

WORKFORCE INVESTMENT ACT (WIA)

WIA, enacted in August 1998, repealed the Job Training Partnership Act (JTPA) on July 1, 2000, and replaced it with Title I of WIA, Workforce Investment Systems. The purpose of WIA is to provide workforce investment activities that increase the employment, retention, and earnings of participants. WIA programs are intended to increase occupational skills attainment by participants, and, as a result, improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the Nation. WIA authorizes several job training programs including Adult Employment and Training Activities, Youth Activities, and Job Corps. Authorization for Title I of WIA expired in FY2003, but programs continue through annual appropriations laws.

Under WIA's adult program, adults receive services through a coordinated service delivery system overseen by local workforce investment boards.¹ This system, called the "One-Stop" system, is intended to provide a "seamless" system of services to improve employment opportunities for individuals. Through one-stop centers individuals receive core services, such as outreach, initial assessment of skills and needs, and job search and placement assistance. One-stop centers also provide eligible individuals with access to intensive services such as comprehensive assessments and development of individual employment plans, and to training services such as occupational skills and on-the job training.

Anyone age 18 and older is eligible to receive core services. To be eligible to receive intensive services, an individual has to have received at least one core service, have been unable to obtain or retain employment through core services, and need intensive services to obtain or retain employment. To be eligible to receive training services, an individual has to have received at least one intensive service, have been unable to obtain or retain employment through such services, have the skills and qualifications to successfully participate in select training programs that are directly linked to employment opportunities in the local area, and be unable to obtain other grant assistance, including Pell grants, or need assistance above the levels provided by such other grants.

As shown in Table 15-1 of WIA adult participants who received intensive or training services and exited the program during program year 2006, 45.8 percent were white, 30.4 percent were black, and 17.9 percent were Hispanic. Low-income individuals were 53.7 percent of adult exiters receiving intensive or training services, and 72.8 percent were unemployed at the time of entry in the program.

¹ Under WIA's adult and youth programs, funds are allocated to States by a statutory formula. States, in turn, allocate at least 85 percent of the funds to local workforce investment boards.

TABLE 15-1--CHARACTERISTICS UPON
PROGRAM ENTRY OF WIA ADULT EXITERS WHO RECEIVED
INTENSIVE OR TRAINING SERVICES

[April 2006 to March 2007^a]

Characteristics	Selected Percent
Sex:	
Male	43.6
Female	56.4
Race/Ethnicity:	
Hispanic	17.9
Non-Hispanic White (only)	45.8
Black or African American (only)	30.4
Other	5.9
Age at Enrollment:	
18-21	10.6
22-29	28.5
30-54	54.0
55 or older	6.9
Low income	53.7
Receiving TANF	5.6
Receiving public assistance (including TANF)	14.5
Unemployment Compensation	
Claimant	16.1
Exhaustee	3.9
Employment at registration:	
Employed	27.2
Not employed	72.8
Highest grade completed:	
Less than high school graduate	16.8
High school graduate/equivalent	51.9
Post high school	31.3
Total adult low-income exiters receiving intensive or training services	196,290

^a Program year 2006 WIASRD records on exiters for April 2007 through June 2007 are incomplete. Therefore, data are instead reported for April 2006 through March 2007. Source: Program Year 2006 WIASRD Data Book, prepared by Social Policy Research Associates for the U.S. Department of Labor. March 17, 2008.

Of the low-income "exiters" who received intensive or training services, 39.0 percent received intensive services only and 61.0 percent received training services. Of the low-income exiters who received intensive or training services and were unemployed at entry, 75.6 percent entered employment in the first quarter after exit. Of all low-income exiters who received intensive or training services, the average earnings of those with earnings in the first quarter after exit was \$4,687.²

² The information on entered employment and average earnings is for persons who exited the program from October 1, 2005 to September 30, 2006. Individuals who were reported as institutionalized or deceased at exit and those who had medical conditions that precluded continued participation in WIA or entry into employment are excluded from the percentages.

In FY2008, an estimated \$849 million in new budget authority was expected to serve 276,800 adults under WIA Adult Activities. Data on participation and budget authority for recent years are provided in Table 15-2.

TABLE 15-2--WIA JOB TRAINING PROGRAMS FOR ADULTS: NEW ENROLLEES, FEDERAL APPROPRIATIONS, FISCAL YEARS 1999-2008
[Appropriations in Millions of Dollars]

Fiscal Year	Participants	Appropriations
1999	324,800	955
2000	268,700	950
2001	398,500	950
2002	475,200	945
2003	444,300	894
2004	441,800	895
2005	268,700	890
2006	329,600	857
2007	332,500	857
2008	276,800 (est.)	849

Source: U.S. Department of Labor, Employment and Training Administration, Office of Financial Administrative Services and Congressional Budget Justifications.

Under WIA's youth program, youth ages 14-21, who are generally required to be low-income, receive services such as tutoring and study skills training, alternative high school services, and summer youth opportunities. Services to youth are provided through grants to providers made on a competitive basis. At least 30 percent of the funds allocated to local areas have to be spent on activities for out-of-school youth.

As shown in Table 15-3, of WIA youth participants who exited the program from April 2006 through March 2007, 30.4 percent were white, 35.9 percent were black, and 28.3 percent were Hispanic. Low-income youth were 94.7 percent of youth exiters.

TABLE 15-3--CHARACTERISTICS UPON
PROGRAM ENTRY OF WIA YOUTH EXITERS

[April 2006 to March 2007^a]

Characteristics	Selected Percent
Sex:	
Male	44.4
Female	55.6
Race/Ethnicity:	
Hispanic	28.3
Non-Hispanic White (only)	30.4
Black or African American (only)	35.9
Other	5.4
Age at Enrollment:	
14-15	22.3
16-17	38.5
18	15.1
19-21	24.1
Low income	94.7
Receiving TANF	9.7
Receiving public assistance (including TANF)	22.5
Unemployment Compensation:	
Claimant	2.2
Exhaustee	0.7
Highest grade completed:	
Less than high school graduate	81.1
High school graduate/equivalent	16.9
Post high school	2.1
Education status at registration:	
Attending high school or below	58.6
Attending postsecondary school	3.1
High school dropout	22.6
High school graduate/equivalent	15.7
Average weeks participated	61.8
Total youth exiters	116,598

^a Program year 2006 WIASRD records on exiters for April 2007 through June 2007 are incomplete. Therefore, data are instead reported for April 2006 through March 2007. A total of 196,290 adult exiters received intensive or training services during this time period.

Source: *PY 2006 WIASRD Data Book*, prepared by Social Policy Research Associates for the U.S. Department of Labor. March 17, 2008.

In FY2008, an estimated \$924 million in new budget authority was expected to serve 323,300 youth under Youth Activities. Data on participation and budget authority for recent years are provided in Table 15-4.

TABLE 15-4--WIA JOB TRAINING PROGRAMS FOR YOUTH: NEW ENROLLEES, FEDERAL APPROPRIATIONS, FISCAL YEARS 1999-2008
 [Appropriations in Millions of Dollars]

Fiscal Year	Participants	Appropriations
1999	120,000	130
2000	307,200	1,001
2001	375,500	1,128
2002	396,500	1,128
2003	369,600	994
2004	348,400	995
2005	329,300	986
2006	361,700	941
2007	362,300	941
2008	323,300 (est.)	924

Source: U.S. Department of Labor, Employment and Training Administration, Office of Financial Administrative Services and Congressional Budget Justifications.

Job Corps, authorized by Title I-C of WIA, serves low-income youth ages 16-24 who demonstrate both the need for and the ability to benefit from an intensive and wide array of training, career development, job placement, and support services in a residential setting. The program is administered by DOL through contracts with large and small corporations and nonprofit organizations for the operation of 94 centers, and through interagency agreements with the U.S. Departments of Agriculture and the Interior for the operation of 28 additional centers on public lands.

In program year 2005 (July 1, 2005 through June 30, 2006), more than 60,000 youth were served in 122 Job Corps Centers. Nearly 60 percent of participants were male. In that same year, 49.9 percent of students were African-American, 27.1 percent were white, 17.1 percent were Hispanic, 3.5 percent were American Indian, and 2.4 percent were Asian or Pacific Islanders. Seventy-five percent of students had dropped out of high school; the average grade level for reading was below 8th grade. Thirty-four percent of students in program year 2005 came from families on public assistance.

Of all Job Corps members who left the program in program year 2005, 88 percent were placed in jobs, full-time advanced education or training, or the military. The average length of stay in Job Corps in program year 2005 was 8.0 months.

In FY2008, an estimated \$1.6 billion is expected to be available for operations, construction, and administration of Job Corps. Data on participation and budget authority for recent years are provided in Table 15-5.

TABLE 15-5--WIA JOB CORPS PARTICIPATION AND
 APPROPRIATIONS, FISCAL YEARS 1999-2008
 [Appropriations in Millions of Dollars]

Fiscal Year	New Entrants	Appropriations
1999	70,565	1,308
2000	71,487	1,358
2001	67,833	1,399
2002	64,043	1,459
2003	68,454	1,509
2004	68,452	1,537
2005	63,154	1,546
2006	62,525	1,557
2007	62,394	1,607
2008	62,395 (est.)	1,598

Source: U.S. Department of Labor, *Job Corps Annual Report Program Year July 1, 2005 – June 30, 2006* and *Budget Justification of Appropriation Estimates for Committee on Appropriations Fiscal Year 2009*, Volume III, page OJC-15