

# Quick Reference Guide to the DOL-Only Final Rule

---

## **Department of Labor Workforce Innovation and Opportunity Act Final Rule (DOL-Only Rule) - Employment and Training Administration**

The Workforce Innovation and Opportunity Act (WIOA) reaffirms the role of the public workforce system, and brings together and enhances several key employment, education, and training programs. This new law provides resources, services, and leadership tools for the public workforce system to help individuals find good jobs and stay employed and improves employer prospects for success in the global marketplace. It ensures that the public workforce system operates as a comprehensive, integrated, and streamlined system to provide pathways to prosperity for those it serves and continuously improves the quality and performance of its services.

As WIOA implementation progresses, success in accomplishing the purposes of WIOA at the State, local, and regional levels, will be determined by whether:

- One-stop centers are recognized as a valuable community resource and are known for high quality, comprehensive services for customers.
- The core programs and one-stop partners provide seamless, integrated customer service.
- Program performance, labor market, and related data drive policy and strategic decisions and inform customer choice.
- Youth programs reconnect out-of-school youth (OSY) to education and jobs.
- Job seekers access quality career services either online or in a one-stop center through a “common front door” that connects them to the right services.
- One-stop centers facilitate access to high quality, innovative education and training.
- Services to businesses are robust and effective, meeting businesses’ workforce needs across the business lifecycle.

### **20 CFR Parts 603, 651, 652, 653 654, 658, 675, 679, 680, 681, 682, 683, 684, 685, 686, 687, and 688**

This rule begins with Preamble language in which a summary of comments on various subjects of the rule are responded to with the current thinking of the Departments when the rule was drafted. This section provides many useful insights on the decision making process used by the Department to determine whether changes were to be made to the final rule in response to comments received on the earlier Notice of Proposed Rulemaking, or NPRM. The preamble provides the context within which the decisions on the Final Rule were made, and contains useful information for stakeholders.

### **Preamble Table of Contents**

- I. Executive Summary
- II. Acronyms and Abbreviations
- III. Rulemaking Authority and Background
- IV. Public Comments Received on the Notice of Proposed Rulemaking
- V. Section-by-Section Discussion of the Public Comments and Final Regulations
  - A. Part 603 – Federal-State Unemployment Compensation Program

## Quick Reference Guide to the DOL-Only Final Rule

---

- B. Part 675 – Introduction to the Regulations for the Workforce Innovation and Opportunity Systems Under Title I of the Workforce Innovation and Act
  - C. Part 679 – Statewide and Local Governance of the Workforce Innovation and Opportunity System Under Title I of the Workforce Innovation and Opportunity Act
  - D. Part 680 – Adult and Dislocated Worker Activities Under Title I of the Workforce Innovation and Opportunity Act
  - E. Part 681 – Youth Activities Under Title I of the Workforce Innovation and Opportunity Act
  - F. Part 682 – Statewide Activities Under Title I of the Workforce Innovation and Opportunity Act
  - G. Part 683 – Administrative Provisions Under Title I of the Workforce Innovation and Opportunity Act
  - H. Part 684 – Indian and Native American Programs Under Title I of the Workforce Innovation and Opportunity Act
  - I. Part 685 – National Farmworker Jobs Program Under Title I of the Workforce Innovation and Opportunity Act
  - J. Part 686 – The Job Corps Under Title I of the Workforce Innovation and Opportunity Act
  - K. Part 687 – National Dislocated Worker Grants
  - L. Part 688 – Provisions Governing the YouthBuild Program
  - M. Part 651 – General Provisions Governing the Wagner-Peyser Act Employment Service
  - N. Part 652 – Establishment and Functioning of State Employment Service
  - O. Part 653 – Services of the Wagner-Peyser Act Employment Service
  - P. Part 654 – Special Responsibilities of the Employment Service
  - Q. Part 658 – Administrative Provisions Governing the Wagner-Peyser Act Employment Service
- VI. Rulemaking Analyses and Notices
- A. Executive Orders 12866 and 13563: Regulatory Planning and Review
  - B. Regulatory Flexibility Act
  - C. Small Business Regulatory Enforcement Fairness Act of 1996
  - D. Paperwork Reduction Act
  - E. Executive Order 13132 (Federalism)
  - F. Unfunded Mandates Reform Act of 1995
  - G. Plain Language
  - H. Assessment of Federal Regulations and Policies on Families
  - I. Executive Order 13175 (Indian Tribal Governments)
  - J. Executive Order 12630 (Government Actions and Interference with Constitutionally Protected Property Rights)
  - K. Executive Order 12988 (Civil Justice Reform)
  - L. Executive Order 13211 (Energy Supply)

### **Section-by-Section Discussion of the Public Comments and Final Regulations**

- A. Part 603 – Federal-State Unemployment Compensation Program

## Quick Reference Guide to the DOL-Only Final Rule

---

- The Department of Labor (DOL or the Department) is amending its regulations at 20 CFR part 603 to help States comply with WIOA. WIOA requires that States use “quarterly wage records” in assessing the performance of certain Federally funded employment and training programs. In particular, this Final Rule amends part 603 to clarify and expand, in a limited fashion, those public officials with whom the State may share certain confidential information to carry out requirements under WIOA, including the use of wage records to meet performance and cooperation with certain DOL and Department of Education evaluations.
- B. Part 675 – Introduction to the Regulations for the Workforce Innovation and Opportunity Systems Under Title I of the Workforce Innovation and Act
- Part 675 discusses the purpose of title I of the WIOA, explains the format of the regulations governing title I, and provides additional definitions for terms used in the law.
- C. Part 679 – Statewide and Local Governance of the Workforce Innovation and Opportunity System Under Title I of the Workforce Innovation and Opportunity Act
- This part includes provisions that govern the conditions under which the Governor must establish the State Workforce Development Boards (WDB) (subpart A); the requirements for designation of regions and local areas under WIOA (subpart B); the role of Local WDBs, Local WDB membership, and the role of chief elected officials (CEOs) (subpart C); the requirements relating to regional and local plans (subpart D); the statutory and regulatory waiver authority provided by WIOA sec. 189(i), including the requirements for submitting a workforce flexibility plan under WIOA sec. 190 (subpart E).
- D. Part 680 – Adult and Dislocated Worker Activities Under Title I of the Workforce Innovation and Opportunity Act
- Under WIOA, adults and dislocated workers may access career services and training services. Training is provided through a robust eligible training provider list (ETPL), comprised of entities with a demonstrated capability of training individuals to enter quality employment. WIOA also provides enhanced access and flexibility for work-based training options, such as on-the-job training (OJT), customized training, and incumbent worker training. In this part, the Department also discusses supportive services and needs-related payments that can be provided, based on customer needs, to enable them to participate in WIOA career and training services.
- E. Part 681 – Youth Activities Under Title I of the Workforce Innovation and Opportunity Act
- The most significant change to the youth formula program under WIOA is the shift to focus resources primarily on OSY. WIOA increases the minimum percentage of program funds required to be spent on OSY from 30 to 75 percent. This intentional shift refocuses the program to serve OSY. The Department plans to release subsequent guidance and technical assistance on

## Quick Reference Guide to the DOL-Only Final Rule

---

how States and local areas can incorporate strategies for recruiting and serving more OSY. In addition, WIOA includes a major focus on providing youth with work experience opportunities with a requirement that local areas must spend a minimum of 20 percent of local area funds on work experience.

### F. Part 682 – Statewide Activities Under Title I of the Workforce Innovation and Opportunity Act

- WIOA provides a reservation of funds for statewide employment and training activities. These activities are undertaken by the States, rather than by Local WDBs; both the required and allowable activities are addressed by part 682. WIOA designates the percentage of funds that may be devoted to these activities from annual allotments to the States—up to 15 percent must be reserved from youth, adult, and dislocated worker funding streams, and up to an additional 25 percent of dislocated worker funds must be reserved for statewide rapid response activities.

### G. Part 683 – Administrative Provisions Under Title I of the Workforce Innovation and Opportunity Act

- Part 683 establishes the administrative provisions for the programs authorized under title I of WIOA. Some of the provisions are also applicable to grants provided under the Wagner-Peyser Act, as indicated in specific sections of the part. The remaining Wagner-Peyser Act administrative regulations are located in part 658. Additionally, please note that administrative provisions for Job Corps (subtitle C of title I of WIOA) contracts are addressed separately in part 686. In particular, except for WIOA one-stop operators and local grant subrecipients, the Department considers all costs below the recipient level to be program costs. This is not a change from WIA, but it did not exist in the WIA regulation language, and it is now in the WIOA regulations.
- Regarding pay-for-performance contract strategies, the final regulations made a change from the NPRM in that the Department has added a new section that maintained the requirement for a feasibility study prior to implementing a pay-for-performance contract strategy but removed it from the 10 percent limitation of funds.

### H. Part 684 – Indian and Native American Programs Under Title I of the Workforce Innovation and Opportunity Act

- Part 684 governs the Indian and Native American (INA) program authorized under WIOA sec. 166. WIOA and part 684 streamline the competitive process for awarding the INA program grants to ease the administrative redundancy inherent in the WIA regulations. The Department will no longer designate grantees or require a notice of intent. Moreover, the part 684 WIOA regulations have incorporated the 4-year plan into the competitive grant award process. Because these changes will help streamline the process for awarding grants, these WIOA regulations should result in less of an administrative burden on both applicants and the Department.

## Quick Reference Guide to the DOL-Only Final Rule

---

- I. Part 685 – National Farmworker Jobs Program Under Title I of the Workforce Innovation and Opportunity Act
- The purpose of part 685 is to implement WIOA sec. 167, which authorizes migrant and seasonal farmworker (MSFW) programs. MSFW programs include career services and training, housing assistance, youth services, and related assistance to eligible MSFWs.
- J. Part 686 – The Job Corps Under Title I of the Workforce Innovation and Opportunity Act
- The regulations address the scope and purpose of the Job Corps program and provide requirements relating to site selection, protection, and maintenance of Job Corps facilities; funding and selection of center operators and service providers; recruitment, eligibility, screening, selection and assignment, and enrollment of Job Corps students; Job Corps program activities and center operations; student support; career transition services and graduate services; community connections; and administrative and management requirements.
- K. Part 687 – National Dislocated Worker Grants
- National Dislocated Worker Grants (DWGs) are discretionary awards that temporarily expand service capacity at the State and local levels through time-limited funding assistance in response to significant dislocation events. These grants are governed by sec. 170 of WIOA. The part 687 regulations set forth the key elements and requirements for DWGs. Additional guidance on DWGs and the application requirements for these grants was published separately by the Department in TEGL 01-15, “Operational Guidance for National Dislocated Worker Grants, pursuant to the Workforce Innovation and Opportunity Act (WIOA or Opportunity Act)” (July 1, 2015).
  - The Department has made several global changes and technical edits to the part 687 regulations proposed in the NPRM for clarity and technical accuracy. For example, “National Dislocated Worker Grants” will be referred to by the acronym “DWGs” in this part for simplicity. In addition, the Department has determined it is necessary to alter the labels of what the NPRM called “Regular” and “Disaster” DWGs to describe more accurately their purpose and intended use. “Regular” DWGs have been renamed “Employment Recovery” DWGs, and “Disaster” DWGs have been renamed “Disaster Recovery” DWGs.
  - Further, the terms “career services” and “employment-related assistance” have been changed to “employment and training activities” to clarify that the use of DWG funds is not limited to only career services. Training and supportive services also may be provided as appropriate and in accordance with the requirements of part 687.
  - Finally, the term “temporary employment” has been replaced with the term “disaster relief employment” to better align the text of this part 687 with that of WIOA sec. 170.

## Quick Reference Guide to the DOL-Only Final Rule

---

- L. Part 688 – Provisions Governing the YouthBuild Program
- The YouthBuild program authorizes grants for job training and educational activities for at-risk youth who, as part of their training, help construct or rehabilitate housing for homeless individuals and families and low-income families in their respective communities. Participants receive a combination of classroom training, job skills development, and on-site training in the construction trades.
- M. Part 651 – General Provisions Governing the Wagner-Peyser Act Employment Service
- The Wagner-Peyser Act of 1933 established the ES program, which is a nationwide system of public employment offices that provide public labor exchange services. The ES program seeks to improve the functioning of the nation's labor markets by bringing together individuals seeking employment with employers seeking workers. In 1998, the ES program was amended to make it part of the one-stop delivery system established under WIA. The ES program has now been amended again under title III of WIOA.
  - WIOA expands upon the previous workforce reforms in the WIA and, among other provisions, identifies the ES as a core program in the one-stop delivery system, embeds ES State planning requirements into a combined planning approach, and increases requirements for the collocation of ES offices into the one-stop centers.
- N. Part 652 – Establishment and Functioning of State Employment Service
- O. Part 653 – Services of the Wagner-Peyser Act Employment Service
- P. Part 654 – Special Responsibilities of the Employment Service
- Q. Part 658 – Administrative Provisions Governing the Wagner-Peyser Act Employment Service
- The regulations in parts 651, 652, 653, 654, and 658 update the language and content of the regulations to implement amendments made by title III of WIOA to the Wagner-Peyser Act. In some areas, these regulations establish entirely new responsibilities and procedures. In other areas, the regulations clarify and update requirements already established. The regulations make important changes to the following components of the ES program: definitions, data submission, and increased collaboration requirements, among others.

This is a crosswalk of subject matter in WIA compared to its Code of Federal Regulations (CFR) location under WIOA:

## Quick Reference Guide to the DOL-Only Final Rule

---

**Table 1. Crosswalk of WIA and WIOA Regulations**

Subject Matter	WIA CFR Part	WIOA CFR Part
Federal-State UC Program	20 CFR part 603	20 CFR part 603
Definitions/Introduction to Regulations	20 CFR part 660	20 CFR part 675
State and Local WDBs, Local and Regional Plans, Waivers	20 CFR part 661	20 CFR part 679
Adult and Dislocated Workers	20 CFR part 663	20 CFR part 680
Youth Activities	20 CFR part 664	20 CFR part 681
Statewide Activities	20 CFR part 665	20 CFR part 682
Administrative Provisions	20 CFR part 667	20 CFR part 683
Indian and Native American Programs	20 CFR part 668	20 CFR part 684
National Farmworker Jobs Program	20 CFR part 669	20 CFR part 685
Job Corps	20 CFR part 670	20 CFR part 686
National Dislocated Worker Grants	20 CFR part 671	20 CFR part 687
YouthBuild	20 CFR part 662	20 CFR part 688
Wagner-Peyser Act Employment Service – Definitions	20 CFR part 651	20 CFR part 651
Wagner-Peyser Act Employment Service – Establishment and Functioning	20 CFR part 652	20 CFR part 652
Wagner-Peyser Act Employment Service – Services	20 CFR part 653	20 CFR part 653
Wagner-Peyser Act Employment Service – Special Responsibilities	20 CFR part 654	20 CFR part 654
Wagner-Peyser Act Employment Service – Administrative Provisions	20 CFR part 658	20 CFR part 658