

U.S. DEPARTMENT OF LABOR
THE WORKFORCE INNOVATION AND OPPORTUNITY ACT
OVERVIEW
July 22, 2014

THE WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)

President Barack Obama signed WIOA into law on July 22, 2014. WIOA is designed to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy. Congress passed the Act by a wide bipartisan majority; it is the first legislative reform of the public workforce system in more than 15 years. Every year the key programs that form the pillars of WIOA help tens of millions of job seekers and workers to connect to good jobs and acquire the skills and credentials needed to obtain them.

WIOA PROGRAMS

WIOA brings together, in strategic coordination, the core programs of Federal investment in skill development:

- employment and training services for adults, dislocated workers, and youth and Wagner-Peyser employment services administered by the Department of Labor (DOL) through formula grants to states; and
- adult education and literacy programs and Vocational Rehabilitation state grant programs that assist individuals with disabilities in obtaining employment administered by the Department of Education (DoED).

WIOA also authorizes programs for specific vulnerable populations, including the Job Corps, YouthBuild, Indian and Native Americans, and Migrant and Seasonal Farmworker programs as well as evaluation and multistate projects administered by DOL. In addition, WIOA authorizes other programs administered by DoED and the Department of Health and Human Services.

WIOA replaces the Workforce Investment Act of 1998 and retains and amends the Adult Education and Family Literacy Act, the Wagner-Peyser Act, and the Rehabilitation Act of 1973.

HIGHLIGHT OF WIOA REFORMS

Requires States to Strategically Align Workforce Development Programs: WIOA ensures that employment and training services provided by the core programs are coordinated and complementary so that job seekers acquire skills and credentials that meet employers' needs.

- Every state will develop and submit a four-year strategy – in the form of a single unified strategic plan for core programs - for preparing an educated and skilled workforce and meeting the workforce needs of employers.
- States can include other key partners in their plans such as Temporary Assistance for Needy Families (TANF) and Perkins career and technical education programs.

Promotes Accountability and Transparency: WIOA ensures that Federal investments in employment and training programs are evidence-based and data-driven, and accountable to participants and taxpayers.

- Core programs are required to report on common performance indicators that provide key employment information, such as how many workers entered and retained employment, their median wages, whether they attained a credentials, and their measurable skill gains.
- Core programs must measure the effectiveness of services to employers for the first time.
- DOL and DoED, with input from stakeholders, will establish a common performance accountability system for the core programs.
- Negotiated levels of performance for the common indicators will be adjusted based on a statistical model that takes into account economic conditions and participant characteristics.
- Performance reports for states, local areas, and eligible training providers will be publicly available.
- Programs will be evaluated by independent third parties at least every four years.

Fosters Regional Collaboration: *WIOA promotes alignment of workforce development programs with regional economic development strategies to meet the needs of local and regional employers.*

- States will identify regions within their state.
- Local areas in regions will have coordinated planning and service delivery strategies.

Improves the American Job Center (AJC) System: *WIOA increases the quality and accessibility of services that job seekers and employers receive at their local AJCs.*

- States will establish criteria to certify AJCs at least every three years to ensure continuous improvement, access to services (including virtual access), and integrated service delivery for job seekers and employers.
- Key partners and services will be available at AJCs through the co-location of the Wagner-Peyser Employment Service and the addition of the TANF program as a mandatory partner.
- The workforce system will have a common identifier so workers that need employment or training services and employers that need qualified workers can easily find their local AJC.
- The Secretary of Labor, with input from a new advisory council, other Federal agencies, and states will develop and implement plans to improve the national workforce and labor market information system and help job seekers make informed career choices.
- States and local areas are encouraged to improve customer service and program management by integrating intake, case management, and reporting systems.
- AJC partner programs will dedicate funding for infrastructure and other shared costs.

Improves Services to Employers and Promotes Work-Based Training: *WIOA contributes to economic growth and business expansion by ensuring the workforce system is job-driven – matching employers with skilled individuals.*

- State and local boards will promote the use of industry and sector partnerships to address the workforce needs of multiple employers within an industry.
- State and local boards are responsible for activities to meet the workforce needs of local and regional employers.
- Local areas can use funds for demonstrated effective strategies that meet employers' workforce needs, including incumbent worker training, Registered Apprenticeship, transitional jobs, on-the-job training, and customized training.
- Employers are incentivized to meet their workforce needs and offer opportunities for workers to learn with increased reimbursement rates for on-the-job and customized training.

Provides Access to High Quality training: WIOA helps job seekers acquire industry-recognized credentials for in-demand jobs.

- Training that leads to industry recognized post-secondary credentials is emphasized.
- States and local areas will use career pathways to provide education and employment and training assistance to accelerate job seekers' educational and career advancement.
- Local areas have additional procurement vehicles for training to increase customer choice and quality, including individual training accounts, pay for performance contracts, and direct contracts with higher education.

Enhances Workforce Services for the Unemployed and Other Job Seekers: WIOA ensures that unemployed and other job seekers have access to high-quality workforce services.

- WIA service categories of core and intensive services are collapsed into "career services" and there is no required sequence of services, enabling job seekers to access training immediately.
- Local areas have flexibility to serve job seekers with greatest need by transferring up to 100 percent of funds between the Adult and Dislocated Worker programs.
- Job seekers who are basic skills deficient, in addition to those who are low-income individuals, have a priority for services from the Adult program.
- Unemployment insurance claimants can receive eligibility assessments and referrals to an array of training and education resources through the Wagner-Peyser Employment Service program.

Improves Services to Individuals with Disabilities: WIOA increases individuals with disabilities' access to high quality workforce services and prepares them for competitive integrated employment.

- AJCs will provide physical and programmatic accessibility to employment and training services for individuals with disabilities.
- Youth with disabilities will receive extensive pre-employment transition services so they can successfully obtain competitive integrated employment.
- State vocational rehabilitation agencies will set aside at least 15 percent of their funding to provide transition services to youth with disabilities.
- A committee will advise the Secretary of Labor on strategies to increase competitive integrated employment for individuals with disabilities.
- VR state grant programs will engage employers to improve participant employment outcomes.

Makes Key Investments in Serving Disconnected Youth and Other Vulnerable Populations: WIOA prepares vulnerable youth and other job seekers for successful employment through increasing the use of proven service models services.

- Local areas must increase the percentage of youth formula funds used to serve out-of-school youth to 75 percent from 30 percent under current law.
- Local areas must spend at least 20 percent of youth formula funds on work experience activities such as summer jobs, pre-apprenticeship, on-the-job training, and internships so that youth can be prepared for employment.
- YouthBuild participants can get training in growing fields in addition to construction, expanding career opportunities for these youth.
- Key programs serving Native Americans and Migrant and Seasonal Farmworkers remain AJC partners, ensuring that these program participants can access receive employment and training services from AJCs.

Enhances the Job Corps Program: WIOA increases the performance outcomes and quality of Job Corps.

- Job Corps will report on the Youth program's common performance measures to increase alignment between the programs.
- Job Corps will establish community networks with employers, labor organizations, and State and local boards to improve services to and outcomes for participants.
- DOL will use competition to increase performance and quality so Job Corps is serving students well.

Reinforces Connections with Registered Apprenticeship (RA): WIOA promotes the use of RA, a proven model that provides workers with career pathways and opportunities to earn while they learn.

- RA programs are included on the eligible training provider list for the Adult and Dislocated Worker programs as long as they remain registered, providing access to high-quality training.
- State and local boards will have representatives of RA programs as members, ensuring that a key employer voice contributes to strategic planning activities for the workforce system.
- RA completion certificates will be recognized as a post-secondary credential, providing job seekers with flexibility.
- The Youth program may offer pre-apprenticeship training to prepare youth for RA or other career opportunities.

Streamlines and Strengthens the Strategic Roles of Workforce Development Boards: WIOA makes state and local boards more agile and well-positioned to meet local and regional employers' workforce needs.

- State and local boards must coordinate and align workforce programs to provide coordinated, complementary, and consistent services to job seekers and employers.
- Business continues to contribute to strategic development and other activities by maintaining a leadership role on the boards and forming the majority of workforce board members.
- State and local boards are more strategic and flexible as board membership is streamlined.

EFFECTIVE DATES FOR IMPLEMENTATION

In general, the Act takes effect on July 1, 2015, the first full program year after enactment, unless otherwise noted. For example, the amendments to the Rehabilitation Act in title IV take effect on the date of enactment. The WIOA state unified and local plans and the WIOA performance accountability provisions take effect on July 1, 2016. DOL will issue further guidance on the timeframes for implementation of the provisions related to the programs administered by the Department.

TECHNICAL ASSISTANCE AND STAKEHOLDER ENGAGEMENT

DOL, in coordination with DoED and the Department of Health and Human Services, is working diligently to ensure that states and local areas, other grantees, and stakeholders are prepared for implementation of WIOA. Stakeholder input is critical to the successful implementation of WIOA. Opportunities to provide input in-person and virtually will be communicated through the following WIOA Resource Pages.

DOL will provide technical assistance, tools, and resources to States and local areas through the WIOA resource page (www.doleta.gov/WIOA), Webinars, and virtual and in-person discussions.

DOL will issue proposed regulations reflecting the changes in WIOA soon after enactment. Please email questions regarding WIOA implementation to DOL.WIOA@dol.gov or the appropriate ETA regional office.

The Department of Education has established two WIOA Resource Pages:

- Information related to the adult education and literacy programs under title II of WIOA is available through the Office of Career, Technical, and Adult Education site at:
<http://www2.ed.gov/about/offices/list/ovae/pi/AdultEd/wioa-reauthorization.html>.
Questions may be submitted to OCTAE staff at AskAEFLA@ed.gov.
- Information related to Rehabilitation Act programs amended under title IV of WIOA is available through the Rehabilitation Services Administration's site at:
<http://www.ed.gov/about/offices/list/osers/rsa/wioa-reauthorization.html>.