



June 28, 2002

WIA/TANF Reauthorization  
Attention: Maria Kniesler Flynn  
Employment and Training Administration, Room S-4231  
200 Constitution Avenue, NW  
Washington, DC 20210  
[reauthorization@doleta.gov](mailto:reauthorization@doleta.gov)

RE: Comments Regarding WIA Reauthorization and Linkages with the TANF Program

Dear Ms. Flynn:

Thank you for seeking comments regarding the reauthorization of the Workforce Investment Act (WIA) and linkages with the Temporary Assistance for Needy Families (TANF) block grant. WIA reauthorization provides an important opportunity to assess the successes of WIA implementation and to articulate goals and strategies for future improvement, including better coordination with TANF.

These comments are submitted on behalf of the Center for Law and Social Policy (CLASP). CLASP is a nonprofit organization engaged in research, analysis, technical assistance, and advocacy on a range of issues affecting low-income families. During the past several years, we have closely followed research and data relating to implementation of both the Workforce Investment Act of 1998 and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. In addition, we often talk and visit with state officials, administrators, program providers, and individuals directly affected by the implementation of workforce development and welfare reform efforts. Also, CLASP is in the midst of a project exploring the experiences of four states that have consolidated administration of WIA and TANF at the state and local levels. In this letter, we offer several suggestions for amending WIA so that an increased number of low-wage and low-skilled workers receive access to services that will fuel their ability to succeed in the workforce.

## **Background**

The Workforce Investment Act of 1998 (WIA) substantially altered the federally-funded system for job training and other employment-related services for adults, dislocated workers, and youth. The purpose of the Act's provisions concerning employment services are stated this way:

The purpose of this subtitle is to provide workforce investment activities ... that increase the employment, retention, and earnings of participants, and increase occupational skill attainment by participants, and, as a result, improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the Nation. (Section 106)

Concerns about the fragmentation of federally-financed job training efforts, and the weak performance of many programs financed under the Job Training Partnership Act (JTPA), informed the Congressional debates that led to WIA's enactment.

The problems created by multiple federal programs designed to increase the employment and earnings of adults included lack of coordination among numerous agencies attempting to deliver services at the local level, limited state and local flexibility to use federal resources most effectively to address local needs, an inability among prospective participants and employers to understand the full range of options available to them, and a lack of accountability and effectiveness of the "system" as a whole.

The principal policy response to this fragmentation was the requirement that every local workforce board create a one-stop delivery system in which most local entities operating key federally-funded programs must participate, and in which customers could more easily access programs and services regardless of funding source or administering agency.

This broad new mission to create an integrated workforce development system marked a major shift from simply funding job training programs, the principal purpose of JTPA. The central administrative element of this new system is the creation of one-stop systems that provide universal access to set of "core services." This was intended to assure that any individual would have access to employment-related services, including information about job vacancies, career options, student financial aid, relevant employment trends, and instruction on how to conduct a job search, write a resume, or interview with an employer. These core services are available to any job seeker, or anyone who wants to advance his or her career (Section 134(d)(2)). In addition, the Act defined two additional service levels, "intensive" and "training," and developed a system of sequential eligibility intended to ensure that these latter service categories were limited to those individuals who needed access to them in order to find employment or move up in the labor market. Many have interpreted this system of sequential eligibility to limit access to training to those who have been unsuccessful in job search activities (a core service), and there appears to be confusion about this feature of the law in the field. However, neither the statute nor regulations actually require this interpretation as participation in any core and intensive services — not necessarily including job search — would meet the sequential eligibility rule.

The Act also sought to address concerns about the weak performance of many training programs through greater emphasis on employment outcomes for those who receive intensive and training services. The new system has four key features: (1) states are

required to report on a set of accountability measures that focus on employment outcomes, such as measures of employment entry, wage growth, and job retention; (2) states are subject to fiscal penalties for failure to meet statewide performance goals and may qualify for incentive bonuses for high performance; (3) training providers will eventually be required to meet performance-based eligibility criteria; and (4) when providing access to training, local boards are generally required to provide eligible individuals with “individual training accounts” for use with eligible providers. Individuals will select providers using performance and cost information that will be made available through the new one-stop systems.

### **Experience To Date**

Given the goals of improved training performance, with a particular emphasis on helping low earning adults move toward self-sufficiency, and the goal of developing a more integrated workforce development system centered on local one-stop delivery systems, so far we have only a limited ability to determine the effects of the 1998 law.

CLASP does not have a system-wide assessment of the quality and effectiveness of one-stop delivery systems that have been developing around the country. As discussed below, this is due in significant part to the lack of financial information about investments in one-stops, and the lack of either quantitative or qualitative reporting about the performance of these new systems. In terms of access to training, particularly for low-income adults, there appears to have been a significant and very troubling decline in the number of individuals receiving training, and the data concerning the quality or effectiveness of the training that has been available, while positive, is limited.

In assessing the training experience for adults under WIA, key questions include how many people are getting training, who is getting training, and what is known about outcomes and effectiveness. The WIA reporting system provides information about the number of adults who receive training services, but there is no reported breakdown of those individuals by income or other demographic characteristics. Thus, while we know that in Program Year 2000 (July 1, 2000-June 30, 2001) about 50,000 adults received training (not counting dislocated workers),<sup>i</sup> we do not have information about the number who were poor or low-income. These data are included in the WIASARD, the WIA reporting system that states send to the Department of Labor, but the complete data are not yet available publicly. Furthermore, if breakouts of performance such as those mentioned above are desired, individuals will be forced to analyze the data themselves, as it is not a state or federal reporting requirement. What we know now then is that states were required to prioritize training services to low-income individuals during periods when funding for training is “limited,” and the Department of Labor has by regulation required that states and localities implement a priority system unless they specifically report to the Department that funds are not limited in a particular local areas.<sup>ii</sup> However, there is still broad flexibility in structuring an acceptable priority system under the law, and thus it is uncertain how many of the 50,000 individuals are, in fact, public assistance recipients or other low-income adults.

Reported data on employment outcomes leave many important questions unanswered, partly because we lack more information about the demographics of those being served, and partly because important information, such as actual wage rates of job finders is not included as a measure. Employment outcome measures for adults for PY 2000 reflect that about 70 percent of those who received training entered employment in the quarter their training ended, and that approximately 80 percent were still employed six months after employment entry. However, without knowing more about the backgrounds of those being served, it is difficult to say how impressive these results actually are. Similarly, while the earnings gain measure (change in earnings from prior to program participation to after program participation), reflects what appears to be an increase of about \$3,800 per year, without knowing the actual pre- and post-program wage rates, one cannot determine the strength of these results. Separately-reported performance information for public assistance recipients<sup>iii</sup> shows comparable employment and retention rates to those achieved for all adults (67 percent and 79 percent respectively) and earnings gains of slightly over \$4,200.<sup>iv</sup> Here again, however, without more detailed information about participant characteristics and actual wage rates, this information is of very limited value. Another problem with the data described here is that while we know that about 50,000 adults received WIA-funded training, we have no information about how many more adults may have used one-stop systems and core services to learn about and access training that was paid for with other funds — for example, student financial aid and loans.

Information is also lacking about expenditures for training under WIA, as compared to other activities and services. Although approximately \$1 billion was appropriated for services to adults under WIA for PY 2000, states are not required to break out costs by activities in reports to the federal government. If one assumes that \$5,000 per person was being spent on training,<sup>v</sup> services to 50,000 individuals may have cost in the neighborhood of \$250 million. It is worth noting that during the last full years of JTPA implementation (FY 96-98), before the transition to WIA began, approximately 150,000 low-income adults were receiving training each year when appropriations for Title IIA were roughly equivalent to the FY 2000 appropriation for adults under WIA.

Observers attribute the limited use of training to several factors, including: (1) the system of sequential eligibility, which many have interpreted to require a work-first approach; (2) the limited availability of resources for training, as large amounts have been spent on the development of one-stop systems and the delivery of core services to the general public; and (3) the strong economy during this period, which created expanded employment opportunities for many low-skill workers and job seekers. Each of these factors has probably played some role, but, whatever the reason or combination of reasons, the reality is that only a small number of adults are receiving training under WIA, and the number has plummeted since states shifted from JTPA to WIA. In addition, this decline in access to training is not simply about reduced demand resulting from strong economic conditions. A set of reports published by community-based organizations working in Washington, DC,<sup>vi</sup> Springfield, Massachusetts,<sup>vii</sup> and Minneapolis, St. Paul, and Brooklyn Park, Minnesota,<sup>viii</sup> reveal the difficulties encountered by low-income, unemployed and underemployed customers trying to access training services, and even basic core services, at one-stop centers. In the Minnesota and Massachusetts one-stop “testing projects,” not a single customer received job-training services, despite evidence that would lead one to believe they might be eligible for and benefit from training services. Similarly, in the

Washington, DC, study, only one customer received training. In the Minnesota study, out of 56 visits paid to one-stop centers by 28 unemployed and underemployed individuals, only six times did customers even get beyond the point of the receptionist and speak to a staff person about services. In the Massachusetts study, none of the customers involved in the testing project even found employment through the one-stop center.

### **Suggested Program Improvements**

Although WIA is still in its infancy, there are a number of ways in which the program can be improved. Based on research on the implementation of WIA, including multiple site visits to one-stop centers, interviews with workforce officials and advocates, and data analysis, we have the following recommendations:

- X To improve access to quality training programs:
  - Allow one-stop clients immediate, rather than sequential, access to the full array of core, intensive, and training services; and
  - Increase overall resource levels and set aside a significant portion of any new funding for training services.
  
- X To improve the quality of information about program implementation and performance:
  - Require reporting of more specific information about the use and effectiveness of core services, about the post-program wage rates and earning levels of WIA training participants, about the types of training being accessed by WIA participants and the extent to which training is being provided to incumbent workers, and about the uses of WIA funds; and
  - Ensure that the reporting requirements for training providers are simple and that inexpensive means of collecting the data are available to them.
  
- X To improve coordination between WIA and TANF:
  - Align the employment outcome measures and methodologies in the TANF and WIA programs; and
  - Encourage state TANF and WIA agencies to increase program coordination by reducing barriers to coordination.

These program changes could improve the workforce development system and ultimately improve access to training and other work-support services. In the short-term, this will help low-income and low-wage workers succeed in the workforce and will help them gain self-sufficiency in the long-term.

***Access to Intensive and Training Services Should Be Based on an Assessment of Prospective Participants Rather Than on Their Participation in a Federally-Prescribed Sequence of Activities.***

Under the current law, WIA provides three tiers or levels of service — *core*, including basic job search assistance; *intensive*, including more intensive services such as assessments and evaluations to determine employability; and *training*, including job readiness and occupational skills training. These services are provided sequentially, meaning that individuals must first receive core services to gain access to intensive services and similarly, individuals must receive both core and intensive services to receive training services.

While the stated intention of WIA is not to require up-front job search for all customers, state and local officials have commented that the sequential nature of service delivery prescribed under WIA sends the message that intensive and training services should be reserved for individuals who truly cannot find employment on their own. This interpretation would preclude in most cases the use of WIA training to help low wage workers, whether between jobs or currently employed, advance to better jobs. This was surely not the Congressional intent in creating WIA; the fact the Congress authorized WIA funds to be spent on customized training for incumbent workers shows it was supportive of using federal funds to help workers advance.

Research clearly demonstrates that helping low-income parents increase their skills pays off in the labor-market, particularly through participation in vocational training and post-secondary education and training. Even those with lower skills can benefit from post-secondary education and training, if basic education programs are made intensive, close attention is paid to quality, and basic education is linked to further training and employment. The act should be amended so that individuals can access intensive and training services based on an individual assessment of needs and strengths, regardless of whether or not he or she has participated in other aspects of the WIA program.

***Increase Overall Resource Levels and Set Aside a Significant Share of New Funding for Training Services.***

While the funding allocation for WIA is about the same as the level for the last year of JTPA, data suggest that less money is going toward actual training under WIA than under the previous system. As noted above, during program year 2000, only about 50,000 individuals received WIA-funded training as compared to about 150,000 individuals during each of the last few full program years under JTPA. It is widely acknowledged that the limited amount of training currently being funded with adult funds is due in part to the costs of operating one-stop systems and providing universal access to core services through those one-stops.

The federal government should increase the WIA funding allocation so that states will have sufficient resources to cover the expenses of running a one-stop system while providing WIA customers with at least the same amount of access to as they had under

JTPA. To assure that increased funding results in increased access to training, a significant share of any new funding should be set aside for training services.

***Improve Reporting and Performance Measure Requirements to Assure Adequate Performance Information for All Stakeholders.***

The reporting requirements prescribed by the WIA legislation marked a truly major shift in the way federal job training programs were measured. By implementing the 17 core measures of performance, WIA generally improved the focus on the measurement of program outcomes. The data available as a result of these new requirements provides useful, basic information about WIA's overall success. For instance, the performance measures include data that is critical to gauging the success or failure of an employment training and placement program, such as the entered employment rate, employment retention, the earnings change, and the credentials obtained. However, there continue to be significant gaps in the data, which hinder the ability to gain a complete picture of the WIA program. The performance indicators and the financial data submitted to DOL provide small glimpses into the quality and success of specific elements of state WIA programs, but there is no way to assess the performance of the program as a whole.

One of the greatest gaps in the reporting requirements is that the data fail to provide information on all WIA participants. The performance indicators provide useful data, but the legislation only requires states to include registered WIA participants in their performance calculations. Since a client is typically not registered as a WIA participant until he or she exits the core service tier and moves into intensive services, only individuals that receive intensive or both intensive and core services are counted in the measures. This means that states are not required to report on the outcomes for core services, and there is no required data collected on the number receiving services or the types of service they receive, which makes it difficult, if not impossible, to assess the impact of these services on employment. A minimal first step in this area would be to require reporting on the number of individuals who receive core services and the types of services they receive. In addition, new legislation should authorize and fund the Department to undertake a national study of the effectiveness of one-stop systems and core services at multiple sites around the country to both develop information about their effectiveness, and develop models for performance measurement on a national basis.

A second concern is that the measures themselves have some flaws. The earnings gain measure, while attempting to measure job quality, falls short of providing an accurate assessment of the quality of jobs into which program participants are being placed. The guidelines require states to report on post-program earnings in comparison with pre-program earnings — a calculation that does not account for job quality. Simply looking at an earnings increase does not provide data on actual wages and could potentially skew the way in which job placements are ultimately judged. Take, for example, the case of an unemployed individual that enters the one-stop system. That person may go through intensive or both intensive and training services and be placed in a job that pays minimum wage, or even slightly above. By measuring the outcome for this individual

based on the earnings gain measure, it would seem as though this individual was a true success within the WIA program as the post-program earnings would be significantly higher than the pre-program earnings. In reality though, even if this individual were employed full-time, his or her salary would barely provide enough money to support him/herself, let alone a family.

In addition to using change in earnings data as a performance measure, states should be required to report on the starting wage rates of training participants. Training providers are currently required to report placement wage rates as part of their performance data, and the law should be modified to require the aggregation of these data for WIA-funded participants on a statewide basis. In addition, the actual post program earnings used to calculate the change in earnings for the performance measures should be reported on an aggregate statewide basis. These data, starting wage rates and post program earnings levels, would provide valuable complementary data to the data upon which performance is measured, and would give program managers, policymakers, and other stakeholders a better sense of WIA services' impact on individuals' overall financial well-being.

One of WIA's stated goals is to improve access to employer sponsored customized and on-the-job training, and to provide training services to low-wage, incumbent workers. States and localities, however, are not required to report on the extent to which these types of training services are being used. Incumbent worker training, as well as on-the-job training and customized training are key elements of any workforce development program and are important for job retention and advancement. Given research suggesting that these types of training can be particularly effective, policymakers and advocates should know the extent to which these programs are being used. To generate information on these issues, the law should be modified to require that states report on the number of participants in each type of training service authorized by the Act, and that the numbers of participants should be provided with a breakdown showing the number who are employed while receiving training, and the number who are unemployed.

Another missing piece of the WIA reporting picture is the lack of cost information for each of the three tiers of service within WIA. States are required to provide quarterly financial data for each of the three WIA programs — adults, dislocated workers, and youth — but they are not required to report on the amount of money spent on core, intensive and training services. The financial reports for program year (PY) 2000, for example, only indicate that \$1 billion was appropriated nationally for services to adults under WIA, but does not report the amount of money spent on adult core services, adult intensive services, and adult training services. This makes it impossible for Congress, the Administration, and the public to know how much is being invested in training services, for example, compared to the other elements of the WIA program.

***Reporting Requirements for Training Providers Should be Simple and Inexpensive; Means for Collecting the Necessary Data Should Be Made Available to Them.***



The WIA legislation requires that eligible training providers provide program-specific outcome information for all individuals participating in their program if any WIA clients are enrolled. This includes program completion rates, the percentage that obtains unsubsidized employment, and the wages at employment placement. Requiring eligible training providers to collect this data is important because it provides data that is relevant to the core focus of WIA — increasing employment opportunities. Monitoring the employment outcomes of program participants is critical to the success of the ITA program under WIA. Simply knowing completion rates of a program would not provide the same insight into the effectiveness of the program and its ultimate impact on employment and earnings.

Many training providers, particularly the community colleges, have commented that the employment outcome reporting requirements are costly and difficult to implement, and as a result, some have expressed concern about continuing to serve WIA clients. While we feel that it is important to maintain a set of consistent standards for training providers, DOL should help facilitate training providers' ability to obtain performance data easily and inexpensively so that the reporting requirements do not deter training providers from serving WIA clients. This should include mandating in WIA that states provide universal and low-cost access to matching of provider participant data with Unemployment Insurance (UI) wage records, including access for providers who are out-of-state but serve customers in multiple states. While appropriate safeguards must be maintained, WIA reauthorization should include revising existing confidentiality requirements with respect to UI wage records and with respect to education institutions' records under the Family Education Rights and Privacy Act as these often hinder access to participant data, making it impossible in a number of states to do matching of WIA provider information with UI wage records. In addition, DOL should make provisions so that acquiring such data is not financially burdensome for training providers. This will help retain quality training providers to serve WIA clients.

### ***WIA-TANF Integration Suggestions***

One of the stated goals of WIA is the creation of a more coordinated approach to federal workforce training programs. In that regard, there has been growing interest in the intersection of WIA and the TANF program. Through our work in this area, we have identified a number of ways in which the programs can benefit from being brought closer together.

#### ***Align the Employment Outcome Measures and Methodologies in the TANF and WIA Programs.***

Under the current law, states are required to report on work participation rates for their TANF caseload, and risk federal penalties if they do not meet required work participation rates each year. For WIA reporting, however, states are required to collect program outcome information on WIA participants and risk financial sanctions for failing to meet the negotiated levels of performance. The work participation rate under TANF, however,

is only a process measure of “work participation” while receiving TANF, and fails to provide information on the overall effectiveness of state programs in helping parents enter into employment. And, the participation rate calculation does not provide any information about state effectiveness in improving initial earnings, employment retention, or earnings over time for adults who enter employment. The outcome measures prescribed under WIA, however, collect actual employment outcome data on participants and create incentives for states to focus not only on employment, but earnings and retention as well.

In our site visits to multiple state workforce agencies and local one-stops, we repeatedly heard that an obstacle to better integration is the existence of these two separate reporting requirements. The different focus of the measures and the need for collecting separate information based on program affiliation does not allow for stronger levels of program integration. In H.R. 4737, the TANF reauthorization bill passed by the House of Representatives, section 115 (d) calls on the Secretary of Health and Human Services (HHS) and the Secretary of Labor to submit a report to Congress on the differences and similarities between the TANF and WIA programs and the extent to which more common measures could be developed. Having HHS and DOL work together to develop a proposal for common program measures is a step in the right direction and would hopefully better integrate the two programs. With WIA reauthorization on the horizon, we urge DOL to embrace this approach and include similar provisions in the revised WIA legislation. This report should be used to define and mandate the use of a set of common employment outcome measures for both WIA and TANF.

### ***Encourage State TANF and WIA Agencies to Increase Program Coordination.***

In recent months, there has been increasing interest in and discussion about how state efforts under TANF and WIA should fit together. GAO recently reported that 28 states have made extensive use of formal linkages between the two programs, with 44 reporting that coordination is taking place through informal linkages such as periodic program referrals or information sharing.<sup>ix</sup> As discussed above, guiding principles for WIA include one-stop delivery, universal access to services, and efforts to coordinate diverse programs into a unified planning and service delivery process. Some people urge that services and benefits for low-income families funded through TANF should be integrated into the WIA structure. However, efforts to integrate services for low-income families into a universal system raise concerns that: (1) the special needs and circumstances of the disadvantaged may not be effectively addressed in a universal system; (2) the resources intended to address the needs of low-income families could be diverted to less needy groups; and (3) TANF clients and concerns might dominate the WIA system, making it less attractive for other customer groups.

The uncertainty about how the systems should fit together has been exacerbated because, over the last decade, the missions of state welfare departments have come to include responsibilities that traditionally were associated, at least in theory, with state labor/workforce agencies. During this past decade, welfare agencies were redesigned to see one of their principal responsibilities as involving efforts to connect low-income families with work, and that has become a key part of

the mission of many of these agencies. Further, as more low-income parents entered employment, but often in unstable, low-wage jobs, welfare agencies began to articulate the need to develop services and supports to address employment retention and wage advancement for low-earning workers. On the one hand, welfare agencies had little prior experience with these retention/advancement efforts; at the same time, it is by no means clear that state labor/workforce agencies had a body of experience to draw upon in efforts to provide retention and advancement assistance for low-wage workers.

The issues presented by the welfare-workforce intersection raise fundamental questions about what the workforce development system should look like and how the needs of the most disadvantaged claimants should be addressed: (1) Should there be a single system for all? (2) How would such a system address the circumstances of those with little or no work history or who face issues such as mental illness or disability, substance abuse, and domestic violence? (3) Is it practical or feasible to serve voluntary and mandatory claimants in the same structure? (4) Will middle- and upper-income claimants opt out of a structure with substantial numbers of low-income participants? (5) How will employers respond?

CLASP is in the midst of a project exploring the experience in four states (Florida, Ohio, Utah, and Wisconsin) that have consolidated their TANF and workforce agencies into a single state agency. The project is designed to explore the early experiences of these states, in an effort to identify the benefits and disadvantages of closer coordination and integration for various customer groups and to identify obstacles that may impede state and local efforts to achieve closer coordination. While a report concerning the project is still several months away, some of our preliminary findings include:

- Benefits to TANF recipients appear to consist primarily in their closer connection to the broad array of employment services that are made available through or linked to one-stop centers, including employers. Of course, the value of this will be substantially affected by the welfare-to-work strategies adopted by TANF administrators and the extent to which recipients are allowed to access the array of training opportunities about which information and access is available through one-stop systems. On the other hand, however, concern exists regarding how TANF recipients with multiple barriers will fair within a more integrated system.
- For other one-stop job seekers, there is the potential for easier access to work supports, like child care, Food Stamps, and Medicaid, that are administered by public benefit agencies. In addition, rehabilitative and treatment services, which are increasingly available to TANF recipients, also become more accessible to other workers who might otherwise not be aware of these resources in their communities.
- For employers, coordination means easier access to a large pool of TANF-recipient job seekers and access for their employees to work supports and services, as noted. However, some employers may be not be comfortable using a one-stop center that serves a large number of welfare recipients, due to the stigma attached to that population.

Nothing in the project to date suggests that there is a single “right way” to bring these two systems more closely into alignment. Integration efforts have been difficult, there are significant costs in transitioning to a single structure, and, at this point, there is no empirical evidence demonstrating that the integrated structure is necessarily more effective than the broad range of approaches taken in many other states. Accordingly, this would seem to be a period of time in which state experimentation should be encouraged and studied. The principal federal policy response should be to work with states and localities to reduce barriers that may hinder coordination and to help compare and assess state and local experiences in these areas.

Some of the differences between the two systems that may be hindering better coordination include the actual or perceived differences in the missions of the two programs: dependency reduction versus skill/productivity improvement. Related to this difference in mission are differences in services strategies: while WIA is somewhat focused on work-first, TANF policy and incentives push more strongly in the direction of work-first, particularly in the kinds of activities and services mandated for those who are unsuccessful in job search. More uniform service strategies would also facilitate a common employment planning process. Specifically, with regard to WIA, this would mean eliminating the sequential eligibility structure and allowing local boards to provide varying levels of services to individuals based on an assessment and employment plan. On the TANF side, this would mean moving in the direction of broadening the range of activities that count in meeting participation rates so that individual plans can be developed based on assessment, without substantial limitation based on prescriptive federal rules governing which activities “count” and which do not. H.R. 4737, recently passed in the House, would, if enacted, be a major step backward in this regard as it significantly narrows the range of countable activities and would therefore make it more difficult to effectively integrate the delivery of workforce services for TANF and WIA customers. On the other hand, the Senate WORK Bill, recently approved by the Finance Committee, would provide states with improved flexibility in this area.

Finally, there are significant differences in the accountability structures of the two systems. As discussed above, WIA uses a set of employment-related outcome measures. TANF relies principally on process measures in the form of participation rates to assess state conduct. However, incentive funds from the TANF High Performance Bonus are distributed based on state performance on a set of employment-related outcomes that are not dissimilar from WIA outcome measures. In addition to harmonizing the WIA and TANF employment outcome measures as suggested above, TANF should be modified to allow states to rely in whole or in part on their performance with regard to these employment outcome measures rather than on participation rates for purposes of state accountability.

Thank you again for seeking comments to guide DOL during WIA’s forthcoming reauthorization process. We hope that in the process of developing a proposal for WIA reauthorization, consideration is given to our observations of WIA implementation and ways for improving on the current workforce training delivery system.

Submitted by Steve Savner, Abbey Frank, Mark Greenberg, Nisha Patel, and Julie Strawn, on behalf of the Center for Law and Social Policy.

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<sup>i</sup> Based on review of state annual reports for program year 2000.

<sup>ii</sup> P.L. 105-220. Section 134 (d)(4)(D).

<sup>iii</sup> Public assistance recipients are defined as individuals who are listed on the TANF grant and/or are receiving assistance under General Assistance, Refugee Cash Assistance, Supplemental Security Income, or Pell Grants.

<sup>iv</sup> The number of public assistance recipients whose performance is measured in these data is not reported.

<sup>v</sup> Nisha Patel and Steve Savner, *Implementation of Individual Training Account Policies Under the Workforce Investment Act: Early Information from Local Areas* (Washington, DC: Center for Law and Social Policy, May 2001). Available online:

<http://www.clasp.org/pubs/jobseducation/ITAPreliminaryReportMay2001.pdf>. The maximum amounts on ITAs for those local boards that provided information about caps ranged from \$1,000 to \$10,000, with some boards setting different caps for different types of training. Most caps were in the \$4,000 to \$6,000 range.

<sup>vi</sup> D.C. Jobs Council, *Help Wanted: Low-Income Job Seekers Assess the District of Columbia's One Stop Career Centers* (Washington, DC: D.C. Jobs Council, June 2001).

<sup>vii</sup> Anti-Displacement Project, *FutureWorks: Roadblocks to Success. How FutureWorks Is a Dead End for Low Wage Workers. Report Summary of FutureWorks Testing Project* (Springfield, MA: Anti-Displacement Project, March 2001).

<sup>viii</sup> Jennifer Blevins, *Accessing Jobs and Training in Minnesota: Workforce Center Testing Project Results* (Minneapolis, MN: Jobs and Affordable Housing Campaign, December 2001).

<sup>ix</sup> U.S. General Accounting Office, *Workforce Investment Act: Coordination of TANF Services Through One-Stops Has Increased Despite Challenges*, GAO-02-739T (Washington, DC: GAO, May 16, 2002).