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House WIOA Reauthorization Makes Important Strides, but Additional

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Introduction

On May 17, 2022, the House of Representatives passed a reauthorization of the Workforce and Opportunity Act (H.R. 7309). First enacted in 2014, WIOA is the primary law governing the public workforce system—the myriad of policies and programs that aim to assist jobseekers with education and training opportunities; labor market information; career navigation; and other work-related support services.

Reauthorization is an opportunity to reform the workforce system to better serve unemployed and underemployed workers—especially Black, Indigenous, and Latinx workers, as well as immigrants, youth, and individuals impacted by the criminal legal system. Data indicates that these communities **experience challenges accessing and benefiting from the current workforce system**. Moreover, the system is actually reinforcing and replicating systemic racism and sexism in the labor market by **steering workers of color into low-wage jobs**. As the country continues to recover from a devastating pandemic and economic recession, it is critical that the workforce system creates training and development opportunities that help workers of color enter quality, family sustaining jobs.

This brief describes some of the critical updates the House bill makes to WIOA. It also offers CLASP's recommendations for Congress to build toward a workforce system that empowers workers and helps create broadly shared prosperity.

The House WIOA Reauthorization bill includes several critical improvements to the 2014 WIOA law. They include the following changes:

- **Codifying the Reentry Employment Opportunities Program:** The bill provides crucial training and education resources for people impacted by the criminal legal system by codifying WIOA's Reentry Employment Opportunities Program (REO) into law. For over a decade, REO has been authorized to test the effectiveness of service delivery models found in community- and faith-based organizations and government systems that assist the reentry population in entering the workforce. Many of the components of REO programs have been rigorously evaluated. They demonstrate effective practices for reducing recidivism and supporting people who have been incarcerated in securing employment.
- **Diversifying workforce development boards:** HR 7309 also diversifies representation on state and local workforce development boards, the policy decision-making bodies. Representation on governing and decision-making bodies can be critical to shaping more inclusive policy development and ensuring workforce funds reflect the needs of working people.
- **Improving efforts to lift structural barriers to employment:** The bill also expands the definition of persons with barriers to employment. Under the new definition, this group would include individuals who have been historically underserved and marginalized as a result of race; color; national origin; sexual orientation; or gender identity. This change will help states and localities better target funds to communities facing structural barriers to employment to increase their employment outcomes.
- **Increasing youth access:** The House reauthorization bill also improves WIOA programs to be more accessible for youth participants. The bill allows for **youth eligibility to be determined through self-attestation**. Individuals can state and acknowledge their own status on an eligibility form instead of requiring paperwork to prove their status (i.e., proof that they are pregnant, out of school, unemployed, etc). This will streamline the eligibility process and alleviate the administrative burden for youth and providers, increasing access to WIOA programs and services for youth.

CLASP and our allies have advocated for these changes and CLASP commends these efforts by House lawmakers. Focusing investment toward workers who face structural barriers to quality employment opportunities, including youth disconnected from school or employment and people

impacted by the criminal legal system, will help address critical labor market gaps.

Recommendations: Congress must make additional WIOA improvements

The House reauthorization measure makes some critical progress for workers. But federal policymakers must go further to promote equity and advance a workforce system that best serves all jobseekers. Our recommendations include the following:

1. Counter systemic racism and structural sexism in the labor market.

State and local workforce development boards are charged with governing workforce programs, and their plans must be approved and monitored by the Department of Labor (DOL). In order to combat labor market inequities, policymakers should require these plans include racial and gender equity goals and benchmarks. They should include wage parity outcomes across racial and ethnic demographics, as well as steps to proactively combat racial discrimination, such as job placement and occupational segregation by race.

WIOA reauthorization should also require workforce boards to report and disclose to the DOL workforce data at the program level by race; ethnicity; gender; disability status; immigration status; and involvement with the criminal legal system when known. Workforce boards should use this data to accurately monitor program outcomes, advance equity, and identify opportunities for improvement.

2. Empower workers and increase worker representation on workforce boards.

Today, employers have a disproportionately large impact on state and local workforce boards. They currently occupy up to 80 percent of seats on these decision-making bodies. The House reauthorization proposal aims to correct this perverse imbalance by increasing labor representation from 20 to 30 percent.

This increase is a step in the right direction. However, CLASP recommends lawmakers further demonstrate their commitment to workers. Congress should mandate that at least 50 percent of the workforce development boards are composed of jobseekers and organizations that represent workers and their communities. The outsized power employers currently wield in the workforce system results in a system that **largely caters to employer needs over workers**. Power must be rebalanced toward workers.

3. Prioritize job quality and economic security for workers.

WIOA currently lacks a job-quality framework and the House bill doesn't address this shortcoming. Public workforce dollars should only be geared toward partnerships with high-road employers who:

- Pay an equitable living wage above the industry standard;
- Engage in fair scheduling practices;
- Provide health care, paid leave, retirement savings plans, and other benefits;
- Meet industry Occupational Safety and Health Administration (OSHA) standards for safe workplaces;
- Sign union neutrality agreements; and
- Do not require workers to sign noncompete and forced arbitration clauses as conditions of employment.

In addition, the wage threshold should be \$15 per hour or higher. Workforce boards should also be required to collect and submit to the DOL job quality data on all employer partnerships. CLASP recommends these job quality provisions be baked into WIOA statute.

4. Target investment in proven workforce interventions toward workers who face barriers to quality employment opportunities.

HR 7309 eliminates a requirement directing 75 percent of youth funding to serve opportunity youth, a critical population of youth disconnected from school and employment. CLASP recommends restoring the 75 percent target. Black and Latinx workers; immigrants; opportunity youth; unhoused individuals; and people impacted by the criminal legal system face structural barriers to quality employment opportunities and should be expressly prioritized for WIOA programs in the statute.

Increasing investment towards these populations with earn-and-learn opportunities—including subsidized and transitional employment programs and Registered Apprenticeships (RAPs)—can improve economic security and stability, while also connecting workers to future opportunities. RAPs provide workers with on-the-job training and pathways to quality jobs that offer significant economic gains. Additionally, prioritizing funding for high-quality pre-apprenticeship and youth apprenticeship programs can help prepare individuals to qualify for and succeed in RAPs.

Conclusion

Lawmakers must use WIOA reauthorization to build economic opportunity and strengthen economic security for working families.

CLASP commends Reps. Bobby Scott, Chair of the House Committee on Education and Labor, and Frederica Wilson, Chair of the Subcommittee on Higher Education and Workforce Investment, for prioritizing WIOA reauthorization and improving outcomes for working people.

Reauthorization is an opportunity to strengthen the workforce development and training system by addressing WIOA's current deficiencies. A robust public workforce system has the potential to

improve employment outcomes for working people and spur economic growth as families see their economic position improve. CLASP's proposed policy recommendations can help strengthen economic opportunity and security for unemployed and underemployed workers, creating a more resilient and equitable economy.

More information:

*For a full set of recommendations to reform and update WIOA, please see CLASP's report, **Updating WIOA to Empower Workers and Create Shared Prosperity**.*

*For a more detailed analysis of the youth provisions present in HR 7309, please see CLASP's brief, **How House-Passed WIOA Reauthorization Would Change Youth Programs**.*