



# 2024 D.C. Fly-In Discussion Points

## Education and Workforce

The economic success of the Dallas-Fort Worth Region is closely tied to the quality of our regional talent pipeline, from early childhood through K-12 and higher education to a job or career. Workforce development initiatives, such as apprenticeships, education and training programs, and accessible child care, enhance the Dallas-Fort Worth Region's talent pipeline and long-term economic prosperity.

### Child Care and Development Fund (CCDF)

Governed by the Child Care and Development Block Grant (CCDBG), the CCDF is the primary federal funding source for state child care subsidies to assist low-income working families in accessing child care services. States must use a portion of CCDF funds to improve the quality of child care.

States are submitting plans for the FY2025-2027 CCDF, outlining how states intend to use federal funding to maximize child care access and quality.

Why It Matters: Access to child care is a critical enabler of workforce participation. A U.S. Chamber of Commerce study suggests that Texas forfeits \$9 billion annually due to turnover, work absences, and lost tax revenue due to child care access challenges.

### Workforce / Short-Term Pell Grants

The Pell Grant is one of the largest federal aid programs for higher education. It is designed to assist students from low—and moderate-income households in accessing college. Pell Grants are mostly awarded to eligible undergraduate students who have not yet earned a degree. Since its inception in 1972, more than 80 million students have received a Pell Grant.

For 2023-2024, the maximum Pell Grant award is \$7,395 per academic year.

Under current law, students enrolled in short-term programs, such as workforce training, are ineligible for Pell Grants. While often lower cost, workforce training programs can still be prohibitively expensive for low-income students.

Why It Matters: Today, 54% of jobs in Texas are considered “middle-skill,” meaning they require training beyond high school but not a traditional four-year degree. Yet only 45% of Texans are sufficiently trained for these types of jobs, leaving a 9-percentage-point “middle skills” gap, or roughly 1.4 million Texans.

## **Workforce Innovation and Opportunity Act (WIOA)**

WIOA, originally signed into law in 2014, is the nation's primary workforce development system. It is designed to help job seekers access employment, education, job training and apprenticeships, and other support services and to match employers with in-demand skilled workers.

WIOA requires states to strategically align their workforce development programs to coordinate the needs of job seekers and employers, focusing on high-demand occupations and industries.

In FY2023, Congress allocated approximately \$2 billion for WIOA. Texas received approximately \$250 million to support its workforce development activities.

Why It Matters: WIOA is America's main workforce policy driver. However, since its initial passage in 2014, WIOA has not been reauthorized to address an evolving education and workforce landscape, particularly in a post-COVID environment. Reauthorization of WIOA is also critical to realizing other federal programs' potential, such as the CHIPS and Science Act.

Active Legislation: H.R. 6655, A Stronger Workforce for America Act: Reauthorizes WIOA with an emphasis on upskilling, accountability, program quality, and skills-based hiring. *(Moran co-sponsor, passed House, referred to Senate Committee on Health, Education, Labor, and Pensions 4/10/24)*

## **Infrastructure**

Texas's prosperity and quality of life depend on modern infrastructure. We need a durable strategy to modernize roads, bridges, transit, rail, water, energy, and broadband access. Addressing these critical needs without raising taxes on business will create jobs and make our communities safer.

### **Federal Aviation Administration (FAA) Reauthorization**

The FAA is vital to the U.S. traveling public and business community. The civil aviation sector is responsible for approximately 5% of the U.S. GDP and more than 10 million jobs. Any interruption of the FAA's programs would undermine public confidence and interrupt progress on critical initiatives to advance safety, efficiency, innovation, and airport infrastructure.

Why It Matters: FAA reauthorization is critical for the DFW region as it ensures funding for airport infrastructure projects, promotes air traffic efficiency, and supports economic growth across the region. Without it, North Texas' position as a major transportation hub could be jeopardized, impacting local businesses, employment, and regional connectivity.

Active Legislation: S 1939, FAA Reauthorization Act of 2024- Authorizes appropriations for the Federal Aviation Administration through 2028 and introduces several reforms to the aviation industry that provide significant improvements to safety. *(Cruz co-sponsor, passed out of committee and placed on Senate Legislative Calendar, 2/29/24)*

### **Federal Aid Highway Program**

The Federal Highway Administration allocates federal highway funding that states, local public agencies, and municipalities rely on to finance essential transportation infrastructure such as roads and bridges. Despite rapid population growth in states like Texas, the formulas used by the FHA to allocate these funds have not been systematically updated in nearly two decades.

Why It Matters: Despite Texas' perennial position as the largest donor in the country to the Highway Trust Fund, we continuously receive proportionally less funding than any other state based on these outdated allocation formulas. As the fastest-growing region in the country, North Texas urgently needs to receive a commensurate allocation of federal highway funds to address our pressing infrastructure demands.

Active Legislation: S 345, Highway Formula Fairness Act- Modernizes the formula used by the Department of Transportation to allocate federal highway funds among the states (*Cruz sponsor, Cornyn co-sponsor, referred to Senate Committee on Environment and Public Works 2/9/23*)

## **Future Technology**

Technology and digital innovation are vital to competing in an increasingly complex and interconnected world. Tech-based industries like biotech, space, fintech, and artificial intelligence pioneer solutions that improve the quality of health care, solve problems, and advance society. They also provide digital tools that help traditional businesses grow, stay connected, and compete globally.

### **Advanced Research Projects Agency- Health (ARPA-H)**

ARPA-H was created to make pivotal investments in breakthrough technologies and broadly applicable platforms, capabilities, resources, and solutions that can potentially transform important areas of medicine and health for the benefit of all patients and that cannot readily be accomplished through traditional research or commercial activity.

Why It Matters: Dallas' selection as the third ARPA-H hub has established North Texas as a national biotech research and development center. Continued federal investment in this industry is critical not only to drive scientific discovery but also to stimulate economic growth, create job opportunities, and advance healthcare solutions that benefit the local community and the country.

### **Research and Development (R&D) Tax Relief**

Since 1954, American businesses have been allowed to deduct their research and development (R&D) expenses in the year incurred, just like their other ordinary and necessary business expenses. However, since January 2022, businesses have been required to amortize their domestic R&D expenses over five years.

Why It Matters: Unlike R&D expensing, R&D amortization reduces economic growth, penalizes investments by companies in R&D-intensive industries—disproportionately affecting smaller manufacturing and technology companies—and puts American businesses at a competitive disadvantage.

Active Legislation: HR 7024, Tax Relief for American Families and Workers Act of 2024- Provides tax relief for working families, restores R&D expensing, increases global competitiveness, provides assistance for disaster-impacted communities, supports affordable housing, and works to eliminate tax fraud (*USCOC Priority Legislation- Passed House, placed on Senate Legislative Calendar 3/21/24*)