

## **Summary of the Workforce Investment Act (WIA) of 2012**

With job gains improving steadily for months, there are signs that the economy is on the road to recovery. But right now, over 40 percent of the 13 million people unemployed have been looking for work for at least half a year or more. Yet, many employers in health care, advanced manufacturing, and other high-growth sectors assert that they cannot find skilled people to fill positions among the current 3.5 million job openings. To assist the many jobless workers, including the long-term unemployed, acquire the skills that growing industries need requires innovative and effective use of the knowledge, information and opportunities within our workforce investment system.

Democrats remain committed to investing in the skills of America's workforce while also making sure that U.S. businesses stay ahead of global competition by modernizing the workforce investment system to better serve the needs of workers and employers. To achieve this, Democrats support a reauthorization of the Workforce Investment Act (WIA) that will improve the nation's workforce investment infrastructure, focus on finding jobs through strategic partnerships with in-demand sector employers, community colleges, labor organizations, and non-profits. Real investments in our workforce are not only critical for building momentum for the current recovery, but also for our long term global competitiveness.

The Democratic approach to WIA reauthorization is driven by three core principles:

- 1. Streamlining and coordinating workforce investment system programs.**
- 2. Strengthening workforce investment system accountability.**
- 3. Promoting innovation and best practices within the workforce investment system.**

The Workforce Investment Act of 2012 makes critical improvements to the current system, including:

### **Streamlining and Improving Workforce Program Services:**

- The bill requires states to establish unified state plans that streamline and coordinate the operation of job training, adult education, and postsecondary education programs.
- Requires state and local workforce investment boards to implement career pathways strategies and initiatives that offer career advancement to workers.
- Expands use of on-the-job training, incumbent worker training, transitional jobs, paid work experience so that individuals can learn and work and enter/reenter the labor market more quickly.
- The bill improves access to training by making clear that individuals can immediately access services in any sequence order.
- Requires training programs to offer multiple exit and entry points for workers at various skill levels and career stages
- Allows local areas the flexibility to contract directly with community colleges to provide specialized group training classes that are designed for employers who are looking to hire many workers with a particular skill.
- Codifies the co-location of Employment Service and One-Stop Centers offices and clarifies the Employment Service role in assisting unemployed individuals.

### **Improving Accountability and Transparency through Performance Measures and Reporting Across programs:**

- Establishes common reporting and performance measures across all job training, adult education, Wagner-Peyser, and Vocational Rehabilitation programs.

- Provides workers and employers with easy access to performance outcome information for past participants and programs so that they can make informed decisions about which program are most likely to meet their needs.
- Adjusts performance measurement for areas that serve hard-to-serve populations.
- Measures system performance not just on how many individuals are placed into jobs, but also by how many individuals gain recognized postsecondary credentials for employment.
- Establishes an additional performance measure for employer satisfaction.
- Ensures that more individuals receive training by requiring states to designate a portion of funding specifically for training.
- Authorizes separate funding for infrastructure spending thereby reserving all other funds for services for workers and employers.
- Creates a national WIA identifier so that workers and employers know when they are using WIA funded services.

#### **Promoting Innovation and Promising Practices:**

- Codifies the Workforce Innovation Fund, a competitive grant program to support the development of new and promising strategies including career pathways, sector partnerships and regional approaches.
- Provides additional capacity and incentives for states and local areas to implement and expand up sector initiatives through industry or labor-management partnerships and increases opportunities for collaboration, regional planning, and resource alignment in key growth sectors, such as advanced manufacturing.
- Expands information sharing between the Department of Labor, states and local areas

#### **Expanding the Role of Community Colleges in Job Training:**

- Authorizes funding for community colleges to expand their capacity to train workers in high-growth industries, such as health care, transportation, and advanced manufacturing.
- Allows community colleges to contract for class-size training (not just student by student payments).

#### **Developing a 21<sup>st</sup> Century Delivery System for Adult Education Literacy and Workplace Skills Services:**

- Expands access to postsecondary education and credentials to achieve and maintain economic self-sufficiency for adult learners.
- Supports integrated adult education and training.
- Authorizes increased investments in technology (such as online education) and digital literacy.
- Enhances support for research on innovative methods and policies that help basic skills students move faster through programs, improving the likelihood that they will receive postsecondary credentials.

#### **Engaging Youth through Multiple Pathways to Success:**

- Requires states to assess the needs of and serve youth with disabilities including through job exploration and mentoring.
- Expands access to work experience programs to include summer employment, internships, pre-apprenticeship programs, on-the-job training and service activities.
- Amends the definition of disadvantaged youth to include youth through 24.
- Increases income eligibility to 150% of the poverty.
- Requires that, at minimum, 60 percent of youth formula funds should be spent on out-of-school youth.

- Authorizes the competitive youth innovation fund focused on areas of high youth unemployment and poverty to spur the development of innovative strategies.
- Requires all Job Corps Centers to meet and upgrade their standards of performance.

### **Creates Competitive Employment Services and Opportunities for Disabled Individuals**

- Requires training to be tied to competitive employment opportunities
- Expands training for self-employment and micro-enterprises
- Expands in-school and post-school pre-employment services
- Expands out-reach and services to employers interested in hiring disabled individuals
- Expands independent living services and resources
- Codifies Assistant Secretary positions within the Departments of Education and Labor to served disables individuals