

THE WORKFORCE INNOVATION AND OPPORTUNITY ACT

CHANNELING FUNDING TO ESSENTIAL WORKFORCE REENTRY PROGRAMS.

EXECUTIVE SUMMARY

The Workforce Innovation Opportunity Act (WIOA) is the largest source of federal funding dedicated to helping job seekers of all types access employment, education, and training services throughout the United States. While justice-impacted individuals are eligible for a few key programs in the legislation, they are largely underserved through WIOA. The legislation underutilizes several key opportunities to support empirically-proven interventions that reduce recidivism rates and safer communities, and underfunds programs dedicated specifically to justice-involved job seekers.

Working within the existing legislation, Congress should codify the Reentry Employment Opportunities Grant, which is currently WIOA's only dedicated source of funding for formerly-incarcerated individuals. Furthermore, legislators should strengthen pathways to channel WIOA funding towards transitional jobs programming. Congress should also expand financial assistance intended to support eligible job seekers pursuing occupational skill training.

In the long-term, the Center for Employment Opportunities (CEO) recommends an even bolder approach to supporting the hundreds of thousands of individuals returning to their communities after incarceration: The creation of an additional comprehensive, targeted reentry title to WIOA. Such a title would support evidence-based transitional employment and training programs and wrap around services specifically for formerly-incarcerated individuals that have been empirically-proven to reduce recidivism rates and increase employment.

With ongoing WIOA reauthorization efforts in progress, CEO urges lawmakers to develop a bipartisan bill that ensures WIOA programs are accessible for formerly incarcerated individuals.

BACKGROUND

Lawmakers first passed WIOA with bipartisan support in 2014 to address fragmentation in the workforce, support job training, adult education, vocational rehabilitation, and employment services under one umbrella. WIOA also address barriers to employment for dislocated workers and young people including justice-impacted youth. The law was initially authorized through 2020, but to date, Congress has never passed a reauthorization. Given the labor market's evolution over the past 12 years, WIOA's original programs no longer appropriately address the nation's economic and workforce needs.

THE CHALLENGE

Each year, more than 600,000 people return home from incarceration ready to work and contribute to their communities. However, many qualified applicants are excluded from employment opportunities due to the lack of paid skills training, restrictions on eligibility for work-related credentials and limited access to employment opportunities. Often, their conviction has no bearing on their ability to perform essential job functions and rarely threatens the safety of the workplace.

Formerly incarcerated individuals must also balance finding work and vocational training with other immediate needs, such as finding and financing housing, transportation, and childcare.

DANIEL'S STORY

After fleeing the civil war in Liberia, Daniel built a life in Philadelphia – raising a family and earning a Master's degree. However, after spending two years incarcerated, the impact on his career was immediate: his license to practice was suspended for 5 years.

CEO supported him in getting his commercial driver's license by helping him prepare for the DMV permit test, covering his trucking school tuition, paying for his transportation and work clothes, and providing a stipend so he could attend classes full-time for three months. Today, he's secured stable employment at Philadelphia's public transportation agency.

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I HAVE 20 YEARS EXPERIENCE IN MY FIELD AND I'M FINISHING MY PHD VERY SOON, BUT NONE OF THAT MATTERED. I COULDN'T GET A JOB AT MCDONALD'S WHEN I FIRST CAME HOME TO PHILADELPHIA.”

Daniel, Philadelphia, PA

WHY EMPLOYMENT AND TRAINING ARE ESSENTIAL TO REENTRY



More than half¹

of justice-impacted individuals hold only a high school diploma or GED



Formerly incarcerated people have an unemployment rate nearly

5 times²

that of the general population



When formerly incarcerated people are able to work, recidivism rates decline by

22%³

THE SOLUTIONS

1. Increase utilization of effective training activities like Transitional Jobs and targeted training for in-demand industries

Analysis of CEO's own credential pathways show that upskilling through targeted, industry-specific training has a significant impact on reentry employment outcomes. WIOA should require workforce development boards to direct a minimum portion of training funds toward transitional jobs, vs continuing to raise the maximum allowance of funds for this purpose, to encourage more consistent access for justice-impacted individuals nationwide; create additional authority for Governors to invest in targeted training for in-demand industries; and include formerly incarcerated individuals as a priority population for the Sectors Partnership Development Fund and the Employer Based Training Fund.

2. Congress should develop a targeted Reentry Title within WIOA

Such a title should include formula funding that prioritizes states with proportionately high numbers of individuals released from incarceration and decreasing incarceration rates; increased funding for evidence-based services proven to be effective for formerly incarcerated individuals (like transitional jobs, pre-apprenticeships, and advanced credentialing opportunities); simplified enrollment and service delivery processes (e.g. self-attestation); and modified performance measures – such as a longer time horizon for credential attainment and economic mobility – that recognizes the unique circumstances of reentry

3. Strengthen reentry programming by codifying and adequately funding the Reentry Employment Opportunities Grant (REO)

The Reentry Employment Opportunities Grant (REO) and employment grants under the Second Chance Act are the only dedicated sources of federal investment for reentry employment in WIOA. However REO only supports a fraction of returning individuals and does not receive consistent funding since it is not codified. The program could be further improved by: codifying the program to help ensure consistent funding for future appropriations; increasing funding levels to the program so it can better meet the demand of returning individuals in need of quality employment and training services; and removing the match requirement for REO funds. Communities impacted by the criminal justice system and reentry tend to be highly under-resourced and many smaller reentry programs would not be able to afford a match requirement.

4. Invest in adequately funded and flexible Individual Training Accounts

Individual Training Accounts (ITA) are financial accounts awarded to eligible job seekers to pay for educational and occupational skills training. CEO recommends increasing the ITA minimum so that it adequately covers tuition for in-demand credentials. Currently, ITAs do not cover the cost of advanced credentialing for CEO participants in many of our jurisdictions. ITAs should be used for a wider range of needs including to address driver's license reinstatement fees and serve as stipends while individuals are engaged in workforce services to help learners meet various basic needs while they are enrolled in training.

BY THE NUMBERS

75% of individuals remain unemployed for one year upon release⁴

Currently, the REO only supports **1.5%** of the total reentry population⁵

Job training for industry-based credentials in locally growing fields reduces recidivism rates by **40%**⁶

CONCLUSION



Formerly incarcerated individuals face the exact barriers to employment and training that WIOA was meant to address. As it stands, what was once a groundbreaking piece of legislation has become outdated and ignores the reality many Americans face on the ground. By reauthorizing WIOA and making it responsive to the evolving issues faced by the country's justice-impacted population, policymakers ensure motivated individuals and entire communities are empowered to secure economic security and safety.