

## Federal Policy and Budget Comparison

**PRESENTED BY:** Eleni Papadakis, Workforce Board Executive Director

**CHECK ONE:**

☐ Action Item

☐ Possible Action

☒ Discussion Only

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**SUMMARY:**

This side-by-side comparison outlines several competing federal workforce policy and funding proposals: the Workforce Innovation and Opportunity Act (WIOA), A Stronger Workforce for America Act (ASWA), the Make America Skilled Again (MASA) block grant, and the FY26 House Appropriations proposal approved by the House Appropriations Committee on September 9, 2025.

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**BACKGROUND:**

Since the transition from the Workforce Investment Act of 1998 (WIA) to the Workforce Innovation and Opportunity Act of 2014 (WIOA), state and local workforce boards have operated under WIOA's rules and regulations. Over the past two decades, federal funding for workforce programs has steadily declined and, more recently, remained stagnant under a series of congressional continuing resolutions.

In late 2023, the U.S. House introduced a Republican-led WIOA reauthorization proposal: A Stronger Workforce for America Act (ASWA). Although initially expected to advance through a December 2024 Continuing Resolution (CR), the bill was pulled to allow the Trump Administration to release its own plan.

In May 2025, the Administration proposed the Make America Skilled Again (MASA) block grant, which would replace WIOA, cut funding by roughly 24%, and eliminate most program rules to reduce administrative costs and provide states with broader spending flexibility. In line with the President's "Skinny Budget," the Department of Labor, Department of Education and Department of Commerce provided a report in response to the President's proposal, eliminating WIOA Title II (Adult Education), the Senior Community Service Employment Program (SCSEP), and Job Corps.

Congressional leaders diverged. In July 2025, the Senate Appropriations Committee rejected the Skinny Budget and instead supported keeping WIOA intact, including a modest increase for the WIOA Dislocated Worker program. In contrast, following the August recess, the House introduced its own FY26 appropriations proposal, cutting Title I-B WIOA programs by

about 33%. The House plan mirrored the Administration in some areas (eliminating SCSEP, Adult Education, and WIOA Youth; and potentially WIOA Adult) but differed in others (retaining Job Corps at reduced capacity while keeping most rules unchanged).

Workforce Board staff have prepared a side-by-side comparison of these proposals to help Board members understand the differences in program design, funding levels, and potential impacts. At this stage, the outcome of WIOA reauthorization remains uncertain: it could align with one of these proposals, merge elements of several, or take an entirely new direction.

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**STAFF GUIDANCE & RECOMMENDATION:**

Discussion only.

Side-by-Side: WIOA, FY26 Senate & House Appropriations, ASWA, MASA

Dimension	WIOA (Current Law)	Senate Draft (FY 2026 LHHS)	House Draft (FY 2026 LHHS)	MASA	ASWA
Source	<ul style="list-style-type: none"><li><a href="#">Public Law 119-4: Section 1112</a></li><li><a href="#">CR House Appropriations Summary</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">NSC Blog</a></li><li><a href="#">Senate Appropriations</a></li><li><a href="#">Work Shift Side-by-Side</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">Full House Committee Press Release 9.9.25</a></li><li><a href="#">Full Committee Draft 9.9.25 Work Shift Side-by-Side</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">JFF Fact Sheet</a></li><li><a href="#">DOL Report</a></li><li><a href="#">FY26 Congressional Budget Justification</a></li></ul>	<a href="#">NGA PDF</a>
Structure	Multiple formula/competitive lines (Adult, Youth, DW; WP; etc.)	Multiple formula/competitive lines (Adult, Youth, DW; WP; etc.)	Continues separate allocations	Consolidates 11 programs into a single block grant. Most (if not all) rules will disappear	Preserves WIOA lines; replaces ISY/OSY distinction in WIOA Youth to just “Opportunity Youth”
Training Spend Requirements	No federally mandated percentage	No federally mandated percentage	No training floor; no apprenticeship set-aside mentioned	No training floor; 10% set-aside for Registered Apprenticeship	50% training floor for Adult & DW (drops to 42% if supportive services used)
Governance & State Flexibilities	Standard Governor’s Reserve (15%)	Standard Governor’s Reserve (15%)	Maintains existing governance structure; no significant new flexibilities or set-asides reported	One block grant to states; fewer program-specific levers; RA set-aside required	Adds optional 10% set-aside with match; allows redesignation, performance-based reallocation
WDQI Funding	Stand-alone appropriation (~\$6M) – exists as a competitive grant	Stand-alone appropriation (~\$6M) – exists as a competitive grant	Maintains current WIOA appropriation as a competitive grant structure	Folded into MASA, no separate funding	Codifies WDQI; reserves 5–10% of DW National Reserve (includes NDWG) to fund it
Programmatic Preservation/Elimination	All programs intact	All programs intact	Eliminates multiple specific programs (AEFLA, WIOA Youth, MSFW, REO, SCSEP) & significant decrease in Job Corps	Eliminates multiple specific programs (AEFLA, YouthBuild, NFJP, REO, WDQI, Job Corps, SCSEP)	Programs maintained; flexible delivery piloting allowed
Total Workforce Appropriations	Approximately \$3.89B for core WIOA formula grants	About \$3.98B for core WIOA formula grants: small cuts to Adult, SCSEP, & Reentry are offset by increase in Demonstration Projects	Program eliminations and funding decreases ≈ \$2.594B (approximately 33% cut vs current)	Single block MASA grant ≈ \$2.97B (approximately 24% cut vs current)	Slight increase via set-asides/pilots; specifics depend on appropriations

Acronym Key:

Acronym	Full Name	Acronym	Full Name	Acronym	Full Name
AEFLA	Adult Education and Family Literacy Act (WIOA Title II)	ISY/OSY	In-School Youth/Out-of-School Youth	RA	Registered Apprenticeship
ASWA	A Stronger Workforce for America Act (H.R. 6655)	LHHS	Labor, Health and Human Services, Education	REO	Re-Entry Employment Opportunities
CR	Continuing Resolution	MASA	Make America Skilled Again	SCSEP	Senior Community Service Employment Program
CTE	Career and Technical Education (Perkins V)	MSFW	Migrant Seasonal Farmworker	WDQI	Workforce Data Quality Initiative
DW	Dislocated Worker	NDWG	National Dislocated Worker Grant	WIOA	Workforce Innovation and Opportunity Act
FY	Fiscal Year	NFJP	National Farmworker Jobs Program	WP	Wagner Peyser (WIOA Title III)

**Note:** Figures reflect the latest House (9/9/25) and Senate (7/31/25) Appropriations Committee actions and may change as bills advance.

\*\$712M rescission from FY25 Employment and Training Administration programs ([Public Law 119-4, Section 1112](#)) remains unclear. [House Democratic Summary](#) states that the draft bill from the House Appropriations Committee could indicate the elimination of the WIOA Adult Program. Clarification from Committee Staff and DOL is pending.

\*\*Vocational Rehab amounts are *pre-sequestration*.

Side-by-Side: WIOA, FY26 Senate & House Appropriations, ASWA, MASA

Program Area (Nationwide)	FY25 Baseline	Senate Draft (FY26)	% Change vs FY25	House Draft (FY26)	% Change vs FY25	MASA (FY26 Request)	% Change vs FY25
Source	<ul style="list-style-type: none"><li><a href="#">Public Law 119-4: Section 1112</a></li><li><a href="#">CR House Appropriations Summary</a></li><li><a href="#">FY 2025 Congressional Justification Rehabilitation Services</a></li></ul>	<ul style="list-style-type: none"><li><a href="#">NSC Blog Senate Appropriations</a></li><li><a href="#">Work Shift Side-by-Side</a></li></ul>		<ul style="list-style-type: none"><li><a href="#">Full Committee Draft 9.9.25</a></li><li><a href="#">Work Shift Side-by-Side</a></li></ul>		<ul style="list-style-type: none"><li><a href="#">FY26 Congressional Budget Justification</a></li><li><a href="#">FY 2026 Congressional Justification Rehabilitation Services</a></li></ul>	
WIOA Core (Adult, Youth, DW)	\$3.898B	\$3.977B	+2%	\$2.594B +\$712M Rescission*	-33%	\$2.965B	-24%
Wagner-Peyser ES	\$675M	\$675M	0%	\$675M	0%	\$17.5M	-97%
Vocational Rehab	\$4.253B**	\$4.647B**	+9%	\$4.504B**	+6%	4.504B**	+6%
AEFLA	\$715M	\$715M	0%	\$0	-100%	\$0	-100%

Enacted in H.R. 1 – Workforce Pell Grants:

Expands Pell to short-term (≥150 hr/8 wk) in-demand programs with performance standards. Viewed as a substitute for WIOA ITAs, helping justify House-proposed WIOA cuts and shifting WIOA’s role toward support services and system alignment. Rulemaking is projected to begin later this calendar year.

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