

Job Training Reform WIA Plus Consolidated Grant Program

President Bush has called for increased flexibility in the Nation's job training programs in exchange for increased accountability for results.

- The current system of federal job training programs is too complex, with multiple funding streams and federal and state bureaucracies. As a result, not enough of the available resources are used to provide skills training for workers, preparing them for the jobs of today or tomorrow. For too long, states have been hindered by archaic rules that make it difficult to train workers and respond quickly to economic downturns, natural disasters and shifts in industry skill needs.
- The WIA Plus Consolidated Grant program is the most important component of the Administration's proposal for reform and reauthorization of the Workforce Investment Act (WIA). This proposal builds on the President's call in 2004 to consolidate four Department of Labor job training programs and funding streams: WIA Adult, WIA Dislocated Worker, WIA Youth and Employment Services.
- The WIA Adult, WIA Dislocated Worker, and WIA Youth programs and Employment Services will form the base of the consolidated program with nearly \$4 billion in resources. In addition, states will have the option of consolidating certain other federal job training and employment programs that are currently administered by the Departments of Labor, Education and Agriculture. Federal resources for these other programs total about \$3.6 billion. Together, these programs represent \$7.5 billion in federal resources.
- By choosing to consolidate programs, states will be empowered to: train more workers; design a job training program and service delivery system that trains workers for jobs in the 21st century economy; rationalize the way they deliver related services; achieve better results; and reduce administrative overhead.
- Participating states will submit a single State Integration Plan and will report through a single system. Program-specific requirements will be minimized. However, drops in participant levels for targeted populations such as individuals with disabilities will not be allowable.
- States will develop strategies to meet increasingly rigorous performance standards each year, leading to a goal in the tenth year that they place in employment 100 percent of the workers trained with grant resources. As part of their State Integration Plan, states will be required to develop benchmarks to track annual yearly progress towards that goal.
- Job training institutions will be required to demonstrate that they are training individuals for jobs in demand and are ensuring graduates have the skills that employers need.
- Meaningful incentive and sanction policies will be applied.

WIA Plus Resources
(in millions)

Consolidated WIA State Grant (DOL)		2005 Enacted	2006 Budget
1	Adult Training	\$891	These four programs are consolidated into one grant.
2	Dislocated Worker Training/ a	\$1,344	
3	Youth Training	\$986	
4	Employment Services/ b	\$838	
Subtotal		\$4,059	\$3,913
NEW MENU OPTIONS			
1	Veterans Employment (DOL)/ c	\$190	\$192
2	Trade Adjustment Assistance Training (DOL)/ d	\$243	\$259
3	Vocational Rehabilitation (Ed)	\$2,636	\$2,720
4	Adult Education (Ed)	\$570	\$200
5	Food Stamps Employment & Training (USDA)/ d	\$261	\$254
Subtotal		\$3,900	\$3,625
TOTAL		\$7,959	\$7,538

a/ For 2005, amount has been reduced by \$124 million to support the Community College Initiative.

b/ Includes State formula grants, Work Opportunity Tax Credit admin. grants, and Labor Market Information grants.

c/ Includes State formula grants, the homeless veterans reintegration project, and the Veterans Workforce Investment Program.

d/ Outlays