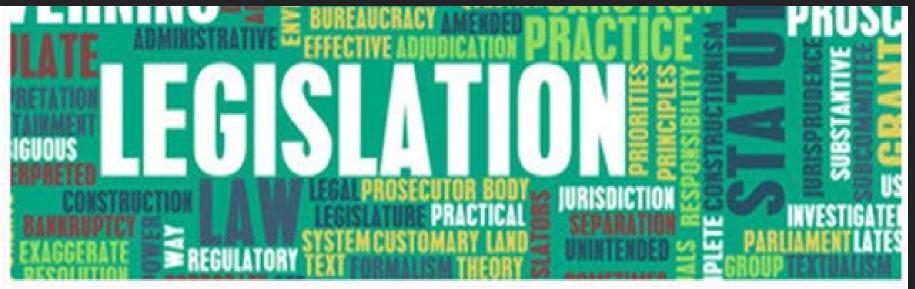


# Workforce Innovation & Opportunity Act (WIOA)



#### What we'll cover...

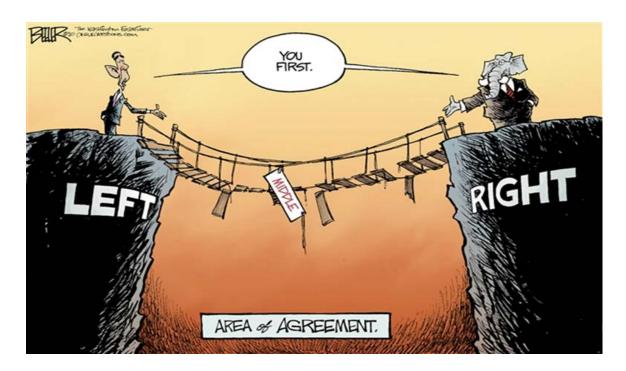
- General Background
- What's new and the opportunities ahead!
- What is scary!
- Q & A





## Workforce Innovation & Opportunity Act

- President Barack Obama signed WIOA into law on July 22, 2014.
- Passed by Congress with wide bipartisan majority (the Senate voted 93-5 and the House of Representatives voted 415-6).





#### Road to Reauthorization

#### Senate Bill: WIA Reauthorization

- Streamline & improve services
- Improve accountability and performance measures through common reporting
- Expand the role of community colleges in job training
- 21<sup>st</sup> century delivery system for Adult Education Literacy
- Engage youth through multiple pathways for education & employment
- Create competitive employment services
   & opportunities for individuals with disabilities

#### House Bill: SKILLS Act

- Consolidate 35 existing federal workforce programs
- Eliminate membership requirements for state workforce boards
- Allow state boards to designate local areas in consultation with the governor
- Eliminate the priority for services to lowincome individuals
- Require states to set aside up to 25 % of WIF dollars to maintain Job Corps & minimum % of local allocations for training
- Set common performance measures for the WIF adult education programs under Title II, and Vocational Rehabilitation programs under Title IV



# Overarching Goals of WIOA

- Increase access to education, training and employment particular for people with barriers
- Create a high quality workforce development system by aligning workforce investments, education and workforce development systems
- Improve the quality of labor marker relevance
- Promote improvement and in the structure and delivery of services
- Increase the prosperity of workers and employers
- Reduce dependency, meet employer needs, enhance productivity and competitiveness in the nation



#### What is in the law...

- Program Consolidation Limited to 15 programs (vs 35 in House Bill)
- **Performance:** Common across WIOA titles bigger focus on retention
- Training: Emphasis on job-training, sector-focus and employer-based
- **Literacy:** Intent to deepen connection between Title I and Title II, career pathways, and focus on serving low-basic skilled
- Youth: Out of School Youth (75%), In-School Youth (25%) free & reduced lunch
- **Special Populations:** Importance placed on serving individuals with disabilities, including youth
- Funding: Includes authorizing language for funding back to FY'10 levels by 2017
- Workforce Boards: Still business-led & business majority; less mandated partners
- America's Job Centers: No more sequence of services now "career services"



## Is this really just WIA 2.0?

#### Partnerships need to be real:

- States are required to strategically align workforce system
- Local partners to One-Stop system must sign MOU and 'contribute'
- We're all in this together our performance is tied to each other's success

#### Promising Practices under WIA are now integral to WIOA

- Serving hardest to serve
- Employer-focused metrics
- Career Pathways/Sector-based/Work Experience/OJT





#### New Performance Measures

Performance Measure	Current WIA	Proposed WIOA	
Adults and Dislocated Worker Measures			
Entry into unsubsidized employment (Entered Employment)	Measured in Q1 after exit.	Measured in Q2 after exit. (Additional 1 quarter lag in reporting.)	
Retention in unsubsidized employment (Employment Retention)	Measured in Q2 and Q3 after exit.	Measured in Q4 after exit. (Additional 1 quarter lag in reporting.)	
Earnings change after entry into unsubsidized employment (Average Earnings)	Measured as average, in Q2 and Q3 after exit.	Measured as median earnings in Q2 after exit only.  Median is defined as the numerical value that separates the higher half from the lower half of earnings.	
Credential rate	None	New measure:  Percentage of participants who obtain a recognized post- secondary credential or diploma during participation or within 1 year after program exit.	
In Program Skills Gain	None	New measure:  Percentage of participants in education leading to credential or employment during program year, achieving measurable gains.  Measured in real time.	
Employer Measure			
Indicators of effectiveness in serving employers	None	New measure:  One or more employer measures to be implemented before commencement of Year 2.	

#### New Performance Measures

Performance Measure	Current WIA	Proposed WIOA
Youth Measures		
Placement in Employment, Education, or Training	Measured in Q1 after exit.	Measured in Q2 after exit. (Additional 1 quarter lag in reporting.)
Retention in Employment, Education, or Training	None	New measure: Percentage of participants in education, training, or unsubsidized employment; measured in Q4 after exit.
Earnings after entry into unsubsidized employment	None	New measure: Median earnings of participants in unsubsidized employment during Q2 after exit.
Credential rate	Attainment of a Degree or Certificate - Rate of youth par- ticipants who obtain a diploma, GED, or certificate by the end of the Q3 after exit.	Percentage of participants who obtain a recognized credentials or secondary diploma during participation or within 1 year after program exit.
Literacy and Numeracy Gains	Literacy and Numeracy Gain - Rate of youth participants who increase one or more educational functioning levels during first year in program.	Eliminates measure
In Program Skills Gain	None	New measure:  Percentage of participants in education leading to credential or employment during program year, achieving measurable gains.  Measured in real time.



## Impact on Workforce Boards

- Intent is for the Board to be smaller and to be even MORE businessdriven; continues to be chaired by "business"
- Guarantees Organized Labor participation on the Board ("Not less than 20% of the local board")
- Reduces mandated partners required to serve on the Board to:
  - Title II
  - Higher Education
  - Economic Development
  - Rehab Act/Voc Rehab
  - Wagner Peyser





## Impact on Workforce Boards

#### Minimum Membership under WIOA:

- 10 Business Reps (51% majority of Board), including Chair
- 4 Labor Reps (20% requirement under WIOA)
- 1 Adult Literacy Rep
- 1 Vocational Rehabilitation Rep
- 1 Higher Education Rep
- 1 Wagner-Peyser Rep
- 1 Economic Development Rep



#### **Suggested Committees:**

- One-Stop Delivery and Operations;
- Youth (Note: Youth Council is no longer required); and
- Serving Individuals with Disabilities.



#### Responsibilities of the Boards

- Writing and Approving the Local plan
- 2. Workforce Research and Regional Labor Market Analysis
- 3. Convening, Brokering and Leveraging
- 4. Employer Engagement
- 5. Career Pathways Development
- 6. Promoting Proven and Promising Practices
- 7. Technology improvements
- Program Oversight
- Performance Negotiations
- 10. Selection of Operators and Providers
- 11. Coordination with Education Providers
- 12. Budget and Administration
- 13. Accessibility for Individuals with Disabilities



#### Biggest Impacts: One-Stops

#### What's new...

More required One-Stop Partners (including TANF)

#### Challenges...



MOUs & cost allocations; do all services need to be available at all sites?

One-Stop Operators need to be competitively bid



What happens to consortia agreements or municipal workforce systems?

"America's Job Centers"



Use of and transitioning the brand

Local areas are required to be "regional" working across LWIA borders



Potential for LWIA consolidation in a few years



#### Biggest Impacts: Training Services

#### What's new...

Eliminates the Sequence of Services, now Career Services

Training is expanded to include more opportunity for incumbent worker (no more than 20%), sector-based, OJT, entrepreneurial, transitional jobs (10%), I-Best, etc.

**Training Provider Performance** 

#### Challenges...



Potentially new customer flow, more requirements like "skills assessment"



Enough money to actually do the training; credentials



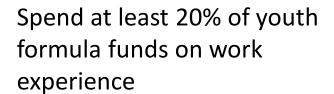
Who will collect & disseminate; issues with ETPL in New York



## Biggest Impacts: Youth

#### What's new...

Focus on Out-of-School Youth (75% of funding)



Youth with disabilities will receive extensive "pre-employment transition" services so they can successfully obtain "competitive integrated employment"

#### Challenges...



Transitioning the system to serve less In-School Youth



Funds activities such as summer jobs, pre-apprenticeship, on-the-job training, and internships, will need to grow employer relationships



Coordination of Title I, II and Rehab Act to best serve these youth



#### Biggest Impact: Literacy

Adult Education and Family Literacy Act (AEFLA) which provides foundation skills and English literacy instruction.

- Unified planning at Federal and State Level
- New performance metrics, aligned with all other Titles of WIOA
- Emphasis on integrated literacy and vocational training specifically expands the purpose to increase the ability to transition to postsecondary education or employment
- Increases percentage of funding for correctional education to no more than 20%
- Focus on career pathways across system



#### Biggest Impact: Rehab Act

Increases individuals with disabilities' access to high quality workforce services & preparation for competitive integrated employment.

One-Stop career centers will provide *physical and programmatic accessibility to employment and training services* for individuals with disabilities and implement new Section 188 (non-discrimination) requirements related to:

- functions of the local boards
- local plan content
- certification, at least every three years, of the One-Stop career centers to include an assessment of physical and programmatic accessibility in accordance with Secton188



# Timeline for Implementation

Jan. 18, 2015: Notices of Proposed Rulemaking published by DOL, ED & HHS

July 1, 2015: WIOA goes into effect. Current performance accountability system will remain in effect for first full performance year

July 22, 2015: Training Provider provisions must be enacted by Governors Templates for Performance must be developed and shared

Jan. 22, 2016: Final Rule must be published

March 3, 2016: State Unified Plan Submission and Performance is negotiated as part of approval of State Plans

June 30, 2016: DOL and ED must develop performance indicator relating to employer engagement

July 1, 2016: Infrastructure costs requirements take effect; performance takes effect, common one-stop identifier takes effect.



# What do we think are the biggest challenges ahead...



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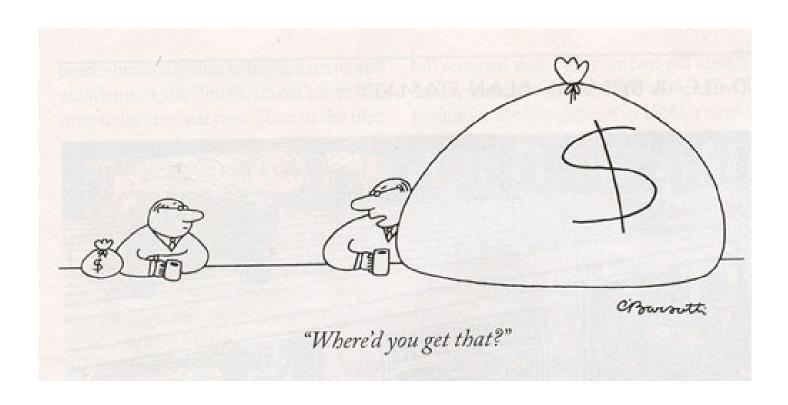


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# What do we think are the biggest challenges ahead...







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