

H.R. 6655 A Stronger Workforce for America Act

On December 7, 2023, Education & Workforce Committee leaders Chair Virginia Foxx (R-NC) and Ranking Member Bobby Scott (D-VA) introduced H.R. “A Stronger Workforce for America Act (ASWAA), a bipartisan legislation to reauthorize the Workforce Investment Opportunity Act (WIOA). The bill was moved quickly through committee, being marked up and favorably reported out of committee within a week, on December 12, 2023. Since then, committee staff has been working behind the scenes to make technical corrections and adjustments in preparation for a House vote, which we hope will occur soon.

The bill makes updates to the current workforce system as authorized by WIOA in 2014. WIOA governs our federal workforce training infrastructure and is the primary federal workforce development law. The 2014 reauthorization sought increased coordination among federal workforce development and related programs. Workforce development programs provide a combination of education and training services to prepare individuals for work and to help them improve their prospects in the labor market. They may include activities such as job search assistance, career counseling, occupational skill training, classroom training, or on-the-job training. The federal government provides workforce development activities through WIOA’s programs and other programs designed to increase the employment and earnings of workers. Community colleges play a vital role in this ecosystem, primarily as occupational skills training providers and classroom trainers, but increasingly help with other supportive services such as career counseling and basic needs services.

Below is a summary of changes proposed by ASWAA that would impact community colleges:

Skill-based Hiring Initiatives

As part of the State Unified Plan, the bill adds a new section which asks states to include a description of any activities the State is conducting to “expand economic opportunity for individuals and reduce barriers to labor market entry” by, among other things, “developing in cooperation with employers, education and training providers, and other stakeholders” statewide initiatives that promote skill-based hiring and examine licensure policies to streamline requirements and interstate agreements to improve reciprocity.

Performance Accountability Indicators

Amends the performance indicators to focus on retention in the workforce after the fourth quarter after program completion (assuming job placement after the second quarter after program completion), “measurable skills gained” after six months of program entry, and effectiveness in serving employers by calculating percentage of program participants that

exited the program having completed on-the-job training, incumbent worker training, or apprenticeships.

One-Stop Delivery System

Allows CTE schools and public libraries to serve as one-stop operators. Expands the ability of one-stop operators to provide services virtually if participants can have access to a physical location in which they can access the virtual services. This can be done in partnership with a network of affiliated locations such as community college campuses.

Eligible Training Providers

Sets a “Standard eligibility” and “conditional eligibility” criteria by which states have to evaluate, at minimum, providers applying for program eligibility. Standard eligibility is determined by the verified outcomes of participants in a program on the metrics of credential attainment, job placement, median earnings, and value-added ratio (earnings increase compared to the cost of the program), with the minimum levels of performance on each metric set by the state. During program evaluation, providers may lose eligibility to provide training using WIOA funds if they fail to meet these outcomes two years in a row.

“Conditional eligibility” is used for providers who are applying for new programs or may be used for programs that have failed the standard eligibility outcomes metrics two years in a row. Under conditional eligibility, portions of the payment for serving a WIOA participant will be tied to successful enrollment, completion, and job placement of the participant.

The bill also streamlines eligibility into the Eligible Training Provider List (ETPL) by creating alignment between requirements for programs that qualify for workforce Pell under the Bipartisan Workforce Pell Act and programs that apply to be on the eligible training list.

Adult and Dislocated Worker Activities

Requires the states to coordinate with industry and education stakeholders to identify or develop competency-based assessments that measure knowledge, skills, and abilities for the purposes of awarding recognized postsecondary credentials or credit, developing individual employment plans, or skills-based resumes or profile.

Establishes the Critical Industry Skills Fund using the governor’s reserve and any additional funds reserved by the governor for this purpose. The Critical Industry Skills fund will provide partial reimbursements to employers, sector partnerships, and other intermediaries that have approved applications to upskill workers in the priority industries selected by the state, with a non-federal cost sharing requirement based on the size of the participating employers. Reimbursements will occur only when workers complete their program and are employed and retained in that industry.

Requires that no less than 50 percent of the funds allocated to a local area be used to provide eligible individuals with skills development through an Individual Training Account (ITA) or a contract with an employer or provider.

Strengthening Community Colleges Program

Authorizes the Strengthening Community Colleges Workforce Development Grant program to improve and expand high-quality workforce development programs at community colleges. This authorization is modeled after the highly successful Strengthening Community College Training Grants that is now in its fifth funding cycle. The program focuses on establishing industry partnerships and prioritizing serving individuals with barriers to employment or incumbent workers in need of foundational skills. Authorizes \$65 million annually for SCCWDG (it's current funding levels for FY24).

Job Training Grants

Amends the American Competitiveness and Workforce Improvement Act of 1998 to repurpose the H-1B fee revenue provided to the Secretary and allot the funding through states and down to local areas based on a formula that allocates one-third of the funding based on the relative number of unemployed individuals, one-third of the funding based on the relative number of disadvantaged adults, and one-third based on the relative number of individuals in the civilian labor force. These funds are used to provide Individual Training Accounts (ITA) with a minimum of \$5000 set for each ITA. Once the funds provided under this section are exhausted, the local area must use the funds reserved under WIOA section 134 (Adult and Dislocated Worker Activities) for any dislocated worker determined eligible for an ITA and may limit the maximum amount available to less than \$5,000 if the dislocated worker is not a low-income individual.