

Summary of the Amendment in the Nature of a Substitute

The following major changes are included in the amendment in the nature of a substitute to the *Workforce Investment Improvement Act of 2012* (H.R. 4297):

- Adds industry-recognized credentials and recognized postsecondary credentials as a common performance measure.
- Requires state and local workforce investment boards to describe the strategies and services they will use to assist at-risk youth and out-of-school youth provisions in workforce development program activities.
- Increases the state set aside for statewide activities from 5 percent to 10 percent.
- Prohibits funds allotted to the Rehabilitation Act of 1973 from being consolidated by the governor into the Workforce Investment Fund.
- Requires the secretary to reserve 28 percent of the total amount appropriated to fund a national Job Corps program and makes important reforms to the program. The substitute: establishes new outcomes for program participants, including linking job placements to the training the participant received; strengthens performance metrics; enhances accountability by ensuring high-quality operators with expertise in serving disadvantaged youth are managing every center and requiring all grantees to re-compete for funding; and closes persistently low-performing centers. With this change, the substitute eliminates the Statewide Youth Challenge Grant program.
- Repeals WIA National Emergency Grants (NEG), redistributing the funding to governors to carry out the program's functions at the state level.
- Further reduces the secretary's reservation from 2 percent to 0.5 percent to reflect the repeal of WIA NEG, restricting the secretary's activities to conducting technical assistance and evaluations.
- Requires state and local boards to better coordinate workforce development and literacy programs with non-profit organizations in the community, including public libraries.
- Expands the Statewide Adults with Barriers to Employment Grants to include at-risk youth and renaming the program as the Statewide Individuals with Barriers to Employment Grants.
- Includes a 100 percent hold harmless in formula funds states and local areas receive under the Workforce Investment Fund for the first fiscal year.
- Includes pay for performance initiatives as allowable uses of state and local employment and training activities.
- Reduces the number of full time equivalent (FTE) staff positions at the Department of Labor to reflect the reduced federal role intended by the bill.