

## **OREGON WORKFORCE INVESTMENT BOARD**

### **Policy No. 13 Incumbent Worker Services**

#### **Purpose**

The purpose of this policy is to recommend the use of WIA funding to serve incumbent workers.

#### **Background**

As the economy in many areas of the country has improved, policymakers, employers and labor have been giving more attention to the issue of training the current workforce or incumbent workers. Notably, the Workforce Investment Act (WIA) specifically allows the state to use Governor Reserve dollars and/or Rapid Response dollars to address incumbent worker training.

The WIA allows the Governor to reserve up to 15 percent of these funds (the total of adult, youth, and dislocated worker programs) for required and allowable statewide activities. As noted above, one of these allowable activities is the ability to expend funds on incumbent worker training efforts. The funds in the Governor's Reserve are not subject to the eligibility requirements that would otherwise apply if the funds were distributed to the local areas through the funding formula. The budget provides for required administrative activities (5 percent), Incentive/Technical Assistance for Program Improvement, Eligible Trainer Provider Activities, Performance Evaluation Activities, Incumbent Worker Strategy and Training Development, Support for Workforce Boards\*, Technical Assistance and Capacity Building for Local Areas\*, One Stop Capacity Building and Technical Assistance. [\*funds will flow through to areas/regions]. In addition, the Governor is allowed to set aside up to 25 percent of the Dislocated Worker Funds for Statewide Rapid Response Activities.

#### **Process**

After review by a local-state workgroup, completion of local focus groups, and stakeholder review of a preliminary report on what was learned, a final report will be published. This report will be presented for possible adoption as recommended policy to be forwarded to the Governor for his consideration. The timeline envisions that the investment strategy then be operational in the Fall of 2000. If the Governor determines, after considering the recommended investment strategy, that the state has set aside funds that cannot be wisely spent according to the strategy, any unallocated funds will be distributed to the local areas pursuant to the dislocated worker funding formula.

## Policy

The State of Oregon recognizes that improving education and skill levels of the current workforce will not only improve the state's economy and fiscal well being but will also increase the ability of its businesses to effectively compete in the global economy.

The federal Workforce Investment Act (WIA) now allows federal funds to be expended for this purpose. The state and local boards shall develop an incumbent worker investment strategy. The state shall make an investment of WIA and other funds to help business and labor meet the diverse incumbent worker skill and training needs they have identified. The state shall maximize this investment by leveraging monies from other sources including requiring business to commit to matching the state's investment.

Approved by:	Annette Talbott, Workforce Policy Coordinator
Date:	
Effective Date:	April 28, 2000

This policy will remain in effect until amended or rescinded by the Oregon Workforce Investment Board.