In July, Congress approved the Workforce Innovation and Opportunity Act (WIOA), bipartisan legislation designed to reform the nation’s work force development system. The legislation’s purpose is to better prepare workers for the 21st century work force while helping employers find the skilled employees they need to be competitive and successfully grow their businesses. The bill was signed into law July 22 by President Obama.

How does it work?
NRCA supported the WIOA because it reforms and streamlines an outdated and inefficient work force development system that has not served employers or workers well during the past decade. As this new law is implemented during the coming months and years, NRCA will be exploring new methods of helping roofing contractors address their work force development needs. The law provides new and innovative opportunities for employers to become directly involved in work force development programs at the state and local levels to better meet the needs of their companies.

The WIOA reauthorizes and reforms the Workforce Investment Act, first enacted in 1998 to consolidate state and local programs aimed at helping displaced workers develop employment skills and find jobs. One key component of the 1998 law was the creation of one-stop centers designed to provide training and other job-related services to potential workers. In 2003, Congress made modest changes to the law but has not addressed the issue since 2003.

Generally, the 1998 law prioritized the short-term goal of finding workers immediate employment over the long-term objective of providing more in-depth training for jobs and career development in alignment with emerging labor needs. Moreover, many critics have maintained existing programs lacked significant employer input and involvement needed to make the programs effective.

The WIOA is designed to reform the entire work force development system to make it more effective and efficient. It eliminates many bureaucratic hurdles that have prevented employers from participating in training programs or providing input to state and local work force development boards regarding what types of training and skills are in demand in their industries. It also provides new incentives to increase employer involvement to improve results.

The new law provides federal funding for a state-based work force development system that gives priority to veterans and low-income trainees but is available to anyone in the U.S. seeking employment-based skills training. It 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 increases modestly on an annual basis through 2020.

Once fully implemented, after regulations are written and finalized, the new law will provide new opportunities to develop programs aimed at attracting more and better skilled workers to the roofing industry, a critical need in the coming years as many experienced workers retire.

How WIOA can work for you
NRCA will be reviewing the law during the coming months to explore the possibility of providing new work force-related programs for roofing contractors. NRCA members should consider becoming directly involved with new or reformed WIOA programs in their states to meet their work force development needs.

The WIOA will offer a variety of ways for employers to become actively engaged in the work force development process. Following is a brief overview of some of the opportunities NRCA members should consider exploring to more effectively meet their work force needs during the next decade.

Qualify for a competitive grant to become a training provider: The new law streamlines the processes under which employers or employer associations can qualify for a competitive grant from a local work force board to become a training provider. Work force boards now will be required to give priority to training that leads to immediately available, in-demand jobs and programs that lead to industry-recognized credentials, including apprenticeship programs.

Get reimbursed for training through an individual training account: Employers can qualify to receive reimbursement directly for training costs on a per-trainee basis through a voucher-like individual training account. Workers seeking training will have access to a list of eligible training providers, including qualifying employers.
Get reimbursed for employer-provided on-the-job (OJT) training: An employer may be reimbursed by a local work force development board for up to 75 percent of a trainee’s wages, and in many states, OJT reimbursement may be easier to obtain than qualifying as a training provider.

Get reimbursed for employer-sponsored incumbent-worker training: An employer can qualify to get reimbursed by a local work force development board for 50 to 90 percent of qualified training costs for incumbent employees depending on the size of the business. Among the factors considered when deciding what type of training qualifies are how the training will improve workers’ wages, company competitiveness and the effect on the state’s economy.

Get reimbursed for employer-sponsored customized training: Employers can qualify for reimbursement by local work force development boards for customized training that leads to an industry-recognized credential. The new law defines customized training as instruction tailored to meet the specific requirements of a job and provided by an employer with the expectation of employing the trainee if the training is completed successfully.

Partner with a local training provider, high school or community college to develop training programs that meet your business’s needs: This is an opportunity for employers to provide input to a local training provider at minimal or no cost to ensure workers trained in the system are better prepared for jobs in their industries.

Enter into sector partnerships to develop work force training strategies for the roofing industry: The new law defines sector partnerships as “workforce collaboratives” in which employers, educators and other local stakeholders work with state or local work force development boards to address the needs of a single industry. Among the potential advantages of working collaboratively include more strategic planning, better coordination and greater economies of scale when addressing a targeted industry’s work force needs.

Serve on or chair a local work force development board: The new law reduces the sizes of local work force development boards, which some critics believe have become too bureaucratic and inefficient during the past decade, and enhances the role of employers on such boards. The goal of the law is to make work force training programs more effective for meeting the needs of businesses by enhancing the input and role of employers in the process.

Participate in a business consultation convened by a local work force development board: The new law provides funding for work force development boards to be more proactive in consulting with employers to get input about their training and work force needs. This will give employers the opportunity to provide input about issues such as changing labor needs within their industries and in-demand occupations and skills. This is an opportunity for employers to provide input into the system with a minimum amount of time and expense.

Participate in the development of a state’s four-year work force development plan: The new law will require state authorities to seek business input when developing their strategic plans and creates new mechanisms for such consultations with employers.

**Working ahead**

As you can see from the preceding descriptions, implementation of these programs will provide a wide array of opportunities for employers to participate in the reformed work force development system. Exactly how effective the reforms will remain to be seen, but they are ambitious in nature and designed to transform the system for the benefit of employers and workers.

As the new WIOA law is implemented, NRCA will be working to take advantage of new opportunities for the roofing industry to expand existing efforts and create new methods of addressing its work force development needs. NRCA will provide more information about how members can become directly involved in new opportunities created by WIOA as it becomes available.

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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