## **Workforce Development Policy**



# Associations establish and lead workforce development programs that support American workers, industries, professions and communities.

Associations live at the intersection of public service and the U.S. economy. They are the **primary source of post-college education and training programs**. They administer professional, expertise-driven certifications that promote market competition, support career growth and build equity in the workforce by reducing gender and race wage gaps.

**Professional certifications provide pathways to opportunity and career growth** in many different fields and support entry level jobs, mid-career professionals and specialized knowledge in complex sectors.

The American Society of Association Executives supports policies that promote professional certification, which benefit workers, industries, professions, our economy and the American consumer.

#### Freedom to Invest in Tomorrow's Workforce Act (H.R. 2171 / S. 905)

The bipartisan, bicameral Freedom to Invest in Tomorrow's Workforce Act would expand eligible uses of tax-favorable "529" savings plans to cover costs associated with workforce training and credentialing programs. The legislation would also enable 529 plan beneficiaries to use their funds to pay for examinations necessary to obtain and maintain recognized private professional certifications and other credentials. Only costs related to attending colleges, universities, vocational schools, registered apprenticeship programs, K-12 private tuition or other post-secondary institutions are eligible 529 expenses.

#### Resources and Education to Build (REBUILD) Skills Act (bill # TBD)

The <u>REBUILD Skills Act</u> would create a federally funded **Career Rebuilding Scholarship Fund**, administered by **approved certification organizations and worker training programs**, to distribute scholarships to eligible individuals who incur covered expenses to take certification exams or enrolling in a training program. Funds would cover **up to the lesser of 95% or \$3,000** of a program.

This bill would also create a federal directory of approved, legitimate training and certification programs that could **benefit all American workers** and not just individuals eligible for scholarships.

#### Eligible individuals include:

- · Any workers displaced from their jobs due to the COVID-19 pandemic;
- · Military members who rolled out/are rolling out of service during the pandemic; and
- · Spouses of military members who rolled out/are rolling out of service.

### Certifications Promote Opportunity and Help Build Equity

According to a 2017 Working Paper from the Human Capital and Economic Opportunity Global Working Group of the University of Chicago, certification reduces the racial wage gap among men by 43% and the gender wage gap between women and white men by 36%-40%.