



Minnesota Workforce Council Association WIA Reauthorization Recommendations

It is the mission of the Minnesota Workforce Council Association to provide Minnesota with a skilled and competitive workforce through engaged and proactive local elected officials, workforce boards, and staff.

Principle Goals/Roles

The principle goals of the national workforce development system should be to enhance business and economic development, reduce local unemployment rates, increase local workforce participation rates, and ensure that all individuals obtain a livable wage.

MWCA encourages Congress to advocate that strong local leadership and flexibility for Local Elected Officials (LEOs) and the local Workforce Investment Boards (WIBs) remain at the core of the reauthorization of the Workforce Investment Act (WIA). This ensures the development of programs that are informed by in-depth knowledge of the local business community, the hiring and training needs of local and regional businesses, and the promotion of accountability as policies are designed to reflect local trends.

- The federal government should interpret federal law through regulations and when necessary arbitrate disagreements between state and local officials. It should also supply sufficient resources to ensure that states and localities are able to achieve the goals and objectives of the law.
- It is critical that states support a strong partnership at the local level. State governments, in partnership with local workforce investment boards, should develop plans and strategies that address the states' broader economic goals and align state resources to support local delivery of programs and services. States should limit activities to:
 - Provide technical assistance and guidance;
 - Develop a statewide workforce development plan that can guide local workforce development areas as they develop their plans;
 - Provide capacity building services;
 - Develop, operate and support a state-wide information management system;
 - Develop performance standards that may be used as the basis for rewards to or sanctions of local workforce development programs;
 - Ensure that there is a strong, statewide electronic job matching system; and
 - Ensure that there is a strong rehabilitation and veterans services system.
- Each local workforce development area should be under the direction of one or more local elected officials and a local workforce development board appointed by local officials. At a minimum, local elected officials should:
 - Appoint and certify local workforce development boards;
 - Participate in the development and approval of local workforce development plans and programs in partnership with local workforce development boards;

- Approve all grant recipients including those designated to provide one-stop system services;
- Oversee and evaluate all workforce development and one-stop system programs in partnership with their workforce development boards; and
- Manage fiscal resources, in co-operation with local workforce development boards.
- Local workforce areas should be given the authority to develop programs that meet the needs of employers and employees alike. This should include the flexibility to develop sector-based, incumbent worker, and other specialized training services that respond to local economic development policies and business needs. Local workforce programs should assist structurally and cyclically unemployed individuals acquire marketable job skills that lead to employment and economic self-sufficiency; young people obtain those skills necessary to make the transition to work; and business and industry meet their needs for qualified and skilled workers. At a minimum, local workforce development boards should:
 - Be comprised of a majority of representatives from private sector businesses;
 - Be chaired by a representative of the private sector;
 - Include representatives from education, labor, welfare, economic development, rehabilitation and community-based organizations;
 - Involve one-stop partners in an advisory capacity;
 - Develop, with elected officials, fiscal management procedures;
 - Develop the local workforce development plan and programs in partnership with local elected officials;
 - Establish and oversee the one-stop career center system within their workforce development area; and
 - Perform oversight and evaluation.

Timing of Reauthorization

MWCA encourages Congress to reauthorize WIA to ensure its continued effectiveness in addressing the needs of all of America's workers during this congressional session.

In the absence of reauthorization, the Administration should not implement any fundamental changes to the WIA operating system.

MWCA urges Congress to ensure at least 18 months (or a maximum of two full fiscal years) to implement any changes made in reauthorization of WIA. Local areas would be encouraged to apply for waivers if they choose and are able to implement changes earlier.

Boards/Governance

MWCA supports maintaining authority for LEOs to determine their service areas.

A grandfathering clause should be included which would allow for the maintenance of current WIB composition as long as performance measures are met. Consortiums of political jurisdictions with a population of 200,000 or more should be automatically designated.

MWCA supports eliminating requirements for representation from the mandatory one-stop providers on the local WIB.

WIA plans should be written and implemented at the local level in alignment with broad policy and program guidelines developed at the state level by the governor and the state WIB. Waiver applications should require agreement of state and local boards.

Any workforce development initiative under the WIA system should mandate guidance and oversight of local elected officials and local WIBs. Whenever possible, funds should be given to local boards to be implemented in their area under their direction.

State Board

MWCA encourages Congress to ensure that WIB members and LEOs are members of the state board. We support adding a provision to federal law requiring that at least 50% of the State WIB members are nominated by the local WIBs, much like the current Minnesota Statutes.

Funding

The vast majority of WIA funds allotted to states should be allocated by formula to local Workforce Service Areas. Where appropriate, Congress should make adjustments to the formula in order to achieve a more balanced and equitable distribution of funds between states. Funding mechanisms which eliminate or reward states and Workforce Service Areas based upon reaching a particular unemployment rate should be avoided. The reallocation authority currently given to governors should be retained.

Separate and distinct funding for one-stop universal services delivered locally should be provided at the national level or from each of the mandatory partners. These funds should be allocated to local areas based upon the formula used to distribute program funds.

Congress should pass a funding formula that does not have a “hold harmless” range more constrictive than a floor of 90 percent and a ceiling of 130 percent.

MWCA supports retaining recaptured (i.e., unspent) WIA funding within the WIA system. Unexpended funds should be reallocated to states that have demonstrated effectiveness in addressing the needs of employers and job seekers.

Carry-Forward Provisions/Administrative Costs

MWCA encourages Congress to maintain the cost definitions outlined in current WIA law.

We also recommend that Congress hold states and local areas accountable for system expenditures based upon accrued expenditures, and an annual accrued expenditure rate of 80%.

Accountability

MWCA recommends that Congress maintain the current measures of customer satisfaction and placement, retention and skills attainment for adults (important for meeting employers' skills needs), and utilize a regression model to encourage assistance to those hardest to serve.

MWCA encourages Congress to base incentives and sanctions on the timeliest data available.

Adult, Dislocated Worker Programs/Training

Local workforce programs should be permitted to provide public sector employment during periods of high-unemployment or long-term unemployment. Career planning and training should be elements of this employment.

MWCA advocates that every high school and student has access to career planning, independently facilitated by a third-party entity. The one-stop system can serve as the honest broker for this service.

Local areas should be required to spend at least 90% of funds on non-administrative services. The mix of services should be determined by the local WIBs.

Congress should consider changes to WIA and other federal education/training programs that interfere with state efforts to develop "career pathways" strategies that offer adults ongoing basic skills and postsecondary occupational training while they are employed, with prescribed pathways that lead to educational credentials and advancement within particular industries.

MWCA advocates that a reserve account for Dislocated Worker services should be created for times of high unemployment, similar to the system used to support unemployment insurance.

Youth

Age and Income Eligibility Requirements

MWCA encourages Congress to expand the age range of eligibility for WIA Youth Programs to ages 14-24.

We support streamlining the eligibility determination process, and expanding income and group eligibility as follows:

- Increase the WIA youth poverty guidelines to 200 percent of the lower living standard.
- Allow cross-program eligibility for youth and families who have been determined to be low-income. At a minimum, restore the JTPA provision that allowed students who are determined eligible for free or reduced lunch under the National School Lunch Program to be automatically determined income eligible.
- Definition of out-of-school youth would include target groups such as high school dropouts, youth in foster care, youth in the juvenile justice system, homeless and runaway youth, and citizen migrant and seasonal farm workers.
- Clarify that self-certification methods that reduce the documentation burden, are acceptable alternatives to individual documentation.
- Allow greater flexibility for local areas to serve youth who are over the income criteria but who have a barrier to employment (allow up to 10% of participants to fall into this category rather than the current 5%).

Performance Measures

MWCA supports a Performance Measurement System that takes into account the challenges associated with serving the hardest to serve populations; we encourage the adoption of two out of the three common measures currently used for all mandatory partners:

1. Placement in Employment or Education
2. Attainment of Degree or Certificate

MWCA supports the use of interim performance measures that allow for reporting educational gains for both in school and out of school youth over time. Interim and progress measures should be connected to employment, credential attainment or at a minimum to pathways leading to employment and credentials (industry-recognized credential; 2-year/4-year credentials/degrees from community colleges, 4-year university program).

We encourage Congress to include a work readiness indicator which would apply to all youth participating in a work experience activity and to eliminate the youth literacy/numeracy performance standard.

Program Elements

MWCA supports maintaining the ten currently required program elements.

Funding and Formula

MWCA recommends that, *at a minimum*, 30 percent of youth formula funds should be spent on out-of-school youth. In areas where the dropout rate is less than 10%, Congress should allow local flexibility for allocation of funds between in school and out of school youth.

Congress should authorize expanded summer jobs/work experience and service components in the WIA Youth Formula Activities. As under ARRA, we recommend that the work readiness indicator be the only measure of performance for youth participating in summer-only employment.

Innovation and Capacity Building

MWCA believes that local Workforce Investment Boards should determine how youth programs are planned. We encourage Congress to retain local flexibility and promote cross-sector collaboration between WIBs, businesses, youth service providers, school districts, and state institutions.

To strengthen youth programming, MWCA encourages Congress to: identify, disseminate and recognize effective practices across youth serving systems using guidance from established resources; provide support, training and technical assistance to build the capacity of youth service professionals and youth-serving organizations; and provide post-program transition support from workforce development and secondary education programs to post-secondary education with increased credentialing opportunities.

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