



## **Workforce Innovation and Opportunity Act (WIOA) Reauthorization**

*Bipartisan HELP Committee Discussion Draft*

### **Section-by-Section**

#### **TITLE I—Workforce Development Activities**

##### ***Subtitle A—Introductory Provisions***

*Sec. 101. Purposes* – Amends Section 2 of the *Workforce Innovation and Opportunity Act* (WIOA) to add a reference to youth and expand the purposes to provide upward economic mobility, reduce dependency on public assistance programs, and prepare youth for a globally competitive workforce.

*Sec. 102. Definitions* – Amends Section 3 of WIOA to update existing definitions and define the terms “adult high school,” “co-enrollment,” “digital literacy,” “employer-directed skills development program,” “evidence-based,” “foundational skill needs,” “labor organization,” “universal design for learning,” and “work-based learning.” Additional definition term changes include changing “secondary school diploma” to “regular high school diploma;” the term “English language learner” to “English learner;” “out-of-school youth” to “opportunity youth;” “homeless individual” to “individuals experiencing homelessness; and “ex-offenders” to “justice-involved individuals.”

##### ***Subtitle B—System Alignment***

#### **CHAPTER 1—STATE PROVISIONS**

*Sec. 111. State workforce development boards* – Amends Section 101 of WIOA to include representatives of historically Black colleges and universities, minority-serving institutions and Tribal colleges and universities in the list of who may be appointed by the Governor to sit on state workforce development boards.

*Sec. 112. Unified State plan* – Amends Section 102 of WIOA to change the timeline for unified state plans from four years to five years. Requires state plans to include an analysis of the state’s opportunity youth population, a description of activities to expand economic opportunities, a

description of the availability of apprenticeship and pre-apprenticeship programs, and a description of how the state intends to prioritize evidence-based programs.

## **CHAPTER 2—LOCAL PROVISIONS**

*Sec. 115. Workforce development areas* – Amends section 106 of WIOA to revise the process for designating local workforce development areas (local areas) by requiring the governor to conduct reviews every eight years of the alignment of local areas to labor market or economic areas and propose designations for the next eight years, which shall be subject to the approval of a majority of the local workforce development boards (local boards) in the state. If the local boards reject the proposed designations, the local boards must choose between aligning the local areas with the economic development areas or the planning regions of the state. The first review period by the governor will occur before the third program year after enactment, with the first designation of local areas occurring at the start of the fourth program year. Also clarifies the circumstances under which interim revisions to the local areas may be made, establishes a process for multiple local areas to form a regional consortium to improve operational efficiency, and allows the governor to provide incentives to local areas that choose to merge together or form a regional consortium.

Allows a governor, subject to approval by the state legislature, to designate the state as a single state local area if its population was less than five million at the time of the most recent Census or has 5 or fewer local workforce boards. If after five years from the time of becoming a single state local area, the state's performance falls below the average for the five years preceding when it became a single state local area, the state shall reestablish its local boards.

*Sec. 116. Local workforce development boards* – Amends Section 107 of WIOA to encourage representatives of historically Black colleges and universities, minority-serving institutions and Tribal colleges and universities in the list of institutions of higher education who may sit on local boards.

Prescribes specific standing committees the local boards shall convene, including to address operational issues related to the one-stop delivery system, focus on serving youth, focus on serving individuals with disabilities, engage representatives of the workforce, engage educational entities, and focus on serving justice-involved individuals. Outlines the required membership of the standing committees.

Clarifies the local boards' authority over the budget and administration of the adult, dislocated worker, and youth workforce development activities of the local area.

*Sec. 117. Local plan* – Amends section 108 of WIOA to change the timeline for local plans from four years to five years, modify the required elements of the local plan to ensure the analysis of economic conditions and workforce needs of the region are continually assessed using real-time labor market information, remove the requirement on local boards to submit an update to the four-year local plan after two years, and include analysis of the opportunity youth in the local area and the service needs of this population.

*Sec. 118. Funding of State and local boards.* – Amends section 111 of WIOA to update a cross-reference.

### **CHAPTER 3—PERFORMANCE ACCOUNTABILITY**

*Sec. 119. Performance accountability system* – Amends section 116 of WIOA to revise the performance accountability system for States and local boards:

- Updates the primary indicators of performance to focus on employment relevant to training received where applicable, reduces the timing milestones to six months instead of a year for several metrics, converts the “employment fourth quarter after exit” indicator into a measure of retention in the labor force and relevance to the training received, adds an indicator comparing wages to that of a high school graduate, calculates the “measurable skill gains” indicator in the six-month period after program entry, and replaces the “effectiveness in serving employers” metric with a metric for completion of training methods provided through employers.
- Updates the primary indicators of performance for the youth program to focus on employment or education relevant to training or services received, and revises the cross reference to the “effectiveness in serving employers” indicator to measure the percentage of youth participants who completed paid or unpaid work experiences.
- Connects training provider indicators to the state’s overall indicators of performance.
- Revises the process under which states negotiate and agree upon state levels of performance with the Department of Labor and Department of Education (Departments) to require the Departments to first propose levels based on their statistical adjustment model (SAM) and gives states the opportunity to react and offer counterproposals, as they determine necessary. Requires the Departments to publish their statistical adjustment model and clarify it must involve factors found to be predictive of performance.
- Adds a provision requiring the three lowest performing states to describe in more detail what they will do to improve.
- Elongates the levels of performance periods to match new WIOA planning period length of five years.
- Directs the Departments to update the performance reporting templates to collect common data elements across the core programs in an identical manner and make the performance reports available in transparent and accessible formats.
- Updates elements of the performance reports to include the median earnings gain of program participants in the state performance report and the percentage spent on skills development and supportive services in the local performance report, while clarifying that states will submit one performance report that includes the performance of each eligible training provider in the state, as well as an overall analysis of the effectiveness of the training provided.
- Clarifies the circumstances under which a state or local area is subject to performance improvement actions or fiscal sanctions.
- Connects the performance data systems to verifiable wage records databases like the National Directory of New Hires and state agencies’ Unemployment Insurance wage data.

#### ***Subtitle C—Workforce Investment Activities and Providers***

## CHAPTER 1—ONE-STOP DELIVERY SYSTEMS AND PROVIDERS

*Sec. 121. Establishment of one-stop delivery systems.* – Amends section 121 of WIOA to allow workforce development programs funded by the CHIPS and Science Act and Infrastructure Investment and Jobs Act to collocate at one-stop centers. Modifies the requirements for the one-stop delivery system to allow area Career and Technical Education (CTE) schools, institutions of higher education, and public libraries to serve as the one-stop operator. Allows one-stop centers to be virtual, coordinates virtual services between adjacent local areas, and requires a network of at least three physical affiliated locations, such as libraries, mobile centers, or community colleges, in local areas with no physical locations. Removes the requirement on local boards to negotiate an “infrastructure funding agreement” with the one-stop partners.

*Sec. 122. Identification of eligible providers of training services.* – Amends section 122 of WIOA:

- Reforms the process for states to determine eligible providers and programs of training services by establishing a “standard eligibility” and “Workforce Innovation Leader (WIL) eligibility” framework for the Eligible Training Provider List (ETPL) that gives the Governor and Secretary of Labor, respectively, authority to approve and revoke eligibility for the standard and WIL provider lists.
- Makes labor organizations and community colleges providing a training program that leads to a recognized postsecondary credential automatically eligible for the ETPL.
- Requires providers applying to receive standard eligibility to have a valid State or local business license, be in business for at least 2 years, have a federal employer identification number, prepare participants for employment that is high-skill, high-wage, or in-demand, provide a recognized postsecondary credential, and demonstrate verified education and employment outcomes.
- Requires providers intending to maintain standard eligibility to demonstrate verified education, employment, earnings, and value-added earnings outcomes to the Governor:
- Requires providers intending to gain WIL eligibility to demonstrate to the Governor, who will transmit to the Secretary of Labor, verified education, employment, earnings, and value-added earnings outcomes that exceed the requirements for the standard provider list.
- Requires the annual submission of performance information to the Governor to determine continued eligibility for the standard and WIL provider lists, prohibit providers with repeated failures to meet the minimum performance outcomes from remaining on the standard provider list, and provides for notification to participants and opportunities to complete training programs in the event that the Governor revokes standard eligibility for a program.
- Formalizes an industry or sector partnership designation for training providers.
- Requires for-profit providers with particularly poor outcomes to repay a small portion of WIOA funds to the local board.
- Provides transparency on the credentials that are awarded by eligible providers to include credential-specific information.

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- Allows States or local boards to establish performance incentives for providers that achieve high levels of performance, serve a significant number of individuals with barriers to employment, or place participants into high-paying, family sustaining employment.

*Sec. 123. Eligible providers of youth workforce investment activities.* – Amends section 123 of WIOA to clarify that providers of pre-apprenticeships and apprenticeships for youth can serve as eligible training providers for youth programs.

## **CHAPTER 2—YOUTH WORKFORCE INVESTMENT ACTIVITIES**

*Sec. 131. State allotments.* – Amends section 127 of WIOA to clarify how the additional Governor’s reservation under section 128 of WIOA and section 132 of this bill affects outlying areas receiving WIOA funding, and to promote more stability in year-over-year funding levels for States by ensuring no State receives less than 95 percent or more than 115 percent of its previous year’s youth formula allotment.

*Sec. 132. Within State allocations.* – Amends section 128 of WIOA to authorize States to make an additional reservation of up to 10 percent from the State’s adult, dislocated worker, and youth allotments, and requires that the additional reservation be used to establish an Industry or Sector Partnership Development Fund or for employer-based training activities.

*Sec. 133. Use of funds for youth workforce investment activities.* – Amends section 129 of WIOA to modify the workforce activities for youth:

- Replaces “out-of-school youth” with “opportunity youth” and includes youth experiencing homelessness and those involved with the justice or foster care systems as opportunity youth, regardless of their school status.
- Revises the waiver authority for spending on opportunity youth by raising the required minimum spending on opportunity youth from 50 percent to 60 percent in the case that a State uses a waiver.
- Increases the percentage of funding dedicated to work experiences to 30 percent, establishes core elements of summer and year-round employment opportunities requiring that internships lasting for longer periods be paid. Requires 33.33 percent of the dedicated work experiences fund to go towards apprenticeships and pre-apprenticeships for youth.
- Expands the list of statewide allowable activities to include raising public awareness about career and technical education programs and developing partnerships between educational institutions to create or improve workforce development programs.
- Updates the elements of youth workforce programs to include activities to develop fundamental workforce readiness skills, authorizes the use of “individual training accounts” (ITAs) for in-school youth over the age of 18 and for opportunity youth, and increases the cap on the amount of funding that can be used on pay-for-performance contract strategies.
- Streamlines the enrollment process by allowing programs to begin serving youth while an eligibility determination is pending, shifts the burden of determining eligibility to

program or one-stop operator staff, and aligns the documentation requirements to determine foster or homeless youth status with the *Higher Education Act*.

### **CHAPTER 3—ADULT AND DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES**

*Sec. 141. State allotments.* – Amends section 132 of WIOA to reflect that the dislocated worker funds reserved by the Secretary of Labor (Secretary) will also be used for the Workforce Data Quality Initiative established in section 174 of this Act.

*Sec. 142. Reservations for State activities; within State allocations.* – Amends section 133 of WIOA to reduce the reservation for statewide rapid response activities from 25 to 15 percent, except in the case of exceptional need. Conforms with a change in section 131 to allow the Governor to reserve an additional 10 percent for the Industry or Sector Partnership Development Fund and a fund for employer-based training activities. Provides States more flexibility in determining an allocation formula within the State for adult and dislocated worker funding.

*Sec. 143. Use of funds for employment and training activities.* – Amends section 134 of WIOA:

- Revises the statewide workforce activities for adults and dislocated workers by adding the Industry or Sector Partnership Development Fund and employer-based training activities to the list of required statewide activities for the Governor out of the additional portion reserved by the Governor.
- Clarifies that rapid response activities are provided through a rapid response unit, and allows for supplemental ITAs authorized under this section to be used toward rapid response activities.
- Establishes new required statewide activities to improve support and assistance for workforce boards, connect participants with supportive services, and support the development of skills-based hiring practices.
- Improves service delivery and training opportunities through apprenticeships, industry or sector partnerships, and innovative and accessible programs such as universal design for learning and model comprehensive transition and postsecondary programs for individuals with disabilities.
- Establishes that the Industry or Sector Partnership Development Fund and employer-based training activities fund as statewide allowable activities with any additional funds reserved by the governor for these purposes under section 133. Through the Industry or Sector Partnership Development Fund, states will establish a competitive grant to award implementation and expansion grants to new or existing industry or sector partnerships to fund a range of education, training, and employment-related activities, with a non-federal cost sharing requirement based on the size of the participating employers. The employer-based training activities fund reserves funding for pre-apprenticeship and apprenticeship, on-the-job training, employer-directed skills development, and other employer-provided training activities.

- Improves local employment and training opportunities for adults and dislocated workers to provide differentiated “basic career services” provided primarily by Employment Service staff under the *Wagner-Peyser Act* and “individualized career services”.
- Requires labor exchange services under individualized career services to provide information on wage and benefit levels in industry sectors and occupations across the local area and State, and to support participants in develop a resume, cover letter, or similar document;
- Revises “customized training” under current law to “employer-directed skills development”, and requires participating employers to reach an agreement with a local board to provide skills development to participants and make a number of commitments, which include a commitment that a participating employer does not have proven violations of laws enforced by the Department of Labor, Equal Employment Opportunity Commission, and the National Labor Relations Board.
- Clarifies that a participating employer in employer-directed skills development or incumbent worker training cannot abrogate any collective bargaining agreements that cover its employees.
- Develops “business services” as its own service category, while allowing these services to include technical assistance and support to employers seeking to implement skills-based hiring practices.
- Increases the cap on the amount of funds a local board may use on “incumbent worker training” to 30 percent and providing for further increases if the local area has been experiencing low rates of unemployment or a high rate of labor force participation.
- Increases the cap on the amount of funds a local board may use on transitional jobs to 15 percent.
- Repurposes a portion of the Department of Labor’s H1-B funding toward “Supplemental ITAs” for adults, dislocated workers, and youth to pursue training services. Specifies that supplemental ITAs are distributed to States based on a formula that allocates one-third of the funding based on the relative number of unemployed individuals, one-third of the funding based on the relative number of disadvantaged adults, and one-third based on the relative number of individuals in the civilian labor force. Also includes a minimum allotment to ensure that small states receive equitable funding under the new formula. Additionally, sets the minimum amount for supplemental ITAs at \$5,000 per ITA, and stipulates that funding for supplemental ITAs supplement, not supplant, ITA funding provided through the adult and dislocated worker formulas.

***CHAPTER 4—GENERAL WORKFORCE INVESTMENT PROVISIONS***

*Sec. 149. Authorization of appropriations.* – Amends section 136 of WIOA to authorize appropriations for each of the Fiscal Years 2025 through 2029 at the amount of such sums as may be necessary for the youth, adult, and dislocated worker programs.

***Subtitle D—Job Corps***

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*Sec. 151. Purposes.* – Amends section 141 of WIOA to update the terminology in the program to refer to each site as a Job Corps “campus” This change is carried throughout the subtitle.

*Sec. 152. Definitions.* – Amends section 142 of WIOA to clarify that the term “graduate” includes the receipt of a regular high school diploma and may include a recognized postsecondary credential.

*Sec. 153. Individuals eligible for the Job Corps.* – Amends section 144 of WIOA to modify the eligibility criteria for the Job Corps program, including increasing the maximum age from not more than 21 to not more than 24, and allowing residents of Opportunity Zones to qualify without further documentation of income status. Clarifies that transitioning servicemembers also qualify for the military income exemption and streamlines the determination of homeless or foster youth status to match the process described in section 479D of the Higher Education Act.

*Sec. 154. Recruitment, screening, selection, and assignment of enrollees.* – Amends section 145 of WIOA to direct the Secretary to assist in the development of joint applications for Job Corps, YouthBuild, and the youth activities program.

Clarifies the existing drug test procedures for enrollees to require an initial drug test within 48 hours upon arrival on campus, and if the results of the initial test are positive, requires a subsequent drug test at the earliest appropriate time to determine if the enrollee has continued using drugs since arrival on campus.

Revises the number of days the results of the subsequent drug test must be received, from 45 days after arrival to within 50 days after arrival, and if the test is positive with similar levels of potency that were found in the initial test, the enrollee must be terminated from the program and referred to a substance use disorder treatment program or behavioral counseling.

*Sec. 155. Job Corps campuses.* – Amends section 147 of WIOA to modify the process through which the Secretary selects entities to operate Job Corps campuses to require the consideration of evidence of effectiveness the entities’ past effectiveness based on the primary indicators of performance, a description of the policies that will be implemented to maintain a secure campus, and agreements to provide off-campus work-based learning opportunities to enrollees. Revises the threshold for being considered a high-performing campus to include those that are ranked in the top 25 percent of all campuses yoand raises the percentage of enrollees that can be non-residential to 30 percent.

*Sec. 156. Program activities.* – Amends section 148 of WIOA to require campuses to provide residential enrollees productive activities outside of program hours and clarify that any eligible provider on the state “eligible training provider list” and aligned with the CTE the enrollee has completed may be used to provide advanced career education for selected enrollees. Campuses may also incorporate the principles of universal design for learning.

*Sec. 157. Counseling and job placement.* – Amends section 149 of WIOA to require the Secretary to coordinate counseling and job placement with Job Corps operators assigned to campuses.

*Sec. 158. Support* – Amends section 150 of WIOA to allow a Job Corps graduate to remain a resident on campus for up to one month after graduation with written approval from the director of the Job Corps campus and only if such individual receives written approval to remain a resident.

*Sec. 159. Operations*. – Amends section 151 of WIOA to grant Job Corps operators authority to determine how learning is delivered and what tools can be used for that purpose, determine the appropriate policy and protocols with respect to enrollees leaving campus and guests visiting campus, hire and develop staff, enter into agreements with educational entities and employers, and educate stakeholders about Job Corps activities without prior approval of the Secretary of Labor, while making clear that any such agreements that do not involve monetary compensation are not considered subcontracts. Requires the Secretary to solicit information on any operational costs that may arise prior to making changes to the operating agreement.

*Sec. 160. Standards of conduct*. – Amends section 152 of WIOA to require the Secretary to adopt guidelines establishing a disciplinary policy for dismissing an enrollee that committed an act of violence or an illegal activity and establishes an appeals process.

*Sec. 161. Community participation*. – Amends section 153 of WIOA to include industry or sector partnerships in Jobs Corps campus networks.

*Sec. 162. Workforce councils*. – Amends section 154 of WIOA to expand workforce councils to include representatives of community-based organizations and clarify that recognized postsecondary credentials may be necessary to obtain employment opportunities.

*Sec. 163. Advisory committees*. – Amends section 155 of WIOA to update the terminology in the program to refer to each site as a Job Corps “campus.”

*Sec. 164. Experimental projects and technical assistance*. – Amends section 156 of WIOA to authorize the Secretary to provide technical assistance in incorporating the principles of universal design for learning.

*Sec. 165. Special provisions*. – Amends section 158 of WIOA to permit Job Corps campus operators to accept charitable donations on behalf of an individual Job Corps campus and require any property acquired to be directly transferred to the Secretary. Directs the Secretary to ensure equal opportunity and that no individual is excluded from a Job Corps program on the basis of race, color, religion, sex (except otherwise permitted under title IX of the Education Amendments of 1972), national origin, age, disability, or political affiliation or belief.

*Sec. 166. Management information*. – Amends section 159 of WIOA to revise the performance assessment of Job Corps campuses by specifying that the Secretary shall make arrangements with a state or other entity to use state wage records for evaluation of the Job Corps programs.

*Sec. 167. Job Corps oversight and reporting*. – Amends section 161 to strike outdated financial reporting and require a report on campus closures by December 2025.

*Sec. 168. Authorization of appropriations.* – Amends section 162 of WIOA to authorize appropriations for the Job Corps program for each of the Fiscal Years 2025 to 2029 at an amount of such sums.

***Subtitle E—National Programs***

*Sec. 171. Native American programs.* – Amends section 166 of WIOA to make adjustments to the Native American Programs by limiting the administrative costs to 12 percent of a grant, allowing for the transfer of unobligated funds, requiring the Secretary to make arrangements with a state to use wage records in the performance reporting of grantees, and having the performance of grantees published annually on the website of the Department of Labor. Clarifies how vacancies to the Native American Employment and Training Council are to be filled and allow tribes to consolidate funding from various sources for workforce training. Extends the authorization of appropriations for assistance to unique populations in Alaska and Hawaii for each of the Fiscal Years 2025 to 2029 at such sums as may be necessary.

*Sec. 172. Migrant and seasonal farmworker programs.* – Amends section 167 of WIOA to make adjustments to the Migrant and Seasonal Farmworkers Programs by limiting the administrative costs to 10 percent of a grant, requiring the Secretary to make arrangements with a state to use wage records in the performance reporting of grantees, having the performance of grantees published annually on the website of the Department of Labor, allowing for digital literacy skills to be an authorized activity and clarifying the timelines under which grant funds must be obligated and spent.

*Sec. 173. Evaluations and research.* – Amends section 169 of WIOA to require evaluations carried out under WIOA to describe the extent to which states are using emerging technology (such as artificial intelligence) to improve data collection. Strikes the required or allowable studies that have already been completed. Includes new studies on the employment conditions and job quality for participants after program exit, improving workforce services for individuals with disabilities, the effectiveness of pay-for-performance contract strategies, the use of ITAs by adults, dislocated workers, and youth, the effectiveness of employer-based training activities, the effectiveness and use of emerging technology in the workforce system, the effectiveness and use of statewide rapid response activities, the provision and effects of supportive services, and the alignment between education and workforce systems. Codifies the Workforce Data Quality Initiative and provides funds from the dislocated worker national reserve and funds authorized for this section to award grants to state agencies or consortiums to create and improve state education and workforce longitudinal data systems.

*Sec. 174. National dislocated worker grants.* – Amends section 170 of WIOA to update the National Dislocated Worker Grants by codifying the ability to award grants to entities serving areas with employment and upskilling needs related to widespread opioid addiction while clarifying that grants awarded for this purpose can be used to upskill individuals in health professions involved in the prevention and treatment of opioid use and misuse disorders. Requires the Secretary of Labor to collect performance information of each entity receiving a

grant under this section and publish such information on a privacy-protected website hosted by the Department of Labor.

*Sec. 175. YouthBuild program.* – Amends section 171 of WIOA to modify the YouthBuild program by directing the Secretary to reserve 5 percent of any amount appropriated to tribes, tribal communities, or organizations serving tribes, and not less than 5 percent of any amount appropriated to rural areas. Requires the Secretary to make arrangements with a state to use wage records in the performance reporting of grantees, having the performance of grantees published annually on the Department of Labor’s website, and encouraging the Secretary to announce the funding opportunities at the same time each year. Clarifies that an eligible activity is informing and assisting participants in applying to SNAP and child care. Additionally, this section authorizes appropriations for the YouthBuild program for each of Fiscal Years 2025 to 2029 in an amount of such sums as may be necessary.

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*Sec. 176. Reentry employment opportunities.* – Amends WIOA to create a new section 172 and codify the Reentry Employment Opportunities program to improve the reentry of justice-involved individuals into the workforce. Directs the Secretary to award competitive grants and contracts to eligible entities, including not less than 10 percent of appropriated funds for regional or national intermediaries, to conduct reentry projects. Requires 10 percent of funds to be used for pay-for-performance contracts, and 30 percent to be used to carry out youth Reentry Employment Opportunities Program with priority given to entities that will serve high-poverty areas, use evidence-based strategies, enroll individuals before release, establish partnerships with businesses and institutions of higher education, and provide on-the-job learning. Directs the Secretary to evaluate the reentry projects.

*Sec. 177. Youth apprenticeship readiness grant program.* – Amends WIOA to create a new section 173 to establish the Youth Apprenticeship Readiness Grant Program to increase youth participation in new or existing pre-apprenticeship and apprenticeship programs. Requires an eligible education and training provider, a workforce development system entity, a qualified intermediary, or a state agency of the state where a partnership is located to lead in the youth apprenticeship partnership. Eligible entities must provide a 25 percent match of funds through non-federal sources (such as cash or in-kind). Protects minors from on-the-job training in hazardous occupations and ensures compliance with child safety standards. Additionally, directs the Secretary to evaluate the youth apprenticeship grant and the sharing of best practices for youth apprenticeships.

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*Sec. 178. Authorization of appropriations.* – Amends section 172 of WIOA (redesignated as section 174) to authorize appropriations for each of the Fiscal Years 2025 through 2029 for Native American Programs, Migrant and Seasonal Farmworker Programs, Technical Assistance, Evaluations and Research, Reentry Employment Opportunities, and Youth Apprenticeship Readiness Grants at such sums as may be necessary.

#### ***Subtitle F—Administration***

*Sec. 191. Requirements and restrictions.* – Amends section 181 of WIOA to require compliance for recipients of funds under Title I with all applicable Federal labor laws. Clarifies that supportive services may be provided using WIOA funding only in combination with career or training services, and if such services cannot be obtained elsewhere.

*Sec. 192. Fiscal controls.* – Amends section 184 of WIOA to give Governors thirty months, rather than two years, to certify to the Secretary that the State has been compliant with requirements consistent with the Unified State Plan timelines in section 112.

*Sec. 193. Secretarial administrative authorities and responsibilities.* – Amends section 189 of WIOA to require Governors requesting a waiver of statutory or regulatory requirements to explain how the state will continue to promote access to services for individuals impacted by the waiver and permits, rather than requires, the Secretary to expedite the determination of a waiver for a State or local area if such a waiver has been approved for another state or local area.

*Sec. 194. State flexibility pilot program.* – Strikes and replaces section 190 of WIOA to establish a state flexibility pilot authority to allow a state, local area, or consortia of multiple local areas to receive its adult, dislocated worker, and youth funds as a consolidated grant for five years. These pilot projects must continue to follow the priority of service requirements of the law, adhere to existing workforce protections, set performance targets higher than their current level of performance, and have a rigorous evaluation completed. The Secretary may approve up to four statewide demonstration projects and four local area or consortium demonstration projects, with authority for an additional two eligible states after five years if the first four states show an improvement in performance. Statewide demonstration projects may only be approved for states that are designated as a single state local area at the time of applying or have a labor force participation rate of less than 60 percent and a population of less than five million.

## ***TITLE II—ADULT EDUCATION AND LITERACY***

*Sec. 201. Purpose.* – Amends section 202 of WIOA to update the purpose of the Adult Education and Literacy program to include assisting adults in obtaining digital literacy skills.

*Sec. 202. Definitions.* – Amends section 203 of WIOA to define “digital literacy skills,” include digital literacy skills under the definition of “adult education,” replace the term “English language learner” with “English learner,” update the definitions of “integrated English literacy and civics education, “family literacy activities”, “literacy” and “define the term “college and career preparation activities.”

*Sec. 203. Authorization of appropriations.* – Amends section 206 of WIOA to authorize appropriations as such sums may be necessary for Title II for Fiscal Years 2025 to 2029.

*Sec. 204. Special rule.* – Amends section 211 of WIOA to make a conforming change to reflect the renumbering of the definitions in section 3 of WIOA.

*Sec. 205. Performance accountability system.* – Amends section 212 of WIOA to provide that the primary indicator of performance measuring participant completion of employer-connected

learning will be applied to Title II as the percentage of program participants who exited the program during the program year and completed an “integrated education and training” program. Additionally, the section is amended to allow for additional measurable skill gains such as those described in section 202.

*Sec. 206. Matching requirement.* – Amends section 222 of WIOA to direct each State agency to make publicly available the sources of the required matching funds and an explanation of how these funds are being distributed to eligible providers.

*Sec. 207. State leadership activities.* – Amends section 223 of WIOA to update the required state leadership activities to include the identification of opportunities to align with activities supported under the *Carl D. Perkins Career and Technical Education Act* to expand integrated education and training programs, assistance to providers in reporting participant outcomes, including facilitating partnerships with State entities to conduct matches on wages records or support integration with statewide longitudinal data system, and the development or identification of instructional materials designed to meet the needs of adult and English learners. Updates the allowable state leadership activities to include the development of policies to award recognized postsecondary credentials to adult educators with demonstrated effectiveness, partnerships with local educational agencies or public agencies to recruit individuals, and activities to strengthen the quality of standards and accreditation requirements.

*Sec. 208. Education programs for justice-involved individuals and other institutionalized individuals.* – Amends section 225 of WIOA to establish a priority of service to an agency also served by a program under section 172. Requires each eligible agency using funds to carry out corrections education and education for other institutionalized individuals to coordinate these activities with funds reserved under the *Carl D. Perkins Career and Technical Education Act*, to develop “integrated education and training” opportunities, to coordinate eligible prison education programs, and to coordinate with REO programs. Redefines the term criminal offender to “justice-involved individual” and defines the term “prison education program.”

*Sec. 209. Grants and contracts for eligible providers.* – Amends section 231 of WIOA to update the considerations state agencies must use when awarding grants and contracts to eligible providers to include consideration of the instructional materials used by the provider. Clarifies that states may consider the costs of providing learning in context, and the extent to which eligible providers intend to use these strategies when determining the amount of funds awarded.

*Sec. 210. Local application.* – Amends section 232 of WIOA to update the local application that must be submitted by each eligible provider to include a description of how the eligible provider will provide learning in context, in a manner integrated with college and career pathways to enable participating students to attain a recognized postsecondary credential or enroll in postsecondary education.

*Sec. 211. Local administrative cost limits.* – Amends section 233 of WIOA to revise the local administrative cost limits to move professional development for adult educators into its own category, subject to a 10 percent cost limit.

*Sec. 212. Prompt allocation of funds.* – Amends section 241 of WIOA to establish that funds shall be made available under section 211 for an eligible agency not later than 30 days after the date the eligible agency has a unified State plan approved under section 102 or a combined State plan approved under section 103.

*Sec. 213. National leadership activities.* – Amends section 242 of WIOA to update the national leadership required activities to include dissemination of effective practices used by states to use statewide longitudinal data systems. Adds new allowable activities of developing and evaluating programs for preparing adult educators, carrying out initiatives to disseminate effective staffing models, program quality standards, and accreditation requirements that may be voluntarily adopted, and providing professional development and technical assistance to educators.

*Sec. 214. Integrated English literacy and civics education.* – Amends section 243 of WIOA to update the terms to read “English learners” and to add goals that further align with the purpose of Title II.

### **TITLE III—GENERAL PROVISIONS**

#### ***Subtitle A—Data Provisions***

*Sec. 301. Data Exchange Standardization for Improved Interoperability.* – Adds a new Section 506 in WIOA to include an Act-wide requirement for data interoperability across all data collections and reporting to ensure that workforce data functions seamlessly within the workforce development system and with other data systems, including those that provide supportive services, created now and in the future.

Commented [CS(C6): Pending an update from SLC

*Sec. 302. Report on data capability of Federal and State databases and data exchange agreements.* – Amends section 505 of WIOA to direct the Government Accountability Office to prepare a report, similar to the one required by the 2014 reauthorization, to identify current data system weaknesses and opportunities, with a focus on the State Wage Interchange System (SWIS) developed by the Department of Labor.

#### ***Subtitle B—Transition Provisions***

*Sec. 311. Transition.* – Enables the transition to begin and prioritizes the implementation of the performance accountability SAM.

*Sec. 312. Effective date.* – Makes the effective date the first July 1 that is not less than 1 calendar year after the date of enactment of this Act.

#### ***Subtitle C—Amendments to Other Laws***

*Sec. 321. Amendments to the Wagner-Peyser Act.* – Amends the Wagner-Peyser Act to include the Commonwealth of the Northern Mariana Islands and American Samoa in the Employment Service, providing each of these territories one half of the amount of funding that Gaum is provided, beginning the first fiscal year the total amount available for allotment is greater than the amount for Fiscal Year 2024. Makes adjustments to support the integrated delivery of career

services provided by the Employment Service within the one-stop delivery system. Additionally, modifies the workforce and labor market information system to promote the use of real-time data to identify trends in emerging occupation roles and skills and disseminate information in a manner that is user-friendly.

*Sec. 322. Amendment to the American Competitiveness and Workforce Improvement Act.* – Amends section 414 of the American Competitiveness and Workforce Improvement Act to strike the current subsection (c), Job Training Grants, and authorize \$65 million from the Department of Labor’s H1-B allocation to be spent on the Youth Apprenticeship Readiness Grant program in section 177 of this bill and the remainder to be spent on supplemental ITAs authorized under section 143 of this bill.

Commented [AD7]: Pending final agreement.

*Sec. 323. Access to National Directory of New Hires.* – Amends section 453 of the Social Security Act to authorize state agencies responsible for conducting the reporting and evaluation activities under section 116 of WIOA to receive information from the National Directory of New Hires.