

Fact Sheet

Workforce Innovation and Opportunity Act; Notice of Proposed Rulemaking

Background

President Barack Obama signed the Workforce Innovation and Opportunity Act (WIOA) (Pub. L. 113-128) into law on July 22, 2014. WIOA is landmark legislation designed to strengthen and improve our nation's public workforce system and help put Americans, especially youth and those with significant barriers to employment, back to work. WIOA supports innovative strategies to keep pace with changing economic conditions and seeks to improve coordination between the core WIOA and other Federal programs that support employment services, workforce development, adult education and literacy, and vocational rehabilitation activities. WIOA authorizes key employment and training programs and the American Job Center (referred to as One-Stop Center in the law) service delivery system to help workers acquire the tools and skills they need to be successful and to connect employers to the skilled workers they need.

WIOA aligns the "core" programs to provide coordinated, comprehensive services. The core programs are: (1) Adult, Dislocated Worker and Youth formula programs administered by DOL; (2) the Adult Education and Family Literacy Act program administered by the Department of Education (ED); (3) the Wagner-Peyser Employment Service program administered by DOL; and (4) the Vocational Rehabilitation program administered by ED. Other programs administered by DOL that are authorized under title I of WIOA include: Job Corps, YouthBuild, Indian and Native American programs, Migrant and Seasonal Farmworker programs, and evaluation and multistate projects.

This Notice of Proposed Rulemaking (NPRM) implements DOL-administered programs authorized under titles I and III of WIOA. Through the NPRM, DOL proposes to implement job training system reform and strengthen the workforce development system of the nation to put Americans, particularly those individuals with barriers to employment, back to work and make the United States more competitive in the 21st Century. This proposed rule intends to provide guidance for statewide and local workforce investment systems that increase the employment, retention and earnings of participants, and increase occupational skill attainment by participants, and as a result, improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the nation.

In addition to this NPRM, DOL and ED are issuing a joint NPRM, to implement jointly-administered activities authorized by title I of WIOA. The joint NPRM is discussed in a separate fact sheet.

NPRM Review and Public Comment

The NPRM will be made available for preview before it is published at the Federal Register Public Inspection Web site at <https://www.federalregister.gov/public-inspection>. This site offers a preview of documents scheduled to publish in the Federal Register.

Once the NPRM is formally published in the Federal Register, please provide comments in accordance with the process outlined in the NPRM. Please visit www.regulations.gov to share your comments the specific proposed rules. Comments may only be submitted after formal publication in the Federal Register; any comments not received through the processes outlined in the NPRM will not be considered by the Department.

Need for the Proposed Rule

DOL is issuing this NPRM to comply with the statutory requirement to develop regulations implementing WIOA.

Highlights of the Proposed Rule

Through the NPRM, DOL is proposing to implement a number of improvements that WIOA makes to the public workforce system and its delivery of services to all jobseekers, workers, and employers. Specifically, the proposed rule would:

- Streamline and strengthen the strategic roles of State and local workforce boards by reducing board size and adding functions that include strategies for meeting the needs of all jobseekers and employers;
- Foster regional collaboration by having local areas plan and coordinate service delivery within a region;
- Emphasize the use of career pathways and sector partnerships to promote employment in in-demand industries and occupations;
- Promote work-based training by authorizing local areas to provide incumbent worker training and transitional jobs, increasing the reimbursement to employers for on-the-job-training and customized training and by increasing linkages with Registered Apprentices;
- Increase flexibility by authorizing local areas to transfer up to 100 percent funding between the Adult and Dislocated Worker programs; and
- Refocus the youth formula program to serve disconnected youth by requiring a minimum of 75 percent of funds to be used for out-of-school youth compared to 30 percent under WIA.

- Increase transparency for jobseekers by requiring more information on training provider outcomes in employment and earnings.

Benefits and Costs

DOL has determined that the proposed rule is a “significant regulatory action” under sec. 3(f)(4) of E.O. 12866; therefore, the Office of Management and Budget has reviewed the proposed rule. In addition, DOL has provided a detailed analysis and discussion of the costs and benefits in the NRPM.