

WIOA

THE OPPORTUNITY FOR INNOVATION IN STATES

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WIOA in context

- Eleven years in the making
- An update – not an overhaul
- Incorporates many best practices utilized in states around the nation
- Very tight timelines included in the law for implementation by DOL
- Real change begins in your upcoming annual plans to be implemented on July 1, 2015

The core goals of WIOA

- **Aligns** workforce investment, education, and economic development systems;
- **Increases** the employment, retention, and earnings of participants through the attainment of recognized postsecondary credentials and better meet the skills needs of employers;
- **Improves** opportunities for workers with barriers to employment, including people with disabilities;
- **Creates** a streamlined, yet comprehensive approach to workforce development through unified planning.

Of note to NCSL

- **State WIB's** – continued business majority and business chair
- One member chosen by each chamber of the state legislature (reduced from two members per chamber)
- 20% of members from labor movement

- **Local WIB's** – streamlined and more strategic
- still business majority and chair
- One stop governmental partners eliminated
- 20% of members from labor movement

Of note to NCSL

Core WIOA formula funding

- Only one significant change to WIOA formula funding
 - Dislocated Worker state formula funding now has a 90% hold harmless to prevent significant shifts in funding on annual basis;
- One Stop infrastructure funding – if locals cannot figure out cost allocation, the State will determine program contributions.

Of note to NCSL

Key WIOA dates

- Draft rule – January 18th
- State plans due to DOL – late March
- WIOA Youth funding available – April
- Deadline for State plans approved by DOL – July 1
- WIOA PY 15 funding formula available – July 1

Of note to NCSL

Key WIOA dates

- Final rule published – January 2016
- Unified plans due – Spring 2016

- Begin fostering implementation discussions now between program partners in your state

What is DOL doing to assist WIOA implementation in the field

Ongoing:

- Series of Webcasts – workforce3one.org
- Regional Office technical assistance
- Single website with all WIOA materials: www.doleta.gov/wioa

What is DOL doing to assist WIOA implementation in the field

Early 2015:

- Guidance letters to the field
 - WIOA vision
 - Youth provisions
 - Recommended transition activities at state and local levels

Timing of WIOA passage ideal for states to innovate

State WIA funding allocation:

- PY 13 – 5%
- PY 14 – 8.75%
- PY 15 – 10%

Timing of WIOA passage
ideal for states to innovate

WIOA Funding in PY 15

- Double the funding available to states for WIA programs just six months ago
- 100% transferability between all funding streams
- **Opportunity for significant state innovation**

Innovation opportunities in WIOA

- **Unified Planning** - WIOA *requires* a state unified plan for the core programs in the Act beginning in PY 16.
- **No need to wait** – states can submit unified plans before PY 16
- It also *permits* states to include in its unified plan one or more of the following programs: Perkins Act, TANF E&T, TAA, UI, SNAP E&T, SCSEP, CDBG, CSBG, and VETS programs.

Innovation opportunities in WIOA

- Requires **common performance measurements** from across all its core programs.
- **Authorizes career pathways approaches** underway in many states that combine occupational training and postsecondary education to earn industry recognized credentials

Innovation opportunities for states in WIOA

Promotes Regionalism

- WIOA requires strong regional planning and coordination
- States work with locals to identify regions – taking into consideration labor markets and regional economic development areas.
- Requires strong local performance with fiscal integrity or states may realign WIB's

Innovation opportunities for states in WIOA

Stronger focus on training

- Makes permanent language appropriations language **allowing grants from Adult or DW funds to train cohorts, instead of solely utilizing ITA's**
- Encourages **sectoral initiatives** to work with employers to train workers in high demand sectors
- Increases **incumbent worker training** to 20% of funding allotment

Innovation opportunities for states in WIOA

Youth funding now targeted to out of school youth

- WIA - 30% of funds required to be spent on OSY
- WIOA - 75% of funds required to be spent on OSY



Major opportunity for state innovation

Pay-for-Performance significantly expanded

- Key focus of the Administration is on Pay for Success in social service programming
- **WIOA creates a different authority than the Administration's Workforce Innovation Fund**
- WIOA allows states and locals to use their formula funds for PFP

Major opportunity for state innovation

Pay-for-Performance significantly expanded

- **WIOA's intent to allow states to focus on outcomes** important to their own state, not programmatic inputs

Major opportunity for state innovation

Pay-for-Performance significantly expanded

- States can use any portion of their WIOA funds across all three funding streams for PFP
- Can also augment with non-federal funds
- Local areas can use up to 10% for PFP
- States can provide t.a to WIB's on PFP

Major opportunity for state innovation

You can test Pay-for-Performance now

- States have the authority to test PFP right now under WIA – amend current state plans to request piloting PFP with existing funding
- **Testing PFP now will allow states to understand how best to utilize the expanded authority available in WIOA**

QUESTIONS AND COMMENTS

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