

## WIA 101

The Workforce Investment Act of 1998 – basics

WIA in Virginia

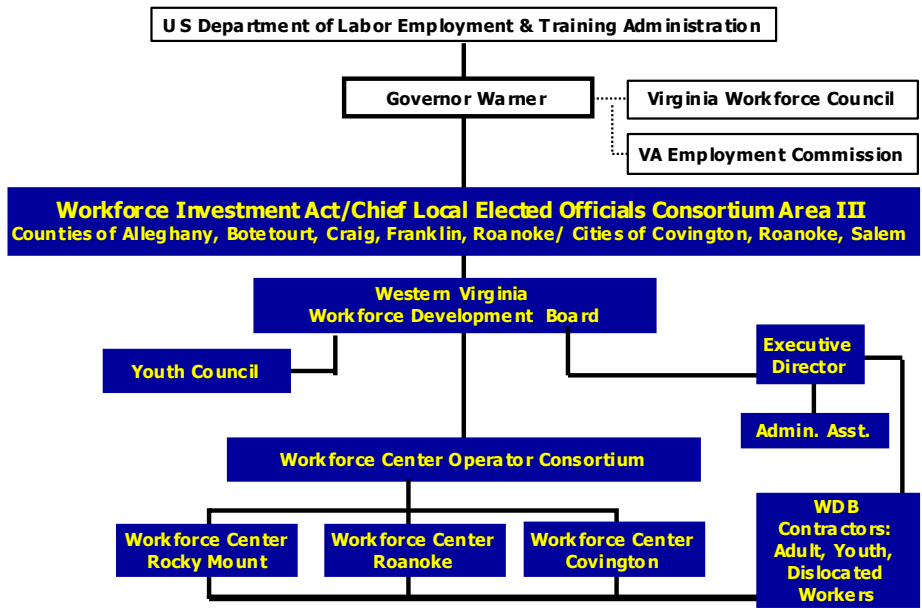
WIA in Area III

The Workforce Investment Act "in Plain English"

# Workforce Investment Act of 1998

An Introduction to the New WORKFORCE INVESTMENT SYSTEM

**Goal of the Workforce Investment System** was signed into law August 7, 1998, to increase the employment, retention, and earnings of participants, and increase occupational skill attainment by participants, improve the quality of the workforce, reduce welfare dependency enhance the productivity and competitiveness of the Nation



**Workforce Investment Act Structure**

- Title I - Workforce Investment Systems
- Title II - Adult Education and Literacy
- Title III - Workforce Investment-Related Activities
- Title IV - Rehabilitation Act Amendments of 1998
- Title V - General Provisions

**Key Principles**

- Streamlining Services
- Empowering Individuals
- Universal Access
- Increased Accountability
- Strong Role for Local Boards and the Private Sector
- State and Local Flexibility
- Improved Youth Programs

**System Governance - State Workforce Investment Boards Composition**

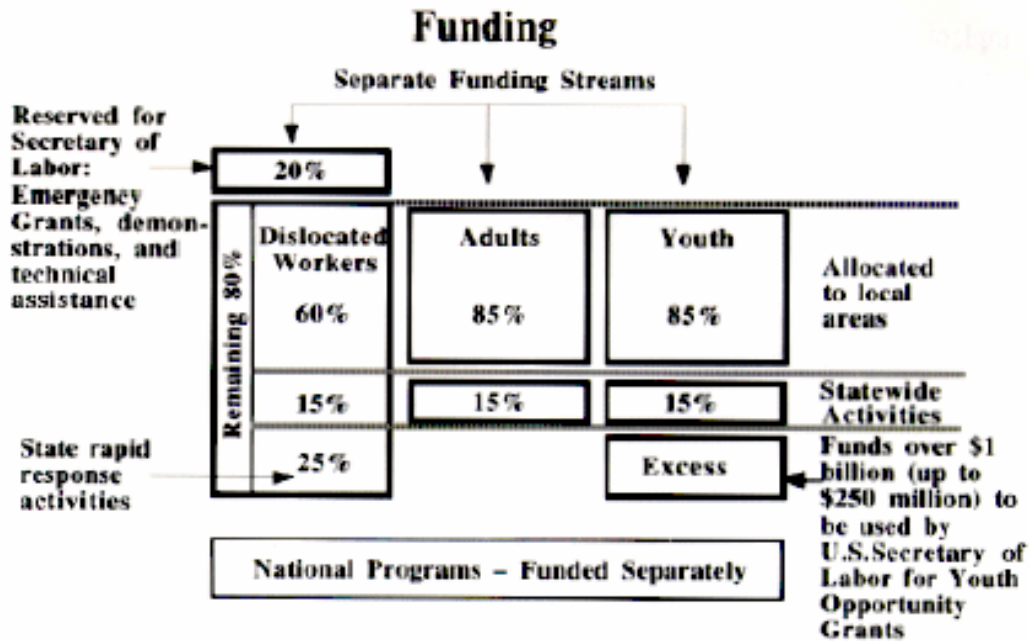
Existing boards can be grandfathered

- Governor
- Two members of each chamber of the State Legislature
- Representatives appointed by the Governor, including:
  - Business (which must be a majority)
  - Chief Elected Officials
  - Labor Organizations
  - State Agency Heads
  - Individuals with related experience
  - Others as the Governor may designate

<b>State Workforce Investment Boards – Duties</b>	Assist Governor to: <ul style="list-style-type: none"> <li>▪ Develop a 5-year strategic plan</li> <li>▪ Continuously improve the system</li> <li>▪ Comment on Vocational Education State Plan</li> <li>▪ Designate local workforce investment areas</li> <li>▪ Develop allocation formulas</li> <li>▪ Develop State performance measures</li> <li>▪ Prepare Annual Report</li> <li>▪ Develop Statewide employment statistics systems</li> <li>▪ Apply for incentive grants</li> </ul>
<b>Local Workforce Investment Areas</b>	The Governor <ul style="list-style-type: none"> <li>▪ Designates areas considering factors including labor market areas</li> <li>▪ approves requests from local governments of 500,000+</li> <li>▪ Two year temporary designation of current SDAs of over 200,000 population if it meets certain conditions</li> <li>▪ designates SDAs with less than 200,000 population</li> <li>▪ Single WIA State</li> <li>▪ Grandfather SDAs established under previously enacted State laws.</li> <li>▪ Regional planning</li> </ul>
<b>Local Workforce Investment Boards</b> Composition	<ul style="list-style-type: none"> <li>▪ Established in each local workforce investment area</li> <li>▪ Appointed by Chief Local Elected Officials (LEOs) using criteria established by Governor &amp; State Board</li> <li>▪ Chair must be private sector/business</li> <li>▪ Existing boards can be grandfathered</li> </ul>
<b>Local Workforce Investment Boards - Membership</b>	<ul style="list-style-type: none"> <li>▪ Businesses (which must be majority)</li> <li>▪ Local education entities</li> <li>▪ Labor Organizations</li> <li>▪ Community-based organizations</li> <li>▪ Economic development agencies</li> <li>▪ All One-Stop partners</li> <li>▪ Other entities as determined by Local Officials</li> </ul>
<b>Local Workforce Investment Boards - Functions</b>	<ul style="list-style-type: none"> <li>▪ Develop and submit 5-year local plan</li> <li>▪ Select local One-Stop operators</li> <li>▪ Identify eligible providers of training services, youth activities and intensive services</li> <li>▪ Oversight</li> <li>▪ Negotiate local performance measures with LEO &amp; Governor</li> <li>▪ Assist in developing Statewide employment statistics system</li> <li>▪ Ensure effective connecting, brokering and coaching activities to assist employers</li> <li>▪ Coordinate activities with economic development and employers</li> </ul>
<b>Local Workforce Investment Boards</b> Limitations	<ul style="list-style-type: none"> <li>▪ Board prohibited from directly providing training services unless Governor waives</li> <li>▪ Board may not directly provide non-training services unless LEO and Governor agree</li> </ul>
<b>Youth Council -</b> Established as subgroup of local board in cooperation with LEO	Members <ul style="list-style-type: none"> <li>▪ Local Board members with expertise on youth issues</li> <li>▪ Youth service agencies and former participants</li> <li>▪ Public housing authorities</li> <li>▪ Parents</li> <li>▪ Job Corps</li> <li>▪ Others</li> </ul>

<b>Youth Council - Duties</b>	Develop youth portion of local plan, subject to board's approval: <ul style="list-style-type: none"> <li>▪ Recommend youth providers and grant awards</li> <li>▪ Conduct oversight</li> <li>▪ Coordinate youth activities</li> </ul>
<b>One-Stop Service Delivery - In General</b>	<ul style="list-style-type: none"> <li>▪ One-Stop system must be established in each local area by the local community</li> <li>▪ Overseen by local board, in collaboration with LEO</li> <li>▪ comprised of partners that provide core services through One-Stop system</li> <li>▪ must have at least one physical "full service" center in each area.</li> <li>▪ May be supplemented by other centers, electronic access points and networks at affiliated sites</li> </ul>
<b>One-Stop Center Memorandum of Understanding (MOU) with Local Board</b>	MOU must describe <ul style="list-style-type: none"> <li>▪ Services to be provided through One-Stop</li> <li>▪ How services and operating costs of system will be funded</li> <li>▪ Methods of referral of individuals between One-Stop operators and One-Stop partners</li> <li>▪ Duration of and process for amending MOU</li> <li>▪ Other</li> </ul>
<b>Services Available to Dislocated Workers and Adults</b>	<ul style="list-style-type: none"> <li>▪ Core services</li> <li>▪ Intensive services</li> <li>▪ Training services (point of access to Individual Training Accounts)</li> <li>▪ Discretionary activities             <ul style="list-style-type: none"> <li>○ One-Stop services such as customized screening and referral of participants and customized services to employers</li> <li>○ Supportive services</li> <li>○ Needs-related payments</li> </ul> </li> </ul>
<b>Training Services - Customer Choice</b>	<ul style="list-style-type: none"> <li>▪ Customer choice is guiding principle</li> <li>▪ Training must be provided through Individual Training Accounts (ITAs)</li> <li>▪ Training must be in demand occupations</li> <li>▪ Limited exception where training may be provided by contract rather than ITA</li> </ul>
<b>Eligible Training Providers</b>	<ul style="list-style-type: none"> <li>▪ Automatic eligibility             <ul style="list-style-type: none"> <li>- Post secondary educational institutions</li> <li>- Apprenticeship</li> </ul> </li> <li>▪ Other providers must meet criteria established by Governor</li> <li>▪ Providers must meet minimum levels of performance</li> <li>▪ Required performance and cost information must be provided</li> <li>▪ State list of eligible training providers</li> <li>▪ Individuals may choose any provider on the list</li> <li>▪ States may enter into reciprocal agreements with other States</li> </ul>
<b>Youth Programs</b>	<ul style="list-style-type: none"> <li>▪ Formula Youth programs</li> <li>▪ Youth Opportunity Areas</li> <li>▪ Job Corps</li> <li>▪ Services for Youth also authorized under Native American and Migrant and Seasonal Farmworker programs</li> </ul>
<b>Youth Programs - Formula</b>	<ul style="list-style-type: none"> <li>▪ Single funding stream for year-round and summer</li> <li>▪ Youth Council prepares youth portion of local plan</li> <li>▪ Local board competitively awards grants or contracts for youth services</li> <li>▪ Integration into One-Stop is local decision</li> <li>▪ At least 30 percent of funds must be used for out-of-school youth Services             <ul style="list-style-type: none"> <li>○ Tutoring, study skills training, and dropout prevention activities</li> <li>○ Alternative secondary school services</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Summer employment opportunities</li> <li>○ Paid and unpaid work experience</li> <li>○ Occupational skills training</li> <li>○ Leadership development activities</li> <li>○ Supportive services</li> <li>○ Adult mentoring</li> <li>○ Follow-up services</li> <li>○ Comprehensive guidance and counseling</li> </ul>
<b>National Programs</b>	<ul style="list-style-type: none"> <li>▪ Native American programs</li> <li>▪ Migrant and Seasonal Farmworker programs</li> <li>▪ Veterans' Workforce Investment Programs</li> <li>▪ Youth opportunity grants</li> <li>▪ Technical assistance</li> <li>▪ Demonstration, pilot, multiservice projects, research and multistate projects</li> <li>▪ Evaluations</li> <li>▪ National emergency grants</li> </ul>
<b>Allocation of Funds</b>	<ul style="list-style-type: none"> <li>▪ Three funding streams to States and localities: adults, dislocated workers and youth</li> <li>▪ 85% of adult and youth funds allocated to local areas; 15% for statewide activities</li> <li>▪ Funds in excess of \$1 billion appropriated for youth for Youth Opportunity grants</li> <li>▪ Separate authorization for national activities</li> <li>▪ 20% of dislocated worker funds reserved for Secretary to carry out National Emergency Grants, technical assistance and demonstrations</li> </ul> <p>Remainder:</p> <ul style="list-style-type: none"> <li>- 60% of remainder to local areas</li> <li>- 15% for Statewide activities</li> <li>- 25% for State rapid response activities</li> </ul>



<b>Statewide Activities -</b>	<ul style="list-style-type: none"> <li>▪ 15% of funds from each of the three funding streams may be reserved for Statewide activities</li> <li>▪ These funds may be merged</li> <li>▪ 25% of dislocated worker funds is reserved for Statewide rapid response activities</li> </ul>
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<b>Statewide Activities - Required</b>	<ul style="list-style-type: none"> <li>▪ Rapid response</li> <li>▪ Disseminating list of Eligible Providers of training services</li> <li>▪ Evaluations</li> <li>▪ Incentive grants</li> <li>▪ Technical assistance</li> <li>▪ Assisting in the establishment of One-Stop delivery systems</li> <li>▪ Fiscal and management accountability information system</li> <li>▪ Additional assistance to local areas</li> </ul>
<b>Statewide Activities - Allowable</b>	<ul style="list-style-type: none"> <li>▪ Administration (capped at 5% of funds)</li> <li>▪ Capacity building and technical assistance</li> <li>▪ Research and demonstrations</li> <li>▪ Programs targeted to incumbent workers, EZs and ECs</li> <li>▪ Support for identification of eligible providers</li> <li>▪ Innovative programs for displaced homemakers and nontraditional employment</li> <li>▪ Additional support for programs</li> </ul>
<b>Performance Accountability</b>	<ul style="list-style-type: none"> <li>▪ Indicator of customer satisfaction of employers and participants</li> <li>▪ State must negotiate expected levels of performance for State as a whole with the Secretary of Labor</li> <li>▪ State conducts similar negotiation with local areas</li> <li>▪ State submits annual report on State and local performance</li> <li>▪ Secretary of Labor and Secretary of Education to issue uniform definition for core indicators and levels of performance</li> </ul>
<b>Performance Accountability – Core indicators of performance for adults, dislocated workers, and youth ages 19-21</b>	<ul style="list-style-type: none"> <li>▪ Entry into unsubsidized employment</li> <li>▪ Retention in employment 6 months after placement</li> <li>▪ Earnings 6 months after placement</li> <li>▪ Attainment of recognized credential</li> </ul>
<b>Performance Accountability - Core indicators of performance for youth ages 14-18</b>	<ul style="list-style-type: none"> <li>▪ Attainment of basic skills</li> <li>▪ Attainment of secondary school diploma</li> <li>▪ Placement and retention in postsecondary school, military, employment, or apprenticeships</li> </ul>
<b>Incentives, Sanctions, and Technical Assistance</b>	<ul style="list-style-type: none"> <li>▪ State failing to meet expected levels of performance can request DOL technical assistance</li> <li>▪ State failing for second consecutive year subject to up to 5% reduction in funding</li> <li>▪ If State exceeds State-adjusted levels of performance for Title I, Adult Education and Vocational Education will receive incentive grant</li> <li>▪ Parallel process for setting local performance levels exists between State and local areas</li> <li>▪ Incentive grants to local areas</li> </ul>
<b>Cost Categories and Limits</b>	<ul style="list-style-type: none"> <li>▪ Costs must be categorized as administrative or programmatic</li> <li>▪ 10% local administrative cost limit</li> <li>▪ Local area may merge administrative funds</li> <li>▪ Statewide activities subject to 5% administrative cost limit –</li> <li>▪ State may merge administrative funds</li> <li>▪ OMB circulars with respect to uniform cost principles apply</li> <li>▪ DOL to issue definition of administrative costs</li> </ul>

<b>Waivers and Work-Flex</b>	<ul style="list-style-type: none"> <li>▪ Provides authority for Secretary to waive statutory or regulatory requirements</li> <li>▪ Waivers previously granted may continue</li> <li>▪ Eligibility for Work-Flex is expanded to all States</li> </ul>
<b>Wagner-Peyser Act</b>	<ul style="list-style-type: none"> <li>▪ Separate authorization and funding stream retained for Employment Service</li> <li>▪ Requires public labor exchange activities to be part of One-Stop system</li> <li>▪ Wagner-Peyser plan integrated into five-year strategic State workforce investment plan</li> <li>▪ Adds National Employment Statistics section to Wagner-Peyser</li> </ul>
<b>National Employment Statistics</b>	<ul style="list-style-type: none"> <li>▪ National employment statistics system is established (formerly LMI), by adding new section to Wagner-Peyser Act</li> <li>▪ System is to be planned, administered, overseen, and evaluated through cooperative governance structure involving DOL and States</li> <li>▪ Secretary of Labor, through BLS and in cooperation with States, must prepare</li> <li>▪ annual plan to manage nationwide system</li> </ul>
<b>State Unified Plan</b>	<ul style="list-style-type: none"> <li>▪ Encourages submission of unified State plans</li> <li>▪ Describes methods for joint planning and coordination</li> <li>▪ Continues to be subject to requirements of plan or application under authorizing statutes</li> <li>▪ 15 programs specified that may be included</li> <li>▪ Appropriate Secretary has 90 days to approve relevant portion of State plan</li> </ul>

# Workforce Investment Act in Virginia

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## Virginia Workforce Network

Virginia Workforce Network (VWN) is the brand name for Virginia's system of one-stop career centers known as Virginia Workforce Centers, and other activities related to the Workforce Investment Act.

The Workforce Investment Act of 1998 (WIA) authorizes funds to provide the employment and training services of various programs and organizations through a system of one-stop career centers. In Virginia services are provided through locations called Virginia Workforce Centers. These centers are operated under the guidance of The Virginia Workforce Council and Workforce Investment Boards in seventeen Workforce Investment Areas. Virginia's system of one-stop career centers is called the Virginia Workforce Network.

Virginia Workforce Centers provide one-stop access to workforce, employment and training services of various programs and partner organizations. Each Virginia Workforce Center provides services required by federal legislation plus services designed to meet the needs of the local community. Most VEC locations have been designated as Virginia Workforce Centers, and VEC services are provided through many centers operated by other partner organizations and contractors.

**CareerConnect** is an online customer service network designed to assist workers, students, individuals seeking employment, and employers with an abundance of educational, employment, and career-related information.

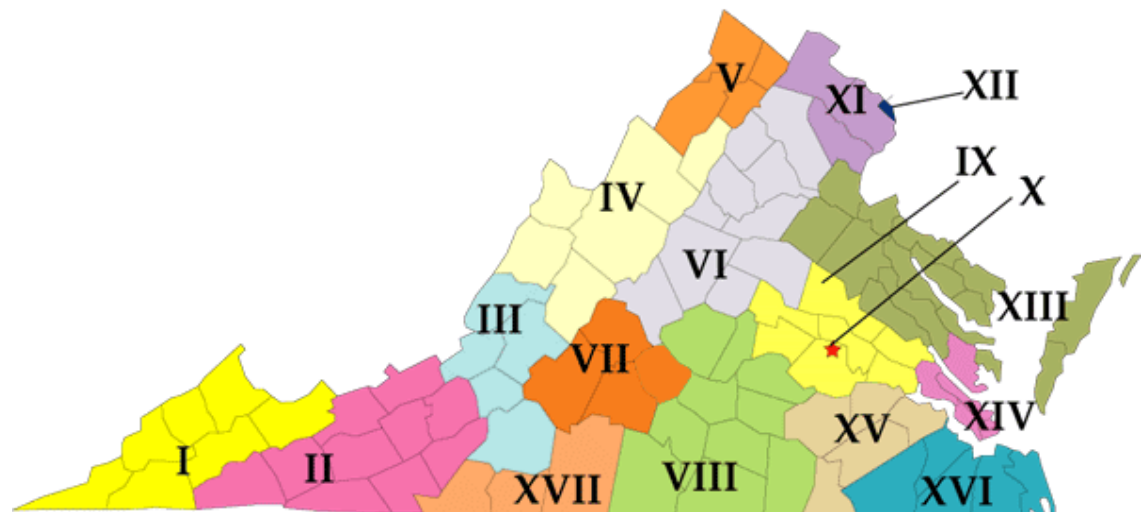
**Virginia Workforce Council** assists the Governor in meeting the workforce training needs of the Commonwealth. The council serves as the State Workforce Investment Board for the federal Workforce Investment Act (WIA) and provides guidance on workforce training issues and operation of Virginia Workforce Centers.

The Virginia Workforce Council (VWC). was created in 1999 by the 1999 Virginia General Assembly. The VWC was established to assist the governor in meeting workforce training needs in the Commonwealth. The VWC

- serves as the State Board for the federal Workforce Investment Act;
- oversees workforce training for the Virginia Community College System, including workforce training centers;
- oversees of specific incumbent worker training programs assigned by state statute.

## Local Workforce

**Investment Boards** are responsible for establishment and continued operation of Virginia Workforce Centers in each of the seventeen Workforce Investment Areas of the Commonwealth. Workforce Investment Boards provide a forum to assure that workforce training and employment initiatives meet the economic development and business needs of each local area



## Workforce Investment Act in Area III

In June 2000, the Western Virginia Workforce Development Board (WDB) was created to administer the Workforce Investment Act and provide an effective workforce development system for the cities of Covington, Roanoke and Salem, and the counties of Alleghany, Botetourt, Craig, Franklin and Roanoke

The Western Virginia Workforce Development Board's mission offers existing and future employers, workers and job seekers the opportunity to participate in a dynamic workforce development system that delivers. We encourage any citizen of Area III to visit the One Stop Workforce Centers. Our goal is the success of economic development in Area III.

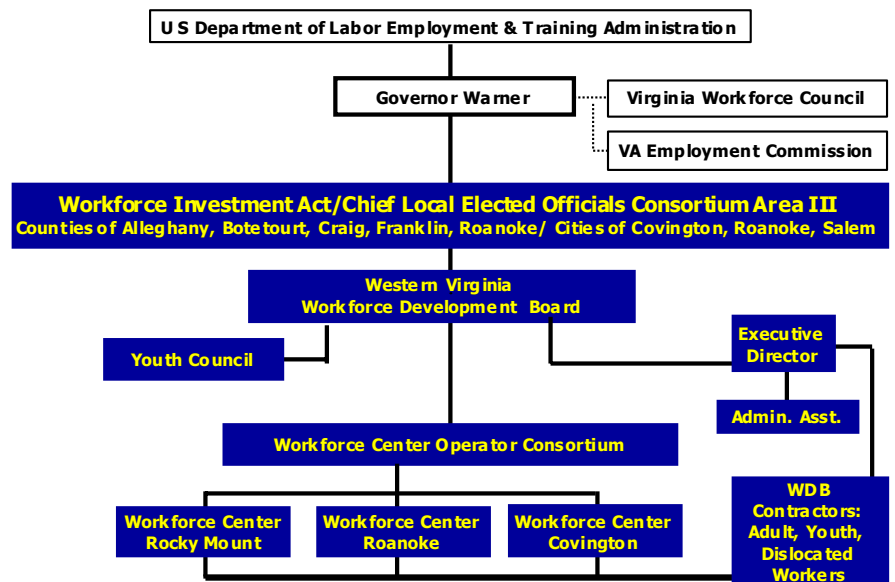
The WDB is the heart of the new system, populated with a 51-percent business majority. The WDB is governed by a volunteer board of directors responsible for developing policy and overseeing local workforce development initiatives in partnership with the Chief Local Elected Officials (CLEO). The CLEOs from the eight jurisdictions appoint WDB members. WDB membership includes representatives from business, education, community based organizations, economic development, public employment services, public assistance agencies, vocational rehabilitation and labor organizations.

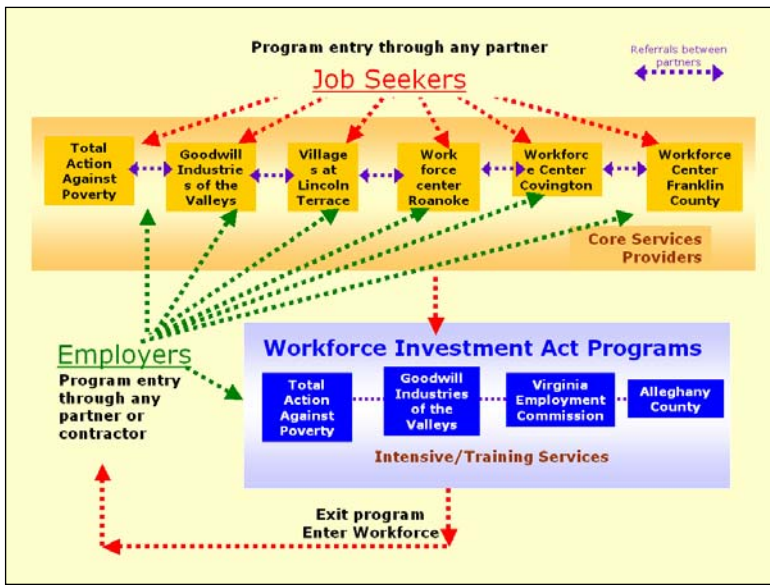
The WDB serves as the point of contact for business, industry and the public sector to communicate their workforce demand, to promote strategies to encourage lifelong learning and to improve workplace skills. The WDB assists in the development of new training programs to benefit Area III's workforce and to conduct planning, oversight and evaluation of local workforce development programs including the One Stop Workforce Centers. It coordinates efforts and activities with economic development to promote the cooperation among business and the public sector.

The workforce development system is being designed and managed at the local level, where the needs of businesses and individuals are best understood. Customers (job seekers, employees and businesses) will be able to conveniently access the employment, education, training and information services they need at the One Stop Workforce Centers located in Covington, Roanoke and Rocky Mount. Customers are empowered with knowledge and choices made available to them through the One Stop Workforce System. They can access specific information about training and job markets and about the success rates of each training program available. This information will allow the customers to make informed choices about career paths.



### Area III Organization





Since employers comprises at least fifty-one percent of the WDB, those very employers provide information, leadership and actively ensure that the system prepares people for relevant current and future jobs.

### Building Partnerships

As the Workforce Development Board strives each day to build a cutting edge workforce, through the One Stop Workforce Development system, partnerships with groups such as the Workforce Education Committee of the Roanoke Regional Chamber of Commerce will be instrumental. The Workforce Development Board seeks to cultivate and strengthen those partnerships to ensure the success of our region.

**Workforce Investment Act of 1998  
"In Plain English"**

The Act in its entirety is available on line at: <http://www.doleta.gov/usworkforce/wia/act.cfm>

**U.S. Department of Labor  
Employment and Training Administration  
September 1998**

**U.S. Department of Labor  
Alexis M. Herman, Secretary**

**Employment and Training Administration  
Ray Bramucci, Assistant Secretary**

**Office of Policy and Research**

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*FINE PRINT: Following is an overview of the Workforce Investment Act (Public Law 105-220), which was signed into law August 7, 1998. It was produced by the U.S. Department of Labor to highlight the major features of the new legislation and to give State and local elected officials, program designers and operators, and the public quick information about the structure, funding, and target population groups to be served. It is not intended to provide a detailed summary of the Act, nor is it intended to convey a legal opinion or interpretation of the legislation. Material contained in this publication is in the public domain and may be reproduced, fully or partially, without permission of the Federal Government.*

## **I. Empowering the Nation's Jobseekers**

The Workforce Investment Act of 1998 provides the framework for a unique national workforce preparation and employment system designed to meet both the needs of the nation's businesses and the needs of job seekers and those who want to further their careers. Title I of the legislation is based on the following elements:

- Training and employment programs must be designed and managed at the local level where the needs of businesses and individuals are best understood.
- Customers must be able to conveniently access the employment, education, training, and information services they need at a single location in their neighborhoods.
- Customers should have choices in deciding the training program that best fits their needs and the organizations that will provide that service. They should have control over their own career development.
- Customers have a right to information about how well training providers succeed in preparing people for jobs. Training providers will provide information on their success rates.
- Businesses will provide information, leadership, and play an active role in ensuring that the system prepares people for current and future jobs.

The Act builds on the most successful elements of previous Federal legislation. Just as important, its key components are based on local and State input and extensive research and evaluation studies of successful training and employment innovations over the past decade.

The new law makes changes to the current funding streams, target populations, system of delivery, accountability, long-term planning, labor market information system, and governance structure.

**Title I** authorizes the new Workforce Investment System. State workforce investment boards will be established and States will develop five-year strategic plans. Governors will designate local "workforce investment areas" and oversee local workforce investment boards. New youth councils will be set up as a subgroup of the local board to guide the development and operation of programs for youth. Customers will benefit from a "One-Stop" delivery system, with career centers in their neighborhoods where they can access core employment services and be referred directly to job training, education, or other services.

Title I requires that standards for success be established for organizations that provide training services and outlines a system for determining their initial eligibility to receive funds. It establishes the funding mechanism for States and local areas, specifies participant eligibility criteria, and authorizes a broad array of services for youth, adults, and dislocated workers. It also authorizes certain statewide activities and a system of accountability to ensure that customer needs are met.

Also authorized are a number of national programs the Job Corps; Native American programs; Migrant and Seasonal Farmworker programs; Veterans' Workforce Investment programs; Youth Opportunity grants for high-poverty areas; technical assistance efforts to States and local areas; demonstration, pilot, and other special national projects; program evaluations; and National Emergency grants.

**Title II** reauthorizes Adult Education and Literacy programs for Fiscal Years 1999-2003.

**Title III** amends the Wagner-Peyser Act to require that Employment Service/Job Service activities become part of the "One-Stop" system and establishes a national employment statistics initiative. It requires linkages between the Act's programs and Trade Adjustment Assistance and North American Free Trade Agreement Transitional Adjustment Assistance programs. It establishes a temporary "Twenty-First Century Workforce Commission" to study issues relating to the information technology workforce in the United States.

**Title IV** reauthorizes Rehabilitation Act programs through Fiscal Year 2003 and links these programs to State and local workforce development systems.

**Title V** contains general provisions that include authority for State unified plans relating to several workforce development programs, incentive grants for States exceeding negotiated performance levels under the Workforce Investment Act, Adult Education Act, and Perkins Vocational Education Act, and transition provisions.

## **II. A Customer-Focused System**

The most important aspect of the Act is its focus on meeting the needs of businesses for skilled workers and the training, education, and employment needs of individuals. Key components of the Act will enable customers to easily access the information and services they need through the "One-Stop" system; empower adults to obtain the training they find most appropriate through Individual Training Accounts, and ensure that all State and local programs meet customer expectations.

### **"One-Stop" Approach**

The new system will be based on the "One-Stop" concept where information about and access to a wide array of job training, education, and employment services is available for customers at a single neighborhood location. Customers will be able to easily:

- Receive a preliminary assessment of their skill levels, aptitudes, abilities, and support service needs.
- Obtain information on a full array of employment-related services, including information about local education and training service providers.
- Receive help filing claims for unemployment insurance and evaluating eligibility for job training and education programs or student financial aid.
- Obtain job search and placement assistance, and receive career counseling.
- Have access to up-to-date labor market information which identifies job vacancies, skills necessary for in-demand jobs, and provides information about local, regional and national employment trends.

Through the "One-Stop," employers will have a single point of contact to provide information about current and future skills needed by their workers and to list job openings. They will benefit from a single system for finding job-ready skilled workers who meet their needs.

To date, over 95 percent of the States are building these Centers, and over 800 Centers are operating across the country. Each local area will establish a "One-Stop" delivery system through which core services are provided and through which access is provided to other employment and training services funded under the Act and other Federal programs. There will be at least one Center in each local area, which may be supplemented by networks of affiliated sites. The operators of "One-Stop" Centers are to be selected by the local workforce investment boards through a competitive process or designation of a consortia that includes at least three of the Federal programs providing services at the "One-Stop."

## **III. Empowerment Through Training Accounts**

Provisions of the Act promote individual responsibility and personal decision-making through the use of "Individual Training Accounts" which allow adult customers to "purchase" the training they determine best for them. This market-driven system will enable customers to get the skills and credentials they need to succeed in their local labor markets.

Good customer choice requires quality information. The "One-Stop" system will provide customers with a list of eligible training providers and information about how well those providers perform. Payment for services will be arranged through the Individual Training Accounts. Only in exceptional cases may training be provided through a contract for services between the "One-Stop" Center and organizations providing the training.

## **Accountability**

As individuals become empowered to choose the services they require, States, local areas, and providers of those services will become more accountable for meeting those needs.

For adults and "dislocated" workers (such as those who lose their jobs because of permanent layoffs or plant closings), measures for the rates of entry into unsubsidized employment, job retention, post-placement earnings, and acquired education and skill standards for those who obtain employment will be established. Measures for older youth (19-21) will also include the attainment of a high school diploma (or its equivalent) for those who enter postsecondary education or advanced training as well as for those who get jobs. Measures for younger youth (14-18) will include rates of basic skills and work readiness or occupational skills attainment, attainment of high school diplomas (or the equivalent), and placement and retention in postsecondary education, advanced occupational training, apprenticeships, the military or employment. These measures apply to both statewide and local performance.

Measures will also be established relating to customer satisfaction of both participants and employers.

The Act also requires that training providers must meet certain requirements in order to receive adult or dislocated worker funds. There are separate requirements for initial eligibility and for subsequently maintaining eligibility to receive funds. Training providers will be held accountable for completion rates, the percentage of participants who obtain unsubsidized jobs, and for their wages at placement. Training providers must also provide information about the cost of their programs.

This information will be available to clients at "One-Stop" Centers.

## **IV. Eligibility and Service Requirements**

The Act specifies three funding streams to the States and local areas: adults, dislocated workers, and youth.

### **Adults and Dislocated Workers**

Most services for adults and dislocated workers will be provided through the "One-Stop" system and most customers will use their individual training accounts to determine which training program and training providers fit their needs.

The Act authorizes "**core**" services (which will be available to all adults with no eligibility requirements), and "intensive" services for unemployed individuals who are not able to find jobs through core services alone. In some cases the intensive services will also be available to employed workers who need more help to find or keep a job.

While the services for adults and dislocated workers may be the same, there is a separate funding stream for dislocated workers.

Core services will include job search and placement assistance (including career counseling); labor market information (which identifies job vacancies; skills needed for in-demand jobs; and local, regional and national employment trends); initial assessment of skills and needs; information about available services; and some follow-up services to help customers keep their jobs once they are placed.

**Intensive services** will include more comprehensive assessments, development of individual employment plans, group and individual counseling, case management, and short-term pre-vocational services.

In cases where qualified customers receive intensive services, and are still not able to find jobs, they may receive **training services** which are directly linked to job opportunities in their local area. These services may include occupational skills training, on-the-job training, entrepreneurial training, skill upgrading, job readiness training, and adult education and literacy activities in conjunction with other training.

If adult funds are limited in an area, recipients of public assistance and low-income clients will be given priority for services. The Act also authorizes the provision of supportive services (e.g.,

transportation) to assist participants receiving the other services and the provision of temporary income support to enable participants to remain in training.

### **Youth**

Eligible youth will be low-income, ages 14 through 21 (although up to five percent who are not low-income may receive services if they face certain barriers to school completion or employment). Young customers also must face one or more of the following challenges to successful workforce entry: (1) school dropout; (2) basic literacy skills deficiency; (3) homeless, runaway, or foster child; (4) pregnant or a parent; (5) an offender; or (6) need help completing an educational program or securing and holding a job. At least 30 percent of local youth funds must help those who are not in school.

Youth will be prepared for postsecondary educational opportunities or employment. Programs will link academic and occupational learning. Service providers will have strong ties to employers. Programs must also include tutoring, study skills training and instruction leading to completion of secondary school (including dropout prevention); alternative school services; mentoring by appropriate adults; paid and unpaid work experience (such as internships and job shadowing); occupational skills training; leadership development; and appropriate supportive services. Youth participants will also receive guidance and counseling, and follow-up services for at least one year, as appropriate.

Programs must provide summer employment opportunities linked to academic and occupational learning. (In contrast to the current legislation, a separate appropriation is not authorized for a "summer" program.) The mix of year-round and summer activities is left to local discretion.

## **V. Designing and Managing the New System**

Several new features are included in the law to ensure the full involvement of business, labor, and community organizations in designing and ensuring the quality of the new workforce investment system. These include State and local workforce investment boards, local youth councils, and long-term State strategic planning.

### **State and Local Workforce Investment Boards**

Each State will establish both State and local workforce investment boards. The State board will help the Governor develop a five-year strategic plan describing statewide workforce development activities, explaining how the requirements of the Act will be implemented, and outlining how special population groups will be served. The plan which must also include details about how local Employment Service/Job Service activities fit into the new service delivery structure must be submitted to the Secretary of Labor. The state board will advise the Governor on ways to develop the statewide workforce investment system and a statewide labor market information system. The state board will also help the Governor monitor statewide activities and report to the Secretary of Labor.

Local workforce investment boards, in partnership with local elected officials, will plan and oversee the local system. Local plans will be submitted for the Governor's approval. Local boards designate "One-Stop" operators and identify providers of training services, monitor system performance against established performance measures, negotiate local performance measures with the state board and the Governor, and help develop the labor market information system.

### **Youth Councils**

Youth Councils will be established as a subgroup of the local board to develop parts of the local plan relating to youth, recommend providers of youth services, and coordinate local youth programs and initiatives.

## **VI. Funding**

The Workforce Investment Act authorizes three funding streams: adults, dislocated workers, and youth. Eighty-five percent of adult and youth funds will be allocated to local areas; the remainder will be reserved for statewide activities. For youth, funds appropriated in excess of \$1 billion (up to

\$250 million) will be used by the U.S. Department of Labor to fund Youth Opportunity grants. For dislocated workers, 20 percent will be reserved by the Secretary of Labor for National Emergency Grants, dislocated worker demonstration efforts, and technical assistance. Of the remaining 80 percent, 60 percent will be allocated to local areas, 15 percent will be reserved for statewide activities, and 25 will be reserved for State rapid response efforts.

States may merge the 15 percent set-asides for statewide activities from the three separate funding streams (dislocated workers, adults, and youth) if they choose to do so (for example, State set-aside funds from the adult stream may be used for statewide youth activities, etc.).

## **VII. Implementation**

The Secretary of Labor is authorized to take appropriate actions to ensure an orderly transition from JTPA to the Workforce Investment Act. JTPA is repealed effective July 1, 2000.