



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 8, 2003
(House)

STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

H.R. 1261 - Workforce Reinvestment and Adult Education Act of 2003

(Rep. McKeon (R) CA and 7 cosponsors)

The Administration strongly supports House passage of H.R. 1261, the “Workforce Reinvestment and Adult Education Act of 2003,” with the inclusion of the manager's amendment. This legislation would promote economic development and better equip businesses and workers for success in the 21st century economy. Although the Administration has concerns about certain provisions of the bill, we look forward to working with the Congress to address these concerns and strengthen this important legislation.

The Administration supports reauthorizing the Workforce Investment Act of 1998 (WIA) and appreciates the bill’s inclusion of key reforms in the Administration’s WIA reauthorization proposal, including: (1) consolidating and improving programs for adults; (2) strengthening accountability for achieving results; (3) improving services to youth by targeting resources on out-of-school youth; and (4) creating more effective State and local workforce investment boards. The Administration will work with the Congress to give Governors and States more control over workforce investments, to improve provisions that would determine how partner programs contribute to One-Stop infrastructure funding, to make the legislation consistent with the President's FY 2004 Budget, and to address constitutional questions raised by certain provisions of current law.

The Administration also supports reauthorizing the Federal adult education and vocational rehabilitation and related programs. The Administration is pleased that H.R. 1261 includes provisions that would improve the quality, accessibility, and accountability of Federally funded adult basic education and literacy programs. The Administration will provide the Congress with specific suggestions and proposals to ensure that States are given the authority and responsibility to improve the quality of instruction and to use standards and other tools in improving education and employment-related outcomes for participants, and to otherwise strengthen the legislation.

The Administration supports the provisions of the bill that protect the hiring autonomy of religious organizations under Title VII of the Civil Rights Act of 1964. This exemption from Title VII liability has been in place for over 30 years, and has been expressly preserved in a series of laws that Congress has enacted since 1996. These laws permit faith-based groups to hire according to their beliefs as they

administer federally-funded welfare-to-work, community service, and drug treatment programs without running afoul of Title VII. This bill would preserve this important exemption for such groups providing federally-funded services under this bill.

In addition, the Administration supports reauthorizing the National Institute for Literacy, but has concerns with a number of provisions of the bill. We will work with Congress to streamline the Institute's administrative structure, focus the Institute's mission on a broad range of dissemination activities, preserve an appropriate advisory role for its Board, preserve the Attorney General's litigating authority for the government, and ensure consistency with the President's constitutional authority to supervise the unitary executive branch.

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