



# **New Opportunities to Improve Economic and Career Success for Low-Income Youth and Adults:**

*Key Provisions of the Workforce Innovation and Opportunity Act (WIOA)*

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## Introduction

In July 2014, President Obama signed the Workforce Innovation and Opportunity Act (WIOA)—after it passed with virtually unanimous bipartisan support in Congress — the first update to the nation’s core workforce training programs in the 16 years since the passage of the Workforce Investment Act (WIA). A lot has changed since 1998—and our workforce system hasn’t kept up. Low-skilled and low-income workers face more barriers than ever to securing an education and getting a good job.

The new law recognizes the need for a new game plan and reauthorizes the nation’s employment, training, adult education, and vocational rehabilitation programs created under WIA. WIOA improves connections to employment and training opportunities that lead to economic prosperity for workers and their families. It strengthens existing workforce development and adult education programs in four ways that can benefit adults and youth with barriers to economic success. The law:

- I. Increases the focus on serving the most vulnerable workers**—low-income adults and youth who have limited skills, lack work experience, and face other barriers to economic success;
- II. Expands education and training options** to help participants access good jobs and advance in their careers;
- III. Helps disadvantaged and unemployed adults and youth earn while they learn** through support services and effective employment-based activities; and
- IV. Aligns planning and accountability policies across core programs** to support more unified approaches to serving low-income, low-skilled individuals.

These positive policy developments create an opportunity for leaders and advocates in states and local communities to rethink, reshape, and expand workforce systems, policies, and practices that are grounded in research and experience to improve the education and employability of low-income people. To bring these opportunities to fruition, policymakers, advocates, and practitioners must seize the opportunities available through WIOA; the changes won’t happen automatically. WIOA both establishes new activities and requirements and codifies federal guidance and regulations that already exist. Taken together, these changes create an opportunity to leverage systemic change across the currently disconnected education and training systems. WIOA better enables states and local communities to seed and propel cross-systems approaches to tackle unemployment, low literacy, and low educational attainment among disconnected youth and low-skilled, low-income adults and parents.

This summary of key provisions focuses on opportunities to improve services in select WIOA core programs<sup>1</sup>: Title I, the primary source of federal workforce development funding to prepare low-income adults, youth, and dislocated workers for employment and to help them continue to build skills once they are employed; and Title II, the main source of federal adult education and literacy funding, including English language services. Though they are critical components of the workforce development system, this summary does not address reforms to Title I – General Workforce Provisions (including Jobs Corps and National Programs), Title III – Wagner-Peyser, or Title IV – Vocational Rehabilitation. (References to specific provisions under each title that achieve the above goals can be found in the Appendix.)

## KEY WIOA PROVISIONS THAT CREATE OPPORTUNITIES FOR SUCCESS FOR LOW INCOME WORKERS

**Increases the focus on serving the most vulnerable workers—low-income adults and youth who have limited skills, lack work experience, and face other barriers to economic success**

### Prioritizes services to out-of-school youth and vulnerable low-income adults

Clarifies that the existing Priority of Service requirement in the Title I adult program applies regardless of how much or how little state or local funding is available; it is not contingent upon limited funds.

Requires states and Workforce Investment Boards to report the number of individuals with barriers to employment served by each core program, with specific breakdowns by subpopulation.

Requires that at least 75 percent of available statewide funds and 75 percent of funds available to local areas be spent on workforce investment services for out-of-school youth, up from 30 percent under WIA.

Retains the focus of Title II (Adult Education and Family Literacy) on the provision of basic skills and English language services for adults with low basic skills. Encourages education providers to provide services to individuals with the lowest skill levels.

### Provides new and expanded definitions to improve service delivery to low-income individuals and those that have “barriers to employment”

Includes a new definition for individuals with a barrier to employment.

Amends the low-income criterion by adding receipt of or eligibility for free or reduced price lunch; clarifies eligibility for individuals with disabilities who meet income thresholds.

Amends the definition of homeless individual throughout the law to include the expanded definition of homelessness

Includes an expanded basic skills deficient definition.

### Expands and improves eligibility requirements for youth services

Raises the out-of-school youth eligibility age from 16-21 to 16-24.

Out-of-school youth in high-risk categories do not have to prove low-income status to receive services.

Adds youth “living in a high-poverty area” to the low-income criterion for youth activities funding and services.

Expands the in-school youth eligibility to include low-income individuals ages 14 to 21 who are English language learners and those who have a disability.

**Expands education and training options to help participants access good jobs and advance in their careers.**

### Increases the focus on training across core programs

Formally eliminates the sequence of service provision in the Title I adult program and clarifies that participants are not required to pass through multiple layers of services before starting training.

Clarifies that WIOA training funds can be used for individuals who are unable to obtain Pell grant assistance or who need additional assistance beyond Pell grants.

Provides more flexible training delivery options, including allowing a portion of local Title I funds (up to 10 percent of youth funds) be used for pay-for-performance contracts.

Broadens the focus of adult education, literacy, and English language services to include postsecondary transitions and careers, defines and encourages the use of new models, such as integrated education and training (IET).

### Encourages implementation of career pathway approaches that support postsecondary education and training for youth and adults.

Makes development of career pathways strategies a function of the state and local workforce boards and a permissible activity under all parts of the Act.

In Title I, career pathways are an allowable activity in for the newly reinstated state discretionary funds.

Requires that an individual employment plan identifying “career pathways to attain career objectives” be prepared for all youth, adults and dislocated workers.

Requires local areas to use youth funds to conduct an objective assessment “for the purpose of identifying appropriate services and career pathways for participants.”

In Title II, requires states to use state leadership funds for the alignment of adult education activities with other core programs, including the development of career pathways.

### Helps disadvantaged and unemployed adults and youth earn while they learn through support services and effective employment-based activities.

Supports increased use of on-the-job training by allowing increased reimbursement rates to participating employers (up to 75 percent of wages, increased from 50 percent under WIA).

Allows local areas to reserve up to 20 percent of Adult and Dislocated Worker funds for incumbent worker training.

Allows up to 10 percent of Adult and Dislocated Worker funds to be used for transitional jobs for individuals with barriers to employment.

Requires that at least 20 percent of Youth formula funds be spent on paid and unpaid work experiences that incorporate academic and occupational education for out-of-school and in-school youth.

Encourages states and the federal government to support activities that promote adult education as an employment based activity.

### Aligns planning and accountability policies across core programs to support more unified approaches for serving low-income, low-skilled individuals.

#### Requires unified planning at the state and local levels.

Requires the development of a four-year unified state plan for the core programs.

Allows a state to develop a combined plan that includes core programs and one or more additional programs, including, but are not limited to, Career and Technical Education, TANF, Supplemental Nutrition Assistance Program Employment and Training.

Requires state and local plans to include youth and adults with barriers in their analysis of the current workforce and their strategic vision and goals.

Requires local plans to describe how access to services will be expanded, particularly for eligible individuals with barriers, and how the local board will facilitate co-enrollment.

Requires the local workforce board to review applications for Title II funding from local providers of adult education.

#### Improves accountability across the core WIOA programs to increase access to employment, education, training, and support services for individuals, particularly those with barriers to employment and economic success.

Establishes common performance measures for the core programs (with variation for the Title I youth program) to support greater integration of services.

Creates a credential attainment measure that includes recognized postsecondary credentials and secondary school diplomas or their recognized equivalent. Secondary credentials can only be counted for individuals who have obtained or retained employment or who are engaged in education or training leading to a postsecondary credential within one year after program exit.

Creates a new progress ("skill gains") measure that identifies individuals who are making measurable skill gains while in an education and training program.

Requires state and local performance expectations and levels to be adjusted based on economic conditions and participant characteristics.

Establishes financial sanctions for performance failure at the state level. As a step toward shared accountability, states are subject to a reduction in Title I discretionary funding (from 15 percent to 10 percent) for failing to meet performance goals in any of the core programs.

## Why Low-Income Adults and Youth and the National Economy Need an Updated Workforce and Adult Education System

In the last decade, socioeconomic, demographic, and labor market trends have created an urgent need to update our workforce and adult education system.

**Education and training can lift families out of poverty.** For millions of low-skilled and disadvantaged youth and adults, improved economic opportunity depends on their ability to access education and training that prepares them for college and career success. Research and evaluations of job training programs for adults find that “a postsecondary education, particularly a degree or industry-recognized credential related to jobs in demand, is the most important determinant of differences in workers’ lifetime earnings and incomes.”<sup>ii</sup> Education and training also increases a family’s financial resources and helps parents stay employed and maximize their wages.<sup>iii</sup> In addition, there is evidence that workforce development and adult education programs can pay off not only for today’s participants, but also for the next generation. According to one synthesis of the research, “improving the educational and employment prospects for parents in the workforce today may also do the same for their children as they enter the workforce tomorrow.”<sup>iv</sup> Indeed, there is a well-documented connection between a parent’s level of education and their children’s skills, academic outcomes, and health. Forty percent of children whose mothers have not completed high school do not graduate on time themselves, compared to just 2 percent of children whose mothers have a bachelor’s degree.

**Today’s workers need a postsecondary education to be successful in the labor market.**<sup>v</sup> Since the enactment of the Workforce Investment Act of 1998 (the predecessor of WIOA), there has been a consistent shift toward a knowledge-based economy that was accelerated by the Great Recession. Employers increasingly require postsecondary credentials when hiring workers for good jobs that provide family-supporting wages and career advancement opportunities. It is estimated that by 2020, two-thirds of jobs will require a postsecondary education. Workers with higher levels of education consistently fare better in the labor market; they experience lower rates and shorter durations of unemployment and earn higher incomes. The economic divide between higher- and lower-educated workers has grown since the onset of the Great Recession and persisted into the recovery. The unemployment rate for adults with less than a high school diploma is 9.1 percent, compared to 5.4 percent among workers with some college and 3.2 percent for workers with a bachelor’s degree.<sup>vi</sup> With good jobs becoming harder to find for people with a high school diploma or less, it is critical to help low-skilled workers transition into postsecondary education.

**Too many workers, particularly people of color, have low skills.** According to a recent assessment of adult skill levels conducted across 24 developed countries, 36 million adults in the U.S. have low skills, threatening their ability to secure employment and earn a self-sufficient wage. Low levels of literacy are particularly persistent among individuals in communities of color, which will make up a majority of the U.S. population by 2043. These fast-growing segments of our labor force have some of the lowest levels of educational attainment. The rate of low literacy among black adults is two times higher than it is among all adults generally (35 percent v. 18 percent). This gap is even higher among Hispanic adults; 43 percent have low levels of literacy and 56 percent have low numeracy skills.<sup>vii</sup>

**Finding work in today's economy is particularly challenging for youth and young adults.** The proportion of teenagers and young adults able to find jobs has declined since the 1980s, with the steepest drops occurring in the past decade and among teens. Since 1978, teen employment has fallen from nearly 60 percent to just 25.8 percent today.<sup>viii</sup> Over 6 million youth ages 16 to 24 are not attached to either school or work, and a disproportionately large share are young people of color.<sup>ix</sup> Young people living in high-poverty communities have less access to work, as well as fewer opportunities to gain early work experience and develop the skills needed to advance in school and the workplace. They are more likely to live in communities where secondary schools are under-resourced and where high school graduation rates are far below the national average.

**Underprepared students often need financial and other supports to help them succeed.** The most promising strategies for serving people with barriers to employment involve a concurrent mix of employment, training, and support services (such as child care, transportation, and financial supports). Integrated strategies and comprehensive approaches require cross-system collaboration involving workforce development agencies, human services agencies, educational institutions, and employment services agencies.<sup>x</sup> While federal financial aid is the biggest source of funding for career-related training, workforce development training dollars are an important source of funds for students ineligible for Pell Grants; this includes students who are in non-credit programs, formerly incarcerated individuals, and youth and adults who are earning secondary credentials and gaining work experience. Workforce development funds can also help students avoid going into debt when they still have significant unmet need after receiving Pell and other grant aid. The workforce development system is a crucial partner to community colleges, four-year colleges, and employers in helping underprepared students, youth, and adults obtain skills that lead to careers.

***Structural barriers across workforce and adult education systems authorized by the Workforce Investment Act of 1998 previously limited their effectiveness in helping people with barriers to employment get the education, training, and supports they need to access good jobs and advance in their careers.***

- Under the previous WIA Title I Adult and Dislocated Worker program, opportunities for combining work and learning were limited. In addition, only a small share of low-income adults was able to access training and other services they needed to gain marketable skills. Further, a heavy reliance on Individual Training Accounts tilted the field toward existing programs that could be procured and made it more difficult to utilize integrated programming and other comprehensive strategies to improve the skills and employability of low-income, low-skilled adults.
- The previous Title I Youth Program severely underserved youth in high-risk categories, such as high school dropouts, young offenders, and foster care youth. The eligibility process was overly burdensome, stigmatizing, and repetitive, which impeded access for at-risk youth.
- A historical emphasis on preparation for high school equivalency assessments in the former Title II did not encourage rigorous, intensive programming designed to help students transition to higher levels of education or training.

## Key Provisions that Create Opportunities for Economic and Career Success for Low-Income Workers

WIOA creates opportunities to better serve low-income and underprepared workers. The new law:

- I. Increases the focus on serving the most vulnerable workers—low-income adults and youth who have limited skills, lack work experience, and face other barriers to economic success.

WIOA makes explicit that low-income people and those with barriers to employment are priority populations for funding and service. These provisions will allow states and local areas<sup>xi</sup> to better target their training services and strategies to more disadvantaged populations, implement an effective set of comprehensive services, and address eligibility issues that often deter youth and adults with barriers to economic success from accessing services they need to get ahead.

### PRIORITIZES SERVICES TO OUT-OF-SCHOOL YOUTH AND VULNERABLE LOW-INCOME ADULTS

#### **Title I – Adult and Dislocated Worker Employment and Training Activities**

- **Clarifies that the existing *Priority of Service* requirement in the Title I adult program applies regardless of how much or how little state or local funding is available; it is not contingent upon limited funds.** According to this provision, priority access to higher-intensity career services and training must be given to public assistance recipients, other low-income individuals, and individuals who are basic-skills deficient. Previously, under WIA, local policies on priority of service varied widely.
- **Requires states and Workforce Investment Boards to report the number of individuals with barriers to employment served by each core program, with specific breakdowns by subpopulation.** Boards must also report on the number of individuals with barriers to employment that are served by the adult and dislocated worker program, with specific breakdowns by subpopulation, race, ethnicity, sex, and age.

#### **Title I – Youth Workforce Investment Activities**

- **Requires that at least 75 percent of available state-wide funds and 75 percent of funds available to local areas be spent on workforce investment services for out-of-school youth.** This is an increase from 30 percent under WIA. This redirected funding gives states and local communities dedicated resources to implement effective employment, education, and youth development strategies for the most vulnerable young people in highly distressed communities. Unlike WIA, WIOA does not require local workforce boards to have a youth council. However, WIOA does allow local boards to establish a standing youth committee and allows them to maintain any existing youth council established under the previous law. These types of strategic planning entities are critical to directly link youth stakeholders and experts to decision making about funding and resource allocation, service implementation, performance measures, and reporting, helping to ensure that out-of-school youth are adequately served according to the intent of WIOA.

## Title II – Adult Education

- **Retains Title II’s (also known as the *Adult Education and Family Literacy Act*) focus on the provision of basic skills and English language services for adults with low basic skills. WIOA also includes new requirements for state and local adult education providers to ensure services are provided to individuals with the *lowest* skill levels.** Federal funding for adult education is required to be used for services to adults (16 and over) with limited basic skills. The law encourages the use of innovative instructional models that prepare adult learners for postsecondary education while also requiring states to consider how well providers will serve learners at the *lowest* skill levels prior to awarding local grants.
- **Requires the state to make funding decisions, in part, based on whether providers are serving and meeting the needs of the most vulnerable adult learners.** In funding adult education providers, the new law requires the state to consider whether local providers are responsive to the needs of individuals most in need of adult education services, including those with low literacy and English language learners.

### PROVIDES NEW AND EXPANDED DEFINITIONS TO IMPROVE SERVICE DELIVERY TO LOW-INCOME INDIVIDUALS AND THOSE WHO HAVE “BARRIERS TO EMPLOYMENT”

Throughout WIOA, these definitions are used to identify the populations to whom services should be targeted and whose needs must be considered as part of state and local strategic planning processes. Specifically, WIOA:

- **Includes a new definition for “individuals with a barrier to employment”; amends the definition of “homeless individual”; amends the definition of “basic skills deficient,”; and expands the low-income criterion.** (See Appendices for definitions and statute citations.)

### EXPANDS AND IMPROVES ELIGIBILITY REQUIREMENTS FOR YOUTH SERVICES

#### Title I – Youth Workforce Investment Activities

- **Raises the out-of-school youth eligibility age from 16 to 21 to 16 to 24.** There is no one system that serves out-of-school youth, who often fall through the cracks. While these same youth could be served through the adult workforce system, specific developmental needs often go unmet. Raising the eligibility age will help local areas better target their programming for this population.
- **Out-of-school youth in high-risk categories<sup>xiii</sup> do not have to prove low-income status to receive services.** This includes individuals who have dropped out of high school, have not attended school for at least one calendar quarter of the most recent school year, or are subject to the juvenile or adult justice systems. It also includes homeless individuals, runaways, current or former foster care youth, and individuals who or are pregnant or parenting. *Youth who are not attending school, hold a secondary credential, and are either basic-skills deficient or an English language learner must be “low-income.”*
- **Expands in-school youth eligibility** to include low-income individuals ages 14 to 21 who are English language learners, as well as individuals with disabilities.
- **Adds youth “living in a high-poverty area”** to the low-income criterion for youth activities funding and services.

## II. Expands education and training options to help participants access good jobs and advance in their careers.

WIOA contains several provisions that state and local areas can leverage to expand education and training options to help low-income individuals, especially those with limited skills or barriers to economic success, earn meaningful credentials and advance in the workplace.

### INCREASES THE FOCUS ON TRAINING ACROSS CORE PROGRAMS

#### Title I – Adult and Dislocated Worker Employment and Training Activities

- **Formally eliminates the sequence of service provision** in the Title I adult program. This provision, which previously required participants to receive *career* services prior to *training* services<sup>xiii</sup>, has caused confusion and sent mixed signals to individuals trying to access training. WIOA codifies policy guidance from the U.S. Department of Labor and clarifies that participants *are not* required to pass through multiple layers of services before entering into training. The law also combines core and intensive services into a new category called “career services.” This change gives staff in the One-Stop centers the flexibility to provide access to training based on assessed need.
- **Provides more flexible training delivery options** to meet the needs of low-income individuals. This includes allowing local areas to contract directly with colleges or eligible training providers to supply training for jobs in high-demand occupations or industry sectors (building on an option that was expanded under the American Recovery and Reinvestment Act of 2009), rather than solely relying on Individual Training Accounts. The increased flexibility will help local areas use WIOA funds to better scale innovative and effective models for obtaining industry-recognized credentials, including: integrated education and training approaches; career pathways, industry or sector partnerships; cohort-based approaches; and other evidence-based approaches that reflect best practices. In addition, Workforce Investment Boards (WIBs) may use a portion of local funds for pay-for-performance contracts as a form of training delivery under Title I. While such approaches can help shift funding toward more effective programs, WIBs must closely evaluate important details, such as how target populations are chosen, to avoid disincentivizing service to individuals who face barriers to employment and economic success.
- **Clarifies that WIOA training funds can be used for individuals who are unable to obtain Pell grant assistance or who need additional assistance beyond Pell grants.** In determining whether an individual needs additional assistance, the One-Stop operator is permitted to consider the full cost of participating in training services, including expenses related to dependent care, transportation, and other essential needs.
- **Includes new requirements to report on expenditures for career and training services and on the number of participants who received career and training services.** The new requirements will make local planning and funding decisions more transparent, providing new opportunities for public oversight.
- **Requires eligible training providers to report results for *all* of their students for common measures for each program of study, not just participants whose training costs were funded by WIOA.** This will improve the transparency of results for programs of study and for disadvantaged persons.

### **Title I – Youth Workforce Investment Activities**

- Includes, within the **occupational skills training activity, a priority for training programs** that lead to postsecondary credentials and are aligned with in-demand industry sectors or occupations in a local area. Title I also allows **WIBs to use 10 percent of local funds to implement a pay-for-performance contract strategy** for administering youth activities.

### **Title II – Adult Education**

- **Broadens the focus of adult education, literacy, and English language services to include transition to postsecondary education and employment.** While it is still designed to serve *all* adult learners, the law reflects the changing needs of the nation’s workforce and the goals of its workers. It amends the stated statutory purpose of adult education and subtly modifies the definitions of key terms to reflect this new emphasis (e.g. “Adult Education,” “Adult Education and Literacy Activities,” “Family Literacy Programs,” and “English Language Acquisition Program”). The law is also explicit that Title II funds may be used for adult education activities that “help eligible individuals transition to postsecondary education and training or employment, or for concurrent enrollment activities,” so long as other Title II eligibility and requirements are met.
- **Defines and encourages the use of new models, such as integrated education and training<sup>xiv</sup> and workforce preparation activities.** IET “provides adult education and literacy activities concurrently and contextually with workforce preparation activities and workforce training for a specific occupation or occupational cluster for the purpose of educational and career advancement.” This model has been shown to help adult learners obtain college credits and achieve basic skill gains more quickly than when they are enrolled in traditional adult education programs.<sup>xv</sup>
- **Codifies the Integrated English Literacy and Civics Education (EL/Civics) program** and explicitly allows the use of EL/Civics funds for workforce training. Prior to WIOA, the EL/Civics program—one of the only federally funded programs focused on ESL—was only funded through annual appropriations, which put the program at risk.

## ENCOURAGES IMPLEMENTATION OF CAREER PATHWAY APPROACHES THAT SUPPORT POSTSECONDARY EDUCATION AND TRAINING FOR YOUTH AND ADULTS

The career pathway approach connects progressive levels of education, training, credentials, and support services for specific occupations in a way that optimizes the progress and success of individuals with varying levels of abilities and needs. This approach helps individuals with different levels of skills and experiences earn marketable credentials, engage in further education and employment, and achieve economic success. Specifically, WIOA:

**Defines career pathways broadly** to include the organization of rigorous and high-quality education, training, and other services (such as counseling) to align with state or regional needs and help individuals with different needs accelerate their educational and career advancement.

- The career pathway approach is important for underprepared students, because it incorporates and integrates best-practice service models, such as: participant-focused education and training; consistent and non-duplicative assessments of participants’ education, skills, and assets/needs; support services and career navigation assistance; and employment services and work experiences that have been shown to help

underprepared youth and adults obtain postsecondary credentials and good jobs. The career pathway approach also incorporates sector strategy principles by deeply engaging employers to increase the relevancy and labor market value of participants' skills and credentials, which in turn improves participants' employment prospects.

- Makes development of career pathway strategies a function of the state and local workforce boards and a permissible activity under all parts of the Act.** The career pathway approach provides a framework for state and local unified planning that reorients existing education and workforce services (including those authorized under WIOA) from myriad disconnected programs to one system focused on individuals' postsecondary and economic success. State and local/regional systems must cohesively combine public-private partnerships, resources and funding, policies, data, and shared performance measures to successfully develop and scale quality, sustainable pathways. In WIOA Title I, career pathways are an allowable activity for the newly reinstated state discretionary funds. Additionally, local areas are required to use youth funds to conduct an objective assessment "for the purpose of identifying appropriate services and career pathways for participants." And individual employment plans for youth, adults, and dislocated workers are required to identify "career pathways to attain career objectives." In Title II, WIOA requires states to use state leadership funds for the alignment of adult education activities with other core programs, including the development of career pathways. It also explicitly allows adult education funds to be used for IET programs, which are often the first step on a comprehensive career pathway.

### III. Helps disadvantaged and unemployed adults and youth earn while they learn through support services and effective employment-based activities

WIOA encourages an array of work-based training strategies and employment approaches to benefit low-income individuals. Work-based training gives underprepared adults and youth the chance to earn income while also receiving training and developing essential skills that are best learned on the job. These strategies also ensure training is tied to in-demand occupations by engaging employers and industry sectors to define needed skills. Additionally, individuals with barriers to employment (including out-of-school youth) often need a comprehensive set of supports that involves multiple public and private systems and partners to help them earn secondary and postsecondary credentials and transition into the labor market. For example, the work experience requirement in youth activities funding and the inclusion of work experience and other strategies, such as internships and financial literacy, in Title I career services can help low-income individuals establish work history and credibility and move out of poverty.

#### **Title I – Adult and Dislocated Worker Employment and Training Activities**

- Supports increased use of on-the-job training** by allowing increased reimbursement rates to participating employers (up to 75 percent of wages, increased from 50 percent under WIA).
- Allows local areas to reserve up to 20 percent of Adult and Dislocated Worker funds for incumbent worker training.** Incumbent worker training is an important strategy to help low-wage workers retain their current jobs. It can also open up new job opportunities through an advance-and-backfill strategy, in which entry-level incumbent workers move up to higher-level jobs in their organization and new entry-level employees are hired to fill the resulting vacancies.

- **Includes Registered Apprenticeship programs on the state eligible training provider list.**
- **Allows up to 10 percent of Adult and Dislocated Worker funds to be used for transitional jobs for individuals with barriers to employment.** Transitional jobs are defined as time-limited subsidized work experiences that help individuals who are chronically unemployed and have barriers to employment establish a work history and develop skills to access unsubsidized employment and progress in the workplace. The transitional jobs strategy was not a clearly allowable use of funds under the previous law. The explicit inclusion of transitional jobs in WIOA provides an opportunity for local areas that do not use the model currently to add it to their portfolio of services.
- **Explicitly allows local areas through the One-Stop system to provide work support activities.** Local areas can partner to coordinate services or develop programming to assist low-wage workers in retaining and enhancing employment. This includes making child care available if activities are delivered during non-traditional hours.
- **Maintains support services and need-related payment provisions for workers who need them to participate in workforce investment and training services.** WIOA also allows local areas to provide low-wage workers with work support activities.

#### **Title I – Youth Workforce Investment Activities**

- **Requires that at least 20 percent of Youth formula funds be spent on paid and unpaid work experiences that incorporate academic and occupational education for out-of-school and in-school youth.** Such work experiences can include summer and year-round employment opportunities, pre-apprenticeship programs, internships and job shadowing, and on-the-job training opportunities. Previously, these activities were allowed but not required.
- **Expands the required youth program elements.** The youth program elements now include additional activities and services: dropout recovery services and strategies; financial literacy education; entrepreneurial skills training; postsecondary preparation and transition activities; integrated education and training for a specific occupation or cluster; and services that provide labor market information about in-demand industry sectors and occupations.

#### **Title II – Adult Education**

- **Encourages states and the federal government to support activities that promote basic skills instruction delivered in the workplace.** This is supported by the introduction of a new allowable program model, "workplace adult education" and allowing states to use state discretionary funding to support adult education in collaboration with employers. Further, the U.S. Department of Education is encouraged to support innovative workplace education models by disseminating best practices.
- **Expands the range of providers to include partnerships with employers.** A new category of eligible providers is included in WIOA, allowing entities or organizations that partner with employers to receive grant funding for adult education and literacy activities.

#### IV. Aligns planning and accountability policies across core programs to support more unified approaches for serving low-income, low-skilled individuals.

WIOA requires unified planning at the state and local levels and improves accountability across the core programs to increase access to employment, education, training, and support services for individuals, particularly those with barriers to employment. State and local unified planning is important because it can align policies and funding streams to support comprehensive and integrated services that help low-skilled and low-income people—including disconnected youth, welfare recipients, formerly incarcerated individuals, and others with unique barriers to employment—get the education, training, employment services, and support services they need to enter and advance in the workforce. Coordination is essential to providing such services concurrently and over time as people’s needs and situations change. Unified planning is also needed to support career pathway and sector strategies. In addition, to encourage access to services for low-income individuals and those with barriers to employment, WIOA now requires Temporary Assistance for Needy Families (TANF)<sup>xvi</sup> and programs under the Second Chance Act to be mandatory partners in the One-Stop system.

##### REQUIRES UNIFIED PLANNING AT THE STATE AND LOCAL LEVELS

- **Requires the development of a four-year unified state plan for the core programs.**
- **Allows a state to develop a combined plan that includes core programs and one or more additional programs.** These programs can include, but are not limited to, Career and Technical Education, TANF, Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T), and programs under the Second Chance Act. Programs included in a combined plan retain the requirements from their authorizing legislation. Unified planning can help states develop and implement innovative two-generation approaches that address the social, educational, and economic needs of both low-income parents and their children.
- **Requires state and local plans to include youth and adults with barriers** in their analysis of the current workforce and their strategic vision and goals for preparing an educated and skilled workforce.
- **Requires local plans to describe how access to services will be expanded, particularly for eligible individuals with barriers, and how the local board will facilitate co-enrollment** of participants across core programs.
- **Requires the local workforce board to review applications for adult education funding through Title II from local providers, and requires adult education providers to coordinate with the local workforce board.**

##### IMPROVES ACCOUNTABILITY ACROSS THE CORE WIOA PROGRAMS TO INCREASE ACCESS TO EMPLOYMENT, EDUCATION, TRAINING, AND SUPPORT SERVICES FOR INDIVIDUALS, PARTICULARLY THOSE WITH BARRIERS TO EMPLOYMENT AND ECONOMIC SUCCESS

- **Establishes common performance measures for the core programs** (with variation for the Title I youth program) to support greater integration of services. This change signals Congress’ interest in promoting more integrated programming across WIOA-authorized programs at the state and local levels to better serve the needs of employers and participants, especially those with barriers to employment.

The common measures are an important step forward both for accountability and as the basis for engaging state and local partners in shared continuous efforts to improve participant results.

- **Creates a credential attainment measure** that includes recognized postsecondary credentials and secondary school diplomas or their recognized equivalent. Secondary credentials can only be counted for individuals who have obtained or retained employment or who are engaged in education or training leading to a postsecondary credential within one year after program exit. The new credential measure supports the renewed emphasis on education and training and acknowledges the growing importance of postsecondary credentials for accessing good jobs and advancing to better jobs. The U.S. Department of Labor's 2010 guidance on credentials provides a strong starting point for the development of regulations in this area.
- **Creates a new progress ("skill gains") measure** that identifies individuals who are making measurable skill gains while in an education and training program. Including an interim outcome measure is an important step forward in encouraging the workforce system to better serve low-skilled individuals. As stated by the Manager's Report that accompanied the WIOA bill's passage in Congress, the skills gain measure recognizes that for those youth and adults who have low levels of literacy or those who are English language learners, the acquisition of basic English literacy and numeracy skills are critical steps to obtaining employment and success in postsecondary education and training. The law's sponsors stated that this measure "is intended to encourage eligible providers under Title II to serve all undereducated, low-level, and underprepared adults." One important implementation challenge will be to ensure that the regulatory definition of the measure does not discourage services to these populations.
- **Requires state and local performance expectations and levels to be adjusted based on economic conditions and participant characteristics.** WIOA requires that this be done at the front end when negotiating local performance expectations, as well as the back end to take into account actual experience during the program year. The federal agencies must develop and use an objective statistical model to support this process. The U.S. Department of Labor has already developed and implemented such an adjustment model for Title I programs, but additional work will be required to develop an adjustment model for programs authorized under the other titles.
- **Establishes financial sanctions for performance failure at the state level.** As a step toward shared accountability, states are subject to a reduction in Title I discretionary funding (from 15 percent to 10 percent) for failing to meet performance goals in any of the core programs. While states are no longer authorized to receive federal incentive awards, they retain authority under Title I to impose sanctions and provide incentive awards to local areas to promote unified performance planning and shared accountability.

## Unfinished Business: Opportunities to Improve the Workforce Development and Adult Education System

The legislative changes highlighted above are important steps forward, but WIOA enactment is only a starting point. Further work must be done at the federal, state, and local levels to turn new opportunities under WIOA into real change that improves the lives of low-income people.

WIOA represents a significant dedicated federal funding stream to help states, communities, and providers improve the basic skills, English language proficiency, employability, and credential attainment of their workforce. However, current investment in federal workforce education and training programs is insufficient to achieve legislative goals or meet the demand for services. Since fiscal year 2000, federal investment in adult and youth employment and training programs has declined by approximately 20 percent and 35 percent, respectively. In the same period, already scarce federal adult education funding has declined by more than one-quarter in real terms.

Federal youth employment and training programs only serve a fraction of the young people who could benefit from them. Even with youth employment rates and graduation rates for youth living in high-poverty communities at all-time lows, according to the most recent U.S. Department of Labor program data, only 218,050 young people ages 14 to 21 were served in program year 2012 through Workforce Investment Act Youth Activities funding. Reported data for youth education and training programs indicate positive employment and credential attainment across all racial and ethnic groups.

Federal adult education has historically been supplemented by sizeable state-level matching funds, but a decline in federal and state funding has resulted in states serving only 5 percent of the students who could benefit from services. Combined federal and state adult education funds amount to approximately \$700-900 per student, compared to \$10,000 or more for students in K-12 systems.

Increasing investments in workforce education and training programs is essential to ensure that low-income individuals, low-wage workers, communities of color, and those with low basic skills can enter and advance in the labor market and that American businesses have access to the skilled workers they need to compete in the global economy. Without significantly more funding, states and local areas won't be able to meet demand for services or take the innovative and effective program models authorized under WIOA to scale. Although modest funding increases for core programs are included in the law, previous cuts were so damaging that the funding levels authorized by WIOA for FY 2017 would only restore funding to FY 2010 levels. For workforce development programs to have a substantial impact on unemployed and low-skilled workers, Congress must take steps to eliminate sequestration and budget caps, both of which are dampening the economic recovery. A great deal of work remains to implement WIOA. Federal regulations must be written, new planning and accountability processes must be put in place, and new performance metrics (such as the skills gain measure) must be defined. CLASP strongly encourages the U.S. Departments of Education and Labor and other federal agencies to provide guidance that maximizes opportunities for system alignment and cross-system continuous improvement processes to better serve youth and adults with barriers to employment.

Finally, it is state and local decision makers and their private sector and community partners who will determine what the real impact of the law will be on economic success for low-income people. CLASP is eager to partner with states and communities to help them leverage opportunities created by WIOA to better address the needs of individuals with barriers to employment.

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### ENDNOTES:

- <sup>i</sup> WIOA Core Programs consist of: Title I – Adult and Dislocated Workers Employment and Training Activities; Title I – Youth Workforce Investment Activities; Title II – Adult Education and Family Literacy Act; Title III – Wagner-Peyser; and Title IV – Vocational Rehabilitation.
- <sup>ii</sup> *What Works in Job Training: A Synthesis of the Evidence*, U.S. Departments of Labor, Commerce, Education and Health and Human Services, 2014, <http://www.dol.gov/asp/evaluation/jdt/jdt.pdf>.
- <sup>iii</sup> Anthony P. Carnevale, Nicole Smith, and Jeff Strohl, *Recovery: Job Growth and Education Requirements Through 2020*, Georgetown Public Policy Institute Center on Education and the Workforce, 2013, <https://georgetown.app.box.com/s/tl10zkxt0puz45hu21g6>.
- <sup>iv</sup> Several quasi-experimental studies have shown this linkage. K. Magnuson, H. Sexton, P. Davis-Kean, and A. Huston, *Increases in Maternal Education and Young Children's Language Skills*, *Merrill-Palmer Quarterly*, Vol. 55, No. 3, July 2009, [http://muse.jhu.edu/login?uri=/journals/merrill-palmer\\_quarterly/v055/55.3.magnuson.pdf](http://muse.jhu.edu/login?uri=/journals/merrill-palmer_quarterly/v055/55.3.magnuson.pdf) and K. Magnuson, *Maternal Education and Children's Academic Achievement During Middle Childhood*, *Developmental Psychology*, Vol. 43, No. 6, 2007, [http://muse.jhu.edu/login?uri=/journals/merrill-palmer\\_quarterly/v055/55.3.magnuson.pdf](http://muse.jhu.edu/login?uri=/journals/merrill-palmer_quarterly/v055/55.3.magnuson.pdf).
- <sup>v</sup> Anthony P. Carnevale, Nicole Smith, and Jeff Strohl, *Recovery: Job Growth and Education Requirements Through 2020*, Georgetown Public Policy Institute Center on Education and the Workforce, 2013, <https://georgetown.app.box.com/s/tl10zkxt0puz45hu21g6>.
- <sup>vi</sup> U.S. Bureau of Labor Statistics, Table A-4, Employment status of the civilian population 25 years and over by educational attainment, accessed 2014, <http://www.bls.gov/news.release/empsit.t04.htm>.
- <sup>vii</sup> Marcie Foster and Kisha Bird, *From PIAAC to Policy Solutions: Promoting Postsecondary and Economic Success for Low-Skilled Workers*, Center for Law and Social Policy, 2013, <http://www.clasp.org/resources-and-publications/publication-1/From-PIAAC-to-Policy-Solutions-11.7.13.pdf>.
- <sup>viii</sup> Sarah Ayres, *The High Cost of Youth Unemployment*, Center for American Progress, 2013, <http://cdn.americanprogress.org/wp-content/uploads/2013/04/AyresYouthUnemployment1.pdf>.
- <sup>ix</sup> Clive R. Belfield, Henry M. Levin and Rachel Rosen, *The Economic Value of Opportunity Youth*, Civic Enterprises, 2012, [http://www.civicenterprises.net/MediaLibrary/Docs/econ\\_value\\_opportunity\\_youth.pdf](http://www.civicenterprises.net/MediaLibrary/Docs/econ_value_opportunity_youth.pdf).
- <sup>x</sup> *What Works in Job Training: A Synthesis of the Evidence*, U.S. Departments of Labor, Commerce, Education and Health and Human Services, 2014, <http://www.dol.gov/asp/evaluation/jdt/jdt.pdf>.
- <sup>xi</sup> Local areas refer to Local Workforce Investment Areas, which are responsible for administering WIOA services and are designated by the governor. Factors that are considered in designating local areas include geographic location, population, and commonality of labor market areas.
- <sup>xii</sup> Out of school youth must not be attending any school and must be between the ages of 16 and 24. High-risk categories include: school dropouts; individuals who are within age of compulsory attendance but have not attended school for at least one calendar quarter of the most recent complete school year; individuals subject to the juvenile or adult justice systems; homeless individuals; runaways; current and former foster care or out-of-home placement youth; and individuals who are pregnant or parenting.
- <sup>xiii</sup> Core services include outreach, job search and placement assistance, and labor market information available to all job seekers. Intensive services include more comprehensive assessments, development of individual employment plans, and counseling and career planning. For training services, customers are linked to job opportunities in their communities, including both occupational and basic skills training. Participants use an "individual training account" to select an appropriate training program from a qualified training provider.
- <sup>xiv</sup> The inclusion of this activity codifies U.S. Department of Education guidance from 2010, which clarified that funds could be used for the basic skills portion of integrated education and training programs.
- <sup>xv</sup> Julie Strawn, *Farther, Faster: Six Promising Programs Show How Career Pathway Bridges Help Basic Skills Students Earn Credentials That Matter*, Center for Postsecondary and Economic Success at CLASP, 2011, <http://www.clasp.org/resources-and-publications/files/Farther-Faster.pdf>.
- <sup>xvi</sup> While TANF is a required One-Stop partner, the law includes an opt-out for governors.

## Appendix A:

### Sec. 3 Definitions and Title I - Workforce Development Activities

#### Subtitle A – System Alignment

- I. Increases the focus on serving the most vulnerable workers—low-income adults and youth who have limited skills, lack work experience, and face other barriers to economic success.

*Provides new and expanded definitions to improve service delivery to low-income individuals and those that have “barriers to employment”*

Change in WIOA	Statutory Language and Citation
Includes a new definition for individuals with a barrier to employment.	<p><b>Sec. 3. Definitions. (24)</b></p> <p>The term “individual with a barrier to employment” means a member of 1 or more of the following populations:</p> <p>(A) Displaced homemakers.</p> <p>(B) Low-income individuals.</p> <p>(C) Indians, Alaska Natives, and Native Hawaiians, as such terms are defined in section 166.</p> <p>(D) Individuals with disabilities, including youth who are individuals with disabilities.</p> <p>(E) Older individuals.</p> <p>(F) Ex-offenders.</p> <p>(G) Homeless individuals (as defined in section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6))), or homeless children and youths (as defined in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2))).</p> <p>(H) Youth who are in or have aged out of the foster care system.</p> <p>(I) Individuals who are English language learners, individuals who have low levels of literacy, and individuals facing substantial cultural barriers.</p> <p>(J) Eligible migrant and seasonal farmworkers, as defined in section 167(i).</p> <p>(K) Individuals within 2 years of exhausting lifetime eligibility under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).</p> <p>(L) Single parents (including single pregnant women).</p> <p>(M) Long-term unemployed individuals.</p> <p>(N) Such other groups as the Governor involved determines to have barriers to employment.</p>
Amends the low-income criterion by adding receipt of or eligibility for free or reduced price lunch; clarifies eligibility for individuals with disabilities who meet income thresholds.	<p><b>Sec. 3. Definitions. (36)</b></p> <p>The term “low-income individual” means an individual who— (i) receives, or in the past 6 months has received, or is a member of a family that is receiving or in the past 6 months has received, assistance through the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7U.S.C. 2011 et seq.), the program of block grants to States for temporary assistance for needy families program under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), or the supplemental security income program established under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or State or local income-based</p>

	<p>public assistance; (ii) is in a family with total family income that does not exceed the higher of—                  (I) the poverty line; or (II) 70 percent of the lower living standard income level;                  (iii) is a homeless individual (as defined in section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6))), or a homeless child or youth (as defined under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)));  <i>(iv) Receives or is eligible to receive a free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);</i>                  (v) is a foster child on behalf of whom State or local government payments are made; or  <i>(vi) is an individual with a disability whose own income meets the income requirement of clause (ii), but who is a member of a family whose income does not meet this requirement.</i></p>
<p>Amends the definition of homeless individual throughout the law to include the expanded definition of homelessness from the Violence Against Women Act and the McKinney-Vento Homeless Assistance Act.</p>	<p><b>Sec. 3. Definitions. (36)(A)(iii)</b>                  Is a homeless individual (as defined in section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6))), or a homeless child or youth (as defined under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2))).</p>
<p>Amends the definition of “basic skills deficient”.</p>	<p><b>Sec. 3. Definitions. (5)</b>                  The term “basic skills deficient” means, with respect to an individual—                  (A) who is a youth, that the individual has English reading, writing, or computing skills at or below the 8<sup>th</sup> grade level on a generally accepted standardized test; or                  (B) who is a youth or adult, that the individual is unable to compute or solve problems, or read, write, or speak English, at a level necessary to function on the job, in the individual’s family, or in society.</p>
<p><b>II. Expands education and training options to help participants access good jobs and advance in their careers.</b></p>	
<p><i>Encourages implementation of career pathway approaches that support postsecondary education and training for youth and adults</i></p>	
<p><b>Change in WIOA</b></p>	<p><b>Statutory Language and Citation</b></p>
<p>Defines career pathways broadly.</p>	<p><b>Sec. 3. Definitions. (7)</b>                  The term “career pathway” means a combination of rigorous and high-quality education, training, and other services that—                  (A) aligns with the skill needs of industries in the economy of the State or regional economy involved;                  (B) prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the Act of August 16, 1937 (commonly known as the “National Apprenticeship Act”; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.) (referred to individually in this Act as an “apprenticeship”, except in section 171);                  (C) includes counseling to support an individual in achieving the individual’s education and career goals;</p>

	<p>(D) includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;</p> <p>(E) organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable;</p> <p>(F) enables an individual to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential; and</p> <p>(G) helps an individual enter or advance within a specific occupation or occupational cluster.</p>
<p>Makes development of career pathways strategies a function of the state and local workforce boards and a permissible activity under all parts of the Act.</p>	<p><b>Sec. 101. State workforce development boards. (d)(3)(B)</b> The development of strategies to support the use of career pathways for the purpose of providing individuals, including low-skilled adults, youth, and individuals with barriers to employment (including individuals with disabilities), with workforce investment activities, education, and supportive services to enter or retain employment.</p> <p><b>Sec. 107. Local workforce development boards. (d) (5)</b> The local board, with representatives of secondary and postsecondary education programs, shall lead efforts in the local area to develop and implement career pathways within the local area by aligning the employment, training, education, and supportive services that are needed by adults and youth, particularly individuals with barriers to employment.</p> <p><b>Sec. 108. Local plan. (b)(3)</b> A description of how the local board, working with the entities carrying out core programs, will expand access to employment, training, education, and supportive services for eligible individuals, particularly eligible individuals with barriers to employment, including how the local board will facilitate the development of <i>career pathways and co-enrollment, as appropriate, in core programs</i>, and improve access to activities leading to a recognized postsecondary credential (including a credential that is an industry-recognized certificate or certification, portable, and stackable).</p>
<p>IV. Aligns planning and accountability policies across core programs to support more unified approaches to serving low-income, low-skilled individuals.</p>	
<p><i>Requires unified planning at the state and local levels.</i></p>	
<p><b>Change in WIOA</b></p>	<p><b>Statutory Language and Citation</b></p>
<p>Requires the development of a four-year unified state plan for the core programs.</p>	<p><b>Sec. 102. Unified State plan. (a)</b> For a State to be eligible to receive allotments for the core programs, the Governor shall submit to the Secretary of Labor for the approval process described under subsection (c)(2), a unified State plan. The unified State plan shall outline a 4-year strategy for the core programs of the State and meet the requirements of this section.</p>
<p>Allows a state to develop a combined plan that includes core programs and one or more</p>	<p><b>Sec. 103. Combined State plan. (a)</b> (1) A State may develop and submit to the appropriate Secretaries a combined State plan for the core programs and 1 or more of the programs and activities described in</p>

additional programs.	<p>paragraph (2) in lieu of submitting 2 or more plans, for the programs and activities and the core programs.</p> <p>(2) The programs and activities referred to in paragraph (1) are as follows:</p> <p>(A) Career and technical education programs authorized under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.).</p> <p>(B) Programs authorized under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).</p> <p>(C) Programs authorized under section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4)).</p> <p>(D) Work programs authorized under section 6(o) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(o)). (E) Activities authorized under chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.).</p> <p>(F) Activities authorized under chapter 41 of title 38, United States Code. (G) Programs authorized under State unemployment compensation laws (in accordance with applicable Federal law).</p> <p>(H) Programs authorized under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).</p> <p>(I) Employment and training activities carried out by the Department of Housing and Urban Development.</p> <p>(J) Employment and training activities carried out under the Community Services Block Grant Act (42 U.S.C.9901 et seq.).</p> <p>(K) Programs authorized under section 212 of the Second Chance Act of 2007 (42 U.S.C. 17532).</p>
Requires state and local plans to include youth and adults with barriers in their analysis of the current workforce and their strategic vision and goals for preparing an educated and skilled workforce.	<p><b>Sec. 102. Unified State Plan. (b)(1)(D)</b></p> <p>A description of the State’s strategic vision and goals for preparing an educated and skilled workforce (including preparing youth and individuals with barriers to employment) and for meeting the skilled workforce needs of employers, including goals relating to performance accountability measures based on primary indicators of performance described in section 116(b)(2)(A), in order to support economic growth and economic self-sufficiency, and of how the State will assess the overall effectiveness of the workforce investment system in the State;</p> <p>(E) a description of the local board’s strategic vision and goals for preparing an educated and skilled workforce (including youth and individuals with barriers to employment), including goals relating to the performance accountability measures based on primary indicators of performance described in section 116(b)(2)(A) in order to support regional economic growth and economic self-sufficiency.</p>
Requires local plans to describe how access to services will be expanded, particularly for eligible individuals with barriers, and how the local board will facilitate co-enrollment of participants across core programs.	<p><b>Sec. 108. Local Plan. (b) (3)</b></p> <p>A description of how the local board, working with the entities carrying out core programs, will expand access to employment, training, education, and supportive services for eligible individuals, particularly eligible individuals with barriers to employment, including how the local board will facilitate the development of career pathways and co-enrollment, as appropriate, in core programs, and improve access to activities leading to a recognized postsecondary credential (including a credential that is an industry-recognized certificate or certification, portable, and stackable).</p>

<i>Improves accountability across the core WIOA programs to increase access to employment, education, training, and support services for individuals, particularly those with barriers to employment and economic success.</i>	
<b>Change in WIOA</b>	<b>Statutory Language and Citation</b>
Establishes common performance measures for the core programs (with variation for the Title I youth program).	<p><b>Sec. 116. Performance accountability system. (b)(2)(A)(i)</b></p> <p>(I) The percentage of program participants who are in unsubsidized employment during the second quarter after exit from the program;</p> <p>(II) the percentage of program participants who are in unsubsidized employment during the fourth quarter after exit from the program;</p> <p>(III) the median earnings of program participants who are in unsubsidized employment during the second quarter after exit from the program;</p> <p>(IV) the percentage of program participants who obtain a recognized postsecondary credential, or a secondary school diploma or its recognized equivalent (subject to clause (iii)), during participation in or within 1 year after exit from the program;</p> <p>(V) the percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains toward such a credential or employment; and</p> <p>(VI) the indicators of effectiveness in serving employers established pursuant to clause (iv).</p>
Establishes new performance measures for Title I – Youth Workforce Investment Activities. <i>The Secretary shall annually establish expected levels of performance for Job Corps and YouthBuild related to each of these primary indicators of performance.</i>	<p><b>Sec. 116. Performance accountability system. (b) (2) (A) (ii)</b></p> <p>The primary indicators of performance for the youth program authorized under chapter 2 of subtitle B shall consist of—</p> <p>(I) the percentage of program participants who are in education or training activities, or in unsubsidized employment, during the second quarter after exit from the program;</p> <p>(II) the percentage of program participants who are in education or training activities, or in unsubsidized employment, during the fourth quarter after exit from the program; and</p> <p>(III) the primary indicators of performance described in sub-clauses (III) through (VI) of subparagraph (A)(i).</p>
Creates a credential attainment measure that includes recognized postsecondary credentials and secondary school diplomas or their recognized equivalent.	<p><b>Sec. 116. Performance accountability system. (b)(2)(A)(i) (IV)</b></p> <p>The percentage of program participants who obtain a recognized postsecondary credential, or a secondary school diploma or its recognized equivalent (subject to clause (iii)), during participation in or within 1 year after exit from the program.</p> <p><b>Sec. 116. Performance accountability system. (b)(2)(A) (iii)</b></p> <p>For purposes of clause (i)(IV), or clause (ii)(III) with respect to clause (i)(IV), program participants who obtain a secondary school diploma or its recognized equivalent shall be included in the percentage counted as meeting the criterion under such clause only if such participants, in addition to obtaining such diploma or its recognized equivalent, have obtained or retained employment or are in an education or training program leading to a recognized postsecondary credential within 1 year after exit from the program.</p>
Creates a new progress (“skill gains”) measure that identifies individuals who are making	<p><b>Sec. 116. Performance accountability system. (b)(2)(A)(i) (V)</b></p> <p>The percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or</p>

measurable skill gains while in an education and training program.	employment and who are achieving measurable skill gains toward such a credential or employment.
Requires state and local performance expectations and levels to be adjusted based on economic conditions and participant characteristics.	<p><b>Sec. 116. Performance accountability system. (b) (3)(A) (v) (II)</b> Ensure that the levels involved are adjusted, using the objective statistical model established by the Secretaries pursuant to clause (viii), based on— (aa) the differences among States in actual economic conditions (including differences in unemployment rates and job losses or gains in particular industries); and (bb) the characteristics of participants when the participants entered the program involved, including indicators of poor work history, lack of work experience, lack of educational or occupational skills attainment, dislocation from high-wage and high-benefit employment, low levels of literacy or English proficiency, disability status, homelessness, ex-offender status, and welfare dependency.</p> <p><b>Sec. 116. Performance accountability system. (b)(3)(A)(viii)</b> The Secretary of Labor and the Secretary of Education, after consultation with the representatives described in paragraph (4)(B), shall develop and disseminate an objective statistical model that will be used to make the adjustments in the State adjusted levels of performance for actual economic conditions and characteristics of participants under clauses (v) and (vii).</p>
Establishes financial sanctions for performance failure at the state level.	<p><b>Sec. 116. Performance accountability system. (f) (1) (B)</b> If such failure continues for a second consecutive year, or (except in the case of exceptional circumstances as determined by the Secretary of Labor or the Secretary of Education, as appropriate) a State fails to submit a report under subsection (d) for any program year, the percentage of each amount that would (in the absence of this paragraph) be reserved by the Governor under section 128(a) for the immediately succeeding program year shall be reduced by 5 percentage points until such date as the Secretary of Labor or the Secretary of Education, as appropriate, determines that the State meets such State adjusted levels of performance and has submitted such reports for the appropriate program years.</p>

**Appendix B:**  
**Title I – Workforce Development Activities**  
**Subtitle B – Workforce Investment Activities and Providers**  
**Chapter 3 – Adult and Dislocated Worker Employment and Training Activities**

I. Increases the focus on serving the most vulnerable workers—low-income adults and youth who have limited skills, lack work experience, and face other barriers to economic success.	
<i>Prioritizes services to out-of-school youth and vulnerable low-income adults</i>	
Change in WIOA	Statutory Language and Citation
Clarifies that the existing <i>Priority of Service</i> requirement in the Title I adult program applies regardless of how much or how little state or local funding is available; it is not contingent upon limited funds.	<b>Sec. 134. Use of funds for employment and training activities. (c)(3)(E)</b> With respect to funds allocated to a local area for adult employment and training activities under paragraph (2)(A) or (3) of section 133(b), priority shall be given to recipients of public assistance, other low-income individuals, and individuals who are basic skills deficient for receipt of career services described in paragraph (2)(A)(xii) and training services. The appropriate local board and the Governor shall direct the one-stop operators in the local area with regard to making determinations related to such priority.
Requires states and Workforce Investment Boards to report the number of individuals with barriers to employment served by each core program, with specific breakdowns by subpopulation.	<b>Sec. 116. Performance accountability system. (d)(2)</b> (B) Information specifying the levels of performance achieved with respect to the primary indicators of performance described in subsection (b)(2)(A) for each of the programs described in subsection (b)(3)(A)(ii) with respect to individuals with barriers to employment, disaggregated by each subpopulation of such individuals, and by race, ethnicity, sex, and age; (H) the number of individuals with barriers to employment served by each of the programs described in subsection (b)(3)(A)(ii), disaggregated by each subpopulation of such individuals.
II. Expands education and training options to help participants access good jobs and advance in their careers.	
<i>Increases the focus on training across core programs.</i>	
Change in WIOA	Statutory Language and Citation
Formally <i>eliminates the sequence of service provision</i> in the Title I adult program.	<b>Sec. 134. Use of funds for employment and training activities. (c)(3)(A)(iii)</b> Nothing in this subparagraph shall be construed to mean an individual is required to receive career services prior to receiving training services.
Provides more flexible training delivery options to meet the needs of low-income individuals.	<b>Sec. 134. Use of funds for employment and training activities. (c)(3)(D)(x)</b> Adult education and literacy activities, including activities of English language acquisition and integrated education and training programs, provided concurrently or in combination with services described in any of clauses (i) through (vii). <b>Sec. 134. Use of funds for employment and training activities. (c)(3)(G)(ii) (V)</b> The local board determines that—(aa) it would be most appropriate to award a contract to an institution of higher education or other eligible provider of training services in order to facilitate the training of multiple individuals in in-demand industry sectors or occupations; and (bb) such contract does not limit customer choice.

<p>Clarifies that WIOA training funds can be used for individuals who are unable to obtain Pell grant assistance or who need additional assistance beyond Pell grants.</p>	<p><b>Sec. 134. Use of funds for employment and training activities. (c)(3)(B)</b> Notwithstanding section 479B of the Higher Education Act of 1965 (20 U.S.C. 1087uu) and except as provided in clause (ii), provision of such training services shall be limited to individuals who—(I) are unable to obtain other grant assistance for such services, including Federal Pell Grants established under subpart 1 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a et seq.); or (II) require assistance beyond the assistance made available under other grant assistance programs, including Federal Pell Grants.</p>
<p>Includes new requirements to report on expenditures for career and training services and on the number of participants who received career and training services.</p>	<p><b>Sec. 116. Performance accountability system. (d)(2)</b> (D) The number of participants who received career and training services, respectively, during the most recent program year and the 3 preceding program years, and the amount of funds spent on each type of service; (E) the number of participants who exited from career and training services, respectively, during the most recent program year and the 3 preceding program years; (F) the average cost per participant of those participants who received career and training services, respectively, during the most recent program year and the 3 preceding program years; (G) the percentage of participants in a program authorized under this subtitle who received training services and obtained unsubsidized employment in a field related to the training received.</p> <p><b>Sec. 116. Performance accountability system. (d)(3)</b> The performance reports for a local area shall include, subject to paragraph (6)(C)— (A) the information specified in subparagraphs (A) through (L) of paragraph (2), for each of the programs described in subclauses (I) through (III) of subsection (b)(3)(A)(ii);</p>
<p>Requires eligible training providers to report results for <i>all</i> of their students for common measures for each program of study, not just participants whose training costs were funded by WIOA.</p>	<p><b>Sec. 116. Performance accountability system. (d)(4)</b> The performance report for an eligible provider of training services under section 122 shall include, subject to paragraph (6)(C), with respect to each program of study (or the equivalent) of such provider— (A) information specifying the levels of performance achieved with respect to the primary indicators of performance described in subclauses (I) through (IV) of subsection (b)(2)(A)(i) with respect to all individuals engaging in the program of study (or the equivalent); (B) the total number of individuals exiting from the program of study (or the equivalent); (C) the total number of participants who received training services through each of the adult program and the dislocated worker program authorized under chapter 3 of subtitle B, disaggregated by the type of entity that provided the training, during the most recent program year and the 3 preceding program years; (D) the total number of participants who exited from training services, disaggregated by the type of entity that provided the training, during the most recent program year and the 3 preceding program years; (E) the average cost per participant for the participants who received training services, disaggregated by the type of entity that provided the training, during the</p>

	most recent program year and the 3 preceding program years; and (F) the number of individuals with barriers to employment served by each of the adult program and the dislocated worker program authorized under chapter 3 of subtitle B, disaggregated by each subpopulation of such individuals, and by race, ethnicity, sex, and age.
<i>Encourages implementation of career pathway approaches that support postsecondary education and training for youth and adults. (See Appendix A.)</i>	
III. Helps disadvantaged and unemployed adults and youth earn while they learn through support services and effective employment-based activities	
<b>Change in WIOA</b>	<b>Statutory Language and Citation</b>
Supports increased use of on-the-job training by allowing increased reimbursement rates to participating employers (up to 75 percent of wages, increased from 50 percent under WIA).	<b>Sec.134. Use of funds for employment and training activities. (c)(3)(H)</b> (i) For purposes of the provision of on-the-job training under this paragraph, the Governor or local board involved may increase the amount of the reimbursement described in section 3(44) to an amount of up to 75 percent of the wage rate of a participant for a program carried out under chapter 2 or this chapter ( <i>includes conditions</i> ).
Allows local areas to reserve up to 20 percent of Adult and Dislocated Worker funds for incumbent worker training.	<b>Sec. 134. Use of funds for employment and training activities. (d)(4)</b> The local board may reserve and use not more than 20 percent of the funds allocated to the local area involved under section 133(b) to pay for the Federal share of the cost of providing training through a training program for incumbent workers, carried out in accordance with this paragraph.
Includes Registered Apprenticeship programs on the state eligible training provider list.	<b>Sec. 122. Identification of eligible providers of training services. (a)(2)(B)</b> An entity that carries out programs registered under the Act of August 16, 1937 (commonly known as the “National Apprenticeship Act”; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.).
Allows up to 10 percent of Adult and Dislocated Worker funds to be used for transitional jobs for individuals with barriers to employment.	<b>Sec. 134. Use of funds for employment and training activities. (d)(5)</b> The local board may use not more than 10 percent of the funds allocated to the local area involved under section 133(b) to provide transitional jobs under subsection (c)(3) that— (A) are time-limited work experiences that are subsidized and are in the public, private, or non-profit sectors for individuals with barriers to employment who are chronically unemployed or have an inconsistent work history; (B) are combined with comprehensive employment and supportive services; and (C) are designed to assist the individuals described in subparagraph (A) to establish a work history, demonstrate success in the workplace, and develop the skills that lead to entry into and retention in unsubsidized employment.
Explicitly allows local areas through the One-Stop system to provide work support activities.	<b>Sec. 134. Use of funds for employment and training activities. (d)(1)(B)</b> (i) Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 133(b), and funds allocated to the local area for dislocated workers under section 133(b)(2)(B), may be used to provide, through the one-stop delivery system involved, work support activities designed to assist low-wage workers in retaining and enhancing employment. The one-stop partners of the system shall coordinate the appropriate programs and resources of the partners with the activities and resources provided under this subparagraph. (ii) The work support activities described in clause (i) may include the provision of

	<p>activities described in this section through the one-stop delivery system in a manner that enhances the opportunities of such workers to participate in the activities, such as the provision of activities described in this section during non-traditional hours and the provision of onsite child care while such activities are being provided.</p>
<p>Maintains support services and need-related payments provisions for workers who need them to participate in workforce investment and training services.</p>	<p><b>Sec. 134. Use of funds for employment and training activities. (d)(2)</b>  Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 133(b), and funds allocated to the local area for dislocated workers under section 133(b)(2)(B), may be used to provide supportive services to adults and dislocated workers, respectively— (A) who are participating in programs with activities authorized in paragraph (2) or (3) of subsection (c); and (B) who are unable to obtain such supportive services through other programs providing such services.</p> <p><b>Sec. 134. Use of funds for employment and training activities. (d)(3)(A)</b>  Funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 133(b), and funds allocated to the local area for dislocated workers under section 133(b)(2)(B), may be used to provide needs-related payments to adults and dislocated workers, respectively, who are unemployed and do not qualify for (or have ceased to qualify for) unemployment compensation for the purpose of enabling such individuals to participate in programs of training services under subsection (c)(3).</p>
<p>IV. Aligns planning and accountability policies across core programs to support more unified approaches to serving low-income serving low-income, low-skilled individuals (see Appendix A).</p>	

**Appendix C:**  
**Title I – Workforce Development Activities**  
**Subtitle B – Workforce Investment Activities and Providers**  
**Chapter 2 – Youth Workforce Investment Activities**

I. Increases the focus on serving the most vulnerable workers—low-income adults and youth who have limited skills, lack work experience, and face other barriers to economic success.	
<i>Prioritizes services to out-of-school youth and vulnerable low-income adults.</i>	
Change in WIOA	Statutory Language and Citation
Requires that at least 75 percent of available state-wide funds and 75 percent of funds available to local areas be spent on workforce investment services for out-of-school youth. <i>However, WIOA does not require local workforce boards to have a youth council.</i>	<p><b>Sec. 129. Use of funds for youth workforce investment activities. (a)(4)(A)</b>  For any program year, not less than 75 percent of the funds allotted under section 127(b)(1)(C), reserved under section 128(a), and available for state-wide activities under subsection (b), and not less than 75 percent of funds available to local areas under subsection (c), shall be used to provide youth workforce investment activities for out-of-school youth.</p> <p><b>Sec. 107. Local plan. (b)(4)(A)(ii)</b>  The local board may designate and direct the activities of standing committees to provide information and to assist the local board in carrying out activities under this section. Such standing committees shall be chaired by a member of the local board, may include other members of the local board, and shall include other individuals appointed by the local board who are not members of the local board and who the local board determines have appropriate experience and expertise. At a minimum, the local board may designate each of the following: (ii) A standing committee to provide information and to assist with planning, operational, and other issues relating to the provision of services to youth, which shall include community-based organizations with a demonstrated record of success in serving eligible youth.</p>
<i>Expands and improves eligibility requirements for youth services.</i>	
Change in WIOA	Statutory Language and Citation
Raises the out-of-school youth eligibility age from 16-21 to 16-24;	<p><b>Sec. 129. Use of funds for youth workforce investment activities. (a)(1)(B)</b>  The term ‘ ‘out-of-school youth’’ means an individual who is—</p> <ul style="list-style-type: none"> <li>(i) not attending any school (as defined under State law);</li> <li>(ii) <i>not younger than age 16 or older than age 24</i>; and</li> <li>(iii) one or more of the following: <ul style="list-style-type: none"> <li>(I) A school dropout.</li> <li>(II) A youth who is within the age of compulsory school attendance, but has not attended school for at least the most recent complete school year calendar quarter.</li> <li>(III) A recipient of a secondary school diploma or its recognized equivalent who is a low-income individual and is— (aa) basic skills deficient; or (bb) an English language learner.</li> <li>(IV) An individual who is subject to the juvenile or adult justice system.</li> <li>(V) A homeless individual (as defined in section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6))), a homeless child or youth (as</li> </ul> </li> </ul>

	<p>defined in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2))), a runaway, in foster care or has aged out of the foster care system, a child eligible for assistance under section 477 of the Social Security Act (42 U.S.C. 677), or in an out-of-home placement.</p> <p>(VI) An individual who is pregnant or parenting.</p> <p>(VII) A youth who is an individual with a disability.</p> <p>(VIII) A low-income individual who requires additional assistance to enter or complete an educational program or to secure or hold employment.</p>
Adds youth “living in a high-poverty area” to the low-income criterion for youth activities funding and services.	<p><b>Sec. 129. Use of funds for youth workforce investment activities. (a)(2)</b></p> <p>For the purpose of this subsection, the term “low-income”, used with respect to an individual, also includes a youth living in a high-poverty area.</p>
Expands the in-school youth eligibility to include low-income individuals ages 14 to 21 who are English language learners and those who have a disability.	<p><b>Sec. 129. Use of funds for youth workforce investment activities. (a)(1)(C)</b></p> <p>The term “in-school youth” means an individual who is—</p> <p>(i) attending school (as defined by State law);</p> <p>(ii) not younger than age 14 or (unless an individual with a disability who is attending school under State law) older than age 21;</p> <p>(iii) a low-income individual; and</p> <p>(iv) one or more of the following:</p> <p>(I) Basic skills deficient.</p> <p>(II) An English language learner.</p> <p>(III) An offender.</p> <p>(IV) A homeless individual (as defined in section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6))), a homeless child or youth (as defined in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2))), a runaway, in foster care or has aged out of the foster care system, a child eligible for assistance under section 477 of the Social Security Act (42 U.S.C. 677), or in an out of-home placement.</p> <p>(V) Pregnant or parenting.</p> <p>(VI) A youth who is an individual with a disability.</p> <p>(VII) An individual who requires additional assistance to complete an educational program or to secure or hold employment.</p>
<p>II. Expands education and training options to help participants access good jobs and advance in their careers.</p>	
<p><i>Increases the focus on training across core programs.</i></p>	
<b>Change in WIOA</b>	<b>Statutory Language and Citation</b>
Provides more flexible training delivery options, including allowing a portion of local Title I funds (up to 10 percent of youth funds) be used for pay-for-performance contracts.	<p><b>Sec. 129. Use of funds for youth workforce investment activities. (c)(1)(D)</b></p> <p>At the discretion of the local board, implement a <i>pay-for-performance contract strategy</i> for elements described in paragraph (2), for which the local board may reserve and use not more than 10 percent of the total funds allocated to the local area under section 128(b).</p>
Includes, within the occupational skills training activity, a priority for training programs that lead to	<p><b>Sec. 129. Use of funds for youth workforce investment activities. (c)(2)(D)</b></p> <p><i>Occupational skill training</i>, which shall include priority consideration for training programs that lead to recognized postsecondary credentials that are aligned with in</p>

postsecondary credentials and are aligned with in-demand industry sectors or occupations in a local area.	demand industry sectors or occupations in the local area involved, if the local board determines that the programs meet the quality criteria described in section 123.
<i>Encourages implementation of career pathway approaches that support postsecondary education and training for youth and adults.</i>	
<b>Change in WIOA</b>	<b>Statutory Language and Citation</b>
Requires local areas are required to use youth funds to conduct an objective assessment “for the purpose of identifying appropriate services and career pathways for participants.”	<b>Sec. 129. Use of funds for youth workforce investment activities. (c)(1)(A)</b> Provide an objective assessment of the academic levels, skill levels, and service needs of each participant, which assessment shall include a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes (including interests and aptitudes for non-traditional jobs), supportive service needs, and developmental needs of such participant, for the purpose of identifying appropriate services and career pathways for participants, except that a new assessment of a participant is not required if the provider carrying out such a program determines it is appropriate to use a recent assessment of the participant conducted pursuant to another education or training program.
III. Helps disadvantaged and unemployed youth earn while they learn through support services and effective employment-based activities.	
<b>Change in WIOA</b>	<b>Statutory Language and Citation</b>
Requires that at least 20 percent of Youth formula funds be spent on paid and unpaid work experiences that incorporate academic and occupational education for out-of-school and in-school youth.	<b>Sec. 129. Use of funds for youth workforce investment activities. (c)(4)</b> <i>Not less than 20 percent of the funds allocated to the local area as described in paragraph (1) shall be used to provide in-school youth and out-of-school youth with activities under paragraph (2)(C).</i>
Expands the required youth program elements. The youth program elements now include additional activities and services.	<b>Sec. 129. Use of funds for youth workforce investment activities. (c)(2)</b> In order to support the attainment of a secondary school diploma or its recognized equivalent, entry into postsecondary education, and career readiness for participants, the programs described in paragraph (1) shall provide elements consisting of— (A) tutoring, study skills training, instruction, and evidence-based dropout prevention and recovery strategies that lead to completion of the requirements for a secondary school diploma or its recognized equivalent (including a recognized certificate of attendance or similar document for individuals with disabilities) or for a recognized postsecondary credential; (B) alternative secondary school services, or dropout recovery services, as appropriate; (C) <i>paid and unpaid work experiences that have as a component academic and occupational education, which may include—</i> <i>(i) summer employment opportunities and other employment opportunities available throughout the school year;</i> <i>(ii) pre apprenticeship programs;</i> <i>(iii) internships and job shadowing; and</i> <i>(iv) on-the-job training opportunities;</i> (D) <i>occupational skill training, which shall include priority</i>

	<p><i>consideration for training programs that lead to recognized postsecondary credentials that are aligned with in demand industry sectors or occupations in the local area involved, if the local board determines that the programs meet the quality criteria described in section 123;</i></p> <p>(E) education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;</p> <p>F) leadership development opportunities, which may include community service and peer-centered activities encouraging responsibility and other positive social and civic behaviors, as appropriate;</p> <p>(G) support services;</p> <p>(H) adult mentoring for the period of participation and a subsequent period, for a total of not less than 12 months;</p> <p>(I) follow-up services for not less than 12 months after the completion of participation, as appropriate;</p> <p>(J) comprehensive guidance and counseling, which may include drug and alcohol abuse counseling and referral, as appropriate;</p> <p>(K) financial literacy education;</p> <p>(L) entrepreneurial skills training; (M) services that provide labor market and employment information about in-demand industry sectors or occupations available in the local area, such as career awareness, career counseling, and career exploration services; and</p> <p>(N) activities that help youth prepare for and transition to postsecondary education and training.</p>
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IV. Aligns planning and accountability policies across core programs to support more unified approaches to serving low-income serving low-income, low-skilled individuals (see Appendix A).

## Appendix D:

### Title II – Adult Education and Family Literacy Act

<b>I. Increases the focus on serving the most vulnerable workers—low-income adults and youth who have limited skills, lack work experience, and face other barriers to economic success.</b>	
<i>Prioritizes services to out-of-school youth and vulnerable low-income adults.</i>	
Change in WIOA	Statutory Language and Citation
<p>Retains Title II's (also known as the Adult Education and Family Literacy Act) focus on the provision of basic skills and English language services for adults with low basic skills.</p>	<p><b>Sec. 203. Definitions. (1)</b> Includes the requirement that services must be below the postsecondary level, while modifying the definition of "Adult Education" in other ways. “(1) ADULT EDUCATION.—The term “adult education” means academic instruction and education services <i>below the postsecondary level</i> that increase an individual's ability to—(A) read, write, and speak in English and perform mathematics or other activities necessary for the attainment of a secondary school diploma or its recognized equivalent; (B) transition to postsecondary education and training; and(C) obtain employment.”</p>
<p>Requires states to consider whether local adult education providers are serving those most in need when making funding decisions.</p>	<p><b>Sec. 231. Grants and Contracts for Eligible Providers. (e)(1,10,11)</b> Modifies the list of considerations that states must use to determine which providers will receive funding. In awarding grants, states must consider whether the providers would be responsive to serving individuals in the community who were identified in the local plan as most in need of adult education and literacy activities, including those who have low levels of literacy skills or who are English language learners. This section also requires the state to consider whether the program will coordinate with other available resources in the community and supportive services; and whether the provider offers flexible schedules and coordination with Federal, State, and local support services. “...(1) the degree to which the eligible provider would be responsive to—(A) regional needs as identified in the local plan under section 108; and (B) serving individuals in the community who were identified in such plan as most in need of adult education and literacy activities, including individuals—(i) who have low levels of literacy skills; or(ii) who are English language learners;... (10) whether the eligible provider's activities coordinate with other available education, training, and social service resources in the community, such as by establishing strong links with elementary schools and secondary schools, postsecondary educational institutions, institutions of higher education, local workforce investment boards, one-stop centers, job training programs, and social service agencies, business, industry, labor organizations, community-based organizations, nonprofit organizations, and intermediaries, for the development of career pathways;... (11) whether the eligible provider's activities offer flexible schedules and coordination with Federal, State, and local support services (such as child care, transportation, mental health services, and career planning) that are necessary to enable individuals, including individuals with disabilities or other special needs, to attend and complete programs...”</p>

	<p><b>Sec. 242. National Leadership Activities. (b)(3)</b>                  Requires the Department of Education to estimate the number of adults functioning at the lowest levels of literacy.                  "...carrying out rigorous research and evaluation on effective adult education and literacy activities, as well as estimating the number of adults functioning at the lowest levels of literacy proficiency, which shall be coordinated across relevant Federal agencies, including the Institute of Education Sciences..."</p>
<p>II. Expands education and training options to help participants access good jobs and advance in their careers.</p>	
<p><i>Increases the focus on training across core programs.</i></p>	
<p><b>Change in WIOA</b></p>	<p><b>Statutory Language and Citation</b></p>
<p>Broadens the focus of adult education, literacy, and English language services to include postsecondary transitions and careers.</p>	<p><b>Sec. 202. Purpose. (2,3)</b>                  Adds the goal of "assisting adults in transitioning to postsecondary education" to the Purpose of Title II and strengthens the focus on the achievement of economic self-sufficiency.                  "...(1) assist adults to become literate and obtain the knowledge and skills necessary for employment and economic self-sufficiency;                  (2) assist adults who are parents or family members to obtain the education and skills that--(A) are necessary to becoming full partners in the educational development of their children; and (B) lead to sustainable improvements in the economic opportunities for their family;                  (3) assist adults in attaining a secondary school diploma and in the transition to postsecondary education and training, including through career pathways..."</p> <p><b>Sec. 203. Definitions. (1,2,6,9)</b>                  Modifies definitions of key terms throughout the title to include a focus on postsecondary transitions.                  " (1) ADULT EDUCATION—The term "adult education" means academic instruction and education services below the postsecondary level that increase an individual's ability to—(A) read, write, and speak in English and perform mathematics or other activities necessary for the attainment of a secondary school diploma or its recognized equivalent; (B) transition to postsecondary education and training; and (C) obtain employment.                  (2) ADULT EDUCATION AND LITERACY ACTIVITIES—The term "adult education and literacy activities" means programs, activities, and services that include adult education, literacy, workplace adult education and literacy activities, family literacy activities, English language acquisition activities, integrated English literacy and civics education, workforce preparation activities, or integrated education and training;...                  (6) ENGLISH LANGUAGE ACQUISITION PROGRAM—English language acquisition program.--The term "English language acquisition program" means a program of instruction-- (A) designed to help eligible individuals who are English language learners achieve competence in reading, writing, speaking, and comprehension of the English language; and (B) that leads to-- (i)(I) attainment of a secondary school diploma or its recognized equivalent; and (II) transition to postsecondary education and training; or (ii) employment;...</p>

	<p>(9) FAMILY LITERACY ACTIVITIES--The term "family literacy activities" means activities that are of sufficient intensity and quality, to make sustainable improvements in the economic prospects for a family and that better enable parents or family members to support their children's learning needs, and that integrate all of the following activities: (A) Parent or family adult education and literacy activities that lead to readiness for postsecondary education or training, career advancement, and economic self-sufficiency. (B) Interactive literacy activities between parents or family members and their children. (C) Training for parents or family members regarding how to be the primary teacher for their children and full partners in the education of their children. (D) An age-appropriate education to prepare children for success in school and life experiences..."</p>
<p>Defines and encourages the use of new models, such as integrated education and training (IET).</p>	<p><b>Sec. 203. Definitions. (11,16)</b>  Adds a definition of "integrated education and training" and "workplace adult education and literacy services" and includes these models as explicitly allowable activities.  " (11) INTEGRATED EDUCATION AND TRAINING: The term "integrated education and training" means a service approach that provides adult education and literacy activities concurrently and contextually with workforce preparation activities and workforce training for a specific occupation or occupational cluster for the purpose of educational and career advancement...  (16) WORKPLACE ADULT EDUCATION AND LITERACY ACTIVITIES: The term "workplace adult education and literacy activities" means adult education and literacy activities offered by an eligible provider in collaboration with an employer or employee organization at a workplace or an off-site location that is designed to improve the productivity of the workforce..."</p> <p><b>Sec. 205. Rule of Construction Regarding Postsecondary Transition and Concurrent Enrollment Activities.</b>  Clarifies that Title II funds can be used for adult education and literacy activities that help individuals transition to postsecondary education or for concurrent enrollment activities.  "...Nothing in this title shall be construed to prohibit or discourage the use of funds provided under this title for adult education and literacy activities that help eligible individuals transition to postsecondary education and training or employment, or for concurrent enrollment activities..."</p> <p><b>Sec. 223. State Leadership Activities. (a)(2)(D)</b>  Allows states to use state leadership funds to develop content and models for integrated education and training and career pathways..  "...(D) Developing content and models for integrated education and training and career pathways..."</p> <p><b>Sec. 231. Grants and Contracts for Eligible Providers. (e)</b>  Requires the state to consider, in awarding grants to local adult education providers,</p>

	<p>whether learning will be presented in context, including through integrated education and training.                  “...(8) whether the eligible provider's activities provide learning in context, including through integrated education and training, so that an individual acquires the skills needed to transition to and complete postsecondary education and training programs, obtain and advance in employment leading to economic self-sufficiency, and to exercise the rights and responsibilities of citizenship...”</p> <p><b>Sec. 225. Programs for Corrections Education and Other Institutionalized Individuals. (b)</b>                  Allows funds provided for corrections education to be used for integrated education and training and career pathways.                  “...(b) Uses of Funds.--The funds described in subsection (a) shall be used for the cost of educational programs for criminal offenders in correctional institutions and for other institutionalized individuals, including academic programs for--</p> <ol style="list-style-type: none"> <li>(1) adult education and literacy activities;</li> <li>(2) special education, as determined by the eligible agency;</li> <li>(3) secondary school credit;</li> <li>(4) integrated education and training;</li> <li>(5) career pathways;</li> <li>(6) concurrent enrollment;</li> <li>(7) peer tutoring; and</li> <li>(8) transition to re-entry initiatives and other post release services with the goal of reducing recidivism...”</li> </ol>
<p><i>Encourages implementation of career pathway approaches that support postsecondary education and training for youth and adults.</i></p>	
<p><b>Change in WIOA</b></p>	<p><b>Statutory Language and Citation</b></p>
<p>Requires states to use state leadership funds for the alignment of adult education activities with other core programs, including the development of career pathways.</p>	<p><b>Sec. 223. State Leadership Activities. (a)(1)(A)</b>                  Requires state leadership funds to be used to align adult education with other core programs, including through the use of career pathways.                  "...(A) The alignment of adult education and literacy activities with other core programs and one-stop partners, including eligible providers, to implement the strategy identified in the unified State plan under section 102 or the combined State plan under section 103, including the development of career pathways to provide access to employment and training services for individuals in adult education and literacy activities...”</p> <p><b>Sec. 223. State Leadership Activities. (a)(2)(D, F, G, H)</b>                  Allows state leadership funds to be used for developing content and models for integrated education and training and career pathways, the development and implementation of a system to assist in the transition from adult education to postsecondary education, the integration of literacy or English language instruction with occupational I skill training, and promoting workplace adult education.                  “...(D) Developing content and models for integrated education and training and career pathways...                  (F) The development and implementation of a system to assist in the transition from adult education to postsecondary education, including linkages with postsecondary educational institutions or institutions of higher education.                  (G) Integration of literacy and English language instruction with occupational skill</p>

	<p>training, including promoting linkages with employers. (H) Activities to promote workplace adult education and literacy activities.”</p>
<p>III. Helps disadvantaged and unemployed adults and youth earn while they learn through support services and effective employment-based activities.</p>	
<p>Encourages states and the federal government to support activities that promote adult education as an employment-based activity.</p>	<p><b>Sec. 203. Definitions. (5)</b> Expands the list of eligible providers of adult education services to include partnerships with employers and other eligible institutions, libraries, agencies, or non-profit organizations. "...(5) Eligible provider.—The he term ``eligible provider" means an organization that has demonstrated effectiveness in providing adult education and literacy activities that may include— (A) a local educational agency; (B) a community-based organization or faith-based organization; (C) a volunteer literacy organization; (D) an institution of higher education; (E) a public or private nonprofit agency; (F) a library; (G) a public housing authority; (H) a nonprofit institution that is not described in any of subparagraphs (A) through (G) and has the ability to provide adult education and literacy activities to eligible individuals; (I) a consortium or coalition of the agencies, organizations, institutions, libraries, or authorities described in any of subparagraphs (A) through (H); and (J) a partnership between an employer and an entity described in any of subparagraphs (A) through (I)...”</p> <p><b>Sec. 223. State Leadership Activities. (a)(2)(G)</b> Allows states to use state leadership funds for the integration of literacy and English language instruction with occupational skill training, including promoting linkages with employers and activities to promote workplace adult education and literacy activities. “...(G) Integration of literacy and English language instruction with occupational skill training, including promoting linkages with employers... (H) Activities to promote workplace adult education and literacy activities...”</p>
<p>IV. Aligns planning and accountability policies across core programs to support more unified approaches for serving low-income, low-skilled individuals</p>	
<p><i>Requires unified planning at the state and local levels.</i></p>	
<b>Change in WIOA</b>	<b>Statutory Language and Citation</b>
<p>Requires local plans to describe how access to services will be expanded, particularly for eligible individuals with barriers, and how the local board will facilitate co-enrollment.</p>	<p><b>Sec. 232. Local Application. (3)</b> Requires eligible providers to state in their application for Title II funds how they will align with the local workforce plan, including how they will promote co-enrollment. “...(3) a description of how the eligible provider will provide services in alignment with the local plan under section 108, including how such provider will promote concurrent enrollment in programs and activities under title I, as appropriate...”</p> <p><b>Sec. 231. Grants and Contracts for Eligible Providers. (e)(4)</b></p>

	<p>Requires state to consider, in awarding grants to local adult education providers, the degree to which a provider’s services are in alignment with the local workforce plan. “...(4) the extent to which the eligible provider demonstrates alignment between proposed activities and services and the strategy and goals of the local plan under section 108, as well as the activities and services of the one-stop partners...”</p>
<p>Requires the local workforce board to review applications for Title II funding from local providers of adult education.</p>	<p><b>Sec. 107. Local Workforce Development Boards. (d)(11)</b></p> <p>Requires the local workforce board to coordinate with adult education providers, including reviewing applications from eligible adult education providers to determine whether they are aligned with the local plan and make recommendations to the state agency administering adult education on promoting alignment. “...(d) Functions of Local Board...</p> <p>(11) Coordination with education providers.—</p> <p>(A) In general.--The local board shall coordinate activities with education and training providers in the local area, including providers of workforce investment activities, providers of adult education and literacy activities under title II, providers of career and technical education (as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302)) and local agencies administering plans under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741).</p> <p>(B) Applications and agreements.--The coordination described in subparagraph (A) shall include--(i) consistent with section 232-- (I) reviewing the applications to provide adult education and literacy activities under title II for the local area, submitted under such section to the eligible agency by eligible providers, to determine whether such applications are consistent with the local plan; and (II) making recommendations to the eligible agency to promote alignment with such plan...”</p>