

# The Workforce Innovation and Opportunity Act

## Final Rules

### A Detailed Look

#### WIOA IMPLEMENTATION:

The bipartisan Workforce Innovation and Opportunity Act (WIOA), 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. The 21st 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 final regulations are the result of unprecedented collaboration between the Departments of Education and Labor (Departments) and are the latest milestone in WIOA implementation. Since WIOA was signed, the Departments engaged the public workforce system through guidance, the submission of state strategic plans, and specifications for new performance data reporting. These final regulations provide the foundation upon which services to individuals and businesses can be strengthened and improved over time.

#### WIOA IN PARTNERSHIP:

In keeping with WIOA's focus on delivering integrated, coordinated services, these final regulations were developed in partnership with multiple Federal agencies. These agencies will continue to collaborate to train State and local partners in strengthening career pathways, work-based learning, sector strategies, and business engagement, and also in delivering effective services to all individuals, including individuals with barriers to employment.

#### KEY PROVISIONS OF THE JOINT FINAL RULE:

The Joint Final Rule structurally aligns the six WIOA core programs (Adult, Dislocated Worker, Youth, Employment Service, Adult Education, and Vocational Rehabilitation), thus supporting cross-program strategic and operational planning, performance accountability, and requirements for administering and operating the American Job Center system.

- ◆ **Coordinated Planning:** The development and submission of a Unified or Combined State Plan reinforces a State's role in formulating a strategic vision to align its Federal resources. WIOA requires the core programs to develop a single Unified State Plan. The final regulations also elaborate on each State's option to submit a Combined State Plan instead that reflects planning by the core programs with other workforce system partners.
- ◆ **Aligning Accountability:** The joint final regulations implement a number of provisions designed to improve accountability and transparency within the workforce system, and measure key employment and educational outcomes, as well as the programs' effectiveness in meeting employers' needs. Specifically, the joint final regulations require the six core programs to report participant outcomes using six common performance indicators:
  1. The percentage of program participants who are in unsubsidized employment during the second quarter after exit from the program.
  2. The percentage of program participants who are in unsubsidized employment during the fourth quarter after exit from the program.



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3. The median earnings of program participants who are in unsubsidized employment during the second quarter after exit from the program.
4. The percentage of program participants who obtained a recognized postsecondary credential, or a secondary school diploma or its recognized equivalent during participation in or within one year after exit from the program (participants who obtained a secondary school diploma or its recognized equivalent are included in the percentage only if they have obtained or retained employment or are in an education or training program leading to a recognized postsecondary credential within one year after exit from the program).
5. The percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains toward such a credential or employment.
6. The indicator(s) of effectiveness in serving employers.

In addition, other workforce programs will use this common data reporting structure, thereby aligning data elements and definitions across more programs. The joint final regulations also require: (1) the use of a statistical adjustment model to set levels of performance; (2) State submission of an annual report using a standard format; and (3) the publication of easy-to-understand information about the performance of training providers and programs.

- ◆ **Improving Service Delivery:** WIOA provides enhancements for a more integrated and coordinated one-stop service delivery system in each State, and brands this system as the American Job Center system. The Joint Final Rule describes this system of services including: roles and responsibilities for the six core programs, as well as other partner programs such as Temporary Assistance for Needy Families; programmatic and physical accessibility for all customers; Memoranda of Understanding requirements; infrastructure funding; and one-stop certification.

## KEY PROVISIONS OF THE TITLE I ADULT, DISLOCATED WORKER, YOUTH, NATIONAL PROGRAMS, AND JOB CORPS, AND TITLE III EMPLOYMENT SERVICE PROGRAMS:

This Final Rule provides the framework for state and local workforce development systems to provide services that increase the employment, retention, earnings, and occupational skill attainment of U.S. workers. The rule includes provisions to help out-of-school youth, individuals with disabilities, and others with barriers to employment move into good jobs and careers; and to give businesses the skilled workforce needed to make the United States more competitive in the 21<sup>st</sup> Century global economy. Key features of the rule include:

- ◆ **Integrated services to jobseekers and businesses:** Businesses and job seekers will have access to a seamless system of high-quality education, employment, and training services through one of the nearly 2,500 American Job Centers across the country. Under the regulation, coordination of programs, services, and governance structures will support both individuals seeking jobs and skills training and employers seeking skilled workers.
- ◆ **Increased access to relevant training:** The regulation increases access to job-driven training, informed by using labor market information and employer needs identified through business engagement. The regulation will encourage the use of work-based learning strategies, such as on-the-job training and registered apprenticeships. Programs deliver training along career



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pathways, accompanied by career counseling, supportive services, and needs-related payments, as appropriate

- ◆ **Wider array of services for youth:** Youth, especially out-of-school and at-risk youth, are connected through American Job Centers to education and jobs; particularly work experience, career guidance, financial literacy education, and entrepreneurial skills training. The rules continue to support YouthBuild, which funds job training and educational activities for at-risk youth who, as part of their training, help construct or rehabilitate housing for homeless individuals and families and low-income families. The Job Corps program is also strengthened, with specific requirements relating to site selection, protection, and maintenance of Job Corps facilities; funding and selection of center operators and service providers; recruitment, eligibility, screening, selection and assignment, and enrollment of Job Corps students; Job Corps program activities and center operations; student support; and career transition services and graduate services.
- ◆ **Improved Services for Business:** The new rule better aligns services with the needs of regional economies and local employers by instituting regional planning and enabling Boards to use industry or sector partnerships that include high-quality worker training for new and incumbent workers that meet the needs of local and regional employers.
- ◆ **Greater emphasis on reemployment:** The regulations allow the workforce system to more effectively respond when workers lose their jobs by integrating Unemployment Insurance, rapid response to worker dislocations, and customer-centered National Dislocated Worker Grants which enable quick applications for grants to relieve the impact of mass layoffs and other major economic dislocations, emergencies, and disasters on employment in the impacted area and to meet the training and reemployment needs of affected workers. The rule also further aligns employment services to the rest of the public workforce system, by mandating colocation of employment service offices with American Job Centers and emphasizes reemployment services for unemployment insurance claimants such as skill assessments and job search assistance.
- ◆ **Better information means better decision-making:** Boards will use up-to-date labor market information, program evaluations, and related data to inform customers as they are considering program options, inform lawmakers updating public policy, and drive strategic decision making for program operators.
- ◆ **Streamlined Indian and Native American Program:** The regulations require that Indian and Native American Program grants be awarded through a competitive process which aligns with other WIOA-funded programs. Grantees are also required to submit a 4-year plan which describes their service strategies and program operations.
- ◆ **Improved services and protections for farmworkers:** The regulations provide migrant and seasonal farmworkers with career services and training, housing assistance, youth services, and related assistance. Under the regulations, more services are available to a wider age range of migrant youth. The regulations also govern the Agricultural Recruitment System, a system for interstate and intrastate agricultural job recruitment, and provide agricultural housing standards for migrant and seasonal farmworkers.



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## KEY PROVISIONS OF THE TITLE II ADULT EDUCATION AND FAMILY LITERACY ACT PROGRAM:

WIOA strengthens the Title II Adult Education and Family Literacy Act (AEFLA) program by positioning adult education services as a key component of the workforce development system in local communities and improving alignment among adult education programs, postsecondary education providers, and employers. The program-specific Final Rule adheres to the following key goals:

- ◆ **Transition from adult basic education to postsecondary education, postsecondary training, or employment:** While AEFLA continues to emphasize high school completion for youth and adults, WIOA reauthorized AEFLA in a manner that recognizes that completion of high school is not an end in itself but a means to further opportunities and greater economic self-sufficiency. Through the implementation of new activities such as integrated education and training, workforce preparation activities, and career pathways programming, changes that will be implemented under the AEFLA Final Rule will better support individuals as they transition from adult basic education to postsecondary education, postsecondary training, or employment.
- ◆ **English language learning:** Through WIOA, AEFLA now formalizes the role that adult education has played for decades related to assisting immigrants and English language learners in learning to read, write, and speak English, adds mathematics to the scope of services, and expands the focus of English language learning by adding civics education and workforce training.
- ◆ **Innovative Supports for Re-entry:** Drawing on growing research on the long-term value of education in reducing recidivism and promoting successful re-entry into society, AEFLA, as reauthorized by WIOA, encourages investments in and innovative programming for the educational and career advancement of incarcerated individuals.
- ◆ **Supports for families and communities:** As reauthorized by WIOA, the purpose of AEFLA continues to emphasize the important role that adult education and literacy plays in supporting the educational and skill achievement of parents and family members to participate in the educational development of their children and improve economic opportunities for their families.

## KEY PROVISIONS OF THE TITLE IV VOCATIONAL REHABILITATION PROGRAM:

WIOA makes significant changes to programs authorized under the Rehabilitation Act of 1973 (Title IV), particularly to the Vocational Rehabilitation (VR) program. This is one of the core programs administered by the Department of Education, providing VR services to individuals with disabilities, including students and youth with disabilities. The program-specific Final Rule adheres to the following key goals:

- ◆ **Aligns the VR program with other core programs:** WIOA strengthens the alignment of the VR program with other core programs of the workforce development system. This alignment also brings together various entities in workforce, educational and human resource programs to create a seamless customer-focused service delivery network that integrates service delivery across programs, enhances access to services, and improves long-term employment outcomes for individuals with disabilities.
- ◆ **Strengthens the VR program's focus on competitive integrated employment:** The guiding principle of the VR program is that individuals with disabilities, including those with the most



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significant disabilities, are capable of achieving high quality, competitive integrated employment when provided the necessary services and supports. To increase the employment of individuals with disabilities in the competitive integrated labor market, the workforce system must provide individuals with disabilities opportunities to participate in job-driven training and pursue high quality employment outcomes. The VR program enhances access to services, including VR services, for individuals with disabilities seeking or continuing employment at subminimum wages with entities holding special wage certificates under section 14(c) of the Fair Labor Standards Act, enabling them to achieve competitive integrated employment.

- ◆ **Expands VR services to students and youth with disabilities:** WIOA ensures that students and youth with disabilities have meaningful opportunities to receive the VR services they need to achieve competitive integrated employment. WIOA amends the VR program to expand not only the population of students with disabilities who may receive VR services but also the breadth of services that the VR agencies may provide to youth and students with disabilities who are transitioning from school to postsecondary education and employment. Under WIOA, the VR program strengthens coordination between VR agencies and local education agencies in the provision of transition services provided under the Individuals with Disabilities Education Act and the provision of pre-employment transition services to students with disabilities under the VR program.

