



BILL SUMMARY

WIOA Conforming Legislation SF 2313

Status of Bill: House Calendar
Committee: House Appropriations (24-0)
Lead Democrats: Rep. Running-Marquardt
Floor Manager: Rep. Deyoe
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Background

In 1998, Congress passed the Workforce Investment Act (WIA), the largest single source of federal funding for workforce development activities. WIA established a universal access system of one-stop career centers, our workforce development training centers. In 2014 The Workforce Innovation and Opportunity Act (WIOA) passed with overwhelming majorities in the US House and Senate, reauthorizing Workforce Investment Act for six years, from 2015 through 2020.

Under WIOA, the Governor must submit a plan to DOL that outlines a four-year workforce development strategy for the states workforce development system. As of last week, the state has submitted their plan to DOL for approval.

Summary

SF 2313 authorizes the Department of Workforce Development to update the state's unemployment system by appropriating federal funds to acquire and update the Idaho Unemployment Benefit Payment Software System and authorizes funds to pay for unemployment insurance overpayment caused by a telephone error.

The legislation also makes changes to the state Workforce Development Board and regional advisory boards to conform with the federal WIOA legislation. Among the changes called for by the WIOA legislation are more duties for the state and regional workforce development boards; adding ex-officio members to the workforce board; agencies to align and integrate programs, services and activities where possible and changing the 20 year workforce plan to a four year comprehensive workforce development plan.

Changes to State and Local Workforce Boards

SF 2313 changes the following changes to state and local workforce boards:

- Changes makeup of the state workforce board by adding four ex-officio members: one representative of the Department for the Blind; one representative of the Department on Aging; one representative of the Department of Corrections and one representative of the Department of Human Services.
- Adds additional duties to the board relating to statewide workforce policies, technology and data systems, identifying information on practices related to workforce needs, implementation of formulas for distribution of federal funds, making recommendations to the Governor and General Assembly and developing and coordinating the analysis of labor market information.

- The legislation allows the workforce development board to designate and direct standing committees to provide information and to assist the Board in carrying out its duties. At a minimum the Board must designate the each of the following: a committee to provide information and assist with operation and other issues relating to the state workforce development system; a committee to provide recommendations regarding policies, procedures, and practices regarding workforce development activities; committees to provide information to assist with issues relating to the provision of services to youth, to individuals with disabilities
- Changes the 20 year workforce plan to a four year comprehensive workforce development plan.
- Renames the regional advisory boards as local workforce development boards and strikes and replaces duties for the boards. The local workforce boards will now be tasked with implementing the four year workforce development plans, coordinating the performance of workforce research and regional labor market analysis, oversight of workforce development program and activities, awarding grants or contracts.
- The legislation also allows the local workforce boards to designate and direct standing committees to provide information and to assist the Board in carrying out its duties. The board may also coordinate regionally with other local workforce development board.

Appropriation from Reed Act Funds

The Job Creation and Workers Assistance Act of 2002 appropriated \$8 billion of unemployment tax revenue the federal government holds in reserves. Legislatures needed to have legislation which authorized uses their uses of their distribution of the funds for specific uses. In 2003, SF 468 authorized the use of these funds.

SF 2313 appropriates \$5,901,000 for the purpose of replacing Iowa's 1974 legacy Unemployment Insurance system. The appropriation will be used to modify the Idaho unemployment insurance benefit payment software system so that it can be used by the state of Iowa. The legislation also authorizes IWD to join a consortium with the states of Idaho and Vermont to acquire and modify the Idaho unemployment system so it can be used to pay unemployment insurance benefits in Iowa.

The bill also authorizes payment of \$433,866 of Reed Act dollars to the unemployment trust fund to pay for unemployment overpayments caused by a telephone system malfunction in March 2014. The workforce development board voted unanimously to not seek repayment from individuals who were mistakenly overpaid.