In 2014, Congress approved the Workforce Innovation and Opportunity Act (WIOA), bipartisan legislation designed to reform the U.S.’ workforce development and training programs. The law’s purpose is to better prepare workers for the 21st century while helping employers find the employees they need to be competitive and successfully grow their businesses.

NRCA supported WIOA because it reforms and streamlines an outdated and inefficient workforce development system that has not served employers or workers well during the past 17 years. The law is designed to provide new and innovative opportunities for employers to become more involved in workforce development programs at state and local levels for the purpose of addressing workforce development needs within their companies. WIOA reauthorizes and reforms the Workforce Investment Act, which was enacted in 1998 to consolidate state and local programs aimed at helping displaced workers develop employment skills and find jobs.

WIOA provides federal funding for state and local workforce training programs that give priority to veterans and low-income trainees but are open to anyone in the U.S. seeking employment-based skills training. WIOA authorizes $9.5 billion in federal funds for 2015, of which $2.8 billion will fund training available to a broad array of U.S. workers. Authorized funding grows modestly on an annual basis through 2020.

Once fully implemented, the law will provide new opportunities for employers to attract more and better-trained workers to their companies. Most provisions of the law became effective July 1. The final implementing regulations are expected to be issued later this year or in early 2016.

With the new provisions’ implementation, now is the time for NRCA members to consider becoming involved with reformed WIOA programs to help meet workforce development needs. The following will help you get started to take advantage of programs and incentives offered under this new law.

How to get involved

WIOA is intended to make workforce training programs more effective for matching prospective employees with employers seeking to hire. Taking advantage of new opportunities under WIOA will take some effort by employers. WIOA can provide a new pool of potential workers, money for training, and an opportunity to help set state or local workforce policy for your area. But as with any government program, there is complexity and bureaucracy to work through to obtain the benefits.

Some of the improvements promised by WIOA include requiring more accountability for states by measuring the effectiveness of how the programs serve employers; providing greater allocation of funding for reimbursement of employer-driven, work-based training; requiring state plans to develop strategies to more actively engage employers; and giving priority for funding to in-demand industries.

You can engage in the system to help address your workforce development needs in one or more of the following ways:

• Hire workers through American Job Centers
• Serve on a state or local Workforce Investment Board (WIB)
• Apply for reimbursement to provide work-based training
• Apply for funding to offer an apprenticeship program
• Partner with educational institutions to provide worker training or participate in a regional partnership with educators and/or other employers

American Job Centers
The public workforce training system consists of job training and career services funded by the federal government that are delivered at local agencies called American Job Centers (previously called One-Stop Career Centers). Under authority provided by the Workforce Investment Act of 1998 and now reauthorized by WIOA, the system receives input from federal, state and local government officials; employers; unions; educators; and community groups.

There are nearly 2,500 American Job Centers nationwide that offer a range of services to job seekers, many of whom are referred by social services or the state employment office. The services range from access to electronic job listings to advanced technical training. Most services consist of career services and basic job skills; some centers provide more advanced types of technical or craft training. One goal of WIOA is to expand the types of training offered through American Job Centers. There currently are about 8 million people seeking employment.
using the centers to develop employment-related skills and training, and they are available to hire with varying skill levels.

To find the closest American Job Center to your company, visit www.servicelocator.org/onestopcenters.asp.

**Serving on WIBs**

Employers and others have influence regarding their local American Job Centers by serving on WIBs. There are two types of WIBs—state and local.

State WIBs are appointed by state governors. State WIBs make state workforce policy and ensure compliance with federal rules. Serving on a state WIB provides an opportunity to help set policy at the state level through the development of four-year plans. To become involved with a state WIB, contact your governor's office, state workforce agency, state lawmakers or others in state government. Being involved with a state WIB can provide the opportunity to obtain more funding for training programs or other workforce development initiatives for the roofing industry.

A local WIB makes policy for its region and oversees local American Job Centers that provide training and employment services. Board members can be employers, unions, educators, community-based service providers and others. Local WIB decisions include who should receive priority service, the amount of funding available for training, and what educational institutions or other entities are qualified to receive funds.

Local WIBs, of which there are more than 500 nationwide, are where employers and associations can have the most input. Local WIBs have been streamlined under WIOA from 51 members to 19 current members. By serving on a local WIB, you can help set workforce policy in your community or region, work within the system to make workforce programs more effective and accountable, and obtain valuable networking opportunities. You may contact a local WIB executive director or obtain help from someone in local government.

To find your state or local WIB, visit www.servicelocator.org/workforcecontacts.asp.

**Reimbursement for training**

There are two basic types of funding for workforce training within the system.

The first involves vouchers provided to individuals who use employment-based services. The vouchers are provided through Individual Training Accounts (ITAs) and only are payable to training providers registered within the system. Every system client who qualifies for training gets a voucher he or she can use at any qualified training provider in the area, which can be vocational/technical centers, community colleges, trade association programs, union programs or for-profit training centers. ITAs range in value depending on the geographic area, but the average value is about $5,000. In the past, most of the funding provided through the workforce development system has been paid through ITAs.

The other funding option is receiving reimbursement for providing work-based training performed under contract. In most cases, the funding is paid directly to employers. WIOA is designed to increase the percentage of funding allocated to reimbursements directly to employers rather than through ITAs.

There are three types of reimbursable training: on-the-job (OTJ) training, customized training and incumbent worker training.

Employers apply for reimbursement for these types of training through state or local WIBs. The paperwork and reporting requirements are manageable and should be more streamlined once WIOA is fully implemented.

The goal of OTJ training is to give newly hired workers the knowledge and skills they need to do a job “proficiently.” Trainees must qualify for OTJ training by obtaining approval from an American Job Center. In most cases, an employer is reimbursed for 50 percent of a trainee's wages; in some cases, an employer may receive up to 75 percent. Although the training usually is for new employees, it also can be used for workers already employed if the company has introduced new technologies or procedures.

Customized training can be used for workers not yet on the payroll or for those already employed. Trainees must qualify for assistance by applying through an American Job Center. A company commits to hiring a worker after successful completion of training, which is provided by a third-party provider. The employer is expected to pay a “significant portion” of the training costs, and the training must lead to an industry-recognized credential.

The purpose of incumbent training is to help currently employed workers improve their skills. An employer must show the training will help workers “retain employment or avert layoffs” and/or raise worker wages, enhance company competitiveness or help the state economy. Under WIOA, funding is available for 50 to 90 percent of the training costs depending on the size of your company.

**Apprenticeships**

A core WIOA goal is to spur the growth of apprenticeship programs; therefore, federal or state-approved “registered apprenticeship” programs are given preference in the reformed training programs.

Each state WIB must include an apprenticeship program representative. Twenty percent of the seats on local WIBs are reserved for union officials and apprenticeship program representatives. Companies and associations that run registered apprenticeship programs are likely to have a competitive advantage for receiving WIOA funding and influencing state and local workforce training policy through WIBs.

**Educational partnerships**

WIOA also aims to provide new opportunities for employers to partner with local educational institutions, such as high schools or community colleges, to develop training programs that meet the needs of in-demand industries. There are a variety of ways to structure such partnerships, and employers can connect and collaborate with educators through their local WIBs.
One type of partnership that may qualify for federal or state funding is a “sector partnership” in which a group of employers from one industry come together as a group to develop a training program tailored to their industry’s workforce needs.

**Take action now**
To begin exploring new WIOA opportunities that can help your company address its workforce development needs, contact your state or local WIB or local American Job Center. The executive director, staff or current board members can direct you to more information about how your company can hire workers, get reimbursed for worker training or partner with local educational institutions to provide training.

For more information about WIOA, visit the Department of Labor’s WIOA Resource Page at www.doleta.gov/WIOA.

If you have questions or are interested in receiving more information about this issue, please contact Duane L. Musser, NRCA’s vice president of government relations, at (800) 338-5765 or dmusser@nrca.net.

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