



## REAUTHORIZATION OF THE WORKFORCE INVESTMENT ACT

Opportunity Nation believes that the Workforce Investment Act (WIA) should: (1) support students at-risk of dropping out of school; (2) provide effective services for youth; (3) encourage partnerships to improve impact; (4) support innovation through evidence-based initiatives; (5) strengthen performance measurement; and (6) support pay-for-performance strategies.

Support Students At-Risk of Dropping Out of School – Every year, too many students fail to graduate from public high school with their class, resulting in higher levels of unemployment, poverty, public assistance, crime and imprisonment than their graduating peers. In 2011, only 80 percent of students graduated in four years. Graduation rates for African Americans and Hispanics – those disproportionately failing to access the American Dream – were 69 and 73 percent, respectively. The lost lifetime earnings for the Class of 2010 dropouts alone total more than \$337 billion.

- To ensure that programs can serve more in-school students, Opportunity Nation recommends that the definition of “eligible youth” be amended to include students who are at risk of dropping out.
- In addition, WIA should enhance opportunities available to youth that focus on: reentry and completion of secondary education; enrollment in postsecondary education and advanced training; multiple pathways to secondary and postsecondary success; and employment that leads to economic self-sufficiency.

Provide Effective Services for Youth – To help increase pathways that will lead to successful outcomes for youth in education and workforce initiatives, WIA should support effective services for youth that include:

- Creation and implementation of multiple pathways for students to complete high school, including: pathways that offer students flexible schedules (such as evening classes, year-round programs and open enrollment); pathways that reduce “seat time barriers” by allowing students to graduate without having spent a specific period of time in a classroom; and programs provided outside the regular high school setting.
- Increasing access to accelerated learning programs, such as Advanced Placement and International Baccalaureate courses and programs; dual- and concurrent enrollment programs; and other programs that provide a “bridge” between secondary and postsecondary education.
- “Early warning systems” that identify students at risk of dropping out and provide them with services designed to keep them in school and help ensure their continued progress.
- Work-based learning and related activities that align with and are part of a student’s academic program and help students prepare for fulfilling and productive careers.

- Activities specifically designed to enable youth who have dropped out of school to re-enter and obtain a high school diploma.
- Provision of wrap-around support services, such as academic and career planning, mentoring and tutoring, activities designed to increase “personal agency” and other academic, career and social supports demonstrated to be effective in assisting students in graduating or assisting dropouts in re-entering school and completing a high school education.

**Encourage Partnerships to Improve Impact** – WIA should support increased collaboration between the workforce development system, higher education and employers to encourage opportunities that allow students to simultaneously earn credit for work-based learning.

- Accordingly, Opportunity Nation supports S. 1269, the Community College to Career Fund Act, introduced in 2013 by Senators Franken (D-MN), Schatz (D-HI), and Durbin (D-OH).
  - S. 1269 authorizes competitive grants to partnerships between employers, institutions of higher education and community-based organizations to support job training-related efforts, such as registered apprenticeships, on-the-job training opportunities and paid internships for low-income students that allow them to simultaneously earn credit for work-based learning in a high-skill field.

**Support Innovation through Evidence-Based Initiatives** – WIA should encourage efforts, such as the Workforce Innovation Fund, that will help to scale and replicate innovative activities that are based on evidence of success.

- In general, Opportunity Nation supports the Workforce Innovation Fund under WIA because it is specifically designed to support innovative strategies and activities, or to replicate and expand effective evidence-based strategies and activities.
- Opportunity Nation also recommends that the Workforce Innovation Fund focus on the implementation, replication and expansion of innovative and proven strategies designed to substantially improve education and employment outcomes for youth.

**Strengthen Performance Measurement and Accountability for Results** – The reauthorization of WIA should strengthen performance measurement, accountability for results, and the development of evidenced-based programs and interventions.

- Opportunity Nation believes that WIA should authorize the establishment of common performance indicators across all authorized programs.
- States should conduct evaluations of programs (based on the common performance indicators) and use the results of such evaluations to continuously improve programs, give priority to programs that can demonstrate effectiveness, and terminate grants that are not meeting common performance measures.

**Support Pay-for-Performance Strategies** – Opportunity Nation supports evidence-based, pay – for-performance models that will support effective programs and activities with demonstrated results. Historically, the federal government has supported programs regardless of whether the services delivered actually achieved results, as long as providers met federally-proscribed rules

that focused on inputs. As a result, the federal government has funded programs that haven't necessarily worked, costing taxpayers and negatively affecting the very individuals that programs were intended to help.

Pay-for-performance initiatives have the potential to change the status quo by ensuring that federal funding is linked to results and outcomes. Under pay-for-performance models, government dollars are paid out when providers achieve intended results for the people they serve. Programs enjoy flexibility and in return, receive federal support based on the extent to which they meet performance measures.

- Accordingly, Opportunity Nation recommends that WIA be amended to include pay-for-performance models.
  - Opportunity Nation supports the pay-for-performance pilot program proposed in S. 804, the Careers through Responsive, Efficient, and Effective Retraining Act introduced by Senators Portman (R-OH) and Bennet (D-CO).
    - This legislation would establish incentives for accountability by establishing a pilot program that implements a pay-for-performance model for the delivery of job training programs in at least five states (including at least one rural state) that voluntarily opt-in. If job training providers in these participating states are unable to deliver results in a measurable, data-based manner, the provider will not be reimbursed in full.
  - Opportunity Nation supports the pay for performance provisions contained in H.R. 803, the Supporting Knowledge and Investing in Lifelong Skills (SKILLS) Act.
    - Under H.R. 803, the Governor is authorized to reserve up to 10 percent of the state allocation for local areas to use on pay-for-performance initiatives that will ensure public dollars are paid out when providers achieve intended results for the people they serve.
  - Opportunity Nation supports the pay-for-performance provisions contained in S. 1269, the Community College to Career Fund Act, introduced by Senators Franken (D-MN), Schatz (D-HI), and Durbin (D-OH).
    - S. 1269 supports pay-for-performance strategies, where training providers, community colleges and local workforce organizations are rewarded for more effectively helping trainees find permanent jobs. These strategies would also provide stronger incentives to effectively place individuals with greater barriers for employment.



# Opportunity Nation is a bipartisan, national campaign comprised of more than 300 businesses, educational institutions, nonprofits and civic organizations working together to expand economic mobility and close the opportunity gap in America.

## Mission

Opportunity Nation's mission is to restore the promise of the American Dream by ensuring that all Americans – regardless of where they were born – have the opportunity to thrive.

## Approach

Today, the American Dream is out of reach for far too many. We believe that to address this crisis, it will take all of us: public, private and nonprofit sectors; Democrat and Republican; urban, suburban and rural residents; all working together to ensure our young people and future generations have an equal chance to succeed.

Through the work of our diverse **coalition**, the **Opportunity Index**, our **Shared Plan** and the national **Opportunity Summit**, we stimulate the conversation, advance issues and bring together unlikely allies to jumpstart the American Dream.

## Values

We believe that:

- Expanding Opportunity is the defining issue of our time. Closing the Opportunity Divide will take innovative, bipartisan, cross-sector solutions.
- Though our nation's young adults face unprecedented challenges, they are motivated, talented and our greatest untapped resource. Creating a better future for them will benefit us all.
- In a free society, some inequality is unavoidable. But inequality without the chance of mobility is economically insufficient and unjust.

*Opportunity Nation is a campaign of Be the Change, Inc., a 501(c)3 nonprofit organization.*

