

# McCain on Economic Recovery: IT Opportunities Embedded in Job Training and Health Care Reform

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The latest report from the U.S. Bureau of Economic Analysis (BEA) shows U.S. 3rd quarter economic growth at -0.3%. Given the fact that official figures in this area are generally revised down at a later date, we can be sure that the economy saw a real contraction last quarter. So, whoever wins the White House next Tuesday will have economic recovery as priority #1.

The economic agenda of any Presidential candidate will be embedded in several areas of his or her platform. This part of the agenda rarely related directly back to state and local government IT. However, some key places where the agenda will have impact at these levels are: infrastructure investment, social services and unemployment insurance, education/job training, and university-based research.

Sen. John McCain's (R-AZ) **economic program** spans eight categories. The most likely places from which IT opportunities might evolve at the state and local levels are in job training and health care, which are woven into several areas of the McCain plan.

- *Workplace Flexibility*– "Providing workers with more choice in job training assistance..." States are the primary orchestrators of workforce development programs. These state agencies will have to verify the eligible private- and public-sector training options and track the participation and progress of workers moving through the system. Payment systems will have to issue and track disbursements to these service providers while ensuring that there is no waste, fraud, or abuse of the benefits by the service provider or the worker.
- *Relief for Families* – "John McCain believes we should institute a summer (federal) gas tax holiday." States--generally the departments of agriculture--collect taxes at the pump. Systems that estimate and track collections would have to be modified to exempt the federal tax during the appointed times.
- *Government Reform* – While Sen. McCain mentions Medicare and Social Security, he doesn't indicate any actions with particular impact on state or local governments. But, when you hear "entitlement reform," you can be sure there will be changes in Medicaid, SCHIP, and other mean-tested programs administered at the state and local levels.
- *Supporting Small Businesses* – One of the centerpieces of this platform is controlling health care costs. GovWin has previously looked at **this part** of McCain's agenda.
- *Cheap, Clean, Secure Energy for America* – "John McCain will make greening the federal government a priority of his administration." By bringing the market-shifting weight of federal purchasing to bear in this area, McCain would greatly expand the availability of facilities-related and other green technologies for purchase by state and local governments--possible from existing federal schedules, such as **Schedule 70**.
- *Better Healthcare* – GovWin has previously looked at **this part** of McCain's agenda.
- *Taxes: Simpler, Fair, Pro-Growth and Competitive* – No discernable implications for state and local IT.
- *Trade* – "John McCain will overhaul unemployment insurance and make it a program for retraining, relocating and assisting workers who have lost a job." This reinforces his priorities under "Workplace Flexibility" and "Government Reform" above. As detailed in GovWin's report, **State & Local Social Services IT Market, 2008-2013**, the Workforce Investment Act (**WIA**) of 1998 was the last attempt at modernization in this area and progress has been spotty at best. Much more can be done in terms of flexible program design, online services for employers and job seekers, and integration with other family-oriented social services programs.

See Democratic Presidential nominee Sen. Barack Obama's (IL) position on this issue above. Click **here** to see all of GovWin's Presidential election commentary.