

The American economy demands higher levels of skills from its workers who need to pursue and succeed in post-secondary education and training. The workforce investment system, as currently constituted, is ill-equipped to meet the education and training challenges confronting workers and businesses required to compete in a global economy. This is due, in part, to the lack of integration, which causes too much money to be spent on competing bureaucracies, overhead costs, and unnecessary infrastructure, and not enough on meaningful skills training that leads to employment opportunities and advancement for workers and job growth and economic prosperity for businesses and regional economies.

## Workforce Investment Act Reauthorization

The Administration will be proposing legislation to reauthorize the Workforce Investment Act (WIA) that is based on principles articulated by President Bush as part of ongoing WIA reform efforts. The proposed legislation would reform WIA and enhance the nation's workforce investment system by:

- *Strengthening workers' ownership of their careers* and providing them access to self-directed Career Advancement Accounts that will allow them to access the education and training they need to enter, navigate and advance in 21<sup>st</sup> century jobs.
- *Tripling the number of workers trained* through the public workforce investment system by consolidating programs and funding, creating Career Advancement Accounts and strictly limiting administrative and overhead expenditures.
- *Improving governance* by streamlining membership requirements for state and local workforce investment boards in order to enhance the effectiveness of the boards in setting direction for state and local workforce systems.
- *Promoting state and local flexibility* by removing or simplifying statutory requirements that create rigidity and hinder flexibility and innovation.
- *Streamlining and strengthening the One-Stop Career Center system* by empowering Governors and local elected officials to design systems that meet regional economic needs and priorities.
- *Improving performance accountability* by focusing the current system on three primary measures – employment, retention, and earnings.

The proposed legislation is designed to move the entire workforce investment system in a direction that supports and advances our nation's competitiveness. States and local communities would be provided more flexibility to design streamlined workforce systems that best fit the unique needs of their economies and that better serve the needs of American workers and employers by making more money directly available for training. Enactment of this proposal will promote a better educated and prepared workforce.