



The Workforce Innovation and Opportunity Act (WIOA) & Incumbent Worker Training Guide

About WIOA	Page 1
What is Incumbent Worker Training	Page 1
Types of Work-Based Learning	Page 3
Incumbent Worker Training Funding Programs- Federal	Page 5
Incumbent Worker Training Funding Programs- By State	Page 5-9

Incumbent Worker Training

About WIOA

The Workforce Innovation and Opportunity Act (WIOA) (Pub. L. 113-128) is a transformative law designed to strengthen our nation's public workforce system, helping Americans, particularly youth and those with barriers to employment, access the education, training, and support services they need to obtain and advance in quality jobs and careers, and to help businesses hire and retain the skilled workers they need to succeed in a global economy. WIOA ensures that the needs of businesses and workers drive workforce solutions and it increases and aligns coordination among key employment, education, and training programs.

What is Incumbent Worker Training?

Incumbent worker training (IWT) under WIOA provides both workers and employers with the opportunity to build and maintain a quality workforce and increase both participants' and companies' competitiveness. It is a type of work-based training and upskilling designed to ensure that employees of a company can acquire the skills necessary to retain employment and advance within the company, or to acquire the skills necessary to avert a layoff. Incumbent worker training is responsive to the special requirements of an employer or a group of employers in partnership with other entities for the purposes of delivering training to:

- ◆ Help avert potential layoffs of employees, or
- ◆ Increase the skill levels of employees so they can be promoted within the company and create backfill opportunities for the employers.

HOW CAN INCUMBENT WORKER TRAINING BE USED UNDER WIOA?

Local workforce development boards (WDBs) can use up to 20 percent of their adult and dislocated worker allocations to provide for the federal share of the cost of providing Incumbent Worker training (see WIOA section 134(d)(4)). Generally, the employer selects and procures the training provider, although LWDBs may help identify training providers, such as those on the Eligible Training Provider List (ETPL).

Example: A local area that receives \$1.5 million in Adult funds and \$1.0 million in Dislocated Worker funds may use up to \$500,000 (20% of the total -- \$300,000 Adult and \$200,000 Dislocated Worker) for IWT.

The portion of adult and dislocated worker funding for IWT can be used for IWT activities that are programmatic in nature. Related administrative activities are paid out of the Boards' administrative funds.

The Local WDBs must determine an employer's eligibility for participating in IWT based on the following factors which help to evaluate whether training would increase the competitiveness of the employees and/or employers:

- ◆ The characteristics of the individuals in the program (e.g. "individuals with barriers to employment" (WIOA section 3(24)));
- ◆ The relationship of the training to the competitiveness of the individual and employer;
- ◆ Other factors the state or local boards may determine appropriate which may include:
 - ◇ the number of employees participating in the training;
 - ◇ the employees' advancement opportunities along with wages and benefits (both pre- and post-training earnings);

Learn More About WIOA

Information and **guidance** for WIOA can be found at doleta.gov/WIOA

ION, the technical assistance initiative for WIOA, can be accessed by visiting **WorkforceGPS**: ion.workforcegps.org



The Workforce Innovation and Opportunity Act

WIOA Desk Reference

- ◇ the existence of other training and advancement opportunities provided by the employer;
- ◇ credentials and skills gained as a result of the training;
- ◇ layoffs averted as a result of the training;
- ◇ utilization as part of a larger sector and/or career pathway strategy; or
- ◇ employer size.

For an employer to receive Incumbent Worker Training funds, individual(s) receiving training must be:

- ◆ Employed;
- ◆ Meet the Fair Labor Standards Act requirements for an employer-employee relationship; and
- ◆ Have an established employment history with the employer for 6 months or more (which may include time spent as a temporary or contract worker performing work for the employer receiving IWT funds).
- ◆ If IWT is being provided to a cohort of employees, not every employee in the cohort must have an established employment history with the employer for 6 months or more, if the majority of employees being trained meets the employment history requirement.

EMPLOYER MATCHING REQUIREMENT

Local WDBs are required to establish policies regarding the non-federal share of the cost of IWT. Employers are required to pay for a significant cost of the training for those individuals in incumbent worker training. This can be done through both cash payments and fairly evaluated in-kind contributions. The wages paid to individuals while in training may be considered as a source of matching funds.

The Local WDB must consider the number of employees participating in the training, the wage and benefit levels of the employees (at the beginning and anticipated upon completion of the training), the relationship of the training to the competitiveness of the employer and employees, and the availability of other employer-provided training and advancement opportunities. The minimum amount of employer share in the Incumbent Worker Training depends on the size of the employer:

- ◆ At least 10 percent of the cost, for employers with 50 or fewer employees;
- ◆ At least 25 percent of the cost, for employers with 51 to 100 employees; and
- ◆ At least 50 percent of the cost, for employers with more than 100 employees.

PERFORMANCE ACCOUNTABILITY: DOES IWT = PARTICIPATION?

To receive IWT, an incumbent worker does not have to meet the eligibility requirements for participation in career and training services for adults and dislocated workers under WIOA, unless they are also enrolled as a participant in the WIOA adult or dislocated worker program.

WIOA Implementation Technical Assistance

The Innovation and Opportunity Network (ION) is a community of practitioners, program staff, partners, planners, industry leaders, and stakeholders that strive for system improvement, capacity building, and excellence in the public workforce system. ION is a national, regional, state, and local alliance that makes available the technical assistance, information sharing, and training needed to implement the vision of WIOA. Visit ION at: <https://ion.workforcegps.org>.



Work-Based Learning Overview

Types of Work-Based Learning

REGISTERED APPRENTICESHIP

Registered Apprenticeship is an employer-driven, “learn while you earn” model that combines on-the-job training with job-related instruction in curricula tied to the attainment of industry-recognized skills standards. The OJT is provided by the employer who hires the apprentice, although some employers also provide the job-related instruction. WIOA funds may be used to support placing participants in both the classroom and OJT portions of the program. WIOA funds can also be used to provide supportive services to participants that help an individual succeed in a Registered Apprenticeship program.

Target Populations – Youth, adults and dislocated workers, veterans in receipt of the GI Bill, unemployed workers (including long-term unemployed), underemployed workers, and incumbent workers.

PRE-APPRENTICESHIP PROGRAMS

A pre-apprenticeship is a program designed to prepare individuals to enter and succeed in a registered apprenticeship program, which includes:

- ◆ Training and curriculum that aligns with the skill needs of employers in the economy of the State or region
 - ◆ Access to educational and career counseling, and other supportive services
 - ◆ Hands-on, meaningful learning activities that are connected to education and training activities, such as exploring career options, understanding how skills acquired through coursework can be applied to a future career
 - ◆ Opportunities to attain at least one industry-recognized credential; and
 - ◆ A partnership with one or more registered apprenticeship programs that assists in placing individuals who complete the pre-apprenticeship into a registered apprenticeship program
- ✓ **Target Populations** – Youth and adults with barriers to employment who are identified to need certain skills or credentials in order to successfully enter into a registered apprenticeship program, dislocated workers transitioning to new industries or occupations in need of new skills, other eligible individuals identified by case managers as likely to succeed and have an interest in registered apprenticeship programs.

WORK EXPERIENCES AND INTERNSHIPS

A work experience or internship is a planned, structured learning experience that takes place in a workplace for a limited period of time. Work experiences or internships may be paid or unpaid, as appropriate and consistent with other laws, such as the Fair Labor Standards Act. A work experience or internship may be arranged within the private for-profit sector, the non-profit sector, or the public sector.

For youth, work experiences may also include:

- ◆ Pre-apprenticeship programs;
- ◆ Summer employment and other employment activities available throughout the school year;
- ◆ Internships and job shadowing; and
- ◆ On-the-job training (OJT)



WIOA Desk Reference

- ✓ **Target Populations** – Youth/adults with barriers to employment who have limited labor market experience, dislocated workers needing exposure to new industries/occupations, unemployed workers, underemployed workers, long-term unemployed workers, and other populations determined appropriate by case manager.

TRANSITIONAL JOBS

Transitional jobs are a type of work-experience local boards may provide under WIOA, and are considered an individualized career service. Transitional jobs are time-limited and wage-paid work experiences that can be subsidized up to 100 percent. These jobs are in the public, private, or nonprofit sectors.

- ✓ **Target Populations** – Adults and dislocated workers with barriers to employment who are chronically unemployed or have an inconsistent work history.

ON-THE-JOB TRAINING (OJT)

OJT provides reimbursements to employers to help compensate for the costs associated with skills upgrade training for newly hired employees and the lost production of current employees providing the training (including management staff). OJT training can assist employers who are looking to expand their businesses and who need additional staff trained with specialized skills. OJT employers may receive up to 50% reimbursement of the wage rate (in certain circumstances up to 75%) of OJT trainees to help defray personnel training costs. Under some programs, such as those funded by H-1B fees, OJT reimbursement may be as high as 90%, depending on employer size.

- ✓ **Target Populations** – Adults and dislocated workers in need of new employer-based skills, individuals with barriers to employment including: unemployed workers (including long-term unemployed), underemployed workers, and older/out-school-youth.

CUSTOMIZED TRAINING

Customized training is designed to meet the specific requirements of an employer or group of employers with the commitment that the business or businesses employ an individual(s) upon successful completion of the training. In most instances, the business must pay for a significant portion of the cost of training, as determined by the Local Workforce Development Board (WDB).

- ✓ **Target Populations** – Adults and dislocated workers with barriers to employment needing industry or occupational skills, unemployed workers (including long-term unemployed), underemployed workers, and employed workers.

INCUMBENT WORKER TRAINING

Incumbent Worker training is designed to meet the needs of an employer or group of employers to retain a skilled workforce or avert layoffs. Incumbent Worker training can be used to either:

- ◆ Help avert potential layoffs of employees; or
- ◆ Obtain the skills necessary to retain employment, such as increasing the skill levels of employees so they can be promoted within the company and create backfill opportunities for new or less-skilled employees.

Unlike other trainings, employers, instead of individuals, must meet the local eligibility criteria to receive funds for training their workforce. In most circumstances, incumbent workers being trained must have been employed with the company for at least six months. Employers who receive these funds are required to meet requirements for providing the non-federal share of the cost of the training.

Target Populations – Businesses and employers who meet local eligibility criteria to receive incumbent worker training funds and who need to provide training to their current workforce to meet new or changing business needs.



The Workforce Innovation and Opportunity Act (WIOA) Incumbent Worker Training Funding Programs

Keeping employees equipped with the latest trade knowledge and skills can be expensive, and in a challenging economy it can end up on hold indefinitely. Home Furnishings Association(HFA) has located resources in our member states that could assist you with funding for workforce training.

Listed below are various programs, by state, that are currently available. Please note that the information provided on the various links to different states may change. HFA will do our best to keep this information as current as possible. *Many local cities and counties have specialized funds available. To find local funds search the internet by: Incumbent Workforce Training CITY or COUNTY (example: incumbent workforce training Sacramento County).*

We hope this will be a beneficial resource for companies looking to lower the cost of doing business and keeping training costs to a minimum.

United States Department of Labor & Employee Training Administration

Office of Grants Management

<https://www.doleta.gov/grants/>

State Programs

Alabama

Alabama Department of Commerce

<http://www.adeca.alabama.gov/Divisions/wdd/Documents/IWTP/IWTP%20Brochure.pdf>

Arizona

Arizona Commerce Authority

<http://www.azcommerce.com/incentives/job-training>

Central Arizona- Access Arizona

<http://www.accessarizona.org/access/taxes-incentives/job-training-program-aca/>

Arkansas

Arkansas Department of Workforce Services

<http://www.arkansas.gov/esd/Employers/TrainingTrustFund.htm>

<http://www.state.ar.us/esd/Employers/IWTP.htm>

California

California Employment Training Panel

<https://etp.ca.gov/>

Colorado

Pikes Peak Workforce Center

<https://www.ppwfc.org/Incumbent-Worker-Training/384>

Connecticut

Connecticut Department of Labor

<https://www.ctdol.state.ct.us/busservices/IWT.htm>

Florida

Career Source Florida

<https://careersourceflorida.com/business-services/training-grants/>

Georgia

Georgia General Workforce Resources

<http://www.georgia.org/competitive-advantages/workforce-division/worksource-georgia/resources/wioa-resources-employers/>

Hawaii

State of Hawaii Workforce Development Division

<http://labor.hawaii.gov/wdd/home/employers/etf/>

Idaho

Idaho Department of Labor

<http://labor.idaho.gov/dnn/idl/Businesses/TrainingResources/WorkforceDevelopmentTrainingFund/EmployerGrants.aspx?AspxAutoDetectCookieSupport=1>

<https://labor.idaho.gov/dnn/Businesses/TrainingResources/WorkforceDevelopmentTrainingFund.aspx>

Illinois

Illinois Work Net Center

<https://www.illinoisworknet.com/partners/programs/Pages/Incumbent-Worker-Tracking.aspx>

Indiana

State of Indiana

<https://iedc.in.gov/incentives/skills-enhancement-fund-sef/home>

Iowa

Iowa Department of Education

<https://www.educateiowa.gov/workforce-training-economic-development-fund>

Kansas

Kansas Department of Commerce

<http://www.kansascommerce.com/incumbentworker>

Kentucky

Think Kentucky Cabinet for Economic Development

<http://thinkkentucky.com/Workforce/BSSC.aspx>

Commerce Lexington Economic Development

<http://locateinlexington.com/LOCAL-BUSINESS-SERVICES/Workforce-Training.aspx>

Louisiana

Louisiana Workforce Commission Department of Labor

http://www.laworks.net/workforcedev/iwtp/iwtp_mainmenu.asp

Maine

Maine Department of Education

<http://www.maine.gov/doe/adulted/wioa/wioa.html>

Maine Career Centers

<http://www.mainecareercenter.gov/employers/index.shtml>

Maryland

Maryland Department of Labor, Licensing and Regulation

<https://www.dllr.state.md.us/employment/train/>

Massachusetts

Massachusetts Workforce Development System

<https://www.dllr.state.md.us/employment/train/>

Michigan

Southeast Michigan Community Alliance

<http://www.semca.org/iwt.html>

Minnesota

Minnesota Labor & Workforce Development

<http://www.mass.gov/lwd/employment-services/business-training-support/wtfp/>

Workforce Training Fund

<http://workforcetrainingfund.org/>

Missouri

Missouri Department of Economic Development

<https://ded.mo.gov/business-services#tabs-panel-row2-col13>

Montana

Department of Labor & Industry

<http://wsd.dli.mt.gov/employers/incumbent-worker-training-program>

Nebraska

Nebraska Department of Labor

<https://dol.nebraska.gov/EmploymentAndTraining/Training/WorkerTrainingProgram>

Nevada

Nevada Department of Employment, Training & Rehabilitation

<https://www.lvgea.org/market-information/workforce-and-training/>

New Hampshire

New Hampshire Economic Development

<http://www.nheconomy.com/Grow/Training-and-Education/default.aspx>

New Hampshire On-the-Job Training Fund

<http://www.nhjobtrainingfund.org/>

New Jersey

State of New Jersey Workforce Training

<http://www.nj.gov/njbusiness/workforce/training/>

New Mexico

New Mexico Economic Development Department (*Retail does not qualify for funding*)

<https://gonm.biz/business-resource-center/edd-programs-for-business/job-training-incentive-program>

New York

New York Department of Labor

<https://labor.ny.gov/businessservices/funding.shtm>

North Carolina

North Carolina Department of Commerce

<https://careersourceflorida.com/business-services/training-grants/>

North Dakota

Job Service North Dakota

<http://www.jobsnd.com/business/business-related-resources>

Ohio

Ohio Development Services Agency

https://development.ohio.gov/bs/bs_wtvp.htm

City of Cleveland Economic Development

<http://rethinkcleveland.org/About-Us/Our-Services/Workforce-Development/Incumbent-Workforce-Training-Program.aspx>

Oklahoma

Oklahoma Employment Security Commission

https://www.ok.gov/oesc_web/Resources_For/Employers/Tax_and_Training_Incentives.html

Oregon

Worksource Oregon

<http://www.worksourceoregon.org/businesses/doing-business-in-oregon-resources>

Pennsylvania

Workforce and Economic Development Network of Pennsylvania

<http://www.wednetpa.com/TrainingProgram/>

Central Pennsylvania Workforce Development Corporation

<http://www.cpwdc.org/pa-careerlink/education-and-training/#topic5>

Rhode Island

Governor's Workforce Board

<http://gwb.ri.gov/>

South Carolina

South Carolina Works Upstate

<http://scworksupstate.com/incumbent-worker-training-iwt/>

South Dakota

South Dakota Department of Labor & Regulation

http://dlr.sd.gov/workforce_services/businesses/workforce_training.aspx

Tennessee

Department of Labor & Workforce Development

<https://www.tn.gov/workforce/topic/grants-for-training>

Texas

Texas Workforce Commission

<http://www.twc.state.tx.us/partners/workforce-investment-act>

<http://www.twc.state.tx.us/businesses/train-your-workforce>

Utah

Utah Department of Workforce Services

http://dlr.sd.gov/workforce_services/businesses/workforce_training.aspx

Utah Employment Training Administration

<http://projects.propublica.org/recovery/locale/utah/salt-lake/dept/1630>

Virginia

Northern Virginia Workforce System- Skill Source

<http://www.myskillsource.org/page/id/67/>

Elevate Virginia. Org

<http://www.elevatevirginia.org/wp-content/uploads/2016/05/VBWD-Policy-15-00-Incumbent-Worker-Training-002Signed.pdf>

Washington

Washington State Department of Commerce

<http://www.twc.state.tx.us/businesses/train-your-workforce>

West Virginia

Workforce West Virginia

<http://www.wvcommerce.org/business/workforcewv/employers/training/default.aspx>

Wisconsin

Job Center of Wisconsin

<http://www.wisconsinjobcenter.org/businessassistance/taxcredits.htm>

Department of Workforce Development

<https://dwd.wisconsin.gov/dwdwia/discretion-funds.htm>

Wyoming

Wyoming Department of Workforce Services

<http://www.wyomingworkforce.org/businesses/wdtf/>