



SECTION BY SECTION

House Committee on Education and Labor
Chairman Robert C. "Bobby" Scott

Workforce Innovation and Opportunity Act of 2022

Section 1. Short Title.

This section states that the title of this bill is the *Workforce Innovation and Opportunity Act of 2022*.

Section 2. References.

This section states that any reference to an amendment to or repeal of a section or other provisions made to the Workforce Innovation and Opportunity Act of 2014, unless otherwise expressly provided.

Section 3. Table of Contents.

Title I—Definitions and Other General Matters

Section 101. Definitions.

This section amends or adds definitions of key terms, including:

- *Apprenticeship Program*. Defines an apprenticeship program as program that is registered under the National Apprenticeship Act.
- *Career Pathways*. Amends the definition of career pathways to include supportive services, multiple entry and exit points, and a progression toward attainment of a recognized postsecondary credential.
- *Competency*. Defines competency as the attainment of knowledge, skills, and abilities in a subject area, as specified by an occupational skill standard and demonstrated by an appropriate written or hands-on proficiency measurement.
- *Dislocated worker*. Amends the definition of dislocated worker to add the long-term unemployed, which are individuals who have been unemployed for 27 weeks or longer.
- *Eligible youth*. Amends the definition of eligible youth to allow for self-attestation that youth meet eligibility criteria, thus streamlining the eligibility determination process for youth who may lack access to otherwise required documentation.
- *Evidence-based*. Defines three tiers of evidence-based approaches based on the number and quality of evaluations supporting the effectiveness of these approaches.
- *Foundational skill needs*. Replaces the term basic skills deficient with foundational skill needs, and adds several new areas of foundational skill needs including digital literacy, financial literacy, and communication skills.
- *Individuals with barriers to employment*. Amends this definition by adding individuals who have been historically underserved and marginalized as a result of race, color, national origin, sexual orientation, or gender identity.
- *Industry-recognized credential*. Defines industry-recognized credential as a certificate or certification, with respect to an industry sector or occupation, which has been validated to a State or local board by employers or labor organizations.

- *Justice-involved individual* Replaces the term offender with justice-involved individual.
- *Low-income individual*. Expands this definition to include individuals with incomes up to 150 percent of the federal poverty line.
- *Opportunity youth*. Defines opportunity youth as individuals who are age 16 to 24, not attending school, and not employed.
- *Pre-Apprenticeship Program*. Defines a pre-apprenticeship program by requiring that such program is designed to prepare participants for an apprenticeship program registered under the National Apprenticeship Act.
- *Supportive services*. Expands this definition to include new services such as mental health care, substance use disorder treatment, and assistance with accessing the internet.
- *Work-based learning* Defines work-based learning with the definition given to this term in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006

Title II—Workforce Development Activities

Subtitle A—System Alignment

Chapter 1—State Provisions

Section 201. State Workforce Development Boards.

This section amends the membership requirements for State boards that set statewide workforce development strategies and priorities, including by increasing the share of labor organizations to 30 percent, requiring representation by post-secondary and adult education institutions, and requiring demographic diversity on the boards that reflects the diversity of the State. The section also amends the functions of the State boards, by requiring them to develop strategies for using digital technology to enhance access to workforce development services for individuals with barriers to employment.

Section 202. Unified State Plan.

This section amends the required elements of the unified State plan—a document that the core workforce system partners submit to the Federal government outlining the State’s workforce development strategies and priorities—including by increasing the focus on how the workforce system in the State is meeting the needs of certain groups such as opportunity youth and individuals with disabilities, and provides more direction regarding the process for obtaining public input on the draft plan. The section also requires the State plan to describe the State’s strategy for joint planning, alignment, coordination, and leveraging funds, including with federal partners funded under Carl D. Perkins Career and Technical Education Act of 2006, the National Apprenticeship Act, and other statutes.

Section 203. Combined State Plan

This section amends the Combined State Plan—an option under which the State submits to the Federal government a workforce development plan that includes the core partners in the workforce system also one or more additional partners—by adding apprenticeship programs as a potential program for developing the plan.

Chapter 2—Local Provisions

Section 206. Workforce Development Areas.

This section amends the process that Governors use when designating local workforce development areas—geographic areas that correspond to local labor markets and receive allocations of Title I funds by formula—including by requiring consultation with State economic development agencies and a consideration of how such designations will improve efficiency in service delivery and ensure access to comprehensive one-stop centers.

Section 207. Local Workforce Development Boards.

This section amends the membership requirements for local boards that establish workforce development strategies and priorities for local areas by, among other things, increasing the share of labor organizations on the boards to 30 percent, requiring standing committees focused on adult education and other issues, and requiring the demographic composition of the boards to reflect the demographic diversity of the local area. It amends the functions of the local board in several ways, including by requiring the development of evidence-based workforce development strategies and ensuring that technology is leveraged to ensure all job seekers including individuals with barriers to employment have access to workforce services.

Section 208. Local Plans.

This section amends the required elements of local plans—documents outlining workforce development strategies and priorities for local areas—by, among other things, requiring descriptions of how the local board will help job seekers assess their options for entering training programs that lead to high quality jobs and how the local board will leverage technology to improve coordination and co-enrollment among one-stop partners. This section also requires the local board to conduct a comprehensive needs assessment for better coordination and availability of youth workforce activities.

Chapter 3—Performance Accountability

Section 211. Performance Accountability System.

This section amends the workforce development system’s performance accountability metrics in several areas:

- It adds a measure of longer-term earning progression (median earnings at the fourth quarter following program exit) and a measure of career progression (percentage of participants earning multiple post-secondary credentials).
- It amends the process for States and Federal agencies to come to agreement on State performance levels, including by requiring the Federal agencies to initially propose expected performance levels based on their statistical adjustment model and by expanding the requirement for continuous improvement to include adoption of new service strategies or serving new populations.
- It requires States to develop and publish State equity reports that identify and quantify any disparities in performance outcomes across demographic groups, such as race, ethnicity, and gender.

Subtitle B—Workforce Investment Activities and Providers

Chapter 1—Workforce Investment Activities and Providers

Section 221. Establishment of One-Stop Delivery Systems.

This section amends requirements for the one-stop delivery system—the network of comprehensive one-stop centers, affiliated sites, and partners that provides workforce development services in a local area—in several ways, including by:

- Authorizing public libraries to serve as affiliated one-stop sites, creating another option for bringing workforce services into communities;

- Providing greater clarity on the role of one-stop operators, which includes managing infrastructure, facilitating coordination among partners, and providing direct services;
- Emphasizing that one-stop infrastructure includes both the physical footprint of the one-stop centers and the technology needed to provide virtual services; and
- Allowing local workforce development boards to serve as one-stop operators under certain conditions.

Section 222. Identification of Eligible Providers of Training Services.

This section amends the requirements governing the State eligible training provider list (ETPL)—the list of training programs approved by the State to be funded with Title I funds—in several ways, including by:

- Authorizing online education and training programs to qualify for the ETPL;
- Expanding the criteria that States must develop for inclusion on the ETPL to include a certification by employers or an industry and sector partnership that the training will lead to recognized post-secondary credentials, in-demand competencies, and opportunities for jobs paying competitive wages;
- Strengthening the accountability measures that bar training providers whose performance does not meet established criteria from inclusion on the ETPL for a period of time;
- Providing for expedited consideration by the Governor of training programs that local boards submit for inclusion on the ETPL to meet immediate training needs; and
- Requiring the Governor to review the training providers on the ETPL biannually to ensure they still satisfy the criteria for inclusion.

Chapter 2—Youth Workforce Investment Activities

Section 231. State Allotments.

This section amends the allotment of youth funds to the States by reserving 1.5 percent of such funds for youth who are migrant and seasonal farmworkers and by increasing the reservation for youth in outlying areas.

Section 232. Within State Allocations.

This section amends how funds allocated to local areas are to be used, by:

- Requiring that 75 percent of such funds be reserved for serving eligible youth who are opportunity or at-risk youth, while the remaining 25 percent may be used to serve other eligible youth; and
- Requiring that of the funds used for opportunity and at-risk youth, at least 50 percent of such funds is used for summer and year-round employment opportunities and at least 5 percent is used to meet emergency needs that can be obstacles to completing training.

Section 233. Use of Funds for Youth Workforce Investment Activities.

This section amends the required and allowable youth workforce development activities that the one-stop delivery system provides to eligible youth in several ways, including by:

- Requiring local areas to conduct a comprehensive youth needs assessment, which must, among other things, address the performance outcomes for youth in the local area, the particular workforce development needs of local youth, the workforce services available, and effective strategies that will be employed for meeting youths' needs;
- Removing the requirement that all program elements must be provided as a part of authorized youth workforce activities; and
- Requiring local areas to provide summer and year-round employment opportunities.

Section 234. Summer and Year-Round Employment for Youth.

This section directs local areas to provide summer and year-round employment opportunities that may include subsidized and unsubsidized employment, with no more than 75 percent of wages subsidized by Federal fund for initial grants (50 percent for extension grants). The summer or year-round employment program must include elements such as mentoring, work-readiness training, career exploration, coaching, and financial literacy training.

Chapter 3—Adult and Dislocated Worker Employment and Training Activities

Section 242. Use of Funds for Employment and Training Activities.

This section amends the required and allowable uses of funds for adult and dislocated worker employment and training activities provided by the one-stop delivery system in several ways, including by:

- Requiring States to develop local areas' capacity to use evidence-based workforce development strategies for serving individuals with barriers to employment;
- Enhancing workforce development services for older workers, by allowing States to use their reserve funds to develop alternative strategies for meeting the needs of older workers—such as self-employment—and to coordinate with other programs serving this population;
- Enhancing the workforce system's ability to effectively serve individuals who have been victims of gender-based violence by allowing States to use their reserve funds to coordinate with other programs serving victims;
- Requiring one-stops to connect individuals to adult education services, before finding them ineligible for training services because of a lack of foundational skills;
- Requiring that at least 50 percent of adult funds allocated to local areas for career, training, or supportive services be spent on individuals who have the highest needs, including those who are low-income, are public assistance recipients, and have other barriers to employment;
- Requiring that in order to receive reimbursement for on-the-job training costs, employment must meet certain basic indicators of job quality including competitive wage, availability of benefits, and a safe workplace;
- Making supportive services a required activity, available to adults and dislocated workers who are in career or training services or in their first 12 months of a placement in unsubsidized employment;
- Reserving funds specifically for industry and sector partnerships, and providing greater clarity on how they should be implemented, including that they should develop career pathways, training programs leading to recognized credentials, and serve individuals with barriers to employment; and
- Raising the cap on the proportion of local funds that can be spent on incumbent worker training (to 25 percent) and transitional jobs (to 20 percent).

Chapter 4—General Workforce Development Provisions

Section 251. Authorization of Appropriations.

This section authorizes funding for fiscal years 2023 to 2028 for youth workforce investment activities, adult employment and training activities, dislocated worker employment and training activities, and industry or sector partnership training (which is authorized at such sums).

Program Year	Youth	Adult	Dislocated Workers
2023	1,853,300,000	1,555,600,000	2,486,300,000
2024	2,038,600,000	1,711,200,000	2,734,900,000
2025	2,242,500,000	1,882,300,000	3,008,400,000
2026	2,466,800,000	2,070,500,000	3,309,200,000
2027	2,713,500,000	2,277,600,000	3,640,100,000
2028	2,984,900,000	2,505,400,000	4,004,100,000

Subtitle C –Job Corps

Section 261. Amendments Relating to Job Corps.

This section amends the Job Corps program—a residential program for opportunity youth that provides employment and training services at centers across the country—by:

- Renaming “Job Corp Centers” as “Job Corps Campuses”;
- Simplifying the eligibility requirements for Job Corps enrollees by removing the 20 percent cap on individuals between the ages 22 and 24;
- Allowing the self-attestation of youth who meet eligibility criteria, thus streamlining the eligibility determination process for those who may lack access to otherwise required documentation;
- Requiring that contracts awarded to Job Corps Operators and service providers are based on the best value and fair and reasonable pricing;
- Allowing new entrants into the competitive bidding process by creating new selection criteria for bidders to demonstrate relevant programmatic experience through past effectiveness assisting opportunity youth, and allow service providers to compete in the competitive bidding process as a new operator with student outcome measure from the Job Corps operator they sub contracted with ;
- Allowing past Job Corps service providers to compete in the competitive bidding process as a new operator with student outcome measure from the Job Corps operator they sub contracted with;
- Removing volatility in the designation of high-performance Job Corps operators by using two prior years of data instead of one;
- Clarifying the authority of Job Corps Campus operators to hire staff and provide professional development, and enter into agreements with local partners;
- Requiring the Secretary of Labor to adopt guidelines establishing a zero-tolerance policy for acts of violence, sale or possession of a controlled substance, or abuse of alcohol or other illegal and disruptive activity. Each Job Corps Campus director shall incorporate a zero-tolerance policy in a behavioral management plan;
- Requiring the Secretary of Labor to require drug testing for Job Corps participants;
- Allowing the Secretary to account for states where the possession of marijuana is not deemed unlawful during the enrollment process;
- Requiring bidders for contracts to operate or provide services to Job Corps campuses to build in, at a minimum, costs for compliance with the wage and benefits requirements in the McNamara-O’Hara Service Contract Act. That law requires federal contractors to pay prevailing wages and fringe benefits prevailing in the locality for service workers. This provision also requires bidders to build in costs, at a minimum, to pay wages and benefits for academic and trade instructors based upon a comparison of wage and benefit levels with local public educational institutions, to help ensure high quality instructors are hired and can be retained; and

- Revising the performance model of Job Corps Campuses to ensure the performance measures are equitable to sub populations and are transparent and open to the public.

Section 162. Authorization of Appropriations.

This section authorizes funding for fiscal years 2023 to 2028 for all Job Corps operations and activities.

Program Year	Job Corps
2023	1,720,411,000
2024	1,763,400,000
2025	1,807,500,000
2026	1,852,700,000
2027	1,899,000,000
2028	1,946,500,000

Subtitle D—National Programs

Section 271. Native American Programs.

This section amends Native American employment and training programs in several ways, including by eliminating the requirement for the Department of Labor to award grants on a competitive basis; requiring that the organizational component within the Department that administers the Native American programs be a division; and allowing members of the Native American employment and training council to continue serving after their terms have expired, until their successors have been named.

Section 272. Migrant and Seasonal Farmworker Programs.

This section amends migrant and seasonal farmworker programs by clarifying the periods of time in which appropriated funds may be obligated and used for program activities.

Section 273. Technical Assistance

This section clarifies that the Department of Labor’s technical assistance is intended to support the professional development of staff in the workforce development system, and requires the Department to support the provision of training to one-stop staff on trauma-informed approaches, gender and racial biases, and the unique safety challenges faced by survivors of gender-based violence.

Section 274. Evaluations and Research.

This section amends evaluations and research provisions by creating a new workforce development innovation fund, which aims to build evidence on what works in workforce development by funding early-phase grants to test innovative program ideas; mid-phase grants to implement and evaluate early-phase programs that showed promise; and expansion grants to scale up, replicate, and fully evaluate programs that were found to produce sizable impacts in mid-phase grants. These grants may be awarded entities including State and local boards and community-based organizations.

Section 275. National Dislocated Worker Grants.

This section amends the national dislocated worker grants to allow national and regional intermediary organizations to receive grants.

Section 276. YouthBuild Program.

This section amends the YouthBuild program in several ways, including by:

- Reserving grant funds for programs in rural areas, when appropriated funds are above a certain threshold;
- Extending the allowed period of follow-up services to ensure participants succeed in employment to 24 months;
- Allowing the program to fund meals for participants;
- Allowing grantees to count YouthBuild funds towards the matching requirement under the National and Community Service Act; and
- Requiring States to facilitate YouthBuild programs' access to Unemployment Insurance wage data for the purpose of performance measurement.

Section 277. Community College and Industry Partnership Grants.

This section codifies the Department of Labor's Strengthening Community Colleges Training Grants, authorizing a competitive grant program that aims to build community colleges' capacity to provide employment and training programs leading to post-secondary credentials in in-demand industries or occupations. Community college grantees, in partnership with employers and the workforce development system, must develop employment and training programs targeting specific industry sectors. Required or allowable activities under the grants include:

- Developing or scaling up career training, career pathways, or work-based learning options such as apprenticeships;
- Assisting individuals with barriers to employment with accessing such programs; and
- Providing supportive services to help participants complete education and training.

Section 278. Reentry Employment Opportunities.

This section codifies the Department of Labor's Reentry Employment Opportunities grants, authorizing a competitive grant program that aims to assist justice-involved adults and youth returning from incarceration with achieving employment and avoiding recidivism. Grantees may be community-based organizations or national and regional intermediary organizations, and in awarding grants the Department of Labor must prioritize grantees serving high-crime and high-poverty areas, enrolling participants prior to or soon after release from incarceration, and using evidence-based approaches. Allowable activities under the grants include

- Providing career counseling and training services;
- Transitional jobs;
- Outreach to employers; and
- Supportive services, including mental health and substance use disorder treatment.

Section 279. Authorization of Appropriations.

This section authorizes funding for the national programs for fiscal years 2023 to 2028.

Program Year	Native Americans	Migrant and Seasonal Farmworkers	Technical Assistance	Evaluations and Research
2023	66,400,000	109,100,000	3,600,000	116,700,000
2024	73,000,000	114,600,000	3,800,000	122,500,000
2025	80,300,000	120,300,000	4,000,000	128,600,000
2026	88,300,000	126,300,000	4,200,000	135,000,000
2027	97,100,000	132,600,000	4,400,000	141,800,000
2028	106,800,000	139,200,000	4,600,000	148,900,000

Program Year	YouthBuild	Reentry	Community Colleges
2023	159,500,000	250,000,000	100,000,000
2024	167,500,000	300,000,000	110,000,000
2025	175,900,000	350,000,000	121,000,000
2026	184,700,000	400,000,000	133,100,000
2027	193,900,000	450,000,000	146,400,000
2028	203,600,000	500,000,000	161,000,000

Title III—Adult Education and Family Literacy

Section 301. Family Literacy.

This section amends the title of Title II of the Workforce Innovation and Opportunity Act read “Adult Education and Family Literacy Act”.

Section 302. Purpose.

This section amends the purpose of the Adult Education and Family Literacy Act to include the need for digital literacy skills.

Section 303. Definitions.

This section amends or adds definitions of key terms, including:

- *Adult education and literacy activities.* Adds digital skills as another type of activity.
- *Family literacy activities.* Adds digital literacy activities to the list of family literacy activities.
- *Integrated education and training.* Clarifies that integrated education and training may be offered concurrently with other adult education activities.
- *Integrated English literacy and civics education.* Amends integrated English literacy and civics education to include additional activities, such as achieving digital literacy, applying for federal aid, financial literacy, and navigating the housing market and secondary education.

Section 304. Authorization of Appropriations.

This section authorizes funding for the Adult Education and Family Literacy Act for fiscal years 2023 to 2028.

Program Year	Adult Education and Literacy
2023	785,100,000
2024	824,400,000
2025	865,600,000
2026	908,900,000
2027	954,300,000
2028	1,002,000,000

Section 305. Performance Accountability System.

This section creates a new demonstration program, under the authority of the Secretary of Education, for the purposes of developing new performance measures that better capture the efficacy of adult education and

literacy programs, compared to the existing performance measures required under the Workforce Innovation and Opportunity Act.

Section 306. State Distribution of Funds; Matching Requirement.

This section requires that State agencies make publicly available the source of matching contributions and how such funds are distributed to eligible providers.

Section 307. State Leadership Activities.

This section allows for the development, maintenance, and improvement of quality of credentialing and professional development of adult educators.

Section 308. Local Administrative Cost Limits.

This section increases the allowable use of funds for professional development of adult educators, by moving such activities outside the administrative cost limits.

Section 309. National Leadership Activities.

This section adds new technical assistance requirements to the national leadership programs, including requiring that outcomes and data are collected and reported in a timely manner, and that such data is reported consistently across States.

Section 310. Technical Corrections to Other Laws.

This section makes a technical correction to the title of the Adult Education and Literacy Act.

Title IV—AMENDMENTS TO THE WAGNER-PEYSER ACT.

Section 401. Workforce and Labor Market Information System

This section authorizes funding for the Labor Market Information System, authorized under the Wagner-Peyser Act.

Program Year	Wagner-Peyser Labor Market Information
2023	74,400,000
2024	78,100,000
2025	82,000,000
2026	86,100,000
2027	90,400,000
2028	94,900,000