



Legislative Bulletin.....July 9, 2014

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H.R. 803 - Workforce Innovation and Opportunity Act

H.R. 803 - Workforce Innovation and Opportunity Act — (Foxx-R, NC)

Order of Business: [H.R. 803](#) is scheduled to be considered on July 9, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority for passage.

Summary: The Workforce Innovation and Opportunity Act amends and reauthorizes the Workforce Investment Act of 1998 (WIA). In addition, the bill also reauthorizes and makes changes to the Adult Education and Family Literacy Act, the Wagner-Peyser Act of 1933 and the Rehabilitation Act of 1973. Through amending and reauthorizing the Workforce Investment Act of 1998, this bill aims to update support programs which specialize in employment services, workforce development, adult education and vocational rehabilitation. This bill eliminates 15 existing programs which have been identified as ineffective and duplicative. Fourteen of the programs are found within the WIA while the other is a higher education program. In addition, the latest iteration of the bill does not include the creation of new programs, including those proposed by the Senate and the Obama Administration. This bill is a result of pre-conference agreement in which House negotiators used the House-passed [SKILLS Act](#) as their marker. The House passed SKILLS Act eliminated and streamlined 35 workforce programs while this bill eliminates 15 existing programs.

Workforce Development Activities:

- Reduces the number of required members on state and local workforce boards which are tasked with directing funding to workforce development programs. The majority of members on these boards will be the owners of businesses or those who represent businesses that provide high-quality, work-relevant training for in-demand industry sectors.
- Requires states to submit a unified plan (in order to be eligible to receive allotments for core programs) which outlines a 4-year strategy for the core programs in the state and how they will meet the goals for preparing an educated and skilled workforce as well as how the plan will be implemented. Core programs include youth workforce investment activities, adult and dislocated worker employment and training activities, adult education and literacy, employment services and vocational rehabilitation services.

- Reforms the [one-stop](#) delivery system by requiring the State board, in consultation with those at the local level, to enter into an agreement and establish criteria which describe the services provided through the one-stop shop delivery system, including how the services will be coordinated and delivered. The one-stop delivery system will provide career services, access to training services, and other activities. These centers will be assessed at least once every three years for their effectiveness, physical and programmatic accessibility, and continuous improvement.
- Requires 75 percent of youth workforce investment funding to support out-of-school youth, of which 20 percent is prioritized for work-based activities. This places a focus on career pathways for youth and drop-out recovery effort and education and training that lead to the attainment for a high school diploma.
- Utilizes existing formulas for adults and dislocated workers with the inclusion of a minimum and maximum allotment percentage for the dislocated worker formula.
- Gives increased flexibility to one-stop staff by consolidating the core services (including outreach, job search and placement assistance, and labor market information available to all job seekers) and intensive services (including more comprehensive assessments, development of individual employment plans and counseling and career planning) into a new career services category. This eliminates the “sequence of service” under current law which requires an individual to proceed through the core and intensive services before training eligibility can be determined. It is important to note that the services will remain similar while only the structure has changed.

Job Corps:

- Outlines the eligibility factors for becoming an enrollee in the Job Corps including: age requirements, a low-income status or a school dropout status, basic skills deficiencies or homelessness.
- Tasks the Secretary of Labor with biannually developing and implementing a plan for assigning enrollees to Job Corps centers.
- Requires that entities are selected to run Job Corps centers on a competitive basis. For low performing centers, the Secretary will not renew the terms of the agreement. In addition, the Secretary may only renew an agreement if the entity has a satisfactory record of integrity and business ethics, adequate financial resources and is otherwise qualified and eligible under applicable laws and regulations.
- Directs the director of each Job Corps center to ensure the establishment and development of mutually beneficial business and community relationships.
- Reserves funds for the Secretary of Labor to provide technical assistance for the program for the purpose of improving program quality.
- Requires the Secretary to conduct an annual assessment of the performance of each Job Corps center and make recommendations on how to improve performance.

National Programs:

- Reauthorizes the Native American Programs, the Migrant and Seasonal Worker Program, National Dislocated Worker grants, the YouthBuild Program
- Requires the Secretary to conduct a multistate study on strategies for placing individuals in jobs and training programs that lead to equivalent pay for men and women, including the participation of women in high-wage, high-demand occupations that are currently

underrepresented by women. This evaluation is required to be completed within 18 months of enactment.

- Makes funds available for [Disaster Relief Employment Assistance](#) which is used in coordination with the Federal Emergency Management Agency (FEMA) to provide disaster relief employment on projects that provide food, clothing and shelter for emergency and disaster victims. Those eligible to be offered this employment include: dislocated workers, the long-term unemployed, or those laid off due to a disaster.
- Allows states to test participants involved in these programs for the use of controlled substances and allows them to sanction the participants who test positive.
- Restricts lobbying activities with funds under this title.

Adult Education and Family Literacy Act

- Places an emphasis on ensuring states and local providers offer basic skills, adult education, literacy activities, and English language acquisition concurrently or integrated with occupational skills training.
- Requires all adult basic education and literacy programs to use the same set of primary indicators of performance accountability.
- Allows the Secretary to establish and carry out a program of national leadership activities which include carrying out research on effective adult education, accelerating learning outcomes, developing and promoting career pathways, and developing and replicating information on best practices and innovative programs. The national leadership activities program aims to enhance the quality of outcomes of adult education and literacy nationwide.

Amendments to the Wagner-Peyser Act

- Makes technical changes intended to align statute with other changes in the bill.
- Provides authorization of appropriations for the workforce and labor market information system and the workforce information council is provided for FY 2015-2020.

Amendments to the Rehabilitation Act of 1973

- Specifies that the unified state plan (found in Title I of this bill) must include provisions for vocational rehabilitation services. Requires the State plan to assure prioritization of individuals who are otherwise eligible for vocation rehabilitation services and who are at imminent risk of losing their jobs unless they receive additional postemployment services.
- Incorporate “independent living” into the name and mission of the National Institute on Disability and Rehabilitation Research, and move the program from the Department of Education to the Department of Health and Human Services.

Major Changes Since the Last Time This Legislation was Before the House: The House passed H.R. 803, the Supporting Knowledge and Investing in Lifelong Skills (SKILLS) Act, on March 15, 2013, by a vote of [215-202](#). Read the legislative bulletin from the Republican Study Committee [here](#).

Additional Background: The federal government currently administers over [50](#) separate employment and training programs across nine different federal agencies. The [GAO](#) released a

report which states, “Due to the American Recovery and Reinvestment Act of 2009 (Recovery Act), both the number of—and funding for—federal employment and training programs have increased since our 2003 report, but little is known about the effectiveness of most programs. Nearly all programs track multiple outcome measures, but only five programs have had an impact study completed since 2004 to assess whether outcomes resulted from the program and not some other cause.”

Although there has been an increase in funding and job related programs, by 2022 it is estimated the United States workforce will have a deficit of 11 million workers with postsecondary education. In addition, according to committee reports, 52% of adult Americans lack literacy skills which are vital to success in the workplace.

Originally passed in 1998, the Workforce Investment Act expired in 2003. Beginning in the 107th Congress, reauthorizations of this law were attempted without success. This bill represents a bipartisan and bicameral effort to reauthorize this law. Read the Statement of Managers on the negotiated language [here](#). Additional information from the Education and Workforce Committee can be read [here](#) and [here](#).

Committee Action: H.R. 803 was introduced by Representative Foxx on February 25, 2103. On March 25, 2013 it was passed by the House with a vote of 215-202. The Senate Committee on Health, Education, Labor, and Pensions discharged the bill by Unanimous Consent on June 25, 2014. Finally, on June 25, 2014, it passed the Senate with an amendment and an amendment to the Title by a vote of [95–3](#).

Outside Groups Support: Below is a list of supporters provided by the Education and Workforce committee:

U.S. Chamber of Commerce	National Association for Home Builders	ACT, Inc.
National Association of Manufacturers	Society for Human Resource Management	Jobs for the Future
Business Roundtable	IBM	National Coalition for Literacy
National Governors Association	Siemens Corporation	National Association of State Workforce Agencies
National Association of Workforce Boards	Bipartisan Policy Center’s	National Association of Workforce Development Professionals
Associated Builders and Contractors	Governors Council	Association for Career and Technical Education
The Associated General Contractors of America	American Association of Community Colleges	National Association for Career and Technical Education State Directors
National Retail Federation	U.S. Conference of Mayors	National Youth Employment Coalition
National Restaurant Association	National Association of Counties	National Skills Coalition
National Roofing Contractors Association	National League of Cities	Association for Talent Development
	National Conference of State Legislatures	
	American Library Association	

National Council of La Raza
Business Leaders United
Youth Build USA
Center for Law and Social Policy
Commercial Vehicle and Training Association
Council for Advancement of Adult Literacy
National Council of State Directors of Adult Education
National Association of Development Organizations
International Union of Painters and Allied Trades
International Economic Development Council
Association of Farmworker Opportunity Programs

Opportunity America (A business coalition)
Association for Advanced Automation
Year Up
America Forward
United Way
National Council of Chain Restaurants

Disability Groups:

National Federation for the Blind
Easter Seals
Goodwill Industries
Association of University Centers on Disabilities
Paralyzed Veterans of America
National Federation of the Blind
The ARC

Association of Programs for Rural Independent Living
National Council for Independent Living
Association for Assistive Technology Act Programs
National Association of Councils on Developmental Disabilities

States:

Michigan
South Dakota
Florida
Oklahoma
Iowa
New Jersey
North Carolina

Administration Position: The [Administration](#) supports passage of Senate Amendments to H.R. 803, the Workforce Innovation and Opportunity Act of 2014.

Cost to Taxpayers No CBO score was available at press time.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: Yes the legislation amends several state and local requirements.

Does the Bill Contain Any Federal Encroachment into State or Local Authority in Potential Violation of the 10th Amendment?: No.

Does the Bill Contain Any Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: An earmarks/revenue benefits statement required under House Rule XXI, Clause 9(a) was not available at press time.

Constitutional Authority: According to the sponsor, “Congress has the power to enact this legislation pursuant to the following: Article I, section 8 of the Constitution of the United States.” Read statement [here](#).

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NOTE: *RSC Legislative Bulletins are for informational purposes only and should not be taken as statements of support or opposition from the Republican Study Committee.*

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