



**Opening Statement of Rep. Burgess Owens (R-UT), Chairman
Subcommittee on Higher Education and Workforce Development
Hearing: “Strengthening WIOA: Improving Outcomes for Jobseekers, Employers,
and Taxpayers”
September 20, 2023**

(As prepared for delivery)

Welcome to today’s hearing on strengthening the *Workforce Innovation and Opportunity Act* (WIOA).

WIOA was enacted in 2014 by a split federal government. Back then, Democrats controlled the Senate and White House while Republicans controlled the House.

At the time, WIOA was a strong step in the right direction. It finally consolidated and aligned many federal workforce programs and attached six “primary indicators of performance” to ensure accountability for taxpayers.

But fast forward to today, and the lingering problems of unemployment and skilled worker shortages persist. The composition of the federal government might mirror that of 2014, but, arguably, the workforce system faces greater challenges today than ever to equip jobseekers with in-demand skills.

In July of 2014, the United State had 4.8 million unfilled jobs. In July of this year, there were 8.8 million unfilled jobs, an increase of four million. Further, the labor force participation rate has not improved a bit since WIOA was enacted.

To distract from this harsh reality, some will tell you to focus on the unemployment rate. While low, the unemployment rate paints an incomplete picture of the American workforce. The real story is that too many young, discouraged men and women have been pushed out and are now sitting on the sidelines of our economy.

I see a number of bipartisan, commonsense changes that this Committee can make to WIOA this Congress to bring these dislocated workers back into the fold. For any and every reform, this Committee's north star should be maximizing outcomes for jobseekers and employers.

First, we can improve outcomes by cutting back the wasteful and inefficient bureaucracy. We hear from employers across the country that they do not participate in WIOA due to its time-consuming burdens. Overly prescriptive requirements act like a wet blanket on the whole system, stifling modernization, flexibility, and efficiency. Instead, WIOA should focus efforts on delivering where it matters the most. For instance, WIOA contains approximately 75,000 eligible skills development programs, yet the lack of performance data for most programs means jobseekers and employers are left guessing which programs are valuable.

That leads to my next point; the Committee should look into potential reforms to the accountability mechanisms enshrined in WIOA. The inability to attain performance data is one issue, but, even when the data is available, the workforce system fails to enforce accountability measures.

To date, WIOA is still implemented according to a lax, transition standard meant to ease the administrative burden on states while adjusting to the law. Nearly ten years later, the Department of Labor has not fully implemented WIOA accountability, meaning every state is considered a "performance success" despite our workforce malaise.

Finally, reform can improve outcomes for jobseekers and employers by encouraging innovation. Provisions of the law expressly prohibit states from adapting and innovating to the rapidly changing economy. Deregulating in key areas, like in allowing states to restructure how they make services available to jobseekers and employers, will help unleash the American workforce.

The American economy has incredible potential; however, it is abundantly clear that we need to reevaluate and reform various aspects of WIOA to deliver on that potential. By cutting bureaucracy, delivering accountability, and encouraging innovation, we can ensure a bright and promising future for America's workforce.