

# The Workforce Innovation and Opportunity Act

## *Investing in America's Competitiveness*

### The Problem:

- By 2022 the United States will fall short by 11 million the necessary number of workers with postsecondary education, including 6.8 million workers with bachelor's degrees, and 4.3 million workers with a postsecondary vocational certificate, some college credits or an associate's degree.<sup>i</sup>
- Fifty-two percent of adults (16-65) in the United States lack the literacy skills necessary to identify, interpret, or evaluate one or more pieces of information; a critical requirement for success in postsecondary education and work.<sup>ii</sup>
- Individuals with disabilities have the highest rate of unemployment of any group, and more than two-thirds do not participate in the workforce at all.<sup>iii</sup>

### The Workforce Innovation and Opportunity Act (WIOA):

WIOA is bipartisan, bicameral legislation that will improve our nation's workforce development system and help put Americans back to work. Now more than ever, effective education and workforce development opportunities are critical to a stronger middle class. We need a system that prepares workers for the 21<sup>st</sup> century workforce, while helping businesses find the skilled employees they need to compete and create jobs in America.

#### **WIOA creates:**

*A streamlined workforce development system by:*

- Eliminating 15 existing programs.
- Applying a single set of outcome metrics to every federal workforce program under the Act.
- Creating smaller, nimbler, and more strategic state and local workforce development boards.
- Integrating intake, case management and reporting systems while strengthening evaluations.
- Eliminating the "sequence of services" and allowing local areas to better meet the unique needs of individuals.

#### *Greater value by:*

- Maintaining the 15 percent funding reservation at the state level to allow states the flexibility to address specific needs.
- Empowering local boards to tailor services to their region's employment and workforce needs.
- Supporting access to real-world education and workforce development opportunities through:
  - On-the-job, incumbent worker, and customized training;
  - Pay-for-performance contracts; and
  - Sector and pathway strategies.

#### *Better coordination by:*

- Aligning workforce development programs with economic development and education initiatives.
- Enabling businesses to identify in-demand skills and connect workers with the opportunities to build those skills.
- Supporting strategic planning and streamlining current governance and administration by requiring core workforce programs to develop a single, comprehensive state plan to break down silos, reduce administrative costs, and streamline reporting requirements.
- Ensuring individuals with disabilities have the skills necessary to be successful in businesses that provide competitive, integrated employment.

#### *Improved outreach, to disconnected youth by:*

- Focusing youth program services on out-of-school youth, high school dropout recovery efforts, and attainment of recognized postsecondary credentials.
- Providing youth with disabilities the services and support they need to be successful in competitive, integrated employment.

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<sup>i</sup> The Georgetown University Center on Education and the Workforce.

<sup>ii</sup> Based on data from the Program for the International Assessment of Adult Competencies (PIAAC), 2012.

<sup>iii</sup> Based on data from the Current Population Survey, Bureau of Labor Statistics.