

# The Workforce Innovation and Opportunity Act

## Final Rules

### An Overview

The bipartisan Workforce Innovation and Opportunity Act (WIOA) (Pub. L. 113-128), signed by President Obama on July 22, 2014, created a new vision for how America prepares an educated and skilled workforce that expands opportunity for workers and employers. WIOA represents the most significant reform to our public workforce development system in nearly 20 years. The same day the President signed WIOA into law, the Vice President released his Job-Driven Training report, recommending improvements to our Federal training programs, including stronger employer engagement, the use of work-based learning approaches like apprenticeship, accountability for employment outcomes, and regional partnerships. The Administration laid out a vision for our job training system that – as he explained – “trains our workers first based on what employers are telling us they’re hiring for and helps business design the training programs so that we’re creating a pipeline into jobs that are actually out there.” Many of these recommendations complement the new law.

The 21<sup>st</sup> century public workforce development system created through WIOA builds closer ties between business leaders, State and Local Workforce Development Boards, labor unions, community colleges, non-profit organizations, youth-serving organizations, and State and local officials to deliver a more job-driven approach to training and skills development. The system will deliver integrated, job-driven services to job seekers, including youth and those with barriers to employment, as well as to workers and employers. It supports the development of strong regional economies and enhances performance accountability to better inform consumers and investors about programs and services that work.

The WIOA Final Rules include reforms that will affect more than a dozen programs receiving approximately \$10 billion in annual funding, and programs that serve approximately 20 million Americans each year, by:

- ◆ **Ensuring Accountability for Employment Results.** All programs will now report employment and earning outcomes, which is new for some programs, and all core programs will report on outcomes using the same definitions so that their results can more easily be compared.
- ◆ **Improving Transparency for Job Seekers to Help Them Make Better Choices.** Customers will also have information to better inform their choices when selecting training programs. American workers looking to invest time and money in training can go online and see which programs have the best chance at giving them a leg up.
- ◆ **Strengthening employer engagement and service to businesses.** We are implementing a new accountability indicator to gauge how effectively businesses are served by the workforce system. The law also will increase opportunities for work-based learning, including on-the-job training and Registered Apprenticeships, for all Americans, particularly those with barriers to employment.
- ◆ **Enhancing Coordination and Collaboration across Programs.** We are implementing provisions of the law that require unified State planning across programs and co-location of more programs in American Job Centers. These reforms will result in streamlined access to customer-focused services and improved communication across the workforce system.



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Today, the U.S. Departments of Labor and Education (Departments) made available to the public a set of final regulations implementing WIOA. In developing these final regulations the Departments consulted with stakeholders, published proposed rules, and reviewed thousands of pages of public comments received in response to those proposed rules. The final regulations encourage customer-centered, job-driven strategies, such as career pathways, business engagement systems, sector strategies, and work-based learning; and they emphasize a commitment to high-quality services for all populations, including individuals with barriers to employment. These regulations provide the foundation upon which services to individuals and businesses can be strengthened and improved over time and include:

- I. **Joint Rule for Unified and Combined State Plans, Performance Accountability, and the One-Stop System Joint Provisions:** This Joint Final Rule, issued by the Departments of Education and Labor, implements jointly-administered activities authorized by Title I of WIOA. This Joint Final Rule provides guidance for State and local workforce development systems on the requirements governing the development and submission of Unified and Combined State Plans, the performance accountability system, and the joint one-stop system, particularly with respect to partner program responsibilities, programmatic and physical accessibility for all customers, memoranda of understanding, infrastructure funding, and one-stop certification. This Joint WIOA Final Rule reflects changes made as a result of public comments received on the joint Notice of Proposed Rulemaking (NPRM) that was published on April 16, 2015, at 80 FR 20574.
- II. **Department of Labor-Only:** This Department of Labor Final Rule implements Titles I and III of WIOA. The Department prepared this Final Rule to implement those provisions of WIOA that affect the core programs under Title I; the Wagner-Peyser Act Employment Service and Monitor Advocate system as amended by WIOA Title III; and the Job Corps and national programs authorized under Title I which will be administered by the Department. This Final Rule reflects changes made as a result of public comments received to the NPRM that was published on April 16, 2015, at 80 FR 20690.
- III. **Programs and Activities Authorized by the Adult Education and Family Literacy Act (Title II of WIOA):** This Department of Education Final Rule implements changes to the Adult Education and Family Literacy Act (AEFLA) resulting from the enactment of WIOA. This Final Rule clarifies new provisions in the law and updates the regulations that establish criteria for determining the suitability of tests used for measuring State performance on the measurable skill gains indicator under WIOA. Finally, the rule removes specific parts of title 34 of the Code of Federal Regulations that are no longer in effect. This Final Rule reflects changes made as a result of public comments received on the NPRM that was published on April 16, 2015, at 80 FR 20968.
- IV. **State Vocational Rehabilitation Services Program; State Supported Employment Services Program; Limitations on Use of Subminimum Wage:** This Department of Education Final Rule amends the regulations governing the State Vocational Rehabilitation Services program and the State Supported Employment Services program in order to implement changes to the Rehabilitation Act of 1973 (Rehabilitation Act), as amended by Title IV of WIOA. This Final Rule also updates, clarifies, and improves the current regulations. The Department of



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Education also produced new regulations regarding limitations on the use of subminimum wages added by new Section 511 of the Rehabilitation Act which are under the purview of the Department of Education. This Final Rule reflects changes made as a result of public comments received on the NPRM that was published on April 16, 2015, at 80 FR 21059.

- V. WIOA, Miscellaneous Program Changes:** This Department of Education Final Rule amends the regulations governing a number of other programs administered by the Rehabilitation Services Administration to implement changes to the Rehabilitation Act made by WIOA. This Rule also implements those changes to the Rehabilitation Act made by the Workforce Investment Act of 1998, enacted on August 7, 1998, which had not previously been implemented in regulations, and it otherwise updates, clarifies, and improves the Rehabilitation Services Administration's current regulations. This Final Rule reflects changes made as a result of public comments received on the NPRM that was published on April 16, 2015, at 80 FR 20988.

These final regulations were made available to the public today, and will shortly be published in the *Federal Register*. The Departments of Labor, Education, and Health and Human Services continue to work together to support the public workforce development system to implement WIOA with program and performance data guidance, and training and technical assistance on shared strategies and technical requirements for creating a customer-centered workforce system. For more information, please visit the **Innovation and Opportunity Network (ION) webpage** at: <https://ion.workforcegps.org>.

