

America Forward & Results for America Recommendations for WIOA Reauthorization **May 2023**

America Forward and Results for America propose solutions that will shift WIOA to be evidence-based and outcomes-focused while cutting down on red tape that stifles improvement efforts.

Section 1. Evidence-Based Provisions

Recommendation 1. Define the term “evidence-based”

A consistent definition of “evidence-based” in WIOA would clarify to the field and signal that using evidence-based practices is a priority. We propose a new definition of “evidence-based” drawing from past bipartisan models in the Every Student Succeeds Act and the Reemployment Services and Eligibility Assessment (RESEA) program.

Recommendation 2. Align and prioritize evidence-based practices in State Plans and major state and local Title I funding streams

To strengthen outcomes aligned to evidence for WIOA programs, States should incorporate evidence-based practices in their WIOA planning and programming:

- 1) States should prioritize evidence-based activities in their State Plans for Title I WIOA funds (Youth, Adult, Dislocated Workers). We also propose that States leverage their Governor’s Reserve to assist State and local partners in carrying out aligned evidence-based activities.
- 2) States should gradually increase their investment in evidence-based activities in WIOA Title I funding streams, from 10% to 25% of funds over time, modeled on the bipartisan RESEA and Family First Prevention Services Act programs.
- 3) DOL should provide technical assistance (TA) targeted at helping States identify appropriate evidence-based strategies relevant to their local context, along with supporting innovation and evidence-building.

Recommendation 3. Prioritize the use of evidence-based practices in other Title I programs

To maximize benefits for a range of populations, we propose prioritizing evidence-based activities in national WIOA programs, including Job Corps, Native American programs, Migrant and seasonal farmworker programs, National Dislocated Worker grants, and YouthBuild. We also recommend building on the existing Job Corps waiver authority to provide explicit authority to the Secretary of Labor to set aside up to 25 percent of program funding for evidence-based or under-evaluation approaches.

Section 2. Innovation and Expanding Pathways

Recommendation 4. Authorize a workforce development innovation fund

Meeting employers’ varied, local needs in a modern economy require investing in evidence-based programs while testing innovative approaches. To accelerate innovation and the scale-up of evidence-based models, we propose a tiered innovation Workforce Development Innovation Fund that:

- Provides three tiers of funding to support the development, rigorous evaluation, and scale-up of workforce development programs that generate demonstrated, long-term economic improvements
- Enables a wide array of eligible entities to participate, such as State or local workforce boards, tribal organizations, and non-governmental organizations
- Allows the most proven programs to focus their resources on continuous improvement and scale-up when additional experimental evaluation is no longer necessary
- Reserves up to 10 percent of funds for technical assistance to support broad participation among diverse communities and providers, such as applicants from rural communities

The Fund could be structured either as a standalone or through a set-aside with an existing funding stream.

Section 3. Evaluation and Research

Recommendation 5. Formally authorize the Workforce Data Quality Initiative grants and improve workforce data transparency and coordination

We recommend formally authorizing the DOL Workforce Data Quality Initiative (WDQI) and establishing explicit priorities to address persistent challenges with service integration, reduce burden and improve compliance, improve transparency, address underinvestment, and expand access to new states. In addition, ensuring states' access to federal labor market outcomes data through secure, privacy-protecting linkages would help realize the potential of the WQDI program. We recommend that WIOA explicitly provide that DOL is an intermediary in connecting States with federal labor market data.

Recommendation 6. Direct DOL to invest up to 1% of funds for evaluation.

Since FY2013, appropriations have authorized DOL to set aside an increasing percentage of Title I WIOA funds for evaluation costs as high as 0.75 percent. We recommend authorizers increase the set-aside to 1% to allow sufficient funds for program evaluation given the continuing, critical need for stronger evidence on effective workforce strategies and DOL's new evaluation requirements under the bipartisan Evidence Act. We also recommend that authorizers set a floor for the set-aside of at least 0.5 percent annually, ensuring DOL in fact allocates significant funds to evaluation.

Section 4. Contracting and Pay-for-Performance

Recommendation 7. Strengthen performance-based contracting

While the 2014 reauthorization incorporated landmark provisions around performance-based contracting, technical issues and a lack of effective federal support have seriously slowed progress. Accordingly, we propose clarifying key provisions, eliminating the counterproductive cap on pay-for-performance contract allocations, cutting down unnecessary requirements, and requiring DOL to provide more intensive TA to workforce agencies. Ultimately, strengthening support for performance-based contracting under WIOA would enable boards, providers, and partners to shift their focus from quick turnaround job placement to more effective, evidence-based training and upskilling to support in-demand employer needs and address needs among vulnerable populations.

Section 5. Performance and Accountability Indicators

Recommendation 8. Ensure performance accountability indicators address longer-term earnings

State and local workforce agencies are increasingly focused on long-term earnings increases, which the current WIOA measures do not address. We propose consolidating the current employment and median wage measures into an "earnings increase" measure assessed over 1, 3, and 5 years to simplify accountability, follow the recommendation of local boards, and provide a better long-term measure of long-term earning effectiveness.

Recommendation 9. Develop and establish indicators of performance for job quality

To drive more federal dollars toward businesses, programs, and workforce development providers that provide high-quality job placements, we propose to add new performance indicators for job quality that DOL would define.

Section 6. Accessibility

Recommendation 10. Streamline eligibility determination process

The WIOA eligibility process is incredibly burdensome for both job seekers and providers. We recommend explicitly allowing local boards to delegate eligibility determinations to providers with whom they have made a training contract, instead of requiring participants to first meet with the local one-stop operator in all circumstances. We also suggest enabling such providers to make preliminary determinations to allow participants to start training while completing the final paperwork.

Recommendation 11. Expand access to supportive and career pathways services

Supportive services enable participants to fully participate in and complete the kinds of intensive programs, such as transitional employment or sectoral employment programs, that can offer participants the largest, most durable economic gains. We propose three changes to WIOA to enable this necessary flexibility:

- Streamlining access by enabling boards to easily set aside 5 percent of local Title I Adult and Dislocated Worker funds to be used for supportive services aligned with training programs.
- Ensuring that YouthBuild programs can provide necessary supportive services to enable participants, including individuals with disabilities, to participate fully.
- Expanding the scope of career navigation services covered by WIOA Title I to include information on, for instance, pathways to attaining necessary skills and credentials for in-demand jobs and the quality of such programs.