
Making People the Priority: Implementation of the Workforce Innovation and Opportunity Act (WIOA)

By 2022, researchers predict that employers in the United States will have 11 million job openings going unfilled¹ because the positions have skill requirements that are too high for job seekers' actual training and qualifications. Because of this impending mismatch between people's training and employers' job openings, federal legislators restructured the Workforce Investment Act (WIA), creating the Workforce Innovation and Opportunity Act (WIOA), which President Obama signed into law July 2014.² WIOA is the first update to the nation's core workforce training programs since the Workforce Investment Act in 1998.³ The objective of WIOA is to update WIA to better meet the needs of the current economic climate and to be more individualized based on geographic location/need. While in no way perfect, WIOA is a clear improvement over its predecessor. It builds on 16 years of learning and knowledge and will possibly provide better opportunities for workers to build new skills for the new economy.

Key provisions:

1. Increasing the focus on serving people with the most barriers to employment
2. Expanding education and training options
3. Helping disadvantaged and unemployed adults and youth earn income while they learn
4. Aligning planning and accountability polices across core programs⁴

On first glance, WIOA appears to have provisions that will increase focus on and better serve the workers with the most barriers as they are given "priority of service" under the reauthorization. Although these new stipulations will clearly service people who are low- and middle-income workers, it is unclear without funding for additional supportive services how the lowest-income families and those struggling to meet their basic needs will benefit from WIOA to be able to find employment that pays a livable wage. For example, in the state of Wisconsin, the funding allotment for "supportive services" under WIOA is around \$800/year per person.⁵ If a person is struggling with homelessness, lacks reliable transportation, needs childcare, or is court-ordered to pay child support debt, this monetary amount would not sufficiently cover even a month's worth of bills. Because of this lack of funding for supportive services, a person who is basic skills deficient, and who is required to attend unpaid skills training prior to securing employment, would most likely not be successful in obtaining sustainable employment. Under WIOA, such people would still not have their basic needs met, due to a lack of resources to address the myriad of barriers.

¹ "Workforce Innovation and Opportunity Act Frequently Asked Questions." *Doleta.gov*. Department of Labor, 22 July 2014. Web. Nov. 2015.

² <https://www.congress.gov/113/bills/hr803/BILLS-113hr803enr.pdf> H.R. 803, 113th Cong. (2014) (enacted). Print.

³ Ibid.

⁴ Mortrude, Judy, and Anna Cielinski. "WIOA State Plans: Proposed Requirements and Opportunities for Action." *CLASP*. CLASP, 12 Aug. 2015. Web. Nov. 2015.

⁵ Personal communication with Department of Workforce Development in Wisconsin.

Additional concerns include that the structure and prioritization of benefits under the new WIOA provisions will be based entirely on state discretion. There is also an increased focus on meeting employers' needs through WIOA with little conversation around culturally-relevant training, education, and skill building for employers to meet the needs of culturally diverse people seeking jobs. Achieving the potential of the WIOA provisions will require states and local leaders to actively seize new opportunities and find financially collaborative ways to meet the needs of people with barriers in their states, and think strategically about sustainable and inclusive employment practices rather than continuing business as usual.

Through WIOA, "priority of service" means that for funded career and training services, states must provide priority to people who receive public benefits, have low-incomes, and/or are basic skills deficient.⁶ New definitions under WIOA for people with barriers now better encompasses more low-income individuals, as well as the new federal regulations that require states to establish criteria for providing priority of service and to explain how this will be applied in state local plans.⁷ Thus, WIOA implementation will look different at state and local levels, and will depend on the accountability measures in place for states to provide "priority of service," rather than just securing job placement as was true under WIA. This implementation will also depend on the funding and resources available to incentivize One-Stop Career Center operators to prioritize people with the most barriers, and will depend on the collaboration of funding streams and the provision of supportive services needed to sustain successful education, training, and employment for these people.

WIOA makes state's Temporary Assistance for Needy Families (TANF) program a mandatory partner in the One-Stop system, unless a state's governor opts to exclude it. This partnering with TANF provides an opportunity to engage and ensure alignment of human service and workforce resources to address the needs of low income people and increase efficiencies in the administration of this programming.⁸ However, the state of Wisconsin does not plan to combine WIOA with TANF at this time, and thus it is unclear how the needs of TANF families will be met with the Combined Plan that Wisconsin drafted and had open for public review up until January 13, 2016.⁹ CFFPP has submitted comments after reviewing the WIOA State Plan draft. These comments can be found on our website.¹⁰

A new focused requirement on career pathway models may prompt states and local Workforce Boards to examine supportive services, such as childcare, affordable housing, mental health services, transportation, and legal assistance with child support debt, that people seeking jobs need to ensure success. However, this will again depend on state discretion, and the current lack of resources allotted in supportive services will be a substantial barrier for people with any additional financial needs as they attempt to access career services through WIOA.

⁶ Bird, Kisha, Marcie Foster, and Evelyn Ganzglass. "New Opportunities to Improve Economic and Career Success for Low-Income Youth and Adults." *Clasp.org*. CLASP, Sept. 2014. Web. Nov. 2015.

⁷ Ibid.

⁸ "Workforce Innovation and Opportunity Act Frequently Asked Questions." *Doleta.gov*. Department of Labor, 22 July 2014. Web. Nov. 2015.

⁹ "Workforce Innovation and Opportunity Act (WIOA)." *State of Wisconsin Department of Workforce Development*. N.p., n.d. Web. Nov.-Dec. 2015.

¹⁰ Takahashi, Naomi. "Comments on the Wisconsin WIOA State Plan DRAFT." *cffpp.org*. Center for Family Policy and Practice, January 2016. <http://cffpp.org/our-publications/comments-on-the-wisconsin-wioa-state-plan-draft/>

Thus, although WIOA presents new and improved structures to provide better services to low-income workers interested in pursuing education and training, some important challenges still exist:

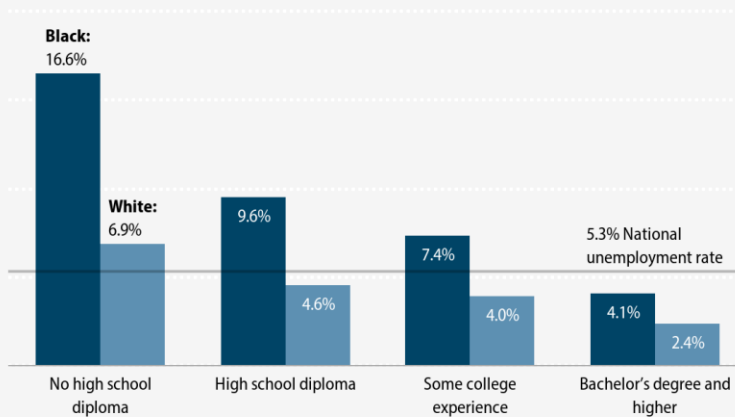
- Inadequate WIOA funding levels, particularly for supportive services
- WIA-era disincentives to serving people with barriers possibly not eliminated by WIOA
- Competing federal, state, and local priorities concerning resource allocation
- Lack of affordable housing and affordable mental health services
- An underfunded child care system and a limited child care supply
- Lack of affordable and accessible transportation
- Legal assistance needed to address child support enforcement and debt

Although modest funding increases are included in WIOA, previous cuts were so damaging that funding authorized by WIOA only restores funding to 2010 levels. For WIOA to have an impact on people who are unemployed and want job-skills training, Congress must take steps to increase funding and eliminate budget caps--actions which would increase employment among people of color.¹¹ Due to limited funding, performance metrics may still create incentives to serve those most likely to be successful. Without clear guidance to local One-Stop operators, and continued training and support from federal agencies, low-income people with needs for more supportive services may be perceived by service providers and policymakers as having barriers that are too substantial to allow agencies to meet mandated performance goals. For example, this could mean that noncustodial parents with court-ordered child support debt, limited employment histories, and/or fewer job skills could be overlooked by One-Stop operators and other WIOA service providers due to the lack of local community agencies advocating on their behalf through WIOA.

Another critical issue involved with WIOA is that people of color are a large portion of the chronically unemployed workforce, and that this has no correlation to a lack of skills or education¹² (see graph). Thus, state lawmakers need to also

Black unemployment is significantly higher than white unemployment regardless of educational attainment

Unemployment rate by race and education level



Source: Author's calculations based on monthly Current Population Survey data. The 12-month averages include data for December 2014 through November 2015 and is calculated for people age 25 or older.

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¹¹ Bird, et al., see footnote 6 above.

¹² Wilson, Valerie. "Black Unemployment is significantly higher than white unemployment regardless of educational attainment". EPI.org, Economic Policy Institute, December 2015. Web January 2016. <http://www.epi.org/publication/black-unemployment-educational-attainment/>



think strategically and mindfully about how states can utilize WIOA to help derail the systemically oppressive cycle of unemployment in racially diverse communities, and hiring discrimination among employers. In order to truly achieve the potential of the WIOA provisions, state and community leaders who care about low-income and low-skilled youth and adults, including custodial and noncustodial parents, should drive change at local levels to prevent people with the most barriers from falling through cracks in the system.

Mission Statement: The mission of the **CENTER FOR FAMILY POLICY AND PRACTICE (CFFPP)** is to strengthen society through the expansion of opportunities for low-income parents – mothers and fathers – to protect and support their children. CFFPP operates as a policy think tank to remove the unique barriers and negative public perceptions that affect low-income men of color. Through technical assistance, policy research and analysis, and public education and outreach, CFFPP works to support low-income families and develop public awareness of their needs.

Contact Us: If you would like to share comments, questions, ideas for future briefing topics, or to sign up for our email list, please contact Nino Rodriguez, Senior Policy Specialist, at nrodriguez@cffpp.org, or visit the CFFPP website at: <http://cffpp.org/contact/>

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