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WORKFORCE INNOVATION AND OPPORTUNITY ACT (P.L. 113-128) ***Opportunities for Human Services***

Overview

President Obama signed the Workforce Innovation and Opportunity Act (WIOA) into law (P.L. 113-128) on July 22, 2014.

WIOA is designed to help workers, *including those with barriers to employment*, access jobs, education, job-driven training, and support services; enhance program coordination, streamline service delivery, and increase flexibility for governance; improve services to employers; and align programs across common goals and increase accountability and transparency. WIOA also emphasizes quality training that leads to credentials, regional planning and service coordination, and the use of targeted sector-based strategies and career pathways. *WIOA promotes the development of integrated intake, case management and reporting systems.*

Employment and Training Activities

WIOA codified the elimination of the original “sequence of services” and combines core and intensive services into a new “career services” category. The bill signals to states and local areas an interest in seeing a number of existing best practices adopted or expanded, including: career pathways (including integrated or contextualized adult basic education, English as a Second Language, and occupational training); industry or sector partnerships (local Workforce Investment Boards are required to “convene, use, or implement” sector partnerships); and an increased focus on the attainment of industry-recognized certificates and credentials linked to in-demand occupations.

Services for Individuals with Disabilities

WIOA includes individuals with disabilities in the definition of individuals with barriers to employment, for whom strategies must be identified in state and local plans and for whom performance outcomes identified and reported. Both the state and local plans must describe how the American Job Centers (AJCs, formerly one-stops) delivery system will comply with the nondiscrimination requirements regarding physical and programmatic accessibility of facilities, programs, services, technology and materials, including appropriate staff training and support. The criteria for certifying AJCs also include assessing physical and programmatic accessibility.

WIOA Core Programs

WIOA's "core" programs include:

- (1) Adult, Dislocated Worker and Youth formula programs administered by the U.S. Department of Labor (DOL);
- (2) Adult Education and Literacy programs administered by the U.S. Department of Education (ED);
- (3) Wagner-Peyser Employment Service programs administered by DOL; and
- (4) Programs under Title I of the Rehabilitation Act that provide services to individuals with disabilities administered by ED.

WIOA also reauthorizes additional programs that are not defined as core programs. They include: Job Corps, YouthBuild, Native American and Migrant and Seasonal Farmworkers programs.

Unified State Plan

WIOA requires a single, unified, four-year State plan covering all core programs authorized under the bill. The plan must describe the state's overall strategy for workforce development and how the strategy will meet identified skill needs for workers, job seekers and employers.

The plan may also include other Federal programs, including Temporary Assistance for Needy Families (TANF), the Supplemental Nutrition Assistance Program (SNAP), Perkins Career and Technical Education, and others.

Local plans must be aligned to the strategy described in the state plan, and must describe how services provided at the local level will be aligned to regional labor market needs. They must also include a description of how community colleges will be engaged as partners in the workforce development system.

TANF as Mandatory Partner

WIOA makes Temporary for Assistance for Needy Families (TANF) a mandatory partner. As a mandatory partner, TANF agencies will have greater opportunities to provide input into WIOA-related activities. ***The governor does have the option of excluding TANF, as well as other programs, as a mandatory partner, but must do so in writing.***

Currently and under WIOA, the federal government does not and will not provide direct funding for the operational costs of one-stop centers. The primary motivation for the contributions by mandatory partners is to spur greater collaboration among the AJCs' partners and to free federal dollars for direct training costs.

Generally, a mandatory partner must:

- Make available through the American Job Centers (AJCs, formerly, the one-stop system) the core services applicable to such program or activity;
- Use a portion of funds available for the program and activities to maintain the AJCs, including infrastructure costs of AJCs;
- Enter into a local MOU with the local board, relating to the operation of the AJCs;
- Participate in the operation of the AJCs, consistent with the MOU and federal law; and
- Provide representation on the state board.

The Governor is charged with developing and providing guidelines for state administered one-stop partner program funding contributions, based on proportionate use, subject to caps on WIOA formula programs (no more than three percent of federal funds), and no more than 1.5 percent of federal funds from other one-stop partners (i.e. TANF).

The new law maintains current requirements for mandatory partners to reach a voluntary agreement to fund infrastructure costs; however, if local areas fail to come to an agreement, then a state-mandated funding mechanism may be imposed upon those local areas. If no local agreement is reached by July 1, 2016, the state funding mechanism would apply for that year and each program year thereafter where there is no agreement.

Other Mandatory Partners

In addition to the core programs and TANF, other mandatory partners include:

- Older Americans Act programs
- Trade Adjustment Assistance Act programs
- Veterans Employment and Training
- Community Services Block Grant employment and training
- Housing and Urban Development employment and training
- Second Chance Act programs
- Perkins Postsecondary Vocational Education activities

Additional Partners

Other possible partners, with approval of the local board and chief elected official include:

- Social Security Act employment and training programs
- Supplemental Nutrition Assistance Program (SNAP) and SNAP employment and training programs
- Client assistance programs
- National and Community Service state grants
- Any other appropriate federal, state, or local employment, education and training program

MOUs

MOUs must describe:

- Services to be provided through the one-stop delivery system
- How the cost of the services and operating costs will be funded
- Methods of referral of individuals between the one-stop operator and one-stop partners for services and activities
- Duration of the MOU
- *Methods to ensure the needs of workers and youth, including individuals with barriers to employment, are addressed*
- Procedure for amending and assurances that the MOU will be reviewed once every two years.

One-Stop Operators: *WIOA adds a new requirement that state and local boards ensure one-stop operators do not establish practices that create disincentives to providing services to individuals with barriers to employment who may require longer-term services.*

Performance Measures

WIOA creates a single set of common measures for adults across all core programs authorized under the bill, including both occupational training and adult education programs, and a similar set of common measures across all youth serving programs authorized under the bill.

The Secretaries of Labor and Education also are to develop a statistical adjustment model that will be used to take into account the economic conditions and characteristics of participants served in negotiating and determining the levels of performance applicable to the primary indicators.

Performance indicators are set for the first two years and adjusted for the third and fourth years.

Adult measures include:

- Percent of participants in unsubsidized employment during second quarter after exit and during fourth quarter after exit
- Median earnings of participants in unsubsidized employment during second quarter after exit
- Percentage of participants who obtain a recognized postsecondary credential, secondary school diploma or equivalent during participation or within one year after program exit
- Percentage of participants who during a program year are in education that leads to a recognized postsecondary credential or employment *and who are achieving measurable gains toward those goals*
- Indicators of effectiveness in serving employers

State and Local Performance Reports

Reports must include:

- Level of performance under accountability measures, including with respect to individuals with barriers to employment disaggregated by subpopulation
- Total number of participants services by each program (disaggregated)
- Number of participants receiving career and training services and the funds spent on each type of service
- Number of participants who exited from career and training services
- Average cost per participant of participants who received career and training services
- Percentage of participants who received training services and obtained unsubsidized employment in field related to that training
- Percentage of state's allotment spent on administrative costs
- Number of participants enrolled in more than one program

Pay-For-Performance

Governor is permitted to use non-federal funds to establish incentives for local boards to implement pay-for-performance contract strategy for training service delivery.

Effective Dates

In general, WIOA takes effect on July 1, 2015, the first full program year after enactment.

The deadline for the first notice of proposed rulemaking from the U.S. Departments of Labor, Education, and Health and Human Services is January 18, 2015, with the publication of final rules set for January 22, 2016.

The state unified and local plans and the performance accountability provisions take effect on July 1, 2016. However, states may choose to voluntarily submit and implement their WIOA State Unified Plan before the July 1, 2016 effective date.

For additional information

- **US DOL ETA** has created a WIOA Resource Page (www.doleta.gov/WIOA) with tools, resources, FAQs, webinar series and more and which will continue to be updated.

Dedicated email box for WIOA implementation. Submit questions, concerns, ideas to: DOL.WIOA@dol.gov.

- Information related to adult education and literacy programs under Title II of WIOA is available through **ED's Office of Career, Technical, and Adult Education** site at: <http://www2.ed.gov/about/offices/list/ovae/pi/AdultEd/wioa-reauthorization.html>.

Questions: AskAEFLA@ed.gov.

- Rehabilitation Act programs under Title IV of WIOA available through **Rehabilitation Services Administration's** website at: <http://www.ed.gov/about/offices/list/osers/rsa/wioa-reauthorization.html>.

READY TO WORK CHECKLIST ***Additional Opportunities for Human Services***

Administration's "Ready to Work" Checklist

In conjunction with the new WIOA law, the Obama Administration released a checklist for applying strategies for job-driven training across federal programs. The checklist is designed to maximize the effectiveness of over \$1.4 billion in over 25 competitive grant programs; make state and local programs more job-driven; ensure that employers are engaged; and improve accountability. It is being used as criteria for both competitive and formula-based job training grants and related programs.

The new Job-Driven Checklist also will be used to evaluate the upcoming SNAP Employment and Training pilots.

The checklist consists of seven elements, which include actions designed *to improve access to and success for individuals with disabilities and other barriers to employment* and to create regional collaborations among American Job Centers, businesses, labor, education, *human services*, philanthropy, and nonprofits. *One of the seven checklist items includes ensuring access to needed supportive services, such as transportation, childcare, financial and benefits counseling, and accommodations for persons with disabilities.*

The seven checklist items include:

- (1) Engaging Employers – work upfront with employers to determine local or regional hiring needs and design training programs that are responsive to those needs.
- (2) Earn and Learn – offer work-based learning opportunities with employers, including on-the-job training, internships, pre-apprenticeships and Registered Apprenticeships, as training paths to employment.

- (3) Smart Choices – make better use of data to drive accountability, inform what programs are offered and what is taught, and provide other user-friendly information for job seekers to choose programs and pathways that work for them and are likely to result in jobs.
- (4) Measure Matters – measure and evaluate employment and earnings outcomes.
- (5) Stepping Stones – promote a seamless progression from one educational stepping stone to another, and across work-based training and education, so individuals’ efforts result in progress.
- (6) Opening Doors – break down barriers to accessing job-driven training and hiring for any participant who is willing and able to work, including access to job supports and relevant guidance.
- (7) Regional Partnerships – create regional collaborations among American Job Centers, education institutions, labor, and nonprofits.

In addition to the checklist, there is a new collaborative partnership between DOL and the U.S. Department of Agriculture (USDA) designed to strengthen the relationship between the SNAP E&T program and the WIOA workforce development system. As part of that collaboration, **up to three states or local communities will, on a voluntary basis, test strategies to align services across training, adult education, vocational rehabilitation, and human service programs to improve customer service, optimize employment outcomes, and make more effective use of program funds.**

On TANF, HHS has specific plans to:

- (1) Send a letter to TANF agencies describing strategies for engaging employers and using better data on job availability.
- (2) Host an 18-month policy academy, “Systems to Family Stability,” to work with state and local TANF program directors and their partners to help them strengthen their TANF programs so they are more effective in improving the economic and social well-being of needy children and families. It will focus on integrating client assessment and case management, redesigning client flows or integrating education, training, and employment with a goal of providing entry into the highest-paying and often non-traditional occupations for women.
- (3) Disseminate lessons learned from the Health Profession Opportunity Grants (HPOG) program and Responsible Fatherhood program throughout the broader TANF community through webinars, regional meetings, and a National TANF Summit.

In addition, HHS, DOL, and ED will provide information on how best to access wage data and will “advise states on methods for linking program participant data with state wage records.”

Additional opportunities for collaboration include:

Workforce Innovation Funds for State-Level Reforms

DOL will be targeting \$30 million in competitive Workforce Innovation Funding for state reforms. A letter will be sent to states about the funding opportunity in the fall of 2014, with an application available in the winter of 2015. Grants will be awarded to 5 to 10 states ... with more to follow **IF** Congress continues to appropriate WIF funding in future budgets. (WIOA eliminates the Workforce Innovation Fund.)

Helping States and Localities Understand How Funding Across Programs Can Be Braided

- ***Combining Funds to Help Lower-Skilled Workers.*** In 2015, ED, in coordination with DOL, will issue guidance and organize a national webinar to illustrate how adult education, career and technical

education, and vocational rehabilitation providers can partner with workforce development organizations, and business, industry, and labor to support and expand integrated education and training programs. The guidance will address how adult education and occupational training funds can be braided.

- **Braiding Funds to Help Persons with Disabilities.** In 2015, DOL, ED, SSA and HHS will issue coordinated technical assistance to funding recipients on how disability employment funding and funding for related support services can be braided and encouraging agencies to work together and braid funds to best serve people with disabilities.
- **Myth Busters.** ED, DOL, HHS, and DOJ along with the U.S. Interagency Council on Homelessness, are working together to publish “myth busters” that dispel common myths that exist about barriers to serving disconnected youth.

The **Ready to Work** report is available on the White House [website](#).

For additional information, contact:

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