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The Workforce Investment Act (WIA): Program-by-Program Overview and FY2006 Funding of Title I Training Programs

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Summary

Title I of the Workforce Investment Act of 1998 (WIA) (P.L. 105-220) authorizes several job training programs, including Youth, Adult, and Dislocated Worker Activities, Job Corps, the Native American Program, the Migrant and Seasonal Farmworker Program, and the Veterans' Workforce Investment Program. This report, which will be updated, briefly summarizes each WIA program and its FY2006 funding, including the FY2006 budget request, the FY2006 appropriation (P.L. 109-149), and for historical reference the FY2005 appropriation (P.L. 108-447).

Introduction

Title I of the Workforce Investment Act of 1998 (WIA) (P.L. 105-220) provides job training and related services to unemployed or underemployed individuals. This report briefly summarizes each WIA program and its FY2006 funding, including the FY2006 budget request, the FY2006 appropriation (P.L. 109-149), and for historical reference the FY2005 appropriation (P.L. 108-447). WIA programs operate on a July 1 to June 30 program year (PY). FY2006 funding appropriations would fund programs from July 1, 2006 until June 30, 2007. Although WIA authorized funding through September 30, 2003, WIA programs continue to be funded through annual appropriations.

Congress considered two bills to reauthorize and revise WIA in the first session of the 109th Congress. On March 2, 2005, the House passed H.R. 27 (H.Rept. 109-9), the Job Training Improvement Act of 2005. On September 7, 2005, the Senate Committee on Health, Education, Labor, and Pensions reported S. 1021 (S.Rept. 109-134), the Workforce Investment Act Amendments of 2005. No further action has taken place. For information on WIA reauthorization, see CRS Report RL32778, *The Workforce Investment Act of 1998 (WIA): Reauthorization of Job Training Programs in the 109th Congress*, by Ann Lordeman.

Program-by-Program Overview of WIA Title I Programs

Except for the Job Corps and the Veterans' Workforce Investment Program, all WIA programs are administered by the Department of Labor's (DOL) Employment and Training Administration (ETA). The administration of Job Corps and Veterans' Workforce Investment is discussed below.

Youth Activities (Subtitle B, Chapter 4). This program provides training and related services to low-income youth ages 14-21 through formula grants allocated to states, which in turn allocate funds to local entities.

Adult Activities (Subtitle B, Chapter 5). This program provides training and related services to individuals ages 18 and older through formula grants allocated to states, which in turn allocate funds to local entities. Any individual may receive "core" services (e.g., job search assistance); to receive intensive services (e.g., individual career planning and job training), an individual must need these services to become employed or to obtain or retain employment that allows for self-sufficiency.

Dislocated Worker Activities (Subtitle B, Chapter 5). In general, of the funds appropriated for this program, 80% are allocated by formula grants to states (which in turn allocate funds to local entities) to provide training and related services to individuals who have lost their jobs and are unlikely to return to those jobs or similar jobs in the same industry. Generally, 20% of the appropriation is reserved by DOL for a national reserve account, which in part provides for national emergency grants to states or local entities.

Job Corps (Subtitle C). This residential job training program provides services to low-income individuals ages 16-24 primarily through contracts administered by DOL with corporations and nonprofit organizations. Currently, there are 122 Job Corps centers in 48 states, the District of Columbia, and Puerto Rico. Neither New Hampshire nor Wyoming has a Job Corps center at this time. A total of approximately \$18.0 million in FY2005 and FY2006 funds has been appropriated for the expansion of Job Corps with priority to be given to states that do not have a center (H.Rept. 109-337).

The FY2006 appropriations (P.L. 109-149, Section 102) directed DOL to transfer Job Corps from ETA to the Office of the Secretary of Labor within 90 days of enactment of the bill. This bill was enacted on December 30, 2005.

Native Americans Program (Subtitle D, Section 166). This program provides training and related services to low-income Indians, Eskimos, Aleuts, and Native Hawaiians through formula grants to Indian tribes and reservations and other Native American groups.

Migrant and Seasonal Farmworker Program (Subtitle D, Section 167). This program provides training and related services, including technical assistance, to disadvantaged migrant and seasonal farmworkers and their dependents through discretionary grants awarded to public, private, and nonprofit organizations. This program is also referred to as the National Farmworker Jobs Program.

Veterans' Workforce Investment Program (Subtitle D, Section 168). This program provides training and related services to veterans through competitive grants to states and nonprofit organizations. It has been administered by DOL's Veterans' Employment and Training Service since FY2001.

Responsible Reintegration for Young Offenders (Subtitle D, Section 171). This competitive grant program funds projects that serve young offenders and youth at risk of becoming involved in the juvenile justice system. This program, first funded in FY2000, is specified only in annual appropriations language.

Prisoner Reentry Initiative (Subtitle D, Section 171). This competitive grant program funds faith-based and community organizations that help recently released prisoners find work when they return to their communities. First funded in FY2005 under the general authority of WIA Section 171, this program is directly specified only in annual appropriations language.

Community-Based Job Training Grants (Subtitle D, Section 171). This competitive grant program funds entities to strengthen the capacity of community colleges to train workers in the skills required to succeed in high-growth, high-demand industries. In PY2005, competition was limited to community colleges. First funded in FY2005 under the general authority of WIA Section 171, this program is directly specified only in annual appropriations language. In PY2006, one-stop career centers will also be eligible to apply for grants as directed by the FY2006 conference report (H.Rept. 109-337).

WIA FY2006 Budget Request and FY2005 and FY2006 Appropriations

Under the President's FY2006 request, aggregate funding for WIA programs would have decreased by \$252.9 million, or 4.8% compared to the FY2005 funding level of \$5.3 billion. Under FY2006 appropriations, WIA programs in aggregate are funded at \$5.1 billion, a decrease of aggregate funding decreased by \$227.5 million, or 4.3% compared to FY2005. **Table 1** shows the FY2005 and FY2006 appropriations and the FY2006 budget request for all WIA programs and activities. The FY2006 appropriations in this report include appropriations for both FY2006 and FY2007, and are subject to supplementals and rescissions.

Legislative Proposals in the FY2006 Budget Request. The President proposed a "WIA Plus Consolidated Grant Program" as part of the FY2006 budget request. This new program would have been a formula grant program to states that combined funding for WIA Youth, Adult, and Dislocated Worker Programs, and the Employment Service (ES) Allotments to States and the Reemployment Grants. H.R. 27, the Job Training Improvement Act of 2005, which passed the House on March 2, 2005, would create a consolidated adult program by combining the state grants for the WIA adult and dislocated worker programs with the state reemployment grants and state employment service grants. H.R. 27 does not include the WIA youth program in its consolidated program. The President also proposed permitting states to have the option of consolidating other employment and training programs with the proposed consolidated grant program. These "menu options" would have included Veteran Employment

programs administered by DOL, Trade Adjustment Assistance Training, also administered by DOL, Vocational Rehabilitation and Adult Education, both administered by the Department of Education, and Food Stamps Employment and Training, administered by the Department of Agriculture. No appropriations bill or separate legislation has established the WIA Plus Consolidated Grant Program.

Also, in FY2006, the President proposed transferring the Youthbuild Program from the Department of Housing and Urban Development to the Department of Labor. This program provides disadvantaged young adults with education and employment skills through rehabilitating and constructing housing for low-income and homeless people. No appropriations bill or separate legislation has transferred Youthbuild to DOL.

**Table 1. WIA FY2005 and FY2006 Appropriations
and FY2006 Budget Request**

(\$ in thousands)

Program	FY2005 appropriation^a	FY2006 request	FY2006 appropriation^b
WIA grand total	\$5,315,961	\$5,063,013	\$5,088,466
Youth Activities (Formula Grants) ^c	986,288	950,000	940,500
Adult Activities (Formula Grants) ^c	889,498	865,736	864,199
Dislocated Worker Activities	1,469,714	1,343,584	1,471,903
— <i>Formula Grants (non-add)</i> ^c	<i>1,184,784</i>	<i>1,074,867</i>	<i>1,189,811</i>
— <i>National Reserve (non-add)</i>	<i>281,930</i>	<i>268,717</i>	<i>282,092</i>
— <i>Community-Based Job Training Grants (non add)</i> ^d	<i>0</i>	<i>0</i>	<i>125,000</i>
— <i>National Emergency Grants (non-add)</i> ^e	<i>284,930</i>	<i>268,717</i>	<i>157,092</i>
Job Corps	1,554,981	1,517,019	1,564,180
Native Americans	54,238	54,238	53,696
Migrants & Seasonal Farmworker ^f	76,259	0	79,751
Veterans' Workforce Investment	8,482	7,500	7,425
Responsible Reintegration for Young Offenders	49,600	0	49,104
Prisoner Reentry Program	19,840	35,000	19,642
Community-Based Job Training Grants	124,000	250,000	0
Technical Assistance	2,958	2,000	509
Pilots, Demonstrations & Research	85,167	30,000	29,700
Evaluation	7,936	7,936	7,857

Source: FY2005 amounts for all programs, except for Veterans Employment, are compiled from data at [[http://www.doleta.gov/budget/06app\\$.pdf](http://www.doleta.gov/budget/06app$.pdf)]. The FY2005 Veterans Employment amount is from the Congressional Record, daily edition, December 13, 2005, page H11391. The FY2006 budget request is compiled from data at [[http://www.doleta.gov/budget/06req\\$.pdf](http://www.doleta.gov/budget/06req$.pdf)]. The FY2006 appropriations are compiled from data at [[http://www.doleta.gov/budget/07req\\$.pdf](http://www.doleta.gov/budget/07req$.pdf)]. The FY2006 Veterans Employment amount is from the DOL FY2007 Budget Justifications. For information on the FY2007 Budget Request, see CRS Report RS22396, *The Workforce Investment Act (WIA): Program-by-Program Overview and FY2007 Funding of Title I Training Programs*, by Ann Lordeman.

- a. FY2005 appropriations are adjusted for (1) the 0.80% rescission contained in P.L. 108-447; (2) the 1.0% rescission contained in P.L. 109-148, which applies to FY2006 advance funding contained in FY2005 appropriations (P.L. 108-447); (3) the \$125.0 million rescission from the community-based job training grants contained in P.L. 109-149; and (4) the \$125.0 million supplemental for National Emergency Grants contained in P.L. 109-148.
- b. FY2006 appropriations are adjusted for the 1.0% rescission contained in P.L. 109-148.
- c. For state formula grant allocations, see [<http://www.doleta.gov/budget/statfund.cfm>].
- d. P.L. 109-148 rescinded \$125.0 million appropriated for FY2005 for the National Reserve.
- e. P.L. 109-148 provided a supplemental appropriation of \$125.0 million for National Emergency Grants related to the 2005 Gulf Coast hurricanes. Funds may be used to replace grants previously obligated to the impacted areas.
- f. Migrant and Seasonal Farmworker funds include funds for technical assistance.