



May 21, 2014

Efforts to Reauthorize the Workforce Investment Act Are Working!

In a rare instance of bipartisan and bi-cameral solidarity, the Senate introduced a new reauthorization bill that was created in conjunction with their peers in the House. The compromise bill, *Workforce Innovation and Opportunity Act (WIOA)*, has support from both Democrats and Republicans in both chambers.

WIOA represents a compromise between the SKILLS Act (H.R. 803), which passed the House in March 2013 along party lines, and the Workforce Investment Act of 2013 (S. 1356), which passed by a bipartisan vote through the Senate Health, Education, Labor, and Pensions (HELP) Committee in July 2013.

Since July 2013, there has been very little public movement although legislators, congressional staff, and groups like NAWDP have been working hard behind the scenes to modernize the system. While not perfect (no legislation is ever perfect), WIOA appears to have taken many of the best provisions from both bills.

Program Details:

This bill is quite complex and I'll be taking the next few days to do a thorough analysis on it. In general, it keeps the basic structure of the workforce system in place, but add provisions to modernize and improve efficiencies. Local control is maintained and there is a stronger emphasis on regional planning and service, career pathways, consistent reporting, and the effective use of technology.

The measure requires a unified state plan and creates common performance measures across all programs serving adults and common performance measure across all programs serving youth.

Sequence of service requirements are eliminated and 15 workforce programs have been consolidated. Consolidated programs include:

- WIA Veterans Workforce Investment Program
- WIA Workforce Innovation Fund
- WIA Incentive Grants
- WIA Pilots and Demonstration Projects
- Youth Opportunity Grants
- 21st Century Workforce Commission
- National Institute for Literacy
- Health Care Cap Coverage for Trade Adjustment Assistance

- Community-based Job Training Grants
- Green Jobs Act
- Projects with Industry under Rehabilitation Act Amendments
- Recreation Programs under Rehabilitation Act Amendments
- In-service Training under Rehabilitation Act Amendments
- Migrant and Seasonal Farmworker Program under Rehabilitation Act Amendments
- Grants to States for Workplace and Community Transition Training for Incarcerated Individuals under the 1998 Amendments to the Higher Education Act

Workforce Investment Boards (WIBs) will still be business led, but will shrink in size to 33 required partners at the State WIB and 19 on the Local WIB.

In addition to strengthening the role of industry-recognized credentials and sector strategies, the measure places an emphasis on using work-based training options, customized training, and incumbent worker training.

General Funding Provisions:

- State set-aside is restored to 15%.
- The funding formulas follow current law, but there will be a 90% hold harmless provision for adult and youth programs to help protect against wide variations in annual funding levels due to the formula.
- There is 100% transferability between local adult and dislocated worker programs to ensure that local needs are being met.
- 75% of youth funding must be used to serve out-of-school youth.
- Under Adult Education Title, the current provision requiring 82.5% of funds be directed to local adult education providers is maintained. States may increase funding for corrections education up to 20%.

A one-page summary of the legislation can be found [HERE](#).

Timing

The bill is not a done deal...yet. The Senate is working on a procedural option that would allow the bill to be considered as early as the first week in June. It may take longer, but we should know shortly.

Once passed in the Senate, it will go back to the House for approval where it is expected to pass without issue. Once it is signed into law, it will go into effect 2015.

Thank you for all of your efforts on this. If you would like a copy of the bill or if you have any questions or concerns, please do not hesitate to contact me directly at Bridget@nawdp.org or 202/589-1790.
