

The Workforce Innovation and Opportunity Act - July 22, 2014

The Workforce Innovation and Opportunity Act (WIOA) will help job seekers and workers access employment, education, training, and support services to succeed in the labor market and match employers with skilled workers they need to compete in the global economy. Congress passed WIOA, the first legislative reform of the public workforce system in more than 15 years, by a wide bipartisan majority. In doing so, Congress reaffirmed the role of the American Job Center (AJC) system, a cornerstone of the public workforce investment system, and brought together and enhanced several key employment, education, and training programs. In recent years over 20 million people annually turn to these programs to obtain good jobs and a pathway to the middle class. WIOA continues to advance services to these job seekers and employers.

HIGHLIGHTS OF WIOA REFORMS TO THE PUBLIC WORKFORCE SYSTEM

Aligns Federal Investments to Support Job Seekers and

Employers: At the State level, WIOA establishes unified strategic planning across “core” programs, which include Title I Adult, Dislocated Worker and Youth programs; Adult Education and Literacy programs; the Wagner-Peyser Employment Service; and Title I of the Rehabilitation Act programs.

Strengthens the Governing Bodies that Establish State, Regional and Local Workforce Investment Priorities: WIOA streamlines membership of business-led, state and local workforce development boards. The Act emphasizes the role of boards in coordinating and aligning workforce programs and adds functions to develop strategies to meet worker and employer needs.

Helps Employers Find Workers with the Necessary Skills: WIOA emphasizes engaging employers across the workforce system to align training with needed skills and match employers with qualified workers. The Act adds flexibility at the local level to provide incumbent worker training and transitional jobs as allowable activities and promotes work-based training, for example by increasing on-the-job training reimbursement rates to 75 percent. The law also emphasizes training that leads to industry-recognized post-secondary credentials.

Aligns Goals and Increases Accountability and Information for Job Seekers and the Public: WIOA aligns the performance indicators for core programs, and adds new ones related to services to employers and postsecondary credential attainment. Performance goals must reflect economic conditions and participant characteristics. It makes available data on training providers’ performance outcomes and requires third party evaluations of programs.

WIOA PROGRAMS

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

WIOA authorizes the Job Corps, YouthBuild, Indian and Native Americans, and Migrant and Seasonal Farmworker programs, in addition to the core programs.

EFFECTIVE DATES FOR IMPLEMENTATION

President Barack Obama signed WIOA into law on July 22, 2014.

In general, the Act takes effect on July 1, 2015, the first full program year after enactment, unless otherwise noted. The State Unified Plans and Common Performance Accountability provisions take effect July 1, 2016. The U.S. Department of Labor (DOL) will issue further guidance on the timeframes for implementation of these changes.

DOL will issue proposed regulations reflecting the changes in WIOA soon after enactment.



Fosters Regional Collaboration to Meet the Needs of Regional Economies: WIOA requires states to identify economic regions within their state, and local areas are to coordinate planning and service delivery on a regional basis.

Targets Workforce Services to Better Serve Job Seekers: WIOA promotes the use of career pathways and sector partnerships to increase employment in in-demand industries and occupations. To help local economies target the needs of job seekers, WIOA allows 100 percent funds transfer between the Adult and Dislocated Worker programs. WIOA adds basic skills deficient as a priority category for Adult services. WIOA also focuses Youth program services to out-of-school youth. The Act strengthens services for unemployment insurance claimants. It also merges WIA core and intensive services into a new category of career services, clarifying there is no required sequence of services. The Act allows Governors to reserve up to 15 percent of formula funds for activities such as innovative programs.

Improves Services to Individuals with Disabilities: WIOA increases individuals with disabilities' access to high-quality workforce services to prepare them for competitive integrated employment. It requires better employer engagement and promotes physical and programmatic accessibility to employment and training services for individuals with disabilities. Youth with disabilities receive extensive pre-employment transition services to obtain and retain competitive integrated employment. It creates an Advisory Committee on strategies to increase competitive integrated employment for individuals with disabilities.

Supports Access to Services: To make services easier to access, the WIOA requires co-location of the Wagner-Peyser Employment Service in AJCs and adds the Temporary Assistance for Needy Families program as a mandatory partner. WIOA establishes dedicated funding from AJC partner programs to support the costs of infrastructure and other shared costs that support access to services. It asks the Secretary of Labor to establish a common identifier for the workforce system to help workers and employers find available services. In addition, WIOA allows local areas to award pay for performance contracts so providers of services get paid for results. It also allows direct contracts to higher education institutions to provide training.

STAKEHOLDER ENGAGEMENT AND TECHNICAL ASSISTANCE

DOL, in coordination with the U.S. Departments of Education (ED) and Health and Human Services (HHS), is working diligently to ensure that states and local areas, other grantees, and stakeholders are prepared for implementation of WIOA. 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 actively engage stakeholders in the implementation of WIOA. Opportunities to provide input will be communicated through the WIOA Resource Page.

WIOA RESOURCE PAGE

Visit www.doleta.gov/WIOA to learn more and access relevant guidance and technical assistance tools and resources developed by the Employment and Training Administration (ETA). All relevant guidance will also be posted on the ETA Advisory Website (<http://wdr.doleta.gov/directives/>) Please email questions to DOL.WIOA@dol.gov or contact your ETA regional Office.

