Governors Support Maintaining 15 Percent Set-Aside for Statewide Activities

The nation’s governors strongly urge Congress and the Administration to maintain the full 15 percent set-aside for statewide activities under the Workforce Investment Act of 1998 (WIA). As leaders of their states, governors are uniquely positioned to innovate and advance systemic workforce development initiatives and have long been successful in this endeavor. Many states have used the governor’s 15 percent discretionary funding to support state and local projects focused on green technology, workforce innovation, veterans and at-risk populations. These projects and more are threatened by reducing the set-aside funds to states. Flexible workforce development and training funding is essential to address the emerging green jobs sector, returning veterans, retiring baby boomer generation and the still large number of unemployed Americans.

As evidenced in this report, maintaining WIA set-aside funding for statewide activities is essential at the state level to ensure the continuation of critical initiatives to address skills-gaps, spur economic growth and help get Americans back to work.

Summary of Statewide Activities
In October 2011, governors provided the National Governors Association (NGA) with examples of the diverse types of services supported through the 15 percent set-aside for statewide activities under WIA. These state examples underscore unique and varied state needs and the kinds of innovative initiatives and targeted strategies states implemented to advance their workforce systems. This summary is in no way inclusive of all the work being done by states; it is a small sample demonstrating the significant and vital impact made by the WIA set-aside for statewide activities. The examples are organized into the broad categories listed below.

1. Attracting and Retaining Businesses and Creating Jobs
2. Regional, Industry Specific Initiatives
3. Up-Skilling Low-Skilled and Low-Wage Workers
4. Career Readiness Certifications
5. Statewide System Building
6. Statewide Web-Based Services
7. Targeted Programs for Disadvantaged Youth
8. Jobs for America’s Graduates

Background
WIA authorizes the nation’s public workforce development system; a state-local system helping businesses increase productivity, strengthen competitiveness and meet skill and hiring needs, as it helps Americans gain skills, attain jobs, improve earnings and advance their careers. To support states as the incubators of innovation, WIA legislation allows governors to reserve, or “set-aside,” 15 percent of formula funding under Title I to carry out statewide employment and train-
ing activities for youth, adults and dislocated workers. Under the statute, up to 5 percent of the set-aside funds are used for state administration. Governors are required by statute to conduct certain activities with WIA set-aside funding and are given the authority to use any remaining funding for initiatives and innovations that address state-specific needs.

In many states, a substantial portion of the WIA set-aside for statewide activities is used to implement statutorily mandated activities—required activities are listed below. This is especially true for smaller sized or less populated states that receive an overall smaller amount of WIA formula funding. For this reason, any reduction to the WIA 15 percent set-aside for statewide activities will result in unfunded federal mandates for some states.

Required Statewide Activities for Adults and Dislocated Workers
1. Disseminating the state list of eligible providers of training services, including eligible providers of nontraditional training services, information identifying eligible providers of on-the-job training and customized training, and performance information and program cost information.
2. Conducting evaluations of activities.
3. Providing incentive grants to local areas for regional cooperation among local boards for local coordination of activities and for exemplary performance by local areas on the local performance measures.
4. Providing technical assistance to local areas that fail to meet local performance measures.
5. Assisting in the establishment and operation of one-stop delivery systems.
6. Operating a fiscal and management accountability information system.

Required Statewide Activities for Youth
1. Disseminating a list of eligible providers of youth activities.
2. Providing additional assistance to local areas that have high concentrations of eligible youth.
3. Evaluating activities, incentive grants to local areas, technical assistance to low performing local areas, establishment and operation of a one-stop delivery system.

Current Legislative Status
President Barack Obama’s budget requests for fiscal years 2011 and 2012 included a reduction to the WIA set-aside for statewide activities and in the fiscal year 2011 continuing resolution, Congress cut the set-aside from 15 percent to 5 percent; reducing the federal funding for states by two-thirds. Final fiscal year 2012 appropriations continue to fund the set-aside at 5 percent.

Highlights of States’ Use of WIA Set-Aside Funding for Statewide Activities

1. Attracting, Expanding and Retaining Businesses to Create New Jobs
Governors and states are working hard to leverage a variety of resources and incentives to attract, expand and retain businesses in today’s highly competitive, globalized economy. State-led initiatives not only strengthen a state’s economy and increases prosperity, but they also broaden the range of choices and opportunities for citizens and enhance the overall livability of communities. At the very core of this effort is the recognition that states must provide a talent pipeline of educated and skilled workers for businesses.

In Washington, the governor’s office joined with WorkSource, the National Center for Manufacturing Sciences, the Port and City of Bremerton and the state Department of Commerce to attract a new manufacturer, Profile Composites, to the state. The British Columbia based company—which makes collapsible wheelchairs, sport crutches and other assistive products—is committed to hiring veterans and individuals with disabilities and is designing its training and manufacturing facilities to accommodate all levels of
physical ability. A $100,000 investment of WIA set-aside funds will go toward workforce recruitment and integrating the company’s training with established college degree and certificate programs. The company is investing $10.4 million to build the facility and establish its training programs, creating at least 200 jobs.

To attract new businesses to the state and to assist existing industry recruitment and expansion, Tennessee invested more than $2 million of WIA set-aside funding in training incentives for businesses, largely in the manufacturing industry. Last year, this investment created or saved more than 5,700 jobs statewide. The flexible federal funding has been used to up-skill job seekers and incumbent workers, provide on-the-job training opportunities, create train-the-trainer programs and expand nationally recognized apprenticeship models.

Virginia used a portion of its WIA set-aside funding for initiatives that retrain workers who lost their jobs in declining industries for new jobs in growing industries. Project Lucia was a three-year initiative with the Virginia Department of Business Assistance to hire and train individuals from traditional backgrounds of textile and tobacco manufacturing to enable them to develop new skill sets that would ready them for jobs with Swedwood USA, an international manufacturer and distributor of wood furniture. The project resulted in 271 individuals hired. Further, the Canon Advanced Manufacturing Workforce Development Pipeline supports the recruitment and training needs for 880 technicians scheduled to be hired by Canon Virginia.

Massachusetts uses statewide set-aside funding to supplement statewide business services and the rapid response team. The Massachusetts statewide rapid response team works with companies on employee growth, retention or layoff reduction strategies. The team works with a company to assess needs and bring to bear all of the existing federal and state resources to help companies avoid layoffs or minimize the impact of staffing reductions through rapid reemployment activities. Last year, the Massachusetts team worked with approximately 286 companies, 22,655 dislocated workers and helped to secure more than $14 million in National Emergency Grants funding. This level of outreach and results would not be possible with the continued reductions to WIA set-aside funding.

Oregon’s Employer Workforce Training Fund, supported with WIA set-aside for statewide activities funding and an employer match of at least 100 percent, serves simultaneously as a workforce and economic development strategy. The initiative is designed to build a skilled workforce while retaining and growing Oregon’s existing business base and strengthening the state’s competitive position in the global marketplace. The three-part strategy provides customized, workplace training to workers currently on the job but struggling to keep pace with technological change and the demands of the modern workplace; builds the capacity of Oregon’s workforce development system to address statewide challenges because of skilled worker shortages in targeted industries; and supports retention and expansion of companies critical to regional economies across the state. Since 2003, more than 32,200 workers have been trained in 812 projects with employers.

2. Regional, Industry-Specific Initiatives
Across the country, regional, industry-specific initiatives have been widely successful both as business retention and business expansion models and as reemployment and career advancement tools for workers. These public-private partnerships leverage available resources to build training and employment programs that result in a pipeline of right-skilled workers prepared for good jobs in growing industries. Almost every state is moving toward regional industry approaches to increase training opportunities for workers, ensure that businesses have a ready workforce and reduce redundancies and administrative costs.

Colorado used more than $3 million from the WIA set-aside for statewide activities funding for subgrants
to 10 regional sector partnerships in the health care, manufacturing and energy industries. The set-aside funds were matched with an additional $1 million in public and private investments. More than 1,000 workers have been trained in high-demand occupations, with 700 acquiring jobs to date. Other sector activities the state has invested in include the creation of a Sector Toolkit, a customized technical assistance tool developed in partnership with six other states, and an annual statewide Sector Academy to provide training and technical assistance to the 10 regional sector partnership grantees.

To accelerate the expansion of industry clusters with high-growth and high-wage potential, Utah created a Cluster Accelerator Project (UCAP) with its WIA set-aside funding, a partnership between the Department of Workforce Services, the Office of the Commissioner for Higher Education and the Governor’s Office of Economic Development. The UCAP program puts industry leaders and key partners in the lead to leverage available resources, identify emerging occupations and required skills and create a sustainability plan. To date, UCAP has funded demonstration grants in aerospace, digital media, energy, health care and life science as well as projects with a regional emphasis, including rural communities.

In partnership with the state’s growing aerospace industry, Washington is leveraging $3 million in WIA set-aside funding to create state-of-the-art training programs that will help more than 500 workers attain the specialized skills needed to design, build and maintain aircraft. The funding also helps workers pay for any necessary costs of training, such as tuition, fees, tools or materials. This initiative builds on an earlier WIA set-aside investment that created a resource center specifically designed for recruiting, screening and training workers for aerospace production jobs; most notably, Boeing’s 787 Dreamliner. The resource center has trained and placed thousands of workers in aerospace industry jobs.

This year, Kentucky is leveraging $700,000 of WIA set-aside funding, state educational funding and private sector funding for a total of $50 million to create industry partnerships that will encourage employers to build a talent pipeline to support five statewide, targeted industry sectors that are emerging, growing and sustainable. The investments include a new online sector partnership toolkit and the development of employer identified career pathways. The long-term goal of the state’s industry partnership initiative is to create an infrastructure that will provide employer-led training and education that enhances the skills of incumbent workers and develops career pathways for the emerging workforce. In turn, it will raise earnings for workers and revenues of businesses by increasing productivity and quality of services within Kentucky.

Massachusetts committed $3.13 million in WIA state set aside funding to support Healthcare Skills Gap Partnership Grants in every region of the state. The 16 regional workforce boards partnered with more than 84 employers, including major Boston teaching hospitals and many community hospitals, and community colleges and other relevant partners, to assess regional skills gaps and to provide training to 936 workers in entry-level allied health occupations. Regional Healthcare Partnerships developed strategic plans to address health care skill shortages, including recommendations to improve the alignment of community college programs with the needs of health care employers and low-skilled workers. This funding also supported a demonstration project at one community college to support an Academy of Health Professions, providing stackable credentials, integrated developmental and occupational education, modular programming and flexible evening and weekend classes.

Minnesota’s Framework for Integrated Regional Strategies (FIRST) grant program launched with nearly $700,000 in WIA set-aside funding supported 16 local workforce areas in defining their regions using economic and labor market data based on distinguishing industries rather than geopolitical boundaries. The
program helped build collaborative frameworks and regional plans that leveraged state and local resources and ultimately improved economic competitiveness, regional prosperity and community success.

**California** is another state that invested set-aside funding in a health care sector initiative. The *California Nurse Education Initiative* is a public-private partnership that uses $6 million per year from the state’s WIA set-aside with more than $90 million in additional funding from public and private sources. In 2009, there were 10,570 registered nurse graduates in the state, an increase of 71 percent over the past five years.

In 2003, **Illinois** was one of the first states to use innovation funding—in coordination with federal and local employment and training funds—to launch regional sector initiatives. With an $18 million initial investment, Illinois created the *Critical Skill Shortage Initiative* that linked economic, workforce development and education efforts around major sectors such as health care, manufacturing and information technology. Illinois continued these efforts and since July 2008, has leveraged $21 million in 15 percent innovation funds to increase high-growth industry skill levels for both current workers and job seekers.

Through the braiding of WIA funding with other public and private sources, **Virginia** has spawned a collaboration between Canon Virginia, the Virginia Community College System, Thomas Nelson Community College, the Virginia Employment Commission and the local one-stop and workforce investment board in providing training and recruitment to fill high-skill jobs over four years. The annual wages of these jobs is approximately $40,200 plus benefits. Despite a worldwide economic turndown, a total of 471 high-skill technicians have been recruited, oriented, assessed and hired as a result of the work of the regional partners during the first three years. In addition to recruiting, orienting, assessing and hiring, the partnership has resulted in the establishment of an infrastructure, known as the Advanced Manufacturing Workforce Alliance, to manage the implementation aspects of the employment and training pipeline and includes the participation of local public school division.

### 3. Up-Skilling Low Skilled and Low Wage Workers

Even today, with a national unemployment rate hovering around 9 percent for non-veterans and 11 percent for veterans, employers still struggle to find skilled workers for available jobs. In a recent national skills gap study, 67 percent of businesses that responded reported a moderate to severe shortage of available, qualified workers and 56 percent anticipated the shortage will grow worse in the next three to five years. To address the skills gap and reduce unemployment, states are investing WIA set-aside for statewide activities funds and leveraging them with additional state dollars and matching funding from employers to train workers for open jobs today and to help upskill workers so they are prepared and competitive for tomorrow’s jobs.

**Massachusetts** also uses statewide set-aside funding to dedicate workforce development services for specific, low-skilled and low-wage populations. In Massachusetts, $1.2 million in state set-aside funding is leveraging $800,000 of state adult education funding to support work-based adult education, English for Speakers of Other Languages programs and pre-college instruction to 504 low-skilled workers at 11 businesses across the state. Participants come from 41 different countries and speak 20 different languages. Massachusetts also dedicated $1.3 million to seven transitional employment demonstration projects serving disconnected youth and chronically unemployed adults. The seven projects are providing career coaching, case management services, GED programs, occupational skills training and subsidized employment to 258 participants. It also supported the *Ex-Offender Initiative*, providing grants to several of the 16 workforce investment areas to implement direct service projects to support the needs of transitional ex-offenders. Implementation grants were awarded to four ar-
areas that had high numbers of returning ex-offenders and had shown strong community and public safety partnerships to serve pre and post release offenders. Planning grants were awarded to another three areas, to develop partnerships and map resources. The implementation grants served more than 1,500 ex-offenders, 481 behind the wall.

With funding support from the Virgin Islands WIA set-aside, Gold Coast Yachts retrained its workforce in polymers and their application which allowed the company to grow its business and avoid laying off employees. Not only was the company able to retain its workforce, it raised the wages of the 50 workers who completed a training program.

Alaska initiated a program to place nontraditional workers in construction industry employment through a $50,000 grant to the Cook Inlet Tribal Council funded through the WIA set-aside. The program leverages $100,000 in partner resources to increase the number of Native Alaskans who are trained and able to attain sustainable jobs in the construction industry. Alaska also invested $150,000 of WIA set-aside funds over two years to establish apprenticeships in the construction industry. The funds are used to pay for instruction costs, wage subsidies, supportive services and on-the-job training that allow participants to acquire skills in heavy civil construction, project management and administration.

California awarded $12.7 million in grants to 15 local community based organizations to provide training and specialized employment services to more than 2,200 veterans. Of the veterans who finished the program, 81 percent found work and are now receiving paychecks and civilian benefits in high-wage jobs in clean energy and other growing industries. These funds and more are needed to target thousands of war veterans returning from the conflicts in Iraq and Afghanistan. It is estimated that 30,000 veterans will return home beginning January 2012 and is likely that they will need to be trained in order to meet employer needs and obtain suitable employment. In concert with funds from local areas, community colleges and private sources, Virginia has applied WIA funding in the development of Middle College programs, in high-need areas of the state. This program allows individuals without a high school degree to increase their income and employability by simultaneously pursuing a GED, post-secondary education and a workforce certification in a college environment. The program offers targeted remedial courses, access to workforce readiness courses, enrollment in community college courses applicable to a degree or industry-based certificate and comprehensive support services. To date, the Middle College program has helped more than 70 percent of active participants receive a GED, more than 50 percent of GED completers to enroll in a post-secondary education program and almost 60 percent of the GED completers to earn a Career Readiness Certificate.

4. Career Readiness Certifications
States have long played a vital role in helping employers build the quality workforce pipeline they need. Programs to credential worker readiness were initiated in response to the challenges businesses face in finding qualified applicants. Employer supported work-readiness credentialing defines, assesses and certifies that individuals can meet the demands of entry-level work. Almost every state in the nation has implemented career readiness certification programs, either statewide or regionally. Career ready certifications are a successful and well-respected best practice that has been scaled-up and replicated across the country through the use of WIA set-aside funding.

Kentucky invested $500,000 of WIA set-aside funding to create industry partnerships that will encourage employers to build a talent pipeline to support five targeted industry sectors: automobile and aircraft manufacturing; transportation; distribution and logistics; business services and research and development; health care/social assistance; and energy creation/transmission. The industry partnerships are comprised of a consortium of employer representatives, employee associations, orga-
nized labor and representatives from the workforce. The State of Georgia has developed the Work Ready Regions program to assist job growth in the manufacturing sector. Currently, manufacturing is a growing industry for Georgia economic development. However, as Georgia’s manufacturing sector’s workforce is aging, new opportunities for job placement are growing. The Advanced Manufacturing Work Ready Region has worked in 62 counties to increase high school graduation rates and introduce young Georgians to the employment possibilities in the manufacturing sector.

In Oklahoma, more than 60,000 individuals have received a National Career Readiness Certificate (NCRC) signed by the governor. The state is the first in the nation to launch a statewide licensure for KeyTrain and Career Ready 101, a learning program and comprehensive career training course that prepares individuals for career-ready certification. Every business in the state, along with the state community colleges, high schools and libraries can use the program to help workers, job seekers, and students increase their career-ready skills and gain a portable, industry recognized credential. NCRC was initiated by the state in response to businesses’ demands for a public, statewide program that would provide employers with the assurance of workers’ career-ready skills.

CareerReady Colorado Certificate, funded through the state’s WIA set-aside, is an employer supported work-readiness credentialing system used statewide to provide confidence to employers when hiring and promoting employees and to provide job seekers an edge when competing for jobs. In 2010, more than 10,000 workers across the state were certified with the essential, core employability skills that employers require. The effort expanded during 2010 to include secondary/post-secondary education systems and the state’s correctional system.

Massachusetts was scheduled to start a statewide Basic Skills initiative to provide literacy and math assessment throughout all one-stop career centers. The initiative would have targeted job seekers with limited education and provided them with a skill assessment related to different job openings and tutoring services. For individuals assessed at very low-skill levels—for example, job seekers who could not pass the nationally recognized Career Readiness Certificate—the initiative would have provided computer-based tutoring and workshops using the WorkKeys/Train System.

Estimated to provide skill gains for more than 5,000 individuals over a one year pilot, the initiative was designed to address the fact that, on average, more than 50 percent of Massachusetts’ unemployment insurance claimant population demonstrates challenges with basic literacy and numeracy skills required for reemployment. This system would have allowed the Commonwealth to better assess the skill deficiencies of the unemployed, provide a lower cost method to boost a person’s math and literacy skills and increase the likelihood of reemployment for more than 50 percent of job seekers. This initiative was canceled because of Congressional cuts to the statewide set-aside funding this year.

Iowa used its WIA set-aside funds to support the Success in Steps Classroom project. This project established a classroom on campuses for students to work on literacy skills as well as soft skills and career exploration activities. The model provided students with a great deal of individual attention from the instructor and enabled them to receive their GED quickly. The emphasis on career preparedness also served to stimulate and encourage class members to set higher occupation goals and consider additional training to reach those goals. This program worked with both adults and youth; during the average funding year it served between 40 to 60 students. The loss of set-aside funding eliminated this program.

California awarded $26.7 million to 34 organizations for the California Clean Energy Workforce Training Program, of which $10 million was WIA Governor’s Discretionary funds, to create one of the nation’s largest green job workforce development programs. The program targets unemployed, underemployed, new workforce entrants and incumbent workers. It pro-
motes the use of sector strategies for training workers in occupations related to energy and water efficiency, renewable energy and alternative and renewable transportation technologies. Program participants receive a variety of green-related degrees and certificates such as certified green building professional, home energy rater, certified photovoltaic installer, water/energy auditor and weatherization specialist/auditor.

5. Statewide System Building
When Congress passed WIA, they understood each state is unique, with distinct assets and resources and diverse challenges and needs. Taking such factors into consideration, Congress set-aside flexible federal funding under WIA for statewide activities so governors could build a statewide workforce system and target funding when and where it is needed.

States use flexible WIA set-aside funding to build the framework for local services and programs. States also leverage the funding for statewide initiatives that serve all areas of the state and ensure all workers have access to appropriate programs and services. Whether it is investments to strengthen the system or targeted initiatives for underrepresented populations, the 15 percent set-aside funding is essential in maximizing the federal investment and building and supporting strategic, responsive statewide workforce development systems.

Oregon’s nationally recognized Career Pathways program—launched in 2004—received initial funding from the Governor’s Employer Workforce Fund—WIA set-aside—totaling approximately $725,000. This seed funding launched five colleges in the Career Pathways Initiative and expanded to 11 colleges in 2006. The “venture capital” provided through the WIA state set-aside leveraged other funding in subsequent years. Oregon was awarded WIA Incentive Grants for four consecutive years which were dedicated toward building Career Pathways statewide. In 2007, the Initiative was scaled to all of Oregon’s 17 colleges with funds from the Community College Strategic Fund (CCSF). Since 2009 the Career Pathways Initiative continues to be funded primarily through the CCSF with additional funds from Perkins, WIA Title II and WIA Title IV funding specific Career Pathway efforts. As part of this effort, the State Board of Education in July 2007 approved Career Pathway Certificates, short-term, “stackable credentials”—12 to 44 credits—tied to demand occupations in the local labor market. Since that time more than 200 certificates have been developed and approved in industrial & engineering systems, health services, business & management, human resources and agriculture and natural resources.

In 2005, when the U.S. Department of Labor’s primary focus was on physical co-location of workforce services, Illinois, supported with WIA set-aside funding, launched an online one-stop portal to expand access to education, workforce development and human services. Illinois workNet access goes beyond traditional one-stop partners and includes entities such as, libraries, churches, town halls and other providers. More than 3 million visitors access the Illinois workNet portal, with 177,719 jobseekers and 1,411 businesses having registered accounts. In addition, there are 4,372 workforce professionals registered, many of whom have received a Certified Illinois workNet Advisor certificate. To date Illinois invested almost $7 million to expand access to workforce services.

Massachusetts used statewide set aside funding to implement a High Performing Workforce Investment Board Initiative across its 16 Workforce Investment Boards (WIB). This process more clearly defined performance standards for regional workforce investment boards and the outcomes expected of WIBs beyond the federal standards in WIA. Specifically, the standard required each WIB to have a strategic plan based on the labor market skills gaps in the region and measurable outcomes for each strategy. It required each WIB to develop an outcome measurement tool—dashboard—to track success and a “revenue plan” that demonstrates attainment of funding beyond U.S. Department of Labor funding to underwrite strate-
gies in the region’s strategic plan. The effort has increased boards’ focus on labor market outcomes increased additional funding the board brings into the region and has resulted in new direct services for adults, youth and employers that would not have been possible through the traditional delivery system. Twelve of the sixteen boards have attained the new standards which, going forward, will be incorporated into the standard WIB certification for all Massachusetts boards.

In addition, statewide set aside funding leverages the operation of collective U.S. Department of Labor funded programs that do not support state level management costs.

For example, in Massachusetts a portion of set-aside funds pays for essential administrative functions not covered by the many mandated federal programs. Set-aside funding provides state management/oversight staffing for the following federal programs (fiscal year 2011 data):

- **Veterans Services Grant** outstations staff at each of the 34 one-stop career centers, making it possible for Massachusetts to provide staff-assisted services to 7,742 veterans.

- **Trade Adjustment Assistance** program enabled 2,436 workers who had lost their jobs because of international trade to receive case management services, job development and placement assistance, skill upgrading and customized training.

- **National Emergency Grant** programs benefited from state set-aside funds through the oversight and administrative support provided to seven grants that served 2,475 displaced workers.

- **Work Opportunities Tax Credit (WOTC)** offers tax credits to companies that hire job seekers identified as members of specific target populations. The grant funds received to operate this mandated program are limited; therefore, state set-aside dollars are used to cover a portion of the administrative functions necessary to manage the program. Over the 23 months, WOTC has issued 22,014 certifications that have the maximum potential tax credits to employers of $77,422,800.

**Minnesota’s** FastTRAC (Training, Resources, and Credentialing), supported with WIA set-aside funding for statewide activities, is a partnership among the Minnesota State Colleges and Universities system, Adult Basic Education, Human Services and Workforce Development. FastTRAC builds adult career pathways along an educational continuum, from foundational preparation to stackable credentials to a degree, by using integrated education and training models, modularized curriculum and intensive counseling and support services. The systemic changes made by FastTRAC have improved outcomes for low-wage, educationally under-represented adults through career pathways that lead to educational and employment opportunities.

**Iowa** invested its WIA set-aside funds for statewide activities funding for a project to increase employment through registered apprenticeship programs. The state offices of Apprenticeship and Workforce Development are coordinating education and career outreach activities and are implementing career guidance strategies and a new referral process to increase the number of referrals to apprenticeship and pre-apprenticeship programs. Today, one-stop career centers coordinate the development of pre-apprenticeship or training venues between participating Registered Apprenticeship programs and community-based organizations. Full collaboration between Iowa’s publicly funded workforce investment system and registered apprenticeship has leveraged each system’s strengths to increase regional talent development. Since 2005, 19,000 workers have participated in registered apprenticeships statewide.
Through a strategic planning process, Kentucky’s State Workforce Investment Board identified the need for local workforce investment boards to become more proactive and strategic in their efforts to align with state goals for education and economic development. To address this need the state board invested WIA set-aside funding for statewide activities to establish a High Impact Workforce Investment Boards Initiative. The initiative is an iterative, three-phased approach focusing on assessment, technical assistance, capacity building and High Impact Board certification. The initiative’s guiding principles aim to help build a statewide workforce system that is transparent, integrated and data driven as well as agile and capable of responding to changing economies and regional needs.

Delaware has used set-aside funding for new and innovative programming in in-demand occupations. One particular initiative was to jump start a nurse training effort throughout the community college system that linked the three major employers of nurses—hospitals, long term care facilities and state hospitals—with the community college system. As a result of this effort, there has been a considerable expansion of nursing training in the state.

6. Statewide Web-Based Services

One of the challenges of the current local one-stop career center structure is that it relies mainly on “bricks and mortar” locations. This localized structure can pose a tremendous hurdle for job seekers, especially those living in rural America and other areas where there is no one-stop career center close by, and also for those who work or go to school during one-stop career center hours of operation. To modernize the workforce system, states are investing WIA set-aside funding for statewide activities to deliver one-stop career services virtually so they can be accessed by anyone, anywhere, anytime.

An employer-driven effort in Oklahoma resulted in the launch of a comprehensive web portal that allows jobs seekers to explore industries, occupations, salaries, shifting demand, job openings, education and training and more. The portal links to Oklahoma Career Information System that is used by job seekers to assess their skills and interests, evaluate education and training opportunities, plan courses, find financial aid and create resumes. The web-portal is a systemic career development tool envisioned by businesses and funded with WIA set-aside for statewide activities funding.

Mississippi used WIA set-aside funds to create a new real-time, integrated web-based tool called Workforce Integrated Network Global Services (WINGS). WINGS assists employers with the recruiting and hiring process while helping job seekers search and apply for jobs and manage online job applications. WINGS also bridges unemployment insurance claimants with employment services and allows for statewide, high-performance data administration and cross-program case management.

Utah invested WIA set-aside funding to create UtahFutures.org, a comprehensive career information system for students, job seekers, employment service providers and educational institutions. The website provides cutting-edge career planning tools, real-time labor market information, job search success skills training, education and job training options and direct links to Utah employers and employment opportunities. More than 400,000 students and job seekers statewide are using the website to organize training, education and career information online. In one month, the site received more than 4 million hits, representing more than 91,000 user sessions.

New Mexico’s Workforce Connection and Career Solutions, a virtual one-stop system, connects both students and job seekers with a vast array of tools including career exploration and assessments, career cluster information, training and educational opportunities and a myriad of job hunting and labor exchange information. The website also includes a directory of services for employers with targeted information including recruiting and hiring services, workplace safety and health, human resources
Nevada created a new website within its statewide network specifically to assist youth. *Nevada JobConnect for Youth*, a WIA set-aside funded website provides youth with education and training choices and links to interactive tools like the “skills profiler” to help them make smart employment and career decisions. *JobConnect for Youth* is part of *Nevada JobConnect*, a comprehensive statewide network of workforce development services including recruiting, retention, training and retraining, education and career advancement, outplacement services and information on labor law and labor market statistics. *Nevada JobConnect* makes all these services available to everyone at all times in a single online location.

Massachusetts supported a three-year initiative to create an online database that helps match job seekers with local businesses whose hiring needs would mostly match their interests and abilities. The Job Guide System also allows users to identify industry subsectors within a given occupation, learn about the staffing patterns of certain industries and obtain the contact information of potential employers. These instruments will match job seekers’ skills and experience with target occupations, ultimately helping to reduce unemployment and increase local economic growth.

7. Targeted Programs for Disadvantaged Youth

The WIA set-aside funds for statewide activities provide critical flexible funding to build and operate programs for at-risk students and young adults to reduce dropout rates, improve student academic achievement, close the achievement gap and ultimately, secure America’s economic prosperity. The partnerships forged with these funds between states, local/regional workforce investment boards, high schools, community colleges, community organizations and businesses have heightened the focus on longer-term academic and occupational learning and comprehensive service strategies and created countless opportunities for young people to graduate from school, prepare for and enter college and find stable jobs.

Michigan created an *Earn and Learn* program with WIA set-aside funding that provides low-income, disconnected youth with concurrent subsidized employment and education services. This year, the state plans to fund the program with $4.5 million in public funds including funding from the WIA set-aside, leveraging an additional $9 million from philanthropic partners to significantly increase the number of youth served statewide.

Iowa used WIA set-aside funds for the *What is Needed-Jobs* (WIN-Jobs) program, aimed to re-engage dropouts about job and career opportunities by helping them develop a career vision and then providing them with work readiness skills, computer literacy skills and GED instruction during a concentrated 8-week class. State employees followed up with participants during employment to address any needs and assist with next career steps. This program served between 60 to 75 participants annually.

In addition, WIA set-aside funds were used to supplement funding for the Drop-Out Re-engagement Center, which provided a “one-stop” entry point for youth and young adults to be assessed for secondary or post-secondary education and gave needed support for re-engagement in an educational career pathway. During a two-year period of time, 93 participants received GEDs, 5 returned to high school, 61 passed a portion of the GED exams, 37 received Career Readiness Certificates and 15 were enrolled in post-secondary education programs.

Finally, Iowa has used a navigator model to provide WIA services to ethnic minorities and ex-offenders between the ages of 16 to 24. The navigator disabilities modeled project provided an intensive 30 hour pre-employment skills class, including a basic introduction to the skills necessary for entry-level positions and an emphasis on green jobs, followed by opportunities for work experience or classroom training. Net-
working with local employers was a key component of the program. Participants were awarded a work performance rating and a National Career Readiness Certificate based on WorkKeys testing. They were also provided with options for post-secondary training. Although facets of these programs have been developed into the local formulas, on a large scale these programs no longer exist because of the reduction in WIA set-aside funds.

**Indiana** invests WIA set-aside funding for a model statewide summer jobs program for youth. Participating students attend classes to recover high school credits in the morning and participate in a paid internship in the afternoon. The funds are aimed at providing disadvantaged 14 to 24 year-old youth with job training skills and schooling to prepare them to continue their education or enter the workforce.

In **New York**, with an average unemployment rate of 16.5 percent for youth ages 16 to 24—even more for minorities in that age group with 30.4 percent for African Americans and 27.2 percent for Hispanics—the state launched *Summer Jobs Express!* with $5.5 million from the state’s WIA set-aside and $15.5 million in TANF funding. The initiative allowed local workforce investment boards to team up with businesses that provided work experiences to more than 11,270 youth. Funding went toward work readiness training, supportive services and wages for these young adults considered at-risk.

**Wyoming** uses a portion of WIA set-aside funding to support an annual *Latina Youth Conference*. The three-day event attracts students in grades 5 through 9 from across the state and is committed to enriching and empowering young Hispanic women through mentorship, education, awareness and promoting individual success.

In **Virginia**, the *Great Expectations Transitional Education and Workforce Development Program* supported with WIA set-aside funding helps at-risk foster youth complete high school and prepare for and enter college or employment. Across the state, 12 community colleges provide comprehensive services to at-risk foster youth, including career assessment, goal setting, education and training opportunities, life skills training, preparation for employment, tutoring, mentoring, case management and job placement or college enrollment assistance.

The **California** Gang Reduction, Intervention and Prevention (CalGRIP) initiative awarded $7.5 million from the state’s WIA set-aside to 16 local organizations to provide at-risk youth with educational opportunities, career pathways, job training and employment services. In total, 1,146 young people ages 14 to 24 were served last year, with 60 percent of the younger kids entering formal training and 47 percent of older youth entering employment.

Over the last eight years, **Massachusetts** supported all 16 regional workforce investment boards under an initiative called *Pathways to Success by 21 (P21)* that created regional partnership teams to focus on strengthening youth employment and educational outcomes for disconnected youth. As a result of the P21 partnerships, in the summer of 2009 with ARRA, WIA and state funds, more than 30 percent of the combined 12,000 youth who were served were TANF, court-involved, state custody or persons with disabilities. In addition, one-stop career centers in urban areas opened “dedicated” youth one-stop career centers to better serve youth and older youth job seekers. This work is now integrated into Race to the Top and the newly created Governor’s Youth Readiness Cabinet.

**Illinois** invested nearly $1.7 million to launch a summer youth program in cooperation with **Illinois Department of Natural Resources (IDNR)**. It provided 473 youth with paid work experience at state parks and other conservation sites. Around the same timeframe, Illinois provided almost $2.5 million to give more than 637 youth on-the-job training opportunities to learn sustainable agriculture practices, garden maintenance, health food preparation and eating habits, while gaining new skills and knowledge in food distribution and
marketing through community gardens.

8. Jobs for America’s Graduates
The Jobs for America’s Graduate’s (JAG) is a national program dedicated to preventing high school dropouts among young people who are most at-risk. The highly successful program helps students stay in school through graduation, pursue postsecondary education and secure quality entry-level jobs leading to career advancement opportunities. Nationwide, 33 states leverage private and public funds to operate JAG programs with 10 states relying fully or in part on the WIA statewide set-aside funds.

Tennessee has invested at least $400,000 of the WIA state set-aside funding every year with 50 percent matched from the Tennessee Department of Education to support the Jobs for Tennessee Graduates program. Statewide, more than 1,500 high school seniors have graduated each year with this credit from participation in the program.

Mississippi has served more than 2,000 at-risk students in their JAG program with an 85 percent success rate. JAG student graduates receive 12 months of follow-up services to ensure a successful transition to work or post-secondary education.

In Michigan, the 182 students enrolled in JAG increased their core competencies by 20 percent, and 98 percent of the participants completed the program.

The Virgin Islands established its JAG program in all four of the territory’s high schools to reduce dropout rates of ninth and tenth graders.

Iowa serves approximately 85 WIA eligible, at-risk students each year across the state and co-enrolls the students in the WIA youth Program to ensure they receive the wrap around services necessary to successfully graduate. Over the past 12 years, Iowa JAG has produced an average 93 percent graduation rate among its participants.

Conclusion
Many of the most innovative, nimble and effective workforce system strategies in effect today were created and implemented with WIA set-aside funding for statewide activities. These flexible funds have led to strong, responsive statewide workforce systems that are helping to attract and retain businesses, create jobs, upskill workers and ensure America’s students are successful in school and work.

The WIA 15 percent set-aside funds for statewide activities is the only federal funding available at the state level and the most flexible funding under the statute. Matching funds from other state sources and from the private sector enhance the impact and reach of the set-aside funds and strengthen the ownership and involvement of businesses, industries, philanthropies and communities.

Any further reductions to the WIA 15 percent set-aside for statewide activities funding will greatly diminish the capacity of states to create and implement innovative economic development and workforce programs. As evidenced by these examples, a federal reduction of funds will have an immediate and profound negative impact on students, job seekers and workers, as well as businesses and industries. For all these reasons, the nation’s governors strongly support the 15 percent set-aside for statewide activities under WIA and urge Congress and the Administration to uphold the WIA law to ensure that states can continue to operate innovative programs and initiatives and eliminate any unintended consequences.

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