

# Workforce Investment Act Amendments Notice of Proposed Rulemaking (NPRM) Questions and Answers

**Q. How does this regulation relate to the Administration's Workforce Investment Act (WIA) reauthorization proposals?**

A. This proposed rulemaking is consistent with the Administration's WIA Reauthorization vision. These include (1) increasing state flexibility; (2) streamlining governance; and (3) increasing access to post-secondary education and training. The changes that are proposed in this NPRM are reforms that can be implemented under current statutory authority. Reforms that require statutory changes are still needed, and the Administration is committed to working with Congress to make further improvements.

**Q. Why is the Administration pursuing this regulatory activity at this time?**

A. The Department continues to receive requests for waivers of regulatory provisions and receives feedback from stakeholders that certain regulatory provisions are barriers to talent development driving regional economic growth. Therefore, the Department is pursuing changes within its administrative authority under the current Act. The Department recognizes that statutory changes are still needed in order to maximize the effectiveness, flexibility and accountability of the public workforce investment system.

**Q. What are the primary changes this rulemaking proposes?**

A. This proposed rulemaking addresses some long-standing issues under the current WIA regulations such as: (1) the large size of State and Local Workforce Investment Boards; (2) the inflexibility of the sequence of core, intensive and training services; (3) the operation of the eligible training provider lists; and (4) the availability of Individual Training Accounts for youth. It also addresses improved coordination of Wagner-Peyser funded activities with the One-Stop Career Center system, and addresses the method of providing employment services under the Wagner-Peyser Act.

**Q. What are the proposed changes to the governance structure?**

A. The Department is seeking comments regarding the ability of State and Local Boards to function efficiently and effectively under existing board membership requirements. It has come to our attention that the size of State and Local Workforce Investment Boards has seriously constrained some Boards' ability to perform their duties. In an effort to give states and local areas the opportunity to reorganize their Boards to a more manageable and productive size, we are considering whether to reassess our determination that each membership group have "two or more members." We are asking if we should streamline our regulations by requiring a minimum of only one representative from each membership group.

# Workforce Investment Act Amendments Notice of Proposed Rulemaking (NPRM) Questions and Answers

In addition, the proposed rulemaking would provide State Workforce Investment Boards with the flexibility to undertake more extensive and sophisticated policy-making activities and to provide the strong leadership needed to guide the system in becoming more demand-driven. It also emphasizes the Local Workforce Investment Board functions with respect to oversight and management of federal WIA funds. Finally, the rulemaking proposes to improve coordination with the Vocational Rehabilitation (VR) program as a partner in the One-Stop Career Center system.

**Q. How will the proposed changes to the core services provisions impact the system and participants served by the system?**

A. In order to maximize the effective and efficient use of federal dollars, the Department believes that states and local areas should have the flexibility to fund core services (such as job search assistance) as much as possible with Wagner-Peyser funding and to focus WIA funds on the provision of intensive and training services. The current regulation requires the WIA Adult and Dislocated Worker programs to make all of the core services available in at least one comprehensive One-Stop Career Center in each local workforce investment area even when they are traditionally provided by the Wagner-Peyser program. The proposal will hold the WIA Adult and Dislocated Worker programs to the same standard as other One-Stop partner programs. This proposed change would benefit program participants by increasing the range of services available and reducing duplication of effort.

**Q. Why is it necessary that Wagner-Peyser employment services only be delivered through comprehensive One-Stop Career Centers? Isn't this requirement too stringent?**

A. The intent of WIA is to integrate employment services with WIA-funded and other services and deliver these through a single One-Stop Career Center system. However, in some states there has been little integration causing customer confusion and administrative inefficiencies.

The current regulations do not effectively integrate Wagner-Peyser Act-funded employment services with WIA-funded employment and training services under the One-Stop Career Center system. To address this, the proposed regulatory change more definitively mandates that employment services funded under Wagner-Peyser be fully integrated into comprehensive One-Stop Career Centers, providing states and local areas with the opportunity to more efficiently manage the costs of such services and eliminate duplication in order to free up other funds for education and training services.



# Workforce Investment Act Amendments

## Notice of Proposed Rulemaking (NPRM)

### Questions and Answers

- Q. Will this rule result in some affiliate One-Stop Career Centers closing? Couldn't this result in limiting individuals' access to services, particularly in rural areas?
- A. The proposed rulemaking should actually make additional funds available for education and training services by providing states and local areas with greater opportunities to more efficiently manage the costs of services by reducing duplicative administration.

Employment services offices that are operating apart from, and parallel to, comprehensive One-Stop Career Centers will no longer be allowed. States and local areas will need to look at the geographic distribution of services and make the necessary adjustments to assure that individuals and businesses have access to services through a single employment and training deliver system—the One-Stop Career Centers.

- Q. What are the implications for State merit staffing currently provided through Wagner-Peyser?
- A. Under the proposed regulatory change, Governors would have the option of continuing to use state merit staff employees to deliver employment services funded by the Wagner-Peyser Act. In the interest of providing maximum flexibility to all states, and to encourage innovative and creative approaches to delivering employment services with limited resources, the Department is changing its interpretation of the Wagner-Peyser Act to extend the option of using non-merit staff employees to all states. States operating demonstration projects using non-merit staff have shown comparable performance outcomes. In addition, the same employment services (defined as "core" services) are provided under WIA using non-merit staff employees.
- Q. Does this rulemaking propose changes to the definition of administrative costs under WIA?
- A. No. Through the appropriations process, Congress has prohibited the Department from amending regulatory provisions related to administrative costs under WIA until after a WIA reauthorization bill is enacted. This proposed rulemaking does not amend the administrative costs provisions. However, in anticipation of WIA reauthorization, the Department is seeking comments on the way WIA functions and activities are defined vis-à-vis what constitutes and administrative cost versus a program cost.
- Q. When will these new regulations take effect?
- A. The document published in the Federal Register is a Notice of Proposed Rulemaking (NPRM). This notice advises the public of the Department's proposal and provides an opportunity for stakeholders and the public to comment on the rulemaking. The rulemaking will not take effect until after the Department considers all of the public comments and publishes a Final Rule in the Federal Register.