STATE OF ARKANSAS
House of Representatives

Newsletter From Rep. Diana Gonzales Worthen

District 9

August 1, 2025

Workforce Development

This week, members of the Arkansas House and Senate Public Health, Welfare, and Labor Committees received an important update from the director of *Arkansas Workforce Connections* on potential changes at the federal level that could impact how workforce development programs are administered in our state.

Arkansas Workforce Connections, formerly known as the Arkansas Division of Workforce Services, is the state's lead agency for workforce development. Its mission is to provide support and guidance to help individuals succeed in their careers while offering companies incentives to maintain a skilled and technically trained workforce, meeting industry demands now and in the future. The agency operates under the federal Workforce Innovation and Opportunity Act (WIOA). WIOA may soon be replaced by a new federal initiative called *Make America Skilled Again (MASA)*. The presentation focused on what this shift could mean for Arkansas workers, employers, and the state agencies that support them.

The FY 2026 President's Budget proposes the potential consolidation of 11 existing federal workforce grant programs into a single MASA grant program. This new approach aims to streamline administration, improve outcomes, and give states and localities more flexibility to address their own unique workforce needs. While the intention is to simplify funding and reduce administrative burden, the potential impact on Arkansas is still being evaluated. An ongoing legislative study may help our state prepare for these changes.

The Arkansas General Assembly passed Act 145 during the most recent legislative session. Known as the *Legislative Study of Workforce and Social Services Act*, this law requires the Hospital, Medicaid, and Developmental Disabilities Study Subcommittee to examine the effectiveness and structure of our current workforce and social service programs. This study is expected to identify areas where legislative action may be needed to ensure Arkansas remains competitive and responsive to the evolving national workforce landscape. A final report detailing the findings and recommendations must be submitted by October 1, 2026. As the federal government considers final decisions on MASA, Arkansas lawmakers will continue to monitor developments closely and work with state agencies to protect vital services.