Leveraging the 2024–2027 Workforce
Innovation and Opportunity Act
Planning Period to Capitalize
on Investment Passed in the
117th Congress: Opportunities for
Governors and State Workforce
Development Boards



BACKGROUND & OVERVIEW

he passage of the Infrastructure Investment and Jobs Act (IIJA), CHIPS and Science Act (CHIPS), and Inflation Reduction Act (IRA) has provided states with significant new funding that can drive economic growth. While the economic impact of these new programs relies on states having the workforce needed to implement them, the laws largely lack a specific role and dedicated funding for the public workforce system. To address this reality, the National Governors Association Center for Best Practices (NGA Center) and the U.S. Department of Labor (DOL) established the Workforce Strategic Planning Collaborative – a joint project effort to ensure that states can capitalize on these new federal investments.

The Workforce Innovation and Opportunity Act (WIOA) – the primary federal statute that governs workforce development in the United States and is designed to connect individuals with barriers to employment to career opportunities – requires Governors to submit a strategic plan to DOL every four years. WIOA plans that will cover program years 2024–2027 represent a strategic opportunity for Governors to codify their highest priorities for workforce development and position the state workforce development system as a key driver in implementing the IIJA, CHIPS, and IRA. The purpose of this publication is to provide Governors and state workforce development boards with a menu of actionable steps they can take to play a proactive role in implementing these laws through their WIOA plan and in the four years that follow.



his publication consists of five parts. Part I outlines high-impact opportunities related to the IIJA, CHIPS, and IRA for Governors and state workforce development boards to consider as they review and finalize the Strategic Planning Elements section of their WIOA plan. Parts II, III, and IV feature content specific to the IIJA, CHIPS, and IRA, respectively, and contain the same fundamental items. These include but are not limited to:

- analysis of key provisions that offer high-impact opportunities for Governors and the state workforce development board to carry out under the IIJA, CHIPS, and IRA;
- a menu of opportunities to consider for proactive implementation of new federal investment, including through the WIOA planning process;
- examples of state best practices; and
- links and descriptions to existing resources.

Part V contains a graphic that depicts the 2024–2027 WIOA planning period and illustrates opportunities for alignment with the programs highlighted in Parts II-IV.

This publication builds on policy analysis from three publications previously issued by the NGA Center. These are:

- Workforce Development in the IIJA, CHIPS, and IRA: A Toolkit for State Workforce Development Policymakers (February, 2023): This toolkit outlines the most pertinent programs and opportunities for state workforce development policymakers to consider as they seek to play a proactive role in implementing IIJA, CHIPS, and IRA
- How Governors Can Execute Their Vision for Workforce Development: Policy Levers Available Through the Workforce Innovation and Opportunity Act (January, 2023): This brief outlines a menu of policy options for Governors to capitalize on the significant authority granted to them under WIOA to shape their state's workforce development system.
- <u>Building a High-Performing State Workforce Board: A Framework and Strategies for States</u> (December 2016): This framework outlines three key roles for state workforce development boards to achieve success as leaders of the public workforce system, including guidance and examples of what these roles look like in practice.

PART I. Setting the Strategic Direction for the IIJA, CHIPS, and IRA: Codifying Your Vision Through the Strategic Planning Elements Section of the WIOA Plan

The Strategic Planning Elements section of WIOA Plans contains three components and requires states to put forward an analysis of their current and projected economic and workforce development environment; detail its strategic vision and goals for serving jobseekers and driving economic growth; and outlining the strategy for executing this vision and meeting those goals in the 2024–2027 planning period. It will be critical that states address the economic impact of the IIJA, CHIPS, and IRA and set the strategic direction for implementation of these new federal investments in 2024–2027 WIOA Plans. The three components of the <u>Strategic Planning Elements section of WIOA Plans</u> are:

- Economic, Workforce, and Workforce Development Activities Analysis;
- State Strategic Vision and Goals; and
- State Strategy.

Assessing the Impact of New Federal Investments

The Economic, Workforce, and Workforce Development Activities Analysis part of the WIOA plan requires Governors and state workforce development boards to outline the current standing of the state economy and detail how the workforce development system can meet new demand. In 2024, it will be critical for WIOA plans to address the impact of IIJA, CHIPS, and IRA, and outline how the workforce development system will respond.

Assess and Forecast Economic Impact of New Federal Investments for the Short- and Long-term and Detail How the Workforce System Will Respond: Investments through the IIJA, CHIPS, and IRA have the potential to create good-paying jobs throughout the 2024-2027 planning period, but states may not reach their full potential for implementation if workforce development systems are not responsive to new demand. Questions for Governors and state workforce development boards to consider include:

- What will be the impact of the IIJA, CHIPS, and IRA on new labor force demand in infrastructure, energy, manufacturing, and other relevant sectors?
 - How can relevant training programs be scaled to meet this demand?
- How can American Job Centers be better equipped to serve workers seeking employment in a sector relevant to the IIJA, CHIPS, and IRA?
- What occupations will newly be in-demand as a result of IIJA, CHIPS, and IRA?
 - What skills, credentials, and licenses will employers require of workers in these occupations?

Codifying the Strategic Vision for the Workforce Development System

The Strategic Vision and Goals section of the WIOA plan offers Governors and state workforce development boards an open-ended opportunity to codify the strategic direction and goals for the state's workforce development system. Since the IIJA, CHIPS, and IRA largely lack a legislated role and dedicated funding for the workforce development system, Governors and state workforce development boards may consider outlining the key steps their state will take ensure the workforce system plays a proactive role in serving jobseekers in sectors relevant to these new federal investments.

Direct Resources to IIJA, CHIPS, and IRA Implementation: WIOA includes several policy levers that allow Governors to steer resources within the public workforce system. Questions for Governors and state workforce development boards to consider include:

- What role can the workforce development system play in identifying, supporting, and implementing competitive grant programs in the IIJA, CHIPS, and IRA that have workforce development requirements or allow states to spend funds on workforce development?
 - How can the state workforce system align with economic development efforts being made related to IIJA, CHIPS, and IRA implementation?
- How can WIOA resources be aligned with recent state investments in the infrastructure, manufacturing, and energy sectors?
- Should the state consider leveraging funds from the Governor's Reserve to meet demand spurred by IIJA, CHIPS, and IRA?
 - · How can the state capitalize on the pooling flexibility under Title I to meet demand?
 - Which workforce development activities allowed under Title II can help meet demand spurred by IIJA, CHIPS, and IRA? What role should the Integrated English Literacy and Civics Education program play in meeting demand?
 - Which Title III activities are best suited to meet demand spurred by IIJA, CHIPS, and IRA?
- How can the state workforce development board collaborate with local workforce development boards to ensure that funding from Individual Training Accounts (ITAs) helps meet demand spurred by IIJA, CHIPS, and IRA?

Engage High-Quality Training Providers to Ensure High-Quality Program Delivery in Key Sectors: WIOA allows Governors and state workforce development boards to set eligibility criteria for training providers as well as the standards by which training providers are measured. Questions for Governors and state workforce development boards to consider include:

IIJA Grant Program Tracker:

The NGA Center for Best Practices logged every formula and

competitive grant program in the IIJA and tracked programs for which workforce development activities are an allowable use of funding. The tool linked below lists these workforce-relevant programs and provides additional key information such as a description of the program and its purpose, which entities are eligible recipients of grant funds, and whether or not there are any cost sharing requirements.

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Metrics to Evaluate System Performance Required by WIOA

- √ The percentage of program participants who are in unsubsidized employment during the second quarter after exit from the program;
- √ The percentage of program participants who are in unsubsidized employment during the fourth quarter after exit from the program;
- ✓ The median earnings of program participants who are in unsubsidized employment during the second quarter after exit from the program;
- √ The percentage of program participants who obtain a recognized post-secondary credential, or a secondary school diploma or its recognized equivalent during participation in or within 1 year after exit from the program;
- √ The percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains toward such a credential or employment.
- Which training providers in the state are offering programs in the infrastructure, energy, and manufacturing sectors?
 - Are there programs offered in these sectors that are not on the Eligible Training Provider List? If so, how can the Governor and the state workforce development board engage these training providers?
- Should the state prioritize registered apprenticeship programs?
- Should the Governor and state workforce development board set stronger eligibility criteria for training providers for the 2024-2027 planning period?
 - How can new eligibility criteria help meet demand spurred by IIJA, CHIPS, and IRA and strengthen services offered under WIOA?
- Should the Governor and the state workforce development board set additional accountability metrics for training programs for the 2024-2027 planning period?

In Section 2b of Program Memorandum OCTAE 24-1, the U.S. Department of Education outlined performance indicators for youth that can be aligned across WIOA and Perkins V. These are:

- WIOA Title I Youth Education and Employment Rates (both 2nd and 4th quarter after exit), which are similar to the 3S1: Post-program Placement metric in Perkins V:
- WIOA Credential Attainment Rate, which is similar to <u>5S1</u>: <u>Recognized Postsecondary Credential</u> in Perkins V and could include 1S1: Four-Year Graduation Rate21 in Perkins V and ESEA; and
- WIOA Measurable Skills Gain which is similar to 1S1: Four-Year Graduation Rate, 2S1: Academic Proficiency in Reading/Language Arts, 2S2: Academic Proficiency in Mathematics, 2S3: Academic Proficiency in Science in Perkins and ESEA as well as <u>5S1: Recognized Postsecondary</u> <u>Credential, 5S2: Attained Postsecondary Credits</u>, and <u>5S3: Participated in Work-Based Learning</u> in Perkins V.

 How can additional accountability metrics help meet demand spurred by IIJA, CHIPS, and IRA?

- Should accountability metrics for WIOA programs be aligned with metrics for Perkins V programs?
- How can training providers that offer a recognized postsecondary credential be prioritized for inclusion on the state's ETPL?

WIOA's Definition of a Recognized
Postsecondary Credential: A credential
consisting of an industry-recognized certificate
or certification, a certificate of completion of
an apprenticeship, a license recognized by the
State involved or Federal Government, or an
associate or baccalaureate degree.

Make Strategic Appointments to the State Workforce Development Board and Dedicate Board Resources to IIJA, CHIPS, and IRA Implementation: WIOA requires that the majority of a state workforce development board's members be representatives of the business community, but WIOA offers Governors significant authority to make additional appointments as they see fit. Questions for Governors and state workforce development boards to consider include:

- Does the state workforce development board have enough industry representatives from infrastructure, energy, manufacturing, or other sectors relevant to IIJA, CHIPS, and IRA to help lead the state workforce development board's engagement with these programs throughout the 2024-2027 planning period?
 - If not, should the Governor consider making additional appointments?

WIOA Board Requirements

- At least 50% of members represent business;
- 20% of members represent the state's workforce, with at least 2 from organized labor; and
- Must include representatives from relevant state government entities
- Does the state workforce development board need dedicated efforts to implementing IIJA, CHIPS and IRA?
 - Should the state workforce development board establish a committee(s) charged with coordinating the state workforce system's role in implementing IIJA, CHIPS, or IRA?

Make a Plan to Serve Individuals With Barriers to Employment: One of WIOA's core purposes is to ensure individuals with barriers to employment have access to the employment, education, training, and support services they need to succeed in the modern labor market. Questions for Governors and state workforce development boards to consider include:

- What should the Strategic Vision and Goals part of the WIOA plan say about ensuring that jobs created by IIJA, CHIPS, and IRA are accessible to individuals with barriers to employment?
- Should the state make amendments to WIOA's definition of "Individuals with Barriers to Employment" to be inclusive of populations the state seeks to serve?

Individuals with Barriers to Employment

- √ Displaced homemakers
- √ Low-income individuals
- ✓ Indians, Alaska Natives, and Native Hawaiians
- ✓ Individuals with disabilities, including youth who are individuals with disabilities
- √ Older individuals
- √ Ex-offenders
- √ Homeless individuals, or homeless children and youths

- √ Youth who are in or have aged out of the foster care system
- ✓ Individuals who are English language learners, individuals who have low levels of literacy, and individuals facing substantial cultural barriers
- ✓ Eligible migrant and seasonal farmworkers. Individuals within 2 years of exhausting lifetime eligibility under part A of title IV of the Social Security Act
- √ Single parents (including single pregnant women)
- √ Long-term unemployed individuals

- Which WIOA partners should be consulted on the Governor's and the state workforce development board's strategy for amending this definition?
- Should amendments to this definition align with "Special Populations" in Perkins V?

The term "special populations" means — (A) individuals with disabilities; (B) individuals from economically disadvantaged families, including low-income youth and adults; (C) individuals preparing for non-traditional fields; (D) single parents, including single pregnant women; (E) out-of-workforce individuals; (F) English learners; (G) homeless individuals described in section 11434a of title 42; (H) youth who are in, or have aged out of, the foster care system; and (I) youth with a parent who—(i) is a member of the armed forces (as such term is defined in section 101(a)(4) of title 10); and (ii) is on active duty (as such term is defined in section 101(d)(1) of such title).

Building the Talent Pipeline in Alignment with Partners

The State Strategy section of WIOA plans requires Governors and state workforce development boards to detail how the state will achieve the strategic vision and goals set out in the plan. In 2024, it will be critical for WIOA plans to outline how the state will align resources and programs, leverage sector partnerships and career pathways, and measure progress for successfully implementing recent federal investments.

Leverage Sector Partnerships and Career Pathways: Stakeholders that comprise a sector partnership or carry out a career pathway will play a key role in ensuring that states offer opportunities for workers to pursue a career in a sector relevant to new federal investments. Questions for Governors and state workforce development boards to consider include:

The term "industry or sector partnership" means a workforce collaborative, convened by or acting in partnership with a State board or local board, that —

- (A) organizes key stakeholders in an industry cluster into a working group that focuses on the shared goals and human resources needs of the industry cluster and that includes, at the appropriate stage of development of the partnership (i) representatives of multiple businesses or other employers in the industry cluster, including small and medium-sized employers when practicable; (ii) 1 or more representatives of a recognized State labor organization or central labor council, or another labor representative, as appropriate; and (iii) 1 or more representatives of an institution of higher education with, or another provider of, education or training programs that support the industry cluster; and
- (B) may include representatives of (i) State or local government; (ii) State or local economic development agencies; (iii) State boards or local boards, as appropriate; (iv) a State workforce agency or other entity providing employment services; (v) other State or local agencies; (vi) business or trade associations; (vii) economic development organizations; (viii) nonprofit organizations, community-based organizations, or intermediaries; (ix) philanthropic organizations; (x) industry associations; and (xi) other organizations, as determined to be necessary by the members comprising the industry or sector partnership.

The term "career pathway" means a combination of rigorous and high-quality education, training, and other services that —

- (A) aligns with the skill needs of industries in the economy of the State or regional economy involved;
- (B) prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the Act of August 16, 1937 (commonly known as the "National Apprenticeship Act"; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.) (referred to individually in this Act as an "apprenticeship", except in section 171);
- (C) includes counseling to support an individual in achieving the individual's education and career goals;
- (D) includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;
- (E) organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable;
- **(F)** enables an individual to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential; and
- **(G)** helps an individual enter or advance within a specific occupation or occupational cluster.

- Which sector partnerships and career pathways relevant to IIJA, CHIPS, and IRA already exist in your state?
 - How can successful programs be scaled with funding from new federal investments?
 - Which employers should be engaged in sector partnerships or career pathways to meet the increased demand as a result of IIJA, CHIPS, and IRA?
- What other stakeholders that may be included in a sector partnership or career pathway should the state workforce development board and local workforce development boards engage?
- What role can American Job Centers play in carrying out the support and counseling required in a career pathway?

Align Efforts with Required and Additional WIOA Partners and Measure Progress: WIOA requires Governors and state workforce development boards to align efforts with a list of "required partners" and "additional partners," and to detail how they will align relevant programs to achieve their strategic vision and goals. Questions for Governors and state workforce development boards to consider include:

- How can the state workforce development system improve its coordination with agencies that have an administrative role in implementing the IIJA, CHIPS, and IRA but have not historically engaged with the WIOA system?
- Which WIOA partners are offering programs in the infrastructure, energy, and manufacturing sectors?
- How can the state map out relevant assets to maximize coordination with the public workforce development system with regard to IIJA, CHIPS, and IRA implementation?

PART II. Infrastructure Investment and Jobs Act

The Infrastructure Investment and Jobs Act (IIJA) contains several opportunities for states to carry out key workforce development activities that will be required for successful implementation. This includes newly allowing surface transportation dollars to go towards workforce development; new competitive and formula grant programs; and opportunities for planning alignment.

Infrastructure Workforce Resource Map: The NGA Center for Best Practices created an infrastructure workforce resource map that presents several prospective pathways into critical infrastructure careers and identifies funding opportunities that can be tapped to support training for individuals to enter those careers. Infrastructure Workforce Mapping Tool Individual's Administering Career or Employment Status Sector Partner/ Training **Funding Sources** State Agencie Occupation Provider DOT College Student State University 504(e) funds; SLTTFRI funds; Title IV Transportation Enginee 504(e) funds; SLTTFRI funds; Title IV Project College Student Government

Investing Surface Transportation Funds in Workforce Development

The IIJA allows states to invest surface transportation program funds in workforce development activities, including registered apprenticeship and pre-apprenticeship programs. States may also use these program funds to support WIOA planning and state board engagement with employers who are seeking talent for surface transportation projects. The IIJA allows these uses under the following programs:

- The National Highway Performance **Program**
- The Surface Transportation Block **Grant Program**
- The Highway Safety Improvement **Program**
- The Congestion Mitigation and Air **Quality Improvement Program**

IIJA Grant Program Tracker:



The NGA Center for Best Practices logged every formula and competitive

grant program in the IIJA and tracked programs for which workforce development activities are an allowable use of funding. The tool linked below lists these workforce-relevant programs and provides additional key information such as a description of the program and its purpose, which entities are eligible recipients of grant funds, and whether or not there are any cost sharing requirements.

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Allowable Uses of Surface Transportation Funds

- √ tuition and direct educational expenses, excluding salaries, in connection with the education and training of employees of state and local transportation agencies;
- √ employee professional development; student internships;
- ✓ pre-apprenticeships, apprenticeships and career opportunities for on-the-job training;
- √ university, college, community college or vocational school support;
- ✓ education activities, including outreach, to develop interest and promote participation in surface transportation careers; and
- ✓ activities associated with workforce training and employment services, such as targeted outreach and partnerships with industry, economic development organizations, workforce development boards and labor organizations.

Opportunities to Consider:

Ensuring that career opportunities in surface transportation are accessible to individuals with barriers to employment will require successful collaboration between policymakers in the workforce development and transportation space; employers; nonprofit organizations; and more. Questions for Governors and state workforce development boards to consider include:

- Does your state Department of Transportation have a plan to invest program dollars in workforce development?
- Should the state workforce development board or another entity establish a Memorandum of Understanding with the State Department of Transportation to outline shared priorities and establish the path forward?
- Does the state workforce development board have a representative from the surface transportation sector? If not, should the Governor appoint a representative?
- Which employers in the surface transportation sector work closely with the state Department of Transportation? What are their talent needs?
- What should the State Strategy part of the WIOA Plan include on the opportunity to collaborate with and align efforts with surface transportation stakeholders?
- How can the state workforce system deliver supportive services to individuals with barriers to employment working in or seeking a role in the surface transportation space?
 - How can the state workforce development system ensure that services are marketed to reach those who need the most support?

The U.S. Bureau of Labor Statistics houses occupation-specific wage and employment data on roles for which a registered apprenticeship program has been approved by the U.S. Department of Labor. These occupations are categorized under the North American Industry Classification System (NAICS) and classified with a six-digit code. Occupations in the surface transportation industry can be found under NAICS 237300 – Highway Street, and Bridge Construction.

Occupation code	Occupation title (click on the occupation title to view an occupational profile)	\$ Level	Employment	Employment RSE	Percent of ▼ total employment	Median hourly wage	Mean 💠 hourly wage	Annual 🗢 mean wage	Mean wage
00-0000	All Occupations	total	359,720	0.0%	100.00%	\$28.69	\$32.58	\$67,760	0.4%
47-0000	Construction and Extraction Occupations	major	232,230	0.5%	64.56%	\$28.00	\$30.33	\$63,080	0.4%
47-2000	Construction Trades Workers	minor	189,080	0.7%	52.56%	\$26.18	\$29.23	\$60,800	0.5%
47-2061	<u>Construction Laborers</u>	detail	87,310	1.4%	24.27%	\$23.01	\$26.52	\$55,160	0.7%

State Examples:



Every two years, **Oregon**'s Department of Transportation (ODOT) and Bureau of Labor and Industries (BOLI) codify the terms by which surface transportation funds are put towards the <u>Highway Construction Workforce Development Program</u>. The biennial agreements executed by ODOT and BOLI detail the level of investment made in workforce development training activities and supportive services such as childcare subsidies, transportation assistance, and hardship assistance.



The **Idaho** Career Opportunities-Next in Construction Program (ICONIC) at the Idaho Department of Transportation (IDOT) offers a five-week training program in heavy equipment operation and cement masonry. IDOT also partners with the state workforce development board (Idaho Workforce Development Council) to offer Commercial Driver's Licenses to those who complete the ICONIC Program.

Additional Resources:

- USDOT Guidance: The U.S. Department of Transportation released guidance on using surface transportation funds for training, education and workforce development activities.
- **USDOT Fact Sheet:** A <u>fact sheet</u> published by the U.S. Department of Transportation details allowable uses for surface transportation funds on workforce development activities and offers examples of projects that states can fund. USDOT also released a <u>brief</u> that is specific to investments in career pathways for youth.
- **NGA Policy Brief**: A <u>brief</u> published by the NGA Center offers examples of state strategies in Oregon and Idaho and highlights additional opportunities for states to consider.
- Federal Highway Administration Playbook: A <u>playbook</u> published by the Federal Highway Administration outlines 8 steps that stakeholders may take to develop the highway construction workforce.
- Training and Employment Notice 08-22: DOL published a <u>framework</u> for all workforce stakeholders, including infrastructure project leads, to engage the public workforce system in implementing the IIJA.

Digital Equity Act

The Digital Equity Act (DEA) is a new, three-pronged program with the overarching aim of enhancing digital literacy, equity, and inclusion in the United States – particularly for those in what the DEA defines as "covered populations." Critically, the DEA requires planning and alignment with existing workforce development activities.



Digital Equity Act Planning Grants

The National Telecommunications and Information Administration (NTIA) awarded DEA Planning Grants to successful state applicants in the summer and fall of 2022. Required components of state DEA plans that are especially relevant to WIOA planning include: 1. measurable objectives for digital literacy; 2. an assessment of how the activities and goals outlined in the DEA Plan will interact with the state's existing workforce development plans and goals; and 3. a plan for collaboration with stakeholders, including state workforce development boards, workforce development agencies, and agencies that administer adult education and literacy activities such as those under Title II of WIOA.



Digital Equity Act Capacity Grants

States that submitted a DEA plan to NTIA in 2022 are eligible to apply for a DEA Capacity Grant to implement the activities outlined in their DEA plan. States will be required to use these funds to execute these activities over a five-year period.



Digital Equity Act Competitive Grants

NTIA is required to establish a DEA Competitive Grant Program no later than 30 days after states are awarded their DEA Capacity Grants. Eligible uses of funding under the DEA Competitive Grant are similar to those under the DEA Capacity Grant, including the support of relevant workforce development programs. Entities administering the state's DEA Capacity Grant may not administer the DEA Competitive Grant.

Opportunities to Consider:

The DEA includes requirements for alignment between DEA activities and existing workforce development efforts. Questions for Governors and state workforce development boards to consider include:

- What role can the state workforce system play in eliminating barriers to achieving digital literacy as identified in the DEA plan?
 - What should the State Strategy part of the WIOA Plan say about this opportunity for collaboration in the 2024-2027 planning period?
- What role can the state workforce system play in helping the state achieve the objectives for digital literacy outlined in the state's DEA Plan?
 - What should the State Strategy part of the WIOA Plan say about this opportunity for collaboration in the 2024-2027 WIOA Planning period?

- What does the state's DEA plan say about aligning program activities with existing workforce development plans and goals?
 - Should the State Strategy part of the WIOA Plan acknowledge or build on this narrative?
- How can the state workforce system collaborate with the administering entity of the DEA Capacity Grant to ensure its activities are aligned with WIOA activities throughout the 2024-2027 planning period?
- Would amending the WIOA definition of "Individuals With Barriers to Employment" to better align with DEA's definition of "Covered Populations" allow the state workforce system to better coordinate with DEA implementation?

The term "covered populations" means:

- Individuals who live in covered households*;
- 2. Aging individuals;
- 3. Incarcerated individuals, other than individuals who are incarcerated in a Federal correctional facility;
- 4. Veterans;
- 5. Individuals with disabilities:
- Individuals with a language barrier, including individuals who— a. Are English learners; and b. Have low levels of literacy;
- 7. Individuals who are members of a racial or ethnic minority group; and
- 8. Individuals who primarily reside in a rural area⁺.

- *Covered Household—The term "covered household" means a household, the income of which for the most recently completed year is not more than 150 percent of an amount equal to the poverty level, as determined by using criteria of poverty established by the Bureau of the Census. (g) Covered Populations—The term "covered populations" means: 1. Individuals who live in covered households; 2. Aging individuals; 3. Incarcerated individuals, other than individuals who are incarcerated in a Federal correctional facility; 4. Veterans; 5. Individuals with disabilities; 6. Individuals with a language barrier, including individuals who— a. Are English learners; and b. Have low levels of literacy; 7. Individuals who are members of a racial or ethnic minority group; and 8. Individuals who primarily reside in a rural area.
- *Rural Area—The term "rural area" means any area other than 1. A city or town that has a population of greater than 50,000 inhabitants; 2. Any urbanized area contiguous and adjacent to a city or town that has a population of greater than 50,000 inhabitants; and 3. In the case of a grant or direct loan, a city, town, or incorporated area that has a population of greater than 20,000 inhabitants

Existing Resources:

- NTIA FAQ: An FAQ published by NTIA provides answers on key issues like eligibility, deadlines, and other requirements for the DEA's Planning Grant; Capacity Grant; and Competitive Grant.
- NTIA Technical Assistance Hub: NTIA's <u>Technical Assistance Hub</u> features resources to support states as they plan for and carry out relevant programs. This includes guidance on program requirements, budgeting and financial management, tips for successful project implementation, and resources for reporting and evaluation.

NGA/UpSkill America Brief: This <u>brief</u> offers three key strategies and guiding questions related to DEA planning and implementation for employers, as well as strategies for state policymakers to support and collaborate with employers in exploring these key questions.

Broadband Equity, Access, and Deployment Program

The Broadband Equity, Access, and Deployment Program (BEAD) is designed to ensure that everyone in the United States has access to high-speed internet. BEAD requires that states detail their strategy for workforce development in a Five-Year Action Plan and allows states to spend program funds on workforce development. Workforce development planning requirements for BEAD Five-Year Action Plans include:

- > strategy for ensuring that a qualified workforce is available to carry out BEAD projects;
- a plan for partnering with workforce training providers;
- a strategy for aligning the Five-Year Action Plan with existing workforce development plans;
- a strategy for reaching workers who have been traditionally underrepresented in telecommunications:
- > a strategy for creating equitable on-ramps to telecommunications occupations; and
- a strategy for engaging with workforce development stakeholders throughout the duration of the Five-Year Action Plan.

Opportunities to Consider:

BEAD includes requirements for alignment with existing workforce development efforts and activities. Questions for Governors and state workforce development boards to consider include:

- What does the Five-Year Action Plan say about alignment with existing workforce development plans?
 - Should the WIOA Plan's State Strategy section acknowledge or build on this narrative?
- What does the Five-Year Action Plan say about partnerships with training providers?
 - Should the WIOA Plan's State Strategy section acknowledge or build on this narrative?
 - Does the Five-Year Action Plan mention sector partnerships?
 - Are the training providers identified in the Five-Year Action Plan on the ETPL? If not, should the state workforce development board engage them?
 - Are there training providers already working to meet demand spurred by BEAD that are not mentioned in the Five-Year Action Plan? If so, how can the state workforce development board improve coordination?
- How can the state workforce development system establish or scale sector partnerships and career pathways in telecommunications to meet demand spurred by BEAD?

- How can American Job Centers collaborate with BEAD stakeholders to serve workers who have been traditionally underrepresented in telecommunications?
- How can the state workforce development system collaborate with the entity administering BEAD?
 - Should the Governor appoint a representative from the telecommunications sector or another BEAD stakeholder to the state workforce development board to ensure close collaboration?

Existing Resources:

- NGA Broadband Workforce Brief: A <u>brief published by NGA</u> outlines how three states are developing the broadband workforce by establishing sector partnerships, investing in apprenticeship, and partnering with community colleges.
- NTIA FAQ: An FAQ published by NTIA provides answers on key issues like eligibility, deadlines, and other planning and alignment requirements for BEAD.
- NTIA Workforce Planning Guide: This <u>resource published by NTIA</u> outlines the workforce development requirements in BEAD, outlines relevant guidance on workforce development provisions, and lists additional resources and information for entities administering BEAD.

National Electric Vehicle Infrastructure Program

The National Electric Vehicle Infrastructure Program (NEVI) is designed to stand up a network of charging stations for electric vehicles (EVs) across the United States. NEVI requires states to address workforce development in an annual plan, and allows but does not require states to spend program funds on workforce development activities.

Issues that states are required to address in their NEVI Plan include:

- a strategy for recruiting new workers and training incumbent workers to install and maintain EV charging infrastructure;
- a strategy for ensuring that workers installing and maintaining charging infrastructure have proper credentials, licenses and training; and
- considerations for hiring workers from the local community and reaching workers who have been historically underserved by their community.

Workforce development requirements that states are required to meet under NEVI include ensuring that technicians installing and maintaining EV infrastructure have either completed the Electric Vehicle Infrastructure Training Program or are a current or former registered apprentice with charger-specific training. Additionally, NEVI projects with more than one worker on-site must have at least one registered apprentice on the project.

Opportunities to Consider:

NEVI includes opportunities for alignment with existing workforce development efforts and activities. Questions for Governors and state workforce development boards to consider include:

- What does the NEVI Plan say about workforce development?
 - Should the State Strategy part of the WIOA Plan acknowledge or build on this narrative?
- What sector partnerships or career pathways can be established or scaled to carry out NEVI projects?
- What input can the state workforce development system provide NEVI stakeholders as they submit their annual plans?
- How can American Job Centers help ensure that workers from the local community and those who have been historically underserved have career opportunities in this space?
- What opportunities exist to build workforce goals and requirements into the NEVI bidding process?

18

PART III. CHIPS and Science Act

Like the IIJA, successfully implementing the CHIPS and Science Act (CHIPS) will require a skilled workforce to carry out new projects and fulfill demand. The CHIPS for America Incentives Program (CHIPS Incentives Program) includes incentives for employers that require certain workforce development activities be carried out in support of semiconductor manufacturing and related sectors, while the CHIPS Research and Development (R&D) program includes opportunities for sharing of best practices between CHIPS stakeholders and workforce development policymakers.

The CHIPS for America Incentives Program

The CHIPS Incentives Program aims to significantly boost domestic production of semiconductors by incentivizing employers to establish and scale manufacturing efforts. The statute requires that employers have letters of support from education or training providers and that they receive a state or local incentive – which can include support for workforce development activities – to be eligible for the program. Employers that apply are required to develop a "facility workforce plan" as well as a "construction workforce plan."

Required Elements of Facility Workforce Plans and Construction Workforce Plans: The CHIPS Incentives Program includes multiple requirements for which the state workforce development system can play a key role in partnering with employers to serve jobseekers and meet demand. These requirements fall into the following three categories.



Workforce Needs Assessment

A workforce needs assessment for which employers are required to detail the workforce that will be necessary to carry out the project they are proposing and offer analysis on the existing workforce landscape that can help execute their proposed project.



Recruitment and Retention

Employers are required to detail the strategy that they will take to recruit and retain employees carrying out their projects.



Workforce Training and Wraparound Services

Employers are required to detail their plan to provide workforce training; demonstrate commitments from training providers to collaborate in carrying out workforce training; and describe the kind of wraparound services they will provide to workers to lower barriers to workforce participation and success.

Opportunities to Consider:

The workforce planning requirements that employers must meet in the CHIPS Incentives Program are in-line with some of the Strategic Planning Elements of WIOA Plans and other activities already being carried out by the state workforce development system. Questions for Governors and state workforce development boards to consider include:

- How can the state workforce development system coordinate with CHIPS applicants to assess regional workforce needs?
 - Should state workforce development systems and CHIPS applicants share labor market data with one another?
 - Should states whose employer partners have submitted a CHIPS Incentives Program application describe their assessment in the WIOA Plan?
- What role can the state workforce development system play in ensuring that individuals with barriers to employment have career opportunities with employers who successfully apply for the CHIPS Incentives Program?
- How can the state workforce development system help ensure the success of the sector partnerships established in semiconductor manufacturing and in construction?
 - Should the WIOA Plan mention existing sector partnerships in the State Strategy section of their WIOA Plan?
 - Should the state outline a strategy for developing sector partnerships to meet new demand and serve individuals with barriers to employment in the State Strategy part of their WIOA Plan?
- What wraparound supports are already being offered through the state workforce development system that can be scaled to serve workers seeking a career in semiconductor manufacturing or construction?

State Example:



On November 16, 2023, Governor Katie Hobbs <u>announced</u> a first-in-the-nation semiconductor registered apprenticeship program that the state is supporting with a \$4 million investment.

Additional Resources:

- Building the U.S. Semiconductor Workforce Progress Report: The CHIPS for America Office published this <u>progress report</u> which highlights updates and opportunities for workforce development stakeholders.
- CHIPS for America Workforce Development Planning Guide: The CHIPS for America Office published this guide to provide principles, strategies, and best practices to help CHIPS Incentives Program applicants meet the workforce requirements and goals set out in the funding opportunity.
- CHIPS for America Fact Sheet on Building a Skilled and Diverse Workforce: This fact sheet highlights how the workforce requirements set out in the CHIPS Incentives Program will help to develop a more skilled and diverse semiconductor workforce.
- Map of U.S. Semiconductor Ecosystem: This map identifies semiconductor investments already announced by the private sector and allows users to filter by project type.

PART IV. Inflation Reduction Act

The Inflation Reduction Act (IRA) represents the largest investment in clean energy in the history of the United States. The statute includes tax incentives for employers carrying out clean energy projects that cannot be attained without engagement with the registered apprenticeship system.

IRA Apprenticeship Requirements

Relevant clean energy projects must meet workhour requirements and ratio requirements for employers to receive the full tax benefit available through the IRA. Employers are exempt from these requirements if they pay a fine or demonstrate that they have made a good faith effort to meet these apprenticeship requirements but were unable to do so because the registered apprenticeship system could not meet demand. Apprenticeship requirements in the IRA include:

- Workhours: After December 31, 2023, 15% of workhours on qualifying IRA projects must be competed by a registered apprentice.
- Ratios: Qualifying projects that have more than four employees must have at least one apprentice on the job site.

Opportunities to Consider:

The IRA presents an opportunity for state workforce development systems to establish new partnerships and strengthen existing partnerships with clean energy employers. Questions for Governors and state workforce development boards to consider include:

- How can the state establish and scale sector partnerships for qualifying projects under the IRA?
 - Should the state mention these efforts in the State Strategy part of the WIOA Plan?
- What partnerships and resources are needed to build capacity of state apprenticeship policymakers to engage clean energy employers with relevant IRA projects?

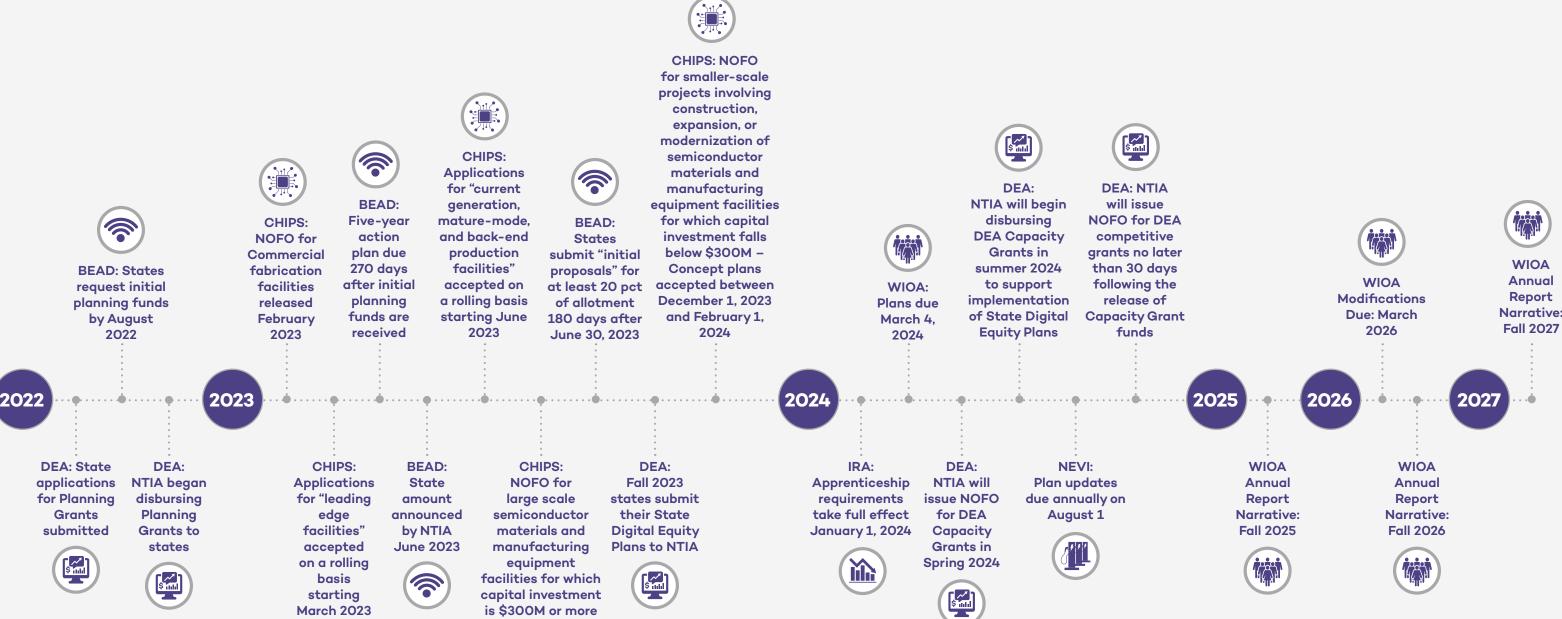
Additional Resources:

- DOL FAQ: An FAQ on apprenticeship.gov provides answers on key issues like eligibility, amounts, and other issues for the IRA's apprenticeship requirements.
- U.S. Department of Treasury Guidance: Guidance from the <u>U.S. Department of</u>
 <u>Treasury</u> outlines additional details related to the IRA's apprenticeship requirements.

Relevant Credits and Deductions:

- Alternative Fuel Vehicle Refueling Property Credit (26 U.S. Code § 30C)
- Credit for Electricity Produced from Certain Renewable Resources (26 U.S. Code § 45)
- Credit for Carbon Oxide Sequestration (26 U.S. Code § 45Q)
- Credit for Production of Clean Hydrogen (26 U.S. Code § 45V)
- Clean Electricity Production Credit (26 U.S. Code § 45Y)
- Clean Fuel Production Credit (26 U.S. Code § 45Z)
- Investment Tax Credit (26 U.S. Code § 48)
- Qualifying Advanced Energy Project Credit (26 U.S. Code § 48C)
- Clean Electricity Investment Credit (26 U.S. Code § 48E)
- Energy Efficient Commercial Buildings Deduction (26 U.S. Code § 179D)

PART V. Map and Timeline for IIJA, CHIPS, IRA Programs Crossed with the 2024-2027 WIOA Planning Period







March 2023





