

The Workforce Innovation and Opportunity Act

Investing in America's Competitiveness

KEY IMPROVEMENTS FROM CURRENT LAW

Changes to the Workforce Development System:

- Eliminates 15 programs; 14 within WIA and one higher education program.
- Applies one set of accountability metrics to every federal workforce program under the bill.
- Requires states to produce one strategic plan describing how they will provide training, employment services, adult education and vocational rehabilitation through a coordinated, comprehensive system.
- Reduces the number of required members on state and local workforce boards.
- Strengthens alignment between local workforce areas and labor markets and economic development regions.
- Strengthens evaluation and data reporting requirements.
- Specifies authorized appropriation levels for each of the fiscal years 2015-2020.
- Adds a minimum and maximum funding level to the dislocated worker formula beginning in fiscal year 2016 to reduce volatility.

Changes to Training and Employment Services:

- Eliminates the “sequence of services” and merges “core and intensive activities” into a combined “career services.”
- Emphasizes access to real-world training opportunities through:
 - Increasing the ability to use on-the-job training (*reimbursement rates up to 75 percent for eligible employers*), incumbent worker training (*may use up to 20 percent of local funds*), and customized training;
 - New opportunities to utilize prior learning assessments;
 - Pay-for-performance training contracts for adults and youth (*local boards may use up to 10 percent of funds*); and
 - Requirements for implementation of industry or sector partnerships and career pathway strategies.
- Requires 75 percent of youth funding to support out-of-school youth, of which 20 percent is prioritized for work-based activities.

Changes to Job Corps:

- Improves the procurement process for center operators to support high-quality services by:
 - Collecting information on key factors indicating the ability of an applicant to operate a center;
 - Providing the operator of a high-performing center the opportunity to compete for contract renewal; and
 - Placing limits on the ability of an operator of a chronically low-performing center to compete for a contract renewal, or to continue to operate that center.
- Allows the U.S. Department of Labor to provide technical assistance to Job Corps operators and centers to improve operations and outcomes.
- Collects more data on Job Corps operations and financial management to better inform Congress and the public about the program.

Changes to Adult Education:

- Strengthens the connection between adult education, postsecondary education, and the workforce.
- Improves services to English language learners.
- Requires evaluations and additional research on adult education activities.

Changes to State Vocational Rehabilitation Services:

- Sets high expectations for individuals with disabilities with respect to employment.
- Provides youth with disabilities the services and supports necessary to be successful in competitive, integrated employment.