

REVISING THE WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)

ISSUE BRIEF

2023

Policy Recommendations:

- NAF believes the reauthorization of WIOA should eliminate the distinction between in-school and out-of-school youth, as reaching youth through career-preparation programs is proven to both lead to higher rates of high school completion and support workforce development outcomes.
- NAF recommends better alignment of education and workforce laws including unifying the definition of work-based learning and ensuring educators and state workforce boards work closely to align their programs.

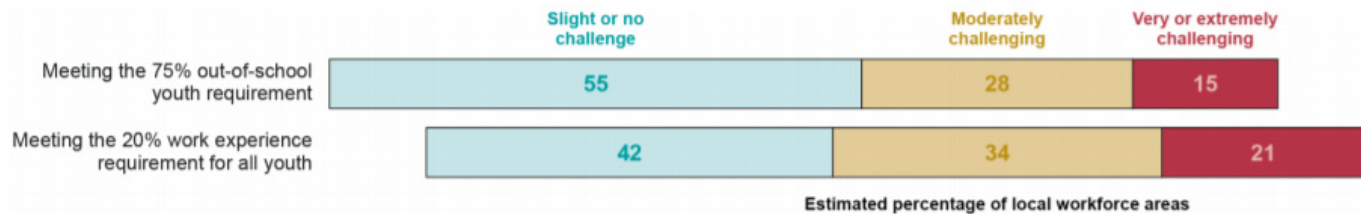
MODERNIZING WIOA TO SUPPORT LOCAL NEEDS

Federal policies, like the Workforce Innovation and Opportunity Act (WIOA), play an essential role in supporting work-based learning, including paid internships, and strengthening our nation's public workforce system. Despite its success in improving our nation's workforce and expanding opportunities for those most in need, however, the statute needs to be modernized to reflect the growing need of work-based learning opportunities for enrolled, in-school high school students.

Currently, WIOA requires 75% of all Youth Activities formula grant funds be allocated toward out-of-school youth. In a 2018 U.S. Government Accountability Office (GAO) report, the agency found that local workforce areas had to significantly reduce or eliminate services provided to in-school youth to accommodate the increase in support for out-of-school youth. This has resulted in severe unintended and adverse consequences for the opportunities available to in-school underserved youth. **NAF recommends that the distinction between in-school and out-of-school youth be eliminated in the reauthorization of WIOA.**

Shifting funds toward in-school youth would permit workforce development boards to allocate more resources to high school students still in the public education system and keep youth in school, all while gaining skills and experience from work-based learning. A significant share of local workforce areas report meeting the current distribution requirements is moderately or extremely challenging. In the most recent program year, nearly half of all states received a waiver absolving them of this statutory requirement. Changing the formula would make distribution requirements much easier to meet. In other words, federal funds would reach their target, having an effect sooner, across a wider swath of workforce programs. Federal dollars should be allocated to directly assist youth in need, where they are, as determined by local workforce agencies.

Figure 6: Some Local Workforce Areas Reported Experiencing Greater Challenges in Meeting Workforce Innovation and Opportunity Act Spending Requirements



Source: GAO survey of local workforce areas in the 50 U.S. states and the District of Columbia. | GAO-18-475

There are other ways to ensure youth meet eligibility requirements, including self-attestation, which the Department of Labor noted is allowed in its March 2, 2023, guidance. Moreover, foster youth, homeless youth, youth living in high-poverty areas, and youth eligible for free or reduced lunch can be automatically enrolled. Flexibility is also possible by continuing virtual work-based learning opportunities, which came to the forefront during the Covid-19 pandemic. The same 2023 Department of Labor guidance notes the effectiveness of virtual work-based learning in reaching rural youth and those without reliable transportation.

ALIGN THE SYSTEMS OF EDUCATION AND WORKFORCE

NAF recommends that WIOA intentionally align with the Strengthening Career and Technical Education for the 21st Century Act (Perkins V) to further strengthen the relationship between these two federal laws and the services offered to participants. The inability to coordinate or braid funding sources often leads to challenges in effectively leveraging already scarce WIOA resources. Perkins V has many ties to WIOA, including a requirement that career and technical education (CTE) programs are responsive to the local, regional, or state labor markets; inclusion of an aligned vision in both state plans; and common performance indicators should be among other connection points.

At a minimum, **NAF strongly believes that state and local CTE secondary educators and administrators must be engaged with and on the state and local workforce boards.** In order to prepare high school students for the workforce, state and local educators must know and understand the state and local workforce demands and align their programs to those needs.

Further, there are currently multiple, varying definitions of work-based learning in federal law. This discrepancy should be corrected by pointing to one common, existing definition to better synchronize federal workforce programs and be more efficient. **NAF recommends an updated WIOA definition of work-based learning should match the Carl D. Perkins Career and Technical Education Act of 2006**, which defines work-based learning as “sustained interactions with industry or community professionals in real workplace settings, to the extent practicable, or simulated environments at an educational institution that foster in-depth, firsthand engagement with the tasks required in a given career field, that are aligned to curriculum and instruction.”

WORK-BASED LEARNING WORKS

Work-based learning is the continuum of activities – both in classroom learning and the actual workplace setting – that leads students to gain real world experience. NAF knows that students benefit most when they participate in the full continuum of work-based learning experiences. This begins with career awareness activities such as worksite tours, progresses to career exploration activities such as job shadows, and culminates in career preparation activities such as mentored industry projects and paid internships. These opportunities, either virtually or in-person, enable students to identify career interests and aptitudes, understand education and training they need to have those aspirations, develop industry-specific skills, and build their professional network beyond their immediate communities as 80% of jobs are filled through personal connections.¹

¹ Fisher, J. F. (2020, February 14). How to get a job often comes down to one elite personal asset, and many people still don't realize it. Retrieved from CNBC: <https://www.cnbc.com/2019/12/27/how-to-get-a-job-often-comes-down-to-one-elite-personal-asset.html>

Further, longitudinal data illustrates that engaging students in work-based learning programs is an effective way to increase the likelihood of high school graduation.¹ Students in NAF academies are more likely to graduate on-time than their peers who are not involved with career academies – especially those whose academic performance put them at risk of not graduating on time.² Students who graduated from a career academy amassed 11% more total earnings each year over the eight years following high school than those who did not attend a career academy. Youth who drop out of high school can expect to earn \$10,000 less annually compared to high school graduates.^{3,4} Work-based learning has proven economic benefits for Black and Hispanic/Latinx students and young people from families with low income.⁵ Black and Hispanic/Latinx students attending NAF academies also are shown to have higher high school graduation rates.⁶

Work-based learning also provides key benefits to industry partners as businesses help develop a talent pipeline aligned with their workforce needs, fill gaps between jobs through paid internships, and observe prospective employees in action before making the investment to hire them.^{7,8}

CONCLUSION

Work-based learning is a proven way to grow the talent pipeline and help prepare students to be future ready, whether students start directly in the workforce, begin an apprenticeship, or head to a community or four-year college. Work-based learning equips students with the essential skills, aspirations, and connections needed in any environment and prepares them to be adaptable wherever life's journey takes them. Breaking down the siloes between secondary education and partnering with high schools to provide work-based learning opportunities to students is critical; and employers must play an active role in developing a talent pipeline aligned with their workforce needs. By updating WIOA to **better support in-school youth and unify federal education workforce laws**, our future workforce will have the skills they need to succeed and employers will have the diverse talent they need to thrive.

ABOUT NAF

NAF is a national nonprofit organization that brings together education, business, and community leaders to ensure high school students are college, career, and future ready. For more than 40 years, NAF has partnered with high schools in historically under-resourced communities to enhance school systems by implementing NAF academies – small, focused learning communities within traditional public high schools themed around growing industries, including engineering, finance, health sciences, information technology, and hospitality and tourism. NAF academies partner with leading nationwide companies and local businesses to provide career-relevant knowledge, and hands-on, work-based learning experiences, including job shadowing, mock interviews, and paid internships, to high school students nationwide. During the 2022-23 school year, more than 112,000 students attended 604 NAF academies across 35 states and territories. NAF academies reported 99% of the seniors graduated with 88% of graduates planning to go to college.

1 Sun, J., & Spinney, S. (2017). Transforming the American High School Experience: NAF's Cohort Graduation Rates from 2011-2015. ICF International.

2 Ibid.

3 Kemple, J. J., & Willner, C. J. (2008). Career Academies Long-Term Impacts on Labor Market Outcomes. mdr.

4 ICF. (2017). Transforming the American High School Experience: NAF's Cohort's Graduation Rates from 2011-2015, 2017.

5 NAF. (2021). A Call to Expand Work-Based Learning in Challenging Times. Retrieved from NAF: <https://naf.org/wp-content/uploads/2021/01/NAF-2020-Policy-Paper.pdf>

6 Ibid.

7 Ross, M., Moore, K. A., Murphy, K., Bateman, N., DeMand, A., & Sacks, V. (2018, October). Pathways to high-quality jobs for young adults. Retrieved from Brookings: <https://www.brookings.edu/research/pathways-to-high-quality-jobs-for-young-adults/>

8 Benefits of Work-Based Learning. (n.d.). Retrieved from JFF: <https://www.jff.org/what-we-do/impact-stories/center-for-apprenticeship-and-work-based-learning/benefits-work-based-learning/#:~:text=Jobseekers%20also%20see%20work%2Dbased,of%20%20a%20skilled%20regional%20workforce>



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