Implementing WIOA: State Policy Choices to Assist Low-Income Working Families

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Introduction

After more than a decade, major workforce legislation finally emerged from Washington, D.C. last summer. Congress passed the Workforce Innovation and Opportunity Act (WIOA) by overwhelming bipartisan majorities, with President Obama signing the measure into law on July 22, 2014.

The first new federal workforce law in 16 years, WIOA includes changes that reflect a labor market very different from 1998, when Congress passed the Workforce Investment Act (WIA). Compared to its predecessor, WIOA is more supportive of placing clients into training, by removing obstacles to entry and encouraging increased use of funds for training. It also builds on WIA’s system alignment priorities, setting common outcome metrics and requiring consolidated planning for the key programs authorized under the law. The law retains WIA’s focus on being responsive to employer demand, but seeks a better balance in using public resources to serve both job seekers and employers.

Importantly, WIOA gives explicit priority to serving “recipients of public assistance, other low-income individuals, [and] individuals who are basic skills deficient.” The law also offers an expanded policy menu to state and local elected officials and workforce boards. Among the options now on the table are enhanced on-the-job and incumbent worker training, career pathways, and a new emphasis on support services. The requirements around common measures and unified planning, and the option to further expand planning to programs beyond WIOA, increase the importance of coordination and cohesion within government and between the public and private sectors. At the same time, WIOA increases flexibility and fund transfer between some of the programs it authorizes, and restores statewide set-aside funds to be used at each governor’s discretion to 15 percent of a state’s allocation.

The Working Poor Families Project (WPFP), a national initiative that seeks to strengthen state policies on behalf of low-income working families, has prepared this brief to highlight key state policy decision points and to offer recommendations on the substance embedded in those decisions. As WIOA phases in over the next year or so, numerous stakeholders will have many opportunities to influence key state policy choices and program design and implementation decisions.
WPFP presents these ideas and recommendations based on two core principles. First, it is important to establish state policy on critical WIOA issues to ensure that local areas provide WIOA services in accordance with the legislation’s priority of serving low-income adults and youth. Second, before local implementation gets underway, the state must clearly define specific strategies and activities highlighted by WIOA, such as career pathways, industry partnerships, integration of education and training, and support services.

**Considerations for States**

WIOA allows and encourages a wide range of activities, while mandating relatively few. In part, this reflects the budgetary reality in Washington, D.C.: WIA appropriations fell by nearly $2 billion from 2002 to 2013. The limited funding likely to be available heightens the importance of making the right choices among WIOA’s many options and building strong partnerships to support those choices, if states and local areas are to fulfill the law’s potential to support low-income workers.

WIOA slows or even reverses some of WIA’s decentralizing measures, shifting authority and resources back from the local to the state level. States are responsible for creating unified plans for all six of the programs authorized under WIOA: Title I Adult, Dislocated Worker, and Youth; Title II Adult Education and Family Literacy Act; Title III Employment Services; and Title IV Vocational Rehabilitation. Local workforce areas are obligated to make sure their plans conform to the state’s blueprint.

State officials also can choose to incorporate programs not authorized under WIOA into their combined WIOA planning. These include Temporary Assistance for Needy Families (TANF), the Carl D. Perkins Act, Supplemental Nutrition Assistance Program (SNAP) and Trade Adjustment Assistance, among many others. Statewide discretionary funds, under the control of the governor for use toward a number of prescribed purposes, are restored from 8.75 percent to 15 percent of each state’s allocation. This change further raises the importance of strong ties with the governor’s office and creates another possible avenue of support for some of the provisions discussed below, such as supportive services for individuals receiving job training or employment assistance.

This greater power and flexibility at the state level comes with a significant catch: there is no guarantee that WIOA’s implementation will halt, much less reverse, the longstanding slide in federal workforce appropriations that has limited the reach and effectiveness of employment and training programs since the early years of WIA. With this in mind, it is vital for state policy advocates and other stakeholders to effectively engage with executive officials and key legislators in their state, as well as potential partners and allies in the private, nonprofit, and education sectors, toward the goal of enacting policies that will support advancement opportunities for low-income workers.

**Ten Key WIOA State Policy Opportunities**

The following section details ten key provisions within WIOA that WPFP considers particularly salient for addressing the needs of low-income working families, depending on the specific circumstances of each state. These are:

1. WIOA planning and program alignment
2. Priority on serving low-income people
3. WIOA performance measures
4. Increased training options
5. Career pathways and industry/sector partnerships
6. Supportive services
7. New ability to serve incumbent workers
8. Adult basic education
9. Integrated education and training approaches
10. Changes to serving youth and young adults

**1. WIOA Planning and Program Alignment**

One central focus of the WIOA is strategic alignment and coordination among the federal programs covered by WIOA: Adult, Dislocated Worker and Youth workforce activities; services under the Wagner-Peyser Act; Adult Education and Family Literacy; and Title I of the Vocational Rehabilitation Act. WIOA creates common performance measures across these four core programs, increases alignment of adult education and occupational training, requires co-location of Wagner-Peyser staff in one-stop career centers, and mandates that local Workforce Development Boards approve a local Adult Education and Family Literacy Act plan to align with their workforce development strategy.
WIOA continues the funding structure of these four titles, which were put in place under the WIA. However, the new legislation requires that each state submit a unified plan detailing projected activities in all four, rather than four separate plans, by March 3, 2016. After the U.S. Department of Labor (DOL) approves this unified state plan, it becomes effective July 1, 2016 and remains in effect for four years. WIOA as a whole goes into effect a year earlier, on July 1, 2015.3

WIOA also gives states the option to submit combined plans that go beyond the core four by including one or more of the following programs: Temporary Assistance to Needy Families (TANF), Trade Adjustment Assistance, Carl Perkins Career and Technical Education Act, Unemployment Insurance, Supplemental Nutrition Assistance Program Employment and Training, Community Development Block Grant, Community Services Block Grant, HUD employment and training activities, and the Veterans Employment and Training Services program. This provision enables states to create a more comprehensive system to help low-income individuals improve their employability and earning power.

State policy advocates can work to build alliances and otherwise push for states to go beyond simply aligning WIOA’s four core programs. They can aim to build a more holistic set of employment and training services by including TANF, Perkins and other major programs. A reality that providers and advocates know well, but that sometimes seems to elude policymakers, is that the same low-income individuals tend to pass through multiple programs over time. Better aligning the services they offer and improving referrals and data access could dramatically improve services at the same or reduced cost. The best time frame to influence the plans that states ultimately will submit is between now and February 2016.

Advocating for a combined plan is one key state policy action. Beyond the fundamental need for joint planning is the importance of making sure the state plan clearly defines the substance of critical WIOA strategies and activities such as career pathways, industry/sector partnerships, support services, and integrated education and training. A state definition should include both the approach and core elements of each strategy, as well as expectations around local support and use of these strategies. For each strategy, it is important that states define success for serving participants as well as state resource thresholds or requirements to support these efforts.

Establishing a strong state plan at the outset is important, since opportunities for amending the plan, while possible, are not readily available and the approved plan will be in effect for four years. Also, opportunities for advocacy do not end with the plan’s approval and implementation. WPFP state partners will want to provide input into issues affecting performance measurement, implementation of program strategies (e.g., support services, career pathways), tangible engagement of WIOA partners (e.g., contributing resources as expected), state monitoring of local performance, use of the governor’s 15 percent discretionary funds, etc. Many of these and other issues are discussed in more detail below.

2. Priority on Serving Low-Income People

Perhaps the most important change in WIOA from a WPFP perspective is the explicit priority articulated for serving low-income adults and youth. WIA indicated that “recipients of public assistance and other low-income individuals” - which the legislation did not define - merited priority in cases of limited funds. WIOA clearly gives priority to “recipients of public assistance, other low-income individuals, and individuals who are basic skills deficient.”

This change offers the opportunity to promote state and local policies that clearly focus on addressing the educational, skills, and employment needs of low-income and low-skilled workers. This can start with the state plan and state guidance for local plans by requiring local boards to determine the number of low-income workers in their area and articulate the specific strategies and resources that will be used to address their needs. State policy can also require local boards to identify how WIOA strategies such as career pathways, incumbent worker training, and support services will be used to meet these needs. States with a commitment to serving low-income and low-skilled workers can negotiate performance levels, recognizing that the performance measurement system has been modified to take worker characteristics into account (see #3).

While the intentional focus on low-income workers is a welcome shift, advocates for low-income families and individuals should be vigilant in two respects. First, the stronger language around
priority of service does not mean that WIOA Title I Adult dollars are limited to public assistance recipients, low-income, or basic skills deficient individuals. Advocates should push policymakers to make firm commitments on what “priority” will mean in implementation, then continue to monitor local and statewide service levels to determine what level of assistance is being provided to low-income customers.

Secondly, the legislation defines “basic skills deficient” for both youth and adults as “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.” While the intent here seems clear, the Center for Law and Social Policy (CLASP) among others has expressed concern that local areas could circumvent the requirement by arguing that individuals with solid basic skills might nevertheless be “basic skills deficient” if they lacked the higher level of skills required to function on certain jobs.4

Additionally, a change long sought by advocates for low-income people, WIOA Sec.3 (36) make changes to the definition of “low-income.” For the Youth Program, “Individuals who receive or are 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.) will be determined to be low-income under WIOA.” Another expansion of the definition, which still needs clarification, allows residents of high poverty areas to be considered low-income.

3. WIOA Performance Measures

In addition to the new requirement for unified planning, the clearest indication of WIOA’s intent for its core programs to function as a cohesive system is the new common performance measures for all the core programs authorized under the Act; not just the Title I Adult, Dislocated Worker and Youth, but also Adult Education and Family Literacy, Wagner-Peyser Employment Service, and Vocational Rehabilitation.

The most significant changes are a new focus within Adult Education on employment outcomes, and emphasis on the transition to postsecondary education across titles. While most measures are continued or slightly adjusted from the WIA, several are original to WIOA and reflect new priorities within federal workforce law.

As was the case under WIA, each state will negotiate with the federal government - specifically, the Departments of Labor and Education - on the targeted performance levels for each indicator. From a Working Poor Families Project perspective, a key change in the performance measurement system is the ability to negotiate state and local performance levels based on the characteristics of participants and the conditions of the local labor market. The law calls for the creation and use of a federally developed statistical adjustment model to accommodate state and local efforts to focus on harder-to-serve participants and the potential performance levels that result.

Thus the prior claim that serving low-income or low-skilled participants would hinder achieving performance outcomes has been countered with the ability to set performance levels based on who is being served. For example, state and local boards can set appropriate performance levels for such measures as “mean earnings” that reflect serving low-income participants rather than higher-income participants. Getting state and local WIOA leaders to buy in to the value of the statistical adjustment modeling can be an important step in committing to give priority to low-income participants.5

Relative to specific measures, the “skill gains” measure represents an encouraging change in terms of what federal workforce legislation values. Under the previous legislation, the imperative for providers to quickly show job placement outcomes represented a barrier to effectively serving individuals with low basic skills or significant barriers to employment. That providers now can retain these participants without losing out financially, so long as they can demonstrate progress, should help ensure that more such individuals are enrolled into programs. Further, measuring skill gains should help enable engagement in the career pathways model that WIOA explicitly endorses.

The new measures around “skill gains” and “serving employers” remain in development as of this writing. Federal rulemaking for WIOA, published in April 2015, indicated that final measures gauging employer satisfaction are delayed, and that the federal government is primarily concerned with minimizing the reporting burden on employers. The same seems to be true for the skill gains measure, which is designed to
“encourage local adult education programs to serve all low-skilled adults as Congress intended.”

Advocates for low-income families should push their state officials to negotiate skill gains targets at a level that supports participants’ maximum engagement while ensuring that they are making meaningful progress within programs. As CLASP has noted, one possible approach is to create a menu of “skill gains” metrics based on the specific needs of those served: gains on standardized assessments, skill gains in English or math, passing an exam for English Language Learners, testing out of remediation for college-level work, or demonstrating mastery of specific workplace competencies, among other options. CLASP also notes that setting common definitions for skill gains “would encourage co-enrollment across the core programs for youth and adults, as well as contextualized learning.”

4. Increased Training Options

WIOA represents a swing of the pendulum away from the explicit “work-first” orientation of the WIA and back toward training, with particular emphasis on raising skills of low-income individuals. WIA’s sequence of services meant that individuals could access training only after failing to secure employment through job search services. Most of those who did receive training were given Individual Training Account (ITA) vouchers, which could be redeemed only at specified training providers.

WIOA bundles core and intensive services into the new category of career services and eliminates the WIA “sequence of service” mandate that had required clients to receive at least one intensive service prior to enrolling in training. Furthermore, WIOA provides more latitude in determining whether clients need skills development to improve their chances of achieving self-sufficiency (i.e. a justification for training).

Initially under WIA, local workforce areas had to demonstrate a client’s inability to achieve self-sufficiency through core and intensive services, for example through an exhaustive job search and after receiving career counseling. WIOA provides a second and alternative standard – where a client is deemed to be unlikely to otherwise achieve self-sufficiency – that should ease the burden of proof, empower local service providers to use their common sense, and reduce the length of time, number of steps, and amount of paperwork for justifying a need for training and actually enrolling in a program.

States have three options for maximizing access to training for low-income workers. First, they can establish a priority that local service providers expedite the process for qualifying for and entering into training, making clear that there is no longer a prescribed sequence of service and that the unlikely standard to achieve self-sufficiency should ease the burden (and effort) for justifying training need.

Second, state-level policymakers can adopt a policy requiring a minimum local expenditure level on training. For example, Virginia’s legislature recently set a floor of 40 percent of formula funds. Third, states can permit (or even encourage) local areas to blend training funds, such as Individual Training Account (ITA) and On-the-Job Training (OJT), when assisting hard-to-serve clients. (Some local areas currently prohibit clients from accessing multiple training resources.) Under a blended approach, OJT could aid successful exits of participants engaged in secondary or postsecondary programs, if service providers couple an ITA with OJT to provide job placements to credential completers. Doing so would help individuals augment classroom-based learning with practical workplace skills and experiences valued by employers.

Getting state and local WIOA leaders to buy in to the value of the statistical adjustment modeling for performance measurement can be an important step in committing to give priority to low-income participants.
States can also indicate preferences among the following options explicitly authorized under WIOA:

- **Transitional jobs**: Local areas can now spend up to 10 percent of their WIOA Title I Adult funds on transitional jobs, defined as time limited, subsidized work experience. Transitional jobs are a good way for public assistance recipients and other low-income jobseekers with very little or no work experience to begin building a track record of employment. Although WIOA itself leaves this as a local decision, states could adopt a policy that local areas must spend ten percent of their WIOA Title I Adult funds on transitional jobs. Since needs and available services vary from state to state, advocates should recommend which state policies may best serve low-income people.

- **Work experience/internships**: WIOA allows both paid and unpaid work experience and/or internships, with a required minimum expenditure on work experience for young adults (#10 below). Like transitional jobs, work experience and internships give job seekers or students real world experience. WIOA also encourages coupling work experience with occupational training or education.

- **On-the-Job Training (OJT)**: OJT provides work-based learning and skill training to individual employees, often at a wage higher than a work experience stipend. WIOA gives states and local areas discretion to increase reimbursement of wages from 50 percent to up to 75 percent, upon consideration of certain criteria. These include the characteristics of the participant, the size of the business, and the quality of business-provided training and advancement opportunities.

Other factors include the number of employees participating in OJT, relation of the training to the competitiveness of a participant, and wage/benefit levels during and upon completion of training. Based on these criteria, enhanced reimbursement rates could be ideal for hard-to-serve clients and career pathway programs. States should adopt the enhanced reimbursement rate to entice employers to take on lower skilled jobseekers.

- **Customized training**: Customized training programs are used to deliver training curricula and other services tailored to the needs of a specific company. Prior to hiring, these services include the screening of potential workers based on the specific skills required by the company. After hiring, they include classroom training and simulated on-the-job training opportunities tailored to that company’s needs. Customized training grants are often included in state and local economic development incentive projects aimed at business retention, expansion, and recruitment.

- **Classroom training**: This option allows local workforce boards to contract with a college or other eligible provider to deliver training to a group or cohort for in-demand positions. This is important for low-income advocates because many places in the United States face shortages of high paying jobs such as welders, and not enough qualified people in the area to fill those jobs. With ITAs, training providers have been reluctant to offering training for many such occupations, since doing so meant hiring an instructor, obtaining equipment, and renting classroom space without assurance that individuals would desire and be approved for that training or ultimately find the jobs that ensured reimbursement for providers.

- **Apprenticeship**: WIOA seeks to improve the linkages between the workforce and registered apprenticeship systems by pre-approving apprenticeship programs for the state’s eligible training provider list. The Act also clarifies how OJT and ITA funds may defray apprenticeship training costs, and highlights apprenticeship as a potential approach to career pathways and postsecondary credential attainment for WIOA Title I Adult participants and ABE students. Still, increased alignment between workforce and apprenticeship systems may provide little benefit for low-income adults who lack exposure to and requisite skills for entering apprenticeship programs. States could improve access by investing the governor’s discretionary funds into pre-apprenticeship programs, and by requiring that apprenticeship programs seeking WIOA training funds partner with preparation programs and actively recruit program completers.

- **Financial Literacy**: This is now specifically listed as a training option under WIOA and could be embedded in career pathway initiatives (see #5).
5. Career Pathways and Industry/Sector Partnerships

Each significant congressional reauthorization of workforce language tends to codify successful innovations in the field since the last major legislation. Just as WIA codified one-stop career centers, WIOA incorporates the potentially complementary career pathways and industry/sector partnerships strategies.

In 2012, the federal government defined career pathways as a “series of connected education and training strategies and support services that enable individuals to secure industry relevant certification and obtain employment within an occupational area and to advance to higher levels of future education and employment in that area.”

This definition is essentially codified in the WIOA. With support from foundations, state governments, and federal demonstration funding, the career pathways strategy has shown promise in raising skill levels and wages of low-income adults in many states.

Elements of the model include education and training, assessment of participants’ assets and needs, support services and help navigating different systems, and work experience followed by employment services. Importantly, career pathways also include bridge programs, which connect students enrolled in ABE with credit-level courses in community colleges and thus are a key strategy for achieving improved transitions to postsecondary education.

In the WIOA definition, a career pathway is the strategy of targeting selected industries, sectors and occupations for educational and skill training. This necessitates working with employers to define their skill needs and identify industry certifications that reflect those needs. It also means working with training and education providers, primarily community colleges, to develop training and related services to help participants master those skills and obtain certifications. Essentially, industry/sector partnerships are designed to bring employers and providers together to address industry and employer skill needs.

Rather than state and local boards establishing separate career pathways and sector partnership initiatives, WPFP advocates that states integrate career pathways and sector partnerships into one initiative called Career Pathways. Such an initiative should clearly articulate that career pathways are grounded in a commitment to working with employers and industry groups via sector partnerships. In this way, resources and activities associated with sector partnerships would be driven by a focus and commitment to developing and using career pathways to enhance worker educational and skills and address employer workforce needs. Career pathways can and, in many instances, should also serve as the primary training strategy for on-the-job training, customized training programs, apprenticeships, and internships to help ensure that these programmatic actions are all designed to improve the job-readiness and skills competitiveness of low-income workers.

A key point for advocates is that while states may expend part of the governor’s WIOA discretionary funds on the career pathways approach, they are not required to do so. Similarly, while state and local workforce boards must reference career pathways strategies in their plans, they also decide what level of funding to invest in the model. Finally, it is important to note that some states may consider employer surveys and engagement as a reasonable alternative to a structured career pathway model involving genuine partnerships between training entities and businesses. From WPFP’s perspective, this would have the negative consequence of focusing more on employer needs than on the special needs of low-income workers.

State level advocates who see career pathways as a powerful strategy to increase earnings for low-wage workers and the unemployed should be ready to make strong arguments on its behalf. WPFP urges that states ensure that local community colleges are active partners and that WIOA resources (both Titles I and II) are being used to develop local career pathways initiatives (including Adult Basic Education bridge programs) and support participant enrollment in those programs.

6. Supportive Services

WIOA explicitly allows local Workforce Development Boards to provide supportive services and need-based payments to help sustain participants while they are receiving employment and training services. The legislation defines “supportive services” as activities “such as transportation, child care, dependent care, housing, and needs-related payments that are necessary to enable an individual to participate in
activities authorized under this Act."9 Local areas should deliver these services in a manner that enhances the worker’s ability to participate, for example by offering them at nontraditional hours or providing on-site childcare.

WIOA also clarifies that 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.10

It is imperative that advocates argue for increased supportive services to allow low-income people to persist in obtaining enhanced skills. Advocates should also monitor the extent to which other state partners are contributing resources to ensure that sufficient support services are available to all who need them. However, as noted below, state policy must lead in bringing resources together; leaving local agencies with the responsibility to integrate or “braid” funding is not sufficient. Because funding is limited, without state level advocacy, supportive services may not be widely utilized.

7. New Ability to Serve Incumbent Workers

Under WIA, state and local areas had very limited ability to provide training to already employed workers. This meant that WIA was rarely able to help low-wage workers acquire the new skills they needed to increase their wages and move up a career ladder.

In one among many indications of WIOA’s greater focus on career advancement, the new law allows local workforce boards to expend up to 20 percent of both their Adult and Dislocated Worker funds on upgrading the skills of already employed workers. This is a welcome change with potential to augment the efforts of organizations that have had to rely on resources other than federal funds to help low-wage workers advance.

While the decision whether or not to spend up to 20 percent on incumbent workers is left to local authorities, states can shape that choice to benefit low-wage workers. One option is to require local workforce boards that choose to expend their Adult or Dislocated Worker funds on incumbent worker upgrade training to predominantly or exclusively serve workers whose family income is below 200 percent of the federal poverty level, or a locally equivalent standard. Such a state policy would be consistent with WIOA’s priority to serve low-income workers. In addition to raising the income of working poor, promotions after upgrade training can and should be backfilled from the pool of unemployed job seekers.

8. Adult Basic Education

Since WIA was enacted in 1998, the prospects of landing a good job with nothing more than a strong back and a willingness to work hard have diminished sharply. Today some estimates are that only 22 percent of all new jobs do not require any postsecondary training and education, and very few of them pay a family-supporting wage.

With this in mind, the Adult Education and Family Literacy Act (AEFLA) within WIOA has shifted to emphasize helping adults with very low skills to earn baseline educational credentials and position themselves for further gains. AEFLA’s purposes have expanded to include helping adults transition to postsecondary education and training, for example through career pathways programs. Almost all initiatives authorized under AEFLA now require stronger ties to the workforce system to meet the complementary goals of employment and career advancement.

For training participants, enrollment in an adult education or high school career pathway program that is integrated with postsecondary education instruction creates the opportunity to receive a high school diploma or equivalent as well as
occupational skills (#5 above). This raises the importance of establishing and supporting effective local career pathways that connect to local community colleges, thus creating the opportunity to align with a more significant resource base and move toward an “integrated system” rather than just a series of programs.

A complementary area of emphasis is helping English language learners acquire skills valued in the labor market. Going beyond WIA’s focus on helping non-English speakers achieve competence in reading, writing, and speaking, WIOA’s English Language Acquisition Program (ELAP) mandates that instruction must lead to attainment of a secondary school diploma or GED and must transition to postsecondary education, or training that leads to employment.

As in WIOA Title I, AEFLA makes changes to ensure that participants can access supportive services so that they can enroll and continue in the program. Its structure reflects an understanding that such services will take considerable time - an important change from the short training durations in past legislation that often precluded working with the hardest to serve. WIOA envisions that providers will serve a population with very severe barriers to employment by measuring interim success during longer-term education and training.

In addition to basic academic and critical thinking skills, and integrated education and training (#9 below), AEFLA adds three new activities to the definition of “adult education and literacy activities”:

9. Integrated Education and Training Approaches

“Integrated education and training” means that adult education and literacy activities are provided concurrently and contextually with workforce preparation activities and training for a specific occupation or occupational cluster. Often education and training are part of the type of career pathway bridge program discussed above (#4).

Among the most acclaimed examples of integrated education and training is the Washington State’s Integrated Basic Education and Skills Training Program (I-BEST). This nationally recognized model has proven effective in helping students quickly improve their literacy and work skills and earn credentials that help them progress on an educational pathway and secure living wage jobs.

The integrated education and training approach seems like a perfect solution to quickly move up low-skilled people, who historically have struggled to obtain sufficient basic skills to enter a community college. In fact, 20 states besides Washington now provide some type of I-BEST education and training and many do so within a career pathway framework. It is important to understand that I-BEST deploys a specific approach to integrated teaching that is more costly than other approaches. States need to articulate clear policy guidance on expectations and requirements around integrated teaching as not all approaches involve additional costs. States committed to the I-BEST approach should take actions to find additional resources to support local efforts - for example accessing other programs such as TANF or SNAP Employment and Training that they can integrate with WIOA in required planning (#1 above). As noted earlier, leaving local agencies with the responsibility to integrate or “braid” funding is not sufficient; state policy must lead in making this possible.

10. Changes to Serving Youth and Young Adults

The significant changes in WIOA around youth increases the emphasis on helping the very hardest-to-serve young job seekers connect to employment and skill-building opportunities. Federal law now requires that states and local areas spend at least 75 percent of their WIOA youth allocation on out-of-school youth ages 16 to 24, a sizable increase from 30 percent under WIA.
Additionally, WIOA requires states and local areas to spend at least 20 percent of youth formula funds on work experiences - paid or unpaid - that incorporate academic and occupational education. This can include employment opportunities such as summer and after-school jobs programs as well as pre-apprenticeship, internships, and job shadowing. Finally, WIOA expands youth programs to include additional elements, including dropout recovery strategies and services, financial literacy education, entrepreneurship, postsecondary transitional support, and labor market information.12

These shifts represent a welcome realization that young adults need work experience, educational attainment, and demonstrable skills to gain traction in the labor market. The challenge for advocates will be finding the resources to build programs that incorporate all these elements. With limited funds, policymakers will face a tradeoff between maximizing the number served and emphasizing the quality of services delivered. One potential way around this is to utilize the career pathways framework, creating opportunities for youth to add skills and gain work experience toward entry-level positions in targeted sectors.

Another change from WIA to WIOA is that local areas are no longer required to have a standing Youth Council, but still can do so if they choose. As states reconfigure their Workforce Development Board, they should be strongly encouraged to maintain or establish Board youth committees. This would help ensure that the needs of young adults are more fully considered.

**Pressure Points for State Advocacy**

Advocates for low-income workers and families may want to raise concerns and make recommendations around WIOA to the following stakeholders:

**Governor:**
Either directly or through the state agency designated to oversee WIOA administration, governors have broad ability to set policy. They appoint the members of state workforce boards and control how state discretionary funds are spent. They will be the primary decision-makers regarding unified planning - both how seriously the responsible agencies take WIOA's mandate to truly integrate the process, and whether or not to include related programs such as Perkins, TANF, SNAP Employment and Training, and Community Development Block Grant funds among others. Further, governors often have substantial informal influence over local activities both in terms of appointment power and policy priorities that reflect indicated preferences at the state level.

**State Legislature:**
In many states, in order to accept and then expend the federal WIOA dollars, legislatures must adopt enabling legislation. This often is a vehicle to set policies. WPFP state members that have strong relationships with legislators should leverage these relationships to push for policies that help low-income workers improve their employability and earning power. Additionally, legislatures determine state budgets, giving them considerable power to reinforce or undercut gubernatorial priorities.

**State Workforce Development Board (SWDB):**
Under WIOA as under WIA, every state is required to convene a SWDB, in which private sector members comprise a majority, to confirm statewide policies. Appointed by the governor, SWDB members “may include one or more representatives of community-based organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of individuals with barriers to employment.”13 Where possible, WPFP partners should attempt to join or place allies on their state's SWDB, and take advantage of opportunities to present before and otherwise engage the full board and individual members.

**Next Steps**
Over the next year, much more on WIOA will become known, and some of that information will influence WPFP partners' advocacy strategy. For example, as of July 1, 2015, SWDB membership was to become public. States must complete their unified plans by July 1, 2016, with a public comment period to follow. There must also be a special comment process for year one of operation. It may be instructive to identify a state plan with particularly favorable policies for low-income people, and use that policy as an advocacy platform in each state.

The U.S. Department of Labor recently published a Notice of Proposed Rulemaking for WIOA. When the draft regulations are issued there will be another chance to comment.
Recomendaciones

1. **Emphasize the importance and opportunities for serving low-income individuals** or those most in need by encouraging state leaders to develop a comprehensive plan and establish state policies that guide local resource allocations and operational activities.

2. **Urge states to adopt a more holistic workforce strategy** by including TANF, Perkins, and other important programs in a comprehensive state plan.

3. **Encourage state policy that clarifies the expected actions and outcomes on key WIOA strategies** such as career pathways, incumbent worker training, and support services, and provides specific guidance on serving low-income populations.

4. **Promote specific state policies that expand access to training for low-income adults**, such as reinforcing WIOA policies on priority of services, elimination of sequence of service, and the “unlikely” standard for justifying training needs; encouraging blended resources, support services, and financial literacy services; setting minimum expenditure levels for training; and developing robust career pathways and integrated education and training programs.

5. **Ensure that the state performance measurement system facilitates the opportunity to serve low-income individuals and those most in need** by recognizing the value of the statistical adjustment model as well as emphasizing the importance of assessing the performance outcomes of targeted populations.

6. **Identify and endorse specific uses of the governor’s 15 percent discretionary fund** to support strategies and program actions that are specifically designed to develop new innovative approaches to serving low-income participants and/or expanding existing efforts to serve more.

In conclusion, WIOA, while underfunded to meet the country’s workforce challenges, provides an opportunity for state advocates to emphasize the needs of low-skilled, low-income people. The initial window for this advocacy is approximately nine months, so formulating a plan and implementing an advocacy strategy needs to begin soon.

Once state and local plans are adopted and implementation begins, advocates should continue working to ensure that resource allocations, implementation efforts, performance outcomes and other aspects of the plan are effectively addressing the needs of low-income workers and those most in need.

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3 For excellent, detailed information on the state plan structure and process see: Bryan Wilson and Brooke DeRenzis, Realizing Innovation and Opportunity in WIOA: A Playbook for Creating Effective State Plans, National Skills Coalition, Update, April 2015.


7 Virginia legislation is online at: http://leg1.state.va.us/cgi-bin/legp504.exe?151+ful+HB2033. (Under WIA, Florida at one time adopted a 50% standard for training expenditures and WI a 40% standard.)


10 http://www.clasp.org/resources-and-publications/publication-1/KeyProvisionsofWIOA-Final.pdf

11 WIOA legislation indicates that program participants who obtain a secondary school diploma or its recognized equivalent shall be included in the percentage counted as meeting the criterion under the training and credential attainment measurement 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 one year after exit from the program.

12 For more information on possible state strategies and policies to serve disconnected young adults, see Barry Shaffer, State Opportunities for Reconnecting Young Adults to Education and Training, Working Poor Families Project, Summer 2013. Online at http://www.workingpoorfamilies.org/wp-content/uploads/2013/10/WPFP-Summer-2013-Brief-FINAL.pdf

13 WIOA.