

A Stronger Workforce for America Act (H.R. 6655)

Section 1. Short Title and Table of Contents

The short title is "A Stronger Workforce for America Act."

Section 2. Effective Date/Transition Authority

This section provides that the amendments made by this Act will take effect the first program year that begins after enactment and provides for the orderly implementation of the Act.

Title I – Workforce Development Activities

Subtitle A – General Provisions

Section 101. Definitions

This section amends section 3 of the *Workforce Innovation and Opportunity Act* (WIOA) to update existing definitions and define the terms "co-enrollment," "digital literacy skills," "evidence-based," "labor organization," and "work-based learning."

Section 102. Table of Contents Amendments

This section amends the table of contents in WIOA to reflect the amendments made by this Act.

Subtitle B – System Alignment

Section 111. State Workforce Development Board

This section amends section 101 of WIOA to make a conforming change to reflect the new definition of "opportunity youth."

Section 112. Unified State Plan

This section amends section 102 of WIOA to modify the required elements of the unified state plan, including by ensuring the analysis of economic conditions and workforce needs of the state are continually assessed using real-time labor market information, removing the requirement on states to submit an update to the four-year state plan after two years, and providing more flexibility in describing how the state strategy will be implemented. This section also includes new strategic planning elements focused on expanding economic mobility through skills-based hiring initiatives, reviews of occupational licensing policies, and assessing the needs of opportunity youth.

Section 115. Workforce Development Areas

This section amends section 106 of WIOA to revise the process used when designating local workforce development areas (local areas) by requiring the governor to conduct reviews every eight years of the alignment of local areas to labor market or economic areas and propose designations for the next eight years, which shall be subject to the approval of a majority of the local workforce development boards (local boards) in the state. If the local boards reject the proposed designations, they must choose between aligning the local areas with the economic development areas or the planning regions of the state. The first review period by the governors will occur before the third program year after enactment, with the first designation of local areas occurring at the start of the fourth program year. This section also clarifies the circumstances under which interim revisions to the local areas may be made, establishes a process for multiple local areas to form a regional consortium to improve operational efficiency, and allows the governor to provide incentives to local areas that choose to merge together or form a regional consortium. Additionally, this section clarifies that a governor may propose to designate the state as a “single state local area” during the alignment review, which can take effect if such proposal is approved by a majority of the local boards.

Section 116. Local Workforce Development Boards

This section amends section 107 of WIOA to modify the functions of the local boards, including by enhancing the ability of the local boards to convene local workforce stakeholders in the development of the local plan, emphasizing the alignment of career pathways with the career and technical education (CTE) programs of study in the area, and clarifying the local boards’ authority over the budget and administration of the adult, dislocated worker, and youth workforce development activities of the local area.

Section 117. Local Plan

This section amends section 108 of WIOA to modify the required elements of the local plan to ensure the analysis of economic conditions and workforce needs of the region are continually assessed using real-time labor market information, remove the requirement on local boards to submit an update to the four-year local plan after two years, and include analysis of the opportunity youth in the local area and how the local area will address the service needs of this population.

Section 119. Performance Accountability System

This section amends section 116 of WIOA to revise the performance accountability system in several ways, including by:

- Updating the primary indicators of performance to convert the “employment fourth quarter after exit” indicator into a measure of retention in the labor force, calculate the “measurable skill gains” indicator in the six-month period after program entry, and revising the “effectiveness in serving employers” indicator to measure the percentage of participants that exited the program having completed on-the-job training, incumbent worker training, employer-directed skills development, or an apprenticeship.
- Updating the primary indicators of performance for the youth program to convert the “education, training activities, or employment fourth quarter after exit” indicator into a measure of retention and revising the cross reference to the “effectiveness in serving employers” indicator to measure the percentage of youth participants who completed paid or unpaid work experiences.
- Revising the process under which states negotiate and agree upon state levels of performance with the Department of Labor and Department of Education (Departments) to require the Departments to first propose levels based on their statistical adjustment model and give states the opportunity to react and offer counterproposals, as they determine necessary, while requiring the Departments to publish their statistical adjustment model and clarifying it must involve factors found to be predictive of performance.

- Directing the Departments to update the performance reporting templates to collect common data elements across the core programs in an identical manner and make the performance reports available in transparent and accessible formats.
- Updating elements of the performance reports to include the median earnings gain of program participants in the state performance report and the percentage spent on skills development and supportive services in the local performance report, while clarifying that states will submit one performance report that includes the performance of each eligible training provider in the state, as well as overall analysis of the effectiveness of the skills development provided.
- Clarifying the circumstances under which a state or local area is subject to performance improvement actions or fiscal sanctions by codifying the percentage of negotiated levels of performance that must be achieved, differentiating between a performance failure on an individual indicator of performance and a performance failure across all indicators for a core program or on an individual indicator across all programs, while aligning the improvement actions and fiscal sanctions accordingly. Any funds reduced as fiscal sanctions will be reallocated to states and local areas not subject to sanctions by the allotment formula for the applicable program, except that states may reserve up to 10 percent of the amounts reduced from local areas in the state to provide technical assistance to local areas subject to fiscal sanctions.

Subtitle C – Workforce Investment Activities and Providers

Section 121. One-Stop Delivery System

This section amends section 121 of WIOA to modify the requirements for the one-stop delivery system to allow area CTE schools and public libraries to serve as the one-stop operator, while clarifying the circumstances under which the local board may serve as the one-stop operator and the necessary internal controls that must be in place to prevent a conflict of interest. This section also provides greater flexibility for local boards to expand access to services through the one-stop delivery system through the use of virtual services and a network of affiliated locations, such as libraries or community colleges. Additionally, this section reforms the funding of one-stop infrastructure by removing the requirement on local boards to negotiate an “infrastructure funding agreement” with the one-stop partners and defaulting to the state infrastructure mechanism in current law to effectively allocate costs by proportionate use, while still allowing local boards to development supplemental agreements for any additional expenses that may exist.

Section 122. Eligible Training Providers

This section amends section 122 of WIOA to reform the process for states to determine eligible providers and programs of training services, including by:

- Establishing a “standard eligibility” status that 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 (median earnings increase compared to the cost of the program), with the minimum levels of performance on each metric set by the state. If a program with “standard eligibility” status fails to meet the minimum levels of performance for two consecutive years, it will no longer be able to provide “training services” using WIOA funds or can apply for “conditional eligibility” status.
- Establishing a “conditional eligibility” status for newer programs or programs that are building a base of outcomes to achieve standard eligibility, under which portions of the payment for serving a WIOA participant will be tied to successful enrollment, completion, and job placement of the participant to ensure the programs share the risk of unsuccessful outcomes.
- Formalizing a process for an employer or an industry or sector partnership to sponsor an eligible program by committing to pay a portion of the cost for WIOA participants that select the program and consider

them for a job upon successful completion, while having these programs promoted to jobseekers when selecting from the list of eligible programs.

- Streamlining the application process for providers and requiring an eligibility determination within 30 days of submitting an application, while encouraging states to limit duplication of effort on providers that have applied in other states and clarifying how state eligibility pertains to online providers.
- Providing transparency on the credentials that are awarded by eligible providers to include credential-specific information on the awarding entity, industry recognition, the skills and competencies the credential signifies, and the employment and earnings outcomes of participants who receive the credential.
- Allowing States or local boards to establish performance incentives for providers that achieve high levels of performance, serve a significant number of individuals with barriers to employment, or place participants into high-paying, family sustaining employment.

Section 131. Reservations for Statewide Activities/Reallocation

This section amends section 131 of WIOA to authorize states to make an additional reservation from the state's adult, dislocated worker, and youth allotments of up to 10 percent to establish a Critical Industry Skills Fund, provided that the state must use an equal amount of funds from the governor's reserve or other sources of federal or state funds for this purpose. It also revises the reallocation provisions to allow states to reallocate any unobligated youth funds to local areas as performance incentives for local areas that achieved their performance targets and were not subject to corrective action for administrative non-compliance.

Section 132. Youth Workforce Activities

This section amends section 129 of WIOA to modify the workforce activities for youth, including by:

- Replacing "out-of-school youth" with "opportunity youth" and including homeless youth and those involved with the justice or foster care systems as opportunity youth, regardless of their school status.
- Revising the requirement for 75 percent of youth funds to be spent on out-of-school youth to be a 65 percent requirement for spending on opportunity youth and making this a statewide threshold to give states and local areas the flexibility to determine the appropriate allocation of funding for each local area based on their specific needs.
- Increasing the percentage of funding dedicated to work experiences to 40 percent, while establishing core elements of summer and year-round employment opportunities and requiring that internships lasting for longer periods be paid.
- Expanding the list of statewide allowable activities to include raising public awareness about career and technical education programs and developing partnerships between educational institutions to create or improve workforce development programs.
- Updating the elements of youth workforce programs to include activities to develop fundamental workforce readiness skills, authorize the use of "individual training accounts" (ITAs) for in-school youth, and increase the cap on the amount of funding that can be used on pay-for-performance contract strategies.
- Streamlining the enrollment process by allowing programs to begin serving youth while an eligibility determination is being made, shifting the burden of determining eligibility to program or one-stop operator staff, and aligning the documentation requirements to determine foster or homeless youth status with the *Higher Education Act*.

Section 141. State Allotments

This section amends section 132 of WIOA to reflect that the dislocated worker funds reserved by the Secretary of Labor (Secretary) will also be used for the Workforce Data Quality Initiative established in section 174 of this Act.

Section 142. Reservations for State Activities/Reallocation

This section amends section 133 of WIOA to conform with the changes made to section 131 and allow the governor to make an additional reservation to establish a Critical Industry Skills Fund. It also revises the reallocation provisions to allow states to reallocate any unobligated adult and dislocated worker funds to local areas as performance incentives for local areas that achieved their performance targets and were not subject to corrective action for administrative non-compliance.

Section 143. Adult and Dislocated Worker Activities

This section amends section 134 of WIOA to revise the statewide workforce activities for adults and dislocated workers, including by:

- Establishing a new statewide required activity of coordinating 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 profiles.
- Expanding the list of statewide allowable activities to include supporting employers in the state seeking to implement skills-based hiring practices and developing partnerships between educational institutions and employers to create or improve workforce development programs.
- Establishing the Critical Industry Skills Fund as a statewide allowable activity with the governor's reserve and any additional funds reserved by the governor for this purpose under section 133. Through the Critical Industry Skills fund, states 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.

Additionally, this section revises the local workforce activities for adults and dislocated workers, including by:

- Requiring 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 ITA or a contract with an employer or provider, such as for "on-the-job training," "incumbent worker training," "employer-directed skills development," and pay-for-performance contracts.
- Updating the initial skills assessment conducted during the intake process to include, when appropriate, a competency-based assessment that would help an individual accelerate their earning of credentials or returning to employment.
- Restructuring the existing "career services" required under the law into basic and individualized career services and directing the basic career services to primarily be provided by the Employment Service under the *Wagner-Peyser Act* to reduce duplication of effort.
- Pulling the existing "business services" out from under career services and into its own service category, while allowing these services to include technical assistance and support to employers seeking to implement skills-based hiring practices.
- Streamlining the intake process when an individual is referred to the workforce system by an employer and permitting an individual to begin participating in a skills development program while they are waiting for an eligibility determination to be made.

- Establishing the contents of an employer-directed skills agreement that may be developed between a local board and an employer to provide a program of employer-directed skills development (a revised iteration of customized training).
- Increasing the cap on the amount of funds a local board may use on “incumbent worker training” to 30 percent and providing for further increases if the local area has been experiencing low rates of unemployment or a high rate of labor force participation, while authorizing the use of incumbent worker upskilling accounts.
- Increasing the cap on the amount of funds a local board may use on pay-for-performance contracts to 40 percent, while allowing a further increase to 60 percent upon two years of demonstrated success using such contracts and approval from the governor.
- Increasing the cap on the amount of funds a local board may use on transitional jobs to 15 percent.

Section 145. Authorization of Appropriations

This section amends section 136 of WIOA to authorize appropriations for each of the Fiscal Years 2025 through 2030 at the amount of \$976,573,900 for the youth program, \$912,218,500 for the adult program, and \$1,451,859,000 for the dislocated worker program.

Subtitle D - Job Corps

Section 151. Purposes

This section amends section 141 of WIOA to update the terminology in the program to refer to each site as a Job Corps “campus.”

Section 152. Definitions

This section amends section 142 of WIOA to update the terminology in the program to refer to each site as a Job Corps “campus.”

Section 153. Individuals Eligible for Job Corps

This section amends section 144 of WIOA to modify the eligibility criteria for the Job Corps program, including by revising the age criteria to remove the limitation on the percent of individuals that can be ages 22 to 24 and require that an individual who is age 16 or 17 only be eligible upon a determination by the director of a Job Corps campus that the individual has the ability to succeed in the program. Additionally, this section permits residents of Opportunity Zones to qualify without further documentation of income status, clarifies that transitioning servicemembers also qualify for the military income exemption that exists for veterans, and streamlines the determination of homeless or foster youth status to match the process described in section 479D of the *Higher Education Act*.

Section 154. Recruitment, Screening, Selection and Assignment

This section amends section 145 of WIOA to direct the Secretary to assist in the development of joint applications for Job Corps, YouthBuild, and the youth activities program. It also clarifies the existing drug test procedures for enrollees to require an initial drug test within 48 hours upon arrival on campus, and if the results of the initial test are positive, require a subsequent drug test at the earliest appropriate time to determine if the enrollee has continued using drugs since arrival on campus. It also revises the number of days the results of the subsequent drug test must be received, from 45 days after arrival to within 50 days after arrival, and if the test is positive, the enrollee must be terminated from the program and referred to a substance use disorder treatment program.

Section 155. Job Corps Campuses

This section amends section 147 of WIOA to modify the process through which the Secretary selects entities to operate Job Corps campuses to require the consideration of a numeric metric of the entities' past effectiveness based on the primary indicators of performance, a description of the policies that will be implemented to maintain a secure campus, and agreements to provide off-campus work-based learning opportunities to enrollees. It revises the threshold for being considered a high-performing campus to include those that are ranked in the top 25 percent of all campuses and meet 100 percent or higher of their expected level of performance on each indicator and raises the percentage of enrollees that can be non-residential to 30 percent. Additionally, this section extends the length of contracts to three years while raising the threshold for a renewal to require the campus to have achieved at least 80 percent of their expected levels of performance, at least 80 percent of the contractually agreed upon level of enrollment and maintained a safe and secure campus.

Section 156. Program Activities

This section amends section 148 of WIOA to require campuses to provide residential enrollees productive activities outside of program hours and clarify that any eligible provider on the state "eligible training provider list" and aligned with the CTE the enrollee has completed may be used to provide advanced career education for selected enrollees.

Section 157. Support

This section amends section 150 of WIOA to allow a Job Corps graduate to remain a resident on campus for up to one month after graduation with written approval from the director of the Job Corps campus and only if such individual has not had a behavioral infraction in the 90 days prior to graduation.

Section 158. Operations

This section amends section 151 of WIOA to grant Job Corps operators authority to hire and develop staff, enter into agreements with educational entities and employers, and educate stakeholders about Job Corps activities without prior approval of the Secretary of Labor, while making clear that any such agreements that do not involve monetary compensation are not considered subcontracts. Additionally, this section requires the Secretary to solicit information on any operational costs that may arise prior to making changes to the operating agreement.

Section 159. Standards of Conduct

This section amends section 152 of WIOA to update the standards of conduct for Job Corps campuses to require each campus operator to develop and implement a behavioral management plan, remove "disruptive" activity from the list of zero tolerance offenses, codify incident reporting requirements so that serious incidents are reported in within 2 hours, and establish a zero tolerance appeal process for the director of a Job Corps campus to appeal the dismissal of an individual that committed a zero tolerance violation to the Secretary of Labor. Additionally, this section requires the director of each Job Corps campus to enter into an agreement with the local law enforcement agency regarding procedures for the prompt reporting and investigation of potentially illegal activity on Job Corps campuses.

Section 160. Community Participation

This section amends section 153 of WIOA to update the terminology in the program to refer to each site as a Job Corps "campus."

Section 161. Workforce Councils

This section amends section 154 of WIOA to update the terminology in the program to refer to each site as a Job Corps "campus."

Section 162. Advisory Committees

This section amends section 155 of WIOA to require the Secretary to establish an advisory committee to improve Job Corps safety, which will provide recommendations on effective or evidence-based strategies to improve campus safety, security, and learning conditions, in addition to recommendations on the required standards for campus safety.

Section 163. Experimental Projects and Technical Assistance

This section amends section 156 of WIOA to authorize Job Corps Scholars as an allowable demonstration project. Through this initiative, the Secretary may award competitive grants to institutions of higher education to enroll cohorts of Job Corps eligible youth and provide a yearlong CTE component with intensive counseling and supportive services, followed by up to a year of employment and placement support. If grants are awarded for this purpose, the Secretary must provide for an independent evaluation that compares the outcomes and cost-effectiveness of Job Corps Scholars with those of the Job Corps program.

Section 164. Special Provisions

This section amends section 158 of WIOA to permit Job Corps campus operators to accept charitable donations on behalf of an individual Job Corps campus and require any real property acquired to be directly transferred to the Secretary.

Section 165. Management Information

This section amends section 159 of WIOA to revise the performance assessment of Job Corps campuses by specifying how the Secretary is to establish expected levels of performance for each Job Corps campus, taking into consideration local conditions for such campus instead of setting one national level for all campuses, requiring the Secretary to establish campus safety standards, and directing each of the primary indicators of performance to be given equal weight in determining the overall performance of a Job Corps campus. It modifies the performance improvement actions and thresholds for when such actions must be taken by requiring the Secretary to develop an improvement plan for any campus that fails to meet an average of 90 percent of its expected levels of performance or is in the bottom 10 percent of all Job Corps campuses (referred to as “initial failures”). This section requires the Secretary to take substantial action if a campus fails to meet 85 percent of its expected levels of performance or is in the bottom 10 percent of all Job Corps campuses for two consecutive years (referred to as “repeat failures”), such as changing the management staff or CTE offered or replacing the operator of the campus. If a Job Corps campus that was subject to substantial action for a repeat failure and continues to fail to meet 85 percent of its expected levels of performance, or is in the bottom 10 percent of all Job Corps campuses for the two subsequent years (referred to as “chronic failures”), the Secretary is required to take further action, such as closing or relocating the campus, or awarding the funding directly to the state in which the campus is located for operation of the campus with increased flexibility. Additionally, this section clarifies that a Civilian Conservation Center that fails to meet 90 percent of its expected levels of performance for three consecutive years will have a new operator selected competitively.

Section 166. Job Corps Oversight and Reporting

This section amends section 161 of WIOA to require the Secretary to send annual reports to Congress on the implementation of all outstanding recommendations from the Office of the Inspector General or the Government Accountability Office.

Section 167. Authorization of Appropriations

This section amends section 162 of WIOA to authorize appropriations for the Job Corps program for each of the Fiscal Years 2025 to 2030 at an amount of \$1,760,155,000.

Subtitle E – National Programs

Section 171. Native American Programs

This section amends section 166 of WIOA to make adjustments to the Native American Programs by limiting the administrative costs to 10 percent of a grant, requiring the Secretary to make arrangements with a state to use wage records in the performance reporting of grantees, and having the performance of grantees published annually on the website of the Department of Labor. Additionally, this section clarifies how vacancies to the Native American Employment and Training Council are to be filled and extends the authorization of appropriations for assistance to unique populations in Alaska and Hawaii for each of the Fiscal Years 2025 to 2030 at \$542,000.

Section 172. Migrant and Seasonal Farmworker Programs

This section amends section 167 of WIOA to make adjustments to the Migrant and Seasonal Farmworkers Programs by limiting the administrative costs to 10 percent of a grant, requiring the Secretary to make arrangements with a state to use wage records in the performance reporting of grantees, having the performance of grantees published annually on the website of the Department of Labor, and clarifying the timelines under which grant funds must be obligated and spent.

Section 173. Technical Assistance

This section amends section 168 of WIOA to update the activities for which the Secretary provide general technical assistance to include assistance integrating the Employment Service in the provision of basic career services, assistance maintaining the list of eligible providers of training services, and assistance to states that request assistance in transitioning to the new elements of the eligible training provider list. Additionally, this section makes the funds reserved for technical assistance available for any states that do not meet their performance accountability levels across all programs, not just for the dislocated worker program.

Section 174. Evaluations and Research

This section amends section 169 of WIOA to modify the evaluation and research activities to be conducted by the Secretary by limiting the authority to conduct evaluations of other programs if the required evaluations under this section have not been completed, striking the required or allowable studies that have already been completed, and including new studies on the employment conditions of participants after program exit, improving workforce services for individuals with disabilities, the effectiveness of pay-for-performance contract strategies, the usage of ITAs by dislocated workers, the effectiveness of the Critical Industry Skills Fund, and the effectiveness of employer-based upskilling. Additionally, this section establishes the Workforce Data Quality Initiative, which will receive 5 percent of the funds from the dislocated worker national reserve and award grants to state agencies or consortiums to create and improve state workforce longitudinal data systems and related resources.

Section 175. National Dislocated Worker Grants

This section amends section 170 of WIOA to update the National Dislocated Worker Grants by fully aligning the definition of an emergency or disaster with the *Robert T. Stafford Disaster Relief and Emergency Assistance Act* and codifying the ability to award grants to entities serving areas with employment and upskilling needs related to widespread opioid addiction while clarifying that grants awarded for this purpose can be used to upskill individuals in health professions involved in the prevention and treatment of opioid abuse disorders.

Section 176. YouthBuild Program

This section amends section 171 of WIOA to modify the YouthBuild program by directing the Secretary to reserve 20 percent of any amounts appropriated over \$90,000,000 for grants to rural areas or tribes, clarifying that

grantees can provide meals to participants in conjunction with program activities, requiring the Secretary to make arrangements with a state to use wage records in the performance reporting of grantees, having the performance of grantees published annually on the Department of Labor's website, and encouraging the Secretary to announce the funding opportunities at the same time each year. Additionally, this section authorizes appropriations for the YouthBuild program for each of Fiscal Years 2025 to 2030 in an amount of \$108,150,000.

Section 178. Reentry Employment Opportunities

This section amends WIOA to create a new section 172 and codify the Reentry Employment Opportunities program to improve the reentry of justice-involved individuals into the workforce. It directs the Secretary to award competitive grants and contracts to eligible entities, including 30 percent of awards for regional or national intermediaries, to conduct reentry projects, 30 percent of which must be pay-for-performance contracts, with priority given to entities that will serve high-poverty areas, use evidence-based strategies, enroll individuals prior to release, establish partnerships with businesses and institutions of higher education, and provide on-the-job learning. Eligible entities must provide a 25 percent match of funds through non-federal sources (such as cash or in-kind), except in the case of significant financial hardship, and must meet expected levels of performance to be eligible for subsequent grants. Additionally, this section directs the Secretary to conduct an evaluation of the effectiveness of reentry projects.

Section 179. Strengthening Community Colleges Program

This section amends WIOA to create a new section 173 and codify the Strengthening Community Colleges Workforce Development Grant Program to improve and expand high-quality workforce development programs at community colleges. Community colleges applying for grants under this section must establish an industry partnership with one or more employers in in-demand industries in the region to carry out grant activities. Priority will be given to applicants that will serve individuals with barriers to employment or incumbent workers in need of foundational skills, will use competency-based assessments to award credit for prior learning, or will seek to get programs supported by the grant on the state's eligible training provider list. The Secretary must establish levels of performance for each grantee on the primary indicators of performance, the extent to which the grantee improves institutional capacity to offer workforce programs, and the completion and career advancement of participants, which a grantee must meet in order to be eligible for subsequent grants. Additionally, this section directs the Secretary to conduct an evaluation of the effectiveness of the grants, including the extent to which they developed or expanded industry sector strategies or career pathways.

Section 180. Authorization of Appropriations

This section amends section 172 of WIOA (redesignated as section 174) to authorize appropriations for each of the Fiscal Years 2025 through 2030 at the amount of \$61,800,000 for Native American Programs, \$100,317,900 for Migrant and Seasonal Farmworker Programs, \$5,000,000 for Technical Assistance, \$12,720,000 for Evaluations and Research, \$115,000,000 for Reentry Employment Opportunities, and \$65,000,000 for the Strengthening Community Colleges Program.

Subtitle F – Administration

Section 191. Requirements and Restrictions

This section amends section 181 of WIOA to update the labor standards so that if an employer provides on-the-job training, incumbent worker training, or employer-directed skills development to employees of the employer that are subject to a collective bargaining agreement with the employer, the employer must consult with the labor organization on the planning or creation of the skills development.

Section. 192. General Waivers of Statutory or Regulatory Requirements

This section amends section 189 of WIOA to revise the waiver authority and include requirements related to performance reporting and the minimum percentage of adult and dislocated worker funding that must be spent on skills development to the list of items that cannot be waived by the Secretary.

Section 193. State Innovation Demonstration Authority

This section amends section 190 of WIOA to establish a state innovation demonstration authority to empower states and local workforce boards to pursue innovative reforms to their workforce systems. A state, local area, or consortia of multiple local areas with an approved demonstration project will receive its adult, dislocated worker, and youth funds as a consolidated grant for five years with increased flexibility. The demonstration projects must continue to follow the priority of service requirements of the law, adhere to existing workforce protections, set performance targets higher than their current level of performance, and have a rigorous evaluation completed. The Secretary is limited to approving four statewide demonstration projects and six local area or consortium demonstration projects, and statewide demonstration projects may only be approved for states that are designated as a single state local area at the time of applying or have a labor force participation rate of less than 60 percent and a population of less than six million. The authority to approve new demonstration projects terminates after December 31, 2030.

Title II – Adult Education and Literacy

Section 201. Purpose

This section amends section 202 of WIOA to update the purpose of the Adult Education and Literacy program to include assisting adults in obtaining digital literacy skills.

Section 202. Definitions

This section amends section 203 of WIOA to define “digital literacy skills,” include digital literacy skills under the definition of “adult education,” replace the term “English language learner” with “English learner,” and update the definition of “integrated English literacy and civics education.”

Section 203. Authorization of Appropriations

This section amends section 206 of WIOA to authorize appropriations for Title II for Fiscal Years 2025 to 2030 at an amount of \$751,042,100.

Section 204. Special Rule

This section amends section 212 of WIOA to make a conforming change to reflect the renumbering of the definitions in section 3 of WIOA.

Section 205. Performance Accountability System

This section amends section 212 of WIOA to provide that the primary indicator of performance measuring participant completion of employer-connected learning will be applied to Title II as the percentage of program participants who exited the program during the program year and completed an “integrated education and training” program.

Section 206. Matching Requirement

This section amends section 222 of WIOA to direct each State agency to make publicly available the sources of the required matching funds and an explanation of how these funds are being distributed to eligible providers.

Section 207. State Leadership Activities

This section amends section 223 of WIOA to update the required state leadership activities to include the identification of opportunities to align with activities supported under the *Carl D. Perkins Career and Technical Education Act* to expand integrated education and training programs, assistance to providers in reporting participant outcomes, and the development or identification of instructional materials designed to meet the needs of adult and English learners. Additionally, this section updates the allowable state leadership activities to include the development of policies to award recognized postsecondary credentials to adult educators with demonstrated effectiveness, performance incentive payments to eligible providers, including payments for increased use of “integrated employment and training” or other forms of linked instruction, and activities to strengthen the quality of standards and accreditation requirements.

Section 208. Programs for Corrections Education

This section amends section 225 of WIOA to require state agencies using funds to carry out corrections education and education for other institutionalized individuals to coordinate these activities with any funds reserved by the state under the *Carl D. Perkins Career and Technical Education Act* to serve this population and develop “integrated education and training” opportunities.

Section 209. Grants and Contracts for Eligible Providers

This section amends section 231 of WIOA to update the considerations state agencies must use when awarding grants and contracts to eligible providers to include consideration of the instructional materials used by the provider and clarify that states may consider the costs of providing learning in context, including “integrated education and training”, and the extent to which eligible providers intend to use these strategies when determining the amount of funds to be awarded.

Section 210. Local Application

This section amends section 232 of WIOA to update the local application that must be submitted by each eligible provider to include a description of how the eligible provider will provide learning in context, including through partnerships with employers to offer workplace adult education and literacy activities and “integrated education and training.”

Section 211. Local Administrative Cost Limits

This section amends section 233 of WIOA to revise the local administrative cost limits to move professional development for adult educators into its own category, subject to a 10 percent cost limit.

Section 212. National Leadership Activities

This section amends section 242 of WIOA to update the national leadership required activities to include the dissemination of effective practices used by states to reduce reporting burden through the use of administrative data. Additionally, this section adds new allowable activities of developing and evaluating programs for the preparation of adult educators and carrying out initiatives to disseminate effective staffing models, program quality standards, and accreditation requirements that may be voluntarily adopted.

Section 213. Integrated English Literacy and Civics Education

This section amends section 243 of WIOA to update the terms to read “English learners.”

Title III – Amendments to Other Laws

Section 301. Amendments to the *Wagner-Peyser Act*

This section amends the *Wagner-Peyser Act* to include the Commonwealth of the Northern Mariana Islands and American Samoa in the Employment Service, providing each of these territories one half of the amount of funding that Guam is provided, beginning the first fiscal year the total amount available for allotment is greater than the amount for Fiscal Year 2024. It makes adjustments to support the integrated delivery of career services provided by the Employment Services within the one-stop delivery system. Additionally, this section modifies the workforce and labor market information system to promote the use of real-time data to identify trends in emerging occupation roles and skills and disseminate information in a manner that is user-friendly. This section authorizes appropriations to carry out section 15 of the *Wagner-Peyser Act* for Fiscal Years 2025 to 2030 at an amount of \$64,532,600.

Section 302. Job Training Grants

This section amends section 414 of 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. It requires the funds to be used to provide ITAs for dislocated workers that are determined to be eligible for training services, have not received an ITA during the preceding five-year period, and are not subject to any other state or local limitations relating to individuals that have previously received an ITA. The ITAs provided under this section will function in the same manner as ITAs provided under section 134 of WIOA, except that a local area may not limit the maximum amount available for an ITA to less than \$5,000 and must provide notice to an eligible dislocated worker of any opportunities to participate in on-the-job training or employer-directed skills development before selecting a program from the state's "eligible training provider list." Local areas must use the funds provided under this section before using the funds available for skills development under section 134 of WIOA for ITAs for dislocated workers. Once the funds provided under this section are exhausted, the local area must use the funds reserved under section 134 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. If the demand for ITAs by eligible dislocated workers exceeds the amount provided to a local area under this section and section 134 of WIOA, the local area may request additional funds from the amount reserved by the state for rapid-response activities.

Section 303. Access to National Directory of New Hires

This section amends section 453 of the *Social Security Act* to authorize state agencies responsible for conducting the reporting and evaluation activities under section 116 of WIOA to receive information from the National Directory of New Hires.