

# Enhancing Recovery Act Training Provisions through State WIA Plan Modifications

The American Recovery and Reinvestment Act represents the most significant federal investment in our nation's public workforce system since the Workforce Investment Act (WIA) was passed in 1998. This brings short-term relief, but more importantly, creates a significant opportunity for the workforce development field.

**A New Vision for Workforce Development.** Congress and the U.S. Department of Labor (USDOL) have articulated a transformative vision for the use of Recovery Act funds that includes career pathways, industry partnerships, and increased training. This vision will likely guide Congress and the administration who have signaled an interest in reauthorizing WIA this year.

**Putting the Vision into Practice.** USDOL is requiring states to revise their State WIA plans to reflect the strategies they intend to pursue to implement these goals. The Department will be watching to ensure States follow through on these plans, stating in a March 18<sup>th</sup> [guidance letter](#) that “[T]he State Plan modification is the states’ primary vehicle for communicating to the public how it will implement the Recovery Act, and will be a key tool in ETA’s monitoring of Recovery Act implementation.” (p.34)

The workforce development field can ensure this vision is effectively translated into practice by reaching out to decision-makers engaged in State Plan modifications—including governors, state and local Workforce Investment Boards (WIBs), and state Departments of Labor—and asking them to adopt the recommendations below to ensure effective and efficient use of recovery dollars and fulfillment of the transformative goals of the Act.

**The Time is Now.** With a June 30<sup>th</sup> deadline to submit modified plans, there is an important but time-limited window to significantly impact workforce development policy at the state and local level in ways that could shape our national workforce system long after the recovery money is spent. Urge your state policymakers to include the following recommendations in modified State Plans:

## Increased Access to Training

*“Both the Recovery Act and Conference Report language emphasize that employment and training funds should be primarily spent on services and training, and ETA expects states and local areas to keep administrative expenditures to a minimum.”* ([Training and Employment Notice 30-08](#), p.4)

The Recovery Act includes language designed to expand access to training and related services for workers, including a provision to allow local areas to contract for training services with institutions of higher education and other training providers rather than relying on individual training accounts, and language emphasizing the provision of support services and needs-based payments to help



individuals participate and succeed in training. To ensure that states are meeting the ambitious goals of the Recovery Act, State Plans should:

- Describe how local workforce boards will use their contracting authority to increase the number of individuals receiving training, expand training capacity and curricula, and ensure that the public workforce system is connected to the full range of education and training providers within the local area;
- Describe how local areas will utilize needs-based payments, supportive services, and other income supports to ensure participants can access and persist in quality long-term training aimed at securing family-supporting, middle-skill jobs, rather than following a “work-first” approach to service delivery; and
- Provide clear guidance on the expected level of both Recovery Act and regular WIA formula funding that states and local areas must allocate directly to training and related activities.

## Sector Partnerships

*“Sector strategies that enable low-income, displaced, and under-skilled adults and disconnected youth to acquire the knowledge and skills for success at work in key industries are an important service delivery innovation. Sector strategies for...high-demand industry sectors identified by local areas should become an integral part of comprehensive approaches to workforce development and regional growth.”* ([Training and Employment Guidance Letter 14-08](#), p.4)

Industry or sector partnerships are recognized as one of the most effective workforce development strategies, bringing together multiple stakeholders connected to an industry to develop both short-term interventions and long-term strategies to meet the human capital needs of the targeted industry. The Workforce Alliance drew upon the expertise of local practitioners and national partners to help develop the SECTORS Act of 2009, recently introduced by Senators Brown (D-OH), Snowe (R-ME), and Murray (D-WA) in the Senate and Representatives Loeb sack (D-IA) and Platts (R-PA) in the House. State Plans should describe how sector strategies will be incorporated within the overall state strategy, with a particular emphasis on how such strategies and partnerships will:

- Bring together a broad range of stakeholders connected to a targeted industry, including representatives from multiple firms, labor organizations, education and training providers, and the public workforce system;
- Identify existing and emerging industries and sectors that have significant economic impact in local or regional areas, identify skilled workforce needs within the targeted industry or sector, and develop training and educational strategies to ensure employers have the skilled workers to meet those needs;
- Use labor market analysis to identify targeted workers and potential barriers to employment, and develop strategies to overcome those barriers; and
- Incorporate career pathways to enable workers to get the skills and credentials necessary to get and keep quality, family-supporting jobs.

## Career Pathways

*“Under such a dual-customer approach, seamless career pathways are developed and offered, and support services and needs-based payments are available, making it far easier for young people and adults, particularly those most in need, to advance and persist through progressive levels of the education and job training system as quickly as possible and gain education and workforce skills of demonstrated value at each level. Education and training at every level are closely aligned with jobs and industries important to local and regional economies.”* ([TEGL 14-08](#), pp.3-4)

Many states are working to develop “career pathways” models which align adult basic education (ABE), workforce development, higher education, and supportive services to meet the needs of today’s workers and businesses. Career pathways enable individuals to obtain skills and credentials over time, through the completion of a succession of different publicly funded education and training programs—and to do so in a way that allows them to continue working while using their new skills to advance to better-paying positions within a specific industry or occupational sector.

To ensure that states are able to successfully use Recovery Act funds to implement career pathways, State Plans should describe how states will:

- Align adult education, job training, and workforce development polices to create clear and manageable pathways to postsecondary educational credentials workers need to succeed in the labor market;
- Promote transparency and ease of transitions between programs (i.e. ESL, ABE, workforce training, and traditional higher education) and across institutions (i.e. community-based organizations, state agencies, and colleges or universities);
- Support “wrap-around” support services, including career assessment and counseling, case management, child care, financial aid and job placement, to ensure individual persistence and success in training programs;
- Define curricula in terms of competencies required for jobs and further education at the next level, and, where possible, tied to industry skill standards, certifications or licensing requirements; and
- Provide “bridge programs” for educationally disadvantaged youths and adults that teach basic skills like communication, math and problem solving in the context of training for advancement to better jobs and postsecondary training.

## Serving Low-Skill or Low-Income Workers

*“The One-Stop system’s success in implementing the Recovery Act will be gauged in part by the progress it achieves in using annual appropriations along with Recovery Act funds...to help low-skill or low-income workers acquire 21<sup>st</sup> century skills, find family-supporting jobs in healthy industries, and access the middle class...”* ([TEGL 14-08](#), p.4)

The Recovery Act specifies that recipients of public assistance and other low-income individuals are to receive priority of service under the WIA Adult program. In addition to implementing the broader recommendations under “Increased Access to Training” above, states should also think

about how Recovery Act dollars can support the expansion of basic skills, literacy, and English language proficiency training to enable low-skill workers to more fully participate in our nation's economic recovery. State Plans should describe how:

- States and local workforce areas will help adult education students gain access to career counseling, job placement and support services by increasing co-enrollment in Title I programs under WIA;
- State fiscal stabilization funds allocated to states by the U.S. Department of Education will be used to support adult basic education activities, and how these activities will be connected to workforce; and
- States and local workforce boards will support programs that integrate basic skills training and other adult education and literacy activities into occupational training.

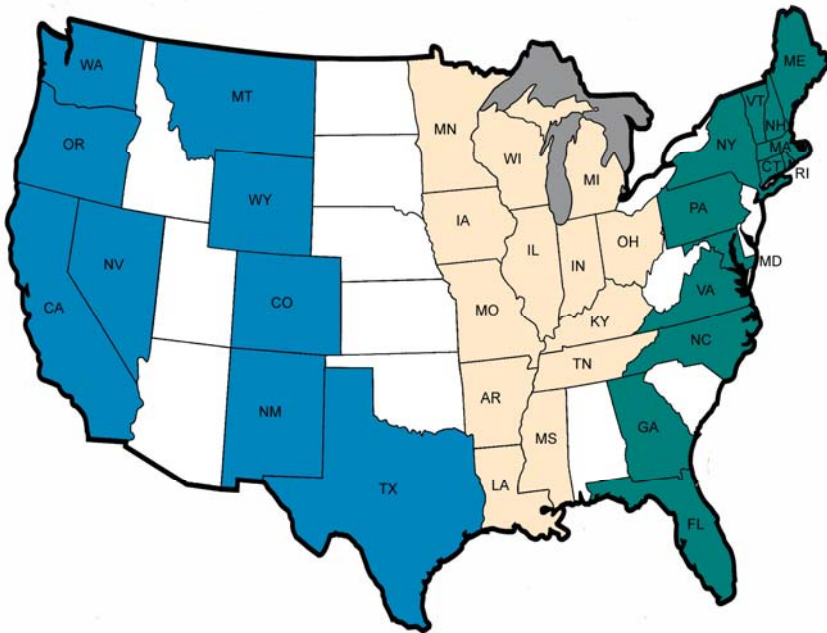
### Connections to Other Federal Recovery Act Investments

*“Through the Recovery Act, billions of dollars will be invested in projects related to infrastructure development and improvement, healthcare, and other areas that will create jobs and opportunities for unemployed workers to rejoin the labor force...ETA strongly recommends that workforce agencies and LWIBs review other parts of the Recovery Act...to monitor these funding streams at the state level in an effort to coordinate workforce development activities and maximize the return on each investment in terms of the number of workers employed or reemployed through such projects.”* ([TEGL 14-08](#), p.8)

The Recovery Act is expected to create or save nearly four million jobs, many of which will be “middle-skill” jobs requiring some education and training beyond high school, but less than a four-year degree. While some of these jobs can be filled by displaced workers already in the affected sectors, many more will be filled by workers dislocated from other sectors, young persons entering the labor market for the first time, and disadvantaged individuals who previously lacked the skills and opportunities for such good-paying jobs. Successful alignment of workforce development activities with broader economic development activities and projects is essential to the success of the Recovery Act. To ensure more effective cooperation and leveraging of scarce resources, State Plans should describe how states will:

- Encourage interagency cooperation between state Departments of Labor, Education, and any other agencies receiving federal recovery funds, to ensure that all available resources are leveraged to support workforce development needs in affected industries and projects; and
- Encourage interagency coordination on the local level, with incentives provided for local workforce boards that access multiple funding streams to maximize the effectiveness of job training and educational opportunities for targeted populations such as low-income adults, dislocated workers, and disconnected youth.

Please contact your Regional Field Director if you have questions about how to use these recommendations.



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