

# WIOA REAUTHORIZATION

## ANALYSIS OF A STRONGER WORKFORCE FOR AMERICA ACT, H.R. 6655

On December 12, 2023, the House Education and Workforce Committee approved [H.R. 6655, the Stronger Workforce for America Act](#), a bipartisan WIOA Reauthorization bill, with a 44-1 vote. This critical legislation continues the historic federal investments in workforce development and system coordination, but it can be even stronger!

### Positive Provisions in Stronger Workforce for America Act

- **Creates stable and flexible funding to help local workforce boards meet the needs of local businesses and job seekers**
  - Provides a more stable state funding mechanism for one-stop center operating costs (infrastructure funding agreements), a difficult process to negotiate at the local level
  - Creates a mandatory funding source, H-1B Visa fees, to fund Individual Training Accounts (ITA) for Dislocated workers, which accounts for \$250 million annually distributed directly to local workforce boards via formula
  - Increases the cap on incumbent worker training dollars, increasing the competitiveness of the employee or employer
- **Recognizes the need for localized processes and procurement**
  - Removes required one stop operator procurement provision and allows local governments to serve as one stop operator through agreement with Governor
  - Increases flexibility for local workforce boards to operate one stops via affiliate sites
  - Maintains 100% transferability between Adult and Dislocated Worker accounts
- **Supports stronger and more responsive youth programs**
  - Provides flexibility on out of school youth definition and priority of service, and renames Out of School Youth becomes 'Opportunity Youth'
  - Reduces Opportunity Youth required percentage to 65% from 75% (many states had challenge meeting current 75% out of school youth requirement)

### Areas of Concern – Impact to Local Decision-making and Solutions

- **The 50% training requirement for Adult and Dislocated Worker funds does not recognize the other support job seekers need**
  - Creates a federal, one size fits all, mandate for local workforce boards to spend at least 50% of their funds on training (narrowly defined, mainly to tuition) and does not allow local workforce boards to adjust to local conditions
  - Will lead to reduction in other critical services delivered to job seekers and employers that help job seekers with high barriers to employment enroll in and complete training
- **Increases the Governor's Reserve for 'Critical Industries Fund', reducing local investments**
  - Further reduces local resources available to deliver the very training services newly mandated by the bill
  - The proposed Critical Industry Skills Fund will increase the state set-aside from the existing 15% Governor's Reserve to 25% across WIOA Title I ADW and Youth funding streams. This new 25% would be in addition to the 25% allowed state set-aside from the Dislocated Worker funds for Rapid Response state activities.
- **Redesignation of established local board regions disregards local autonomy, flexibility and innovation that best meet community needs**
  - This language creates an opportunity for Governors to adversely impact the geography of all local workforce development areas in a state, even if a majority of local workforce development boards (LWDBs) in the state disagree with the proposal
  - Potentially eliminates the voice of local job seekers and employers, leading to an option of reducing local workforce areas into single state-wide areas

