues as a result of higher worker earnings.
- **How:** The WIAC recommends that Secretary Acosta direct the Labor Department's Chief Evaluation Officer to assess the public and federal return on investment on the proposed funding increase and the Labor Department's Budget Office to prepare the Department's FY2020 budget request accordingly.

[5] Highlighted WIOA text of mandated uses of "in-demand occupations and industries" and other WLMI is available here. Implementation of Education Secretary DeVos's Proposed Priority 3 for discretionary grants—Fostering Flexible and Affordable Paths to Obtaining Knowledge and Skills—is to be determined by "employment in an in-demand industry sector or occupation (as defined in section 3(23)(A) of the Workforce Innovation and Opportunity Act of 2014)."

[6] Annual tables on Workforce Information Grants to States from PY2001 to PY2017, by state, are available here. Annual tables on BLS labor force statistics grants to states from FY2008 to FY2017 are available here. According to the Price Indexes for Gross Value Added by Sector from the U.S. Bureau of Economic Analysis, the price index for state and local government was 73.376 in the second quarter of 2001 and 118.851 in the second quarter of 2017 (with 2009 = 100).

Improvement 3 – Propose a Mechanism to Overcome Legal Barriers to Data Sharing (Forland)

- **What:** The WIAC recommends that the Secretary support the development of procedures that allow sharing of data records between state LMI agencies and the Department of Labor, and among states, with proper protections for confidentiality.
- **Why:** The Commission on Evidence-Based Policymaking (CEP), created by bipartisan legislation (PL 114-140), released its final report, The Promise of Evidence-Based Policymaking, in September 2017. The WIAC seeks to build on the extensive work that the CEP has just completed.

  To improve the WLMIS, the WIAC desires to:
  - Maximize the value of information that individuals and employers provide to state and federal agencies to enable policymakers, employers, education and training providers, and individuals to make the best possible decisions to support thriving employers, workers, and, thereby, overall economy; and
  - At the same time, fully protect individuals' and employers' confidential information.

  Currently, data sharing among federal and state agencies is seriously hampered. Agencies to err on the side of NOT sharing data to avoid risk of disclosure. Data sharing that does take place occurs primarily to operate specific programs, rather than more broadly enhancing WLMI for the purposes specified by Congress in WIOA.

  The following data sources are not accessible to the national and state entities that make up the WLMIS, but would be incredibly valuable to include:
  - Federal employer and individual tax information (collected by the Internal Revenue Service)
  - Education and training information (including enrollment, courses completed, degrees and certificates completed, and financial aid from pre-school to K-12 to post-secondary)
  - Census information (including the Decennial Census and American Community Survey)
  - Supplemental Nutrition Assistance Program (SNAP) information
  - Temporary Assistance for Needy Families (TANF) information
  - Unemployment Insurance (UI) benefits information
  - Unemployment Insurance quarterly employment and wage information
  - Federal government and military employment and wage information (often excluded from states' UI information)
  - WIOA services information

  Benefits of this approach include the fact that individual states are familiar with the unique characteristics of their UI information and can quickly leverage these data to create new statistical products, and avoid multiple federal entities having to become familiar with the unique characteristics across states. Second, this leverages the funds that the federal government has already invested in state-

level data matching across education and workforce and the federal-state network responsible for producing labor force statistics and information.

Greater data sharing would increase the value of the substantial investments made by the Departments of Labor and Education in state longitudinal data systems that link education and employment information.

This recommendation would supplement the CEP recommendation to establish a National Secure Data Service (NSDS). Ideally, such a proposal would be incorporated into future legislation to implement CEP recommendations.

- **How:** This fall and next year, Speaker Paul Ryan and Senator Patty Murray will be co-sponsoring legislation to implement the CEP's recommendations. The WIAC suggests that Secretary Acosta direct his congressional liaison to encourage staff for Speaker Ryan and Senator Murray to consider inclusion of this recommendation in legislation being prepared for 2018.