Highlights of House Republican WIA Reauthorization Bill (H.R. 4297)

Title I

Consolidation – H.R. 4297 would consolidate 27 federal job training programs, including most of the programs authorized by WIA itself (adults, youth, dislocated worker funding streams; Wagner-Peyser employment services, national programs) and many others, into a single $6 billion Workforce Investment Fund, most of which would flow to the states by formula to carry out state and local activities. Of the funds reserved for states, up to 18% must be used for statewide Youth Challenge Grants and 2% would be used for grants to serve adults with barriers to employment. In addition, states would be given the authority to file unified state plans that could encompass several additional programs, including the Trade Adjustment Assistance Act and Perkins Career and Technical Education Act. For most of these programs, governors would also have the authority to consolidate the funds provided through these programs into the Workforce Investment Fund. However, the bill specifically prohibits the consolidation of Perkins CTE funds into the Workforce Investment Fund.

Governance – The bill makes substantial changes to the required makeup of the state and local workforce investment boards (WIBs). In both cases, there would be a required 2/3 business majority on the boards (up from a simple majority in current law), and nearly every other member category under current law would be eliminated, including those that require community college representation. Under H.R. 4297, WIBs could conceivably consist almost entirely of business representatives and representatives of local elected officials and economic development entities.

Training Provider Eligibility Requirements – The provisions governing the eligible trainer provider list are largely unchanged from previous versions of the reauthorization legislation sponsored by Rep. Buck McKeon (R-CA). In terms of requiring potential training providers to submit employment and earnings information for non-WIA participants in their programs, H.R. 4297 takes a step forward by not specifically requiring such information. In general, the bill gives much greater discretion to governors in devising the criteria for inclusion on the training provider list, so the exact impact on reporting burden for community colleges and other training providers would differ from state to state. However, the criteria developed by the governor must take into account a number of factors, including the provider’s performance on WIA accountability measures with regard to WIA participants. The governor is also directed to consider the information already reported by training providers for other state and federal programs. Local areas would be able to add additional requirements and/or establish higher performance levels for inclusion on the eligible provider list. AACC continues to advocate for language that would automatically include programs offered by public institutions of higher education on the eligible provider list.
Accountability – H.R. 4297 would apply the same set of core indicators to titles I (job training), II (adult basic education) and III (vocational rehabilitation). The adult core indicators are similar to those in current law, focusing on entry and retention in employment, earnings and credential attainment. Notably, the indicators would be revised to allow the system to count those who obtain an educational credential up to one year after exiting the WIA program, and there would also be a new indicator that would count those still enrolled in a program that leads to a postsecondary credential, secondary school diploma (in some circumstances), or unsubsidized employment so long as the individual is achieving measurable skills gains towards those ends. Taken together, these two revisions would allow the system to favorably count WIA participants that require or desire longer term training and education, rather than the current measures which effectively penalize longer-term services.

Infrastructure Funding – This section, too, is largely unchanged from previous bills, in as much as it would require One-Stop Center partner programs (including Perkins CTE and ABE) to contribute a portion of their funds (limited to designated administrative funds) to a fund administered by the governor that would cover a portion of the One-Stop Center infrastructure costs. One-Stop Centers wishing to receive a portion of these funds must be certified according to criteria and procedures established by the state WIB.

Local Employment and Training Activities – H.R. 4297 would combine the current core and intensive services into one category called “work ready services.” Work ready services encompass most of the current uses of funds for core and intensive services and adds some others that generally focus on providing information on other, non-WIA, sources of assistance to WIA participants. The bill eliminates language that seemed to require a “sequence of services” that would allow WIA participants to receive training only after failing to obtain employment after receiving core and intensive services. The list of possible training services is significantly expanded, and notably includes a number of “integrated” services that provide recipients a combination of basic skills training and occupational training. The bill would maintain the current framework, where training is presumptively provided through individual accounts, which would be renamed “Career Enhancement Accounts.” Boards may establish “enhanced” CEAs that would include funds from other programs that will assist the participant in obtaining training services. Local WIBs would be able to contract for training services with IHEs in order to facilitate the training of multiple individuals for in-demand sectors or occupations. For both work ready and training services, H.R. 4297 would eliminate the priority for low-income individuals. Local areas would also be authorized to offer a number of additional services to businesses, such as on-the-job training and screening. Most of these would require contributions from the businesses.

Title II – Adult Education and Family Literacy Education

- H.R. 4297 does not make significant changes to the operation of the adult education program, with some exceptions as noted below.
The purposes of the Act are rewritten to focus more on providing people with basic literacy and skills instruction in order to achieve better workforce outcomes. Assisting adults in the “transition to postsecondary education” would also be one of the overall goals of the act.

Adult education programs would be subject to the uniform accountability measures described above, which would also tend to orient the programs more towards positive workforce outcomes.

The eligible state agency must be either the state educational agency, agency responsible for workforce investment activities, or the agency responsible for administering community or technical colleges. While not specifically delineated under current law, this generally conforms to current practice.

H.R. 4297’s definition of “eligible provider” seems to leave open the possibility that for-profit organizations could qualify. “Institution of higher education,” however, is still defined to include only public and non-profit institutions.

In what would be perhaps its most significant change to Title II, H.R. 4297 directs state agencies to make grants to eligible providers for programs that provide adult education and literacy activities, such activities concurrently with postsecondary education or training or employment activities, and credit-bearing postsecondary coursework. Furthermore, the bill’s language seems to imply that eligible providers must be able to offer all three of these things, although it is not clear if that is the intent.

H.R. 4297 expands on the things that a state agency must consider when awarding grants to eligible providers, especially requirements to consider a providers’ measurable performance goals and past performance.