

Discussion Draft: The Invest in Rural America Act

Senator Angus S. King, Jr.

The Problem: Rural communities in Maine and around the country have been hit hard by economic disruptions caused by foreign trade, technological changes, and shifts in regulations. As markets have changed, many heritage industries that have supplied generations of workers with good-paying jobs have been negatively impacted, often resulting in layoffs. As these sectors have tried to adapt to this new environment, it has become clear that many of today's jobs require new sets of skills. This means that even transforming industries, like forestry, have unfilled job openings due to a shortage of properly-skilled workers. This combination of job loss and skill mismatches means that many rural regions are struggling to maintain their economic viability, threatening the fabric of our communities.

The *Invest in Rural America Act* would address these challenges by creating a pair of competitive grant programs designed to promote job creation in economically distressed communities via locally or regionally-led efforts related to workforce training and diversification of local and regional economies. Senator King is requesting feedback from Maine stakeholders about refining this concept to best meet the needs of the state's rural areas.

Discussion Draft Summary: The Invest in Rural America Act establishes two complementary grant programs that will assist local and regional entities plan and implement efforts to support job creation and workforce training in areas experiencing economic difficulties. The key elements of the proposal are to:

- Target assistance to rural and economically distressed areas. Half of the funding would be reserved for rural areas and grant amounts would be determined according to factors including long-term economic growth rates, prevalence of skill mismatches, long-term unemployment and underemployment, poverty and persistent poverty rates, and the number and percent of workers and employers impacted by economic shifts (e.g., trade, technology, policy).
- Award planning grants to local or regional economic development agencies, local workforce investment boards, Indian tribes, career and technical education centers, community colleges, or consortia of these organizations. Planning grants would last for up to two years and would set the groundwork for implementation grants.
- Award implementation grants to the same set of grantees eligible for the planning grants, in order to carry out economic and workforce development activities for up to five years. Grantees would be required to provide 50 percent non-federal match (cash or in-kind), with limited exceptions for rural and tribal areas. Allowable uses of grant funds would include support for: career and technical education, broadband access and adoption, support systems (e.g., drug treatment, child care) for members of low-income families seeking employment, business incubators, technical assistance for securing private investment, pre-apprenticeships, registered apprenticeships, assistance for workers impacted by trade, transitional jobs for low-income workers, career pathways, and integrated adult education and occupational training.
- Monitor results of the grants to ensure that the funding is having a maximally-positive impact.

If you have any questions or would like to comment on this discussion draft, please contact Will Woodworth in Senator King's office at will_woodworth@king.senate.gov.