

Creating Jobs and Preparing a Competitive Workforce: New York City Recommendations for WIA Reauthorization

The Workforce Investment Act of 1998 (WIA) should be modernized to keep pace with the needs of individuals and businesses for longer-term training and aligned program delivery. In light of WIA's unique role in serving both jobseekers needing training and employment as well as businesses seeking qualified candidates, Congress should prioritize WIA by maintaining and increasing its funding level. In March 2013, the House of Representative passed the Supporting Knowledge and Investing in Lifelong Skills (SKILLS) Act (H.R. 803), which consolidates 35 existing federal workforce programs into one Workforce Investment Fund. The Senate is now pursuing a bipartisan approach to WIA reauthorization and the Health, Education, Labor, and Pensions (HELP) Committee has released discussion drafts of the Workforce Investment Act of 2013 (WIA 2013) for comment. As the largest local workforce investment area in the United States, New York City offers the following six recommendations for WIA reauthorization, with specific responses to the WIA 2013 discussion drafts released by the Senate HELP Committee.

	Observations	Recommendations	Policy Specifics
1. Program Alignment	To serve NYC job-seekers and businesses effectively, it is critical to enhance service coordination and collaboration while recognizing that each program plays a special and important role.	Strengthen alignment across WIA programs, including incentives for programmatic collaboration , while preserving the distinct role each program plays in an overall effort to create career pathways .	<ul style="list-style-type: none"> • Limit any consolidation of Adult and Dislocated Worker program funding to that which is strategically aimed at providing coordinated comprehensive services, ensuring that such consolidation does not include youth workforce program funding and does not reduce overall formula funding levels. • Limit the requirement to co-locate state employment services and one-stop centers to allow for separately provided services where co-location would be costly and burdensome, and clarify the meaning of co-location, taking into account staffing and management differences between state-administered and local programs. • Add federally-funded Small Business Administration (SBA) business development to the programs that are eligible for joint planning under the State Consolidated Plan in order to align WIA and SBA programs and enhance the kind of assistance to small and mid-size businesses that NYC already provides. • Coordinate U.S. Department of Labor (U.S. D.O.L.) and U.S. Department of Education (U.S. E.D.) program administration and other activities that serve shared interests, including High School Equivalency preparation and attainment; better alignment at the federal level will support and facilitate better alignment at the local level.
2. Funding	NYC has lost over 50% of its WIA funds over the past decade, while unemployment rates remain high and customer demand for WIA services is at an all-time high.	Ensure federal appropriations meet local demand for workforce and adult education initiatives , including High School Equivalency preparation.	<ul style="list-style-type: none"> • Increase the overall formula funding level for WIA programs to sufficiently meet local needs. • Shift, as WIA 2013 does, the State and within-State formulas for adult and employment training funding to give greater weight to the number of unemployed individuals in areas of substantial unemployment.
3. Demand-driven	NYC restructured its workforce services to meet employer demands, leading to significant improvements in our system outcomes.	Further emphasize development of local workforce systems that are driven by local employer needs .	<ul style="list-style-type: none"> • Incorporate the strategies set forth in the Strengthening Employment Clusters to Organize Regional Success (SECTORS) Act of 2013 (S. 1226) that support the development and expansion of new and existing sector partnerships.

4. Local Control and Flexibility	While WIA is a highly successful program in NYC, there are opportunities to modernize the legislation to advance local innovation and reduce bureaucratic hurdles for jobseekers and businesses.	Given constrained funding for federal workforce initiatives, maximize local control over these resources and enhance local flexibility to improve service delivery and foster innovation.	<ul style="list-style-type: none"> • Mandate that States seek input on the provider eligibility standards for adult training and youth programs from local Workforce Investment Areas (LWIAs) and the public in order to ensure that the standards are meaningful and effective, and delay implementation of such new standards for one year. • Preserve local flexibility to transfer funding between formula-funded programs. • Ensure that any State reservation of funds for statewide activities does not come at the expense of funding for needed local services during high-unemployment periods by requiring States to justify to U.S. D.O.L. a reservation that exceeds 10% when unemployment in the State is above 6.5%. • Provide, as WIA 2013 does, flexibility to coordinate cohort-based training and other training as needed, and ensure that providers can combine Individual Training Accounts and contract-based training. • Allow LWIAs to use local data systems where they synchronize and interface with the State system. • Allow LWIAs, such as NYC, that have developed a locally-tailored poverty measure to use that local measure in defining “low-income individual.” • Ensure enforcement of the Military Selective Service Act does not serve as a barrier to urgently-needed local services; for example, many legal immigrants cannot meet the requirements and could be denied certain services.
5. Performance Indicators	NYC strives to provide outcome-based programs that meet shared system-wide goals. These efforts would be enhanced by common performance measures that reflect the long-term goal of employment for youth and adults as well the importance of educational gains for those at lower-literacy levels.	Ensure performance indicators drive outcome-based service provision and career pathways strategies while also recognizing the distinct goals of each program .	<ul style="list-style-type: none"> • Provide a two-year delay in the implementation of all performance indicators recognizing that such requirements are a significant shift in the assessment and orientation of these programs. • Require that U.S. D.O.L. and U.S. E.D. incorporate the input of local LWIAs when establishing performance indicators that assess program effectiveness in serving employers. • Include, along with job placement and earnings indicators, performance indicators that measure credential attainment and educational gains in recognition of the importance of these student and job-seeker milestones. • Eliminate the earnings-based performance indicator for youth programs, recognizing that basic workplace experience helps the youngest workers develop critical employment skills.
6. Youth Programs	Youth workforce development in NYC is delivered by a robust and effective network of local community organizations.	Support and incentivize delivery of youth programs that focuses on both educational attainment and employment skill building to better serve youth.	<ul style="list-style-type: none"> • Delay implementation for two years of the new youth program element that requires “education to be offered concurrently with and in the same context as workforce preparation activities” • Provide technical assistance to youth program providers to implement the above program element, recognizing that such concurrent employment and education service delivery is new, challenging and more costly. • Youth should be defined as 16 to 24 year olds.