

Vulnerable Youth: Overview of Issues Affecting Youth Programs Authorized Under the Workforce Investment Act (WIA)

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Summary

The Workforce Investment Act of 1998 (WIA, P.L. 105-220) is the primary federal law that provides job training and related services to unemployed and underemployed individuals, including vulnerable young people with barriers to employment. All youth job training programs and related services are authorized under Title I of WIA and administered by the Department of Labor (DOL). These programs include the WIA Youth Activities formula program, Job Corps, and YouthBuild. The Job Corps program was established in the 1960s and is the oldest federal job training and employment program (among recent programs) for young people. Under the pilot and demonstration authority in Title I, DOL has also carried out the Reintegration of Ex-Offenders program for both youth and adults. Although the programs have distinct activities and goals, each of them seeks to connect eligible youth to educational and employment opportunities, as well as leadership development and community service activities. WIA authorized funding through September 30, 2003; however, WIA programs continue to be funded through annual appropriation acts. Both the Senate and House of Representatives have taken steps toward reauthorizing WIA since the 108th Congress.

This report provides an overview of issues that have been raised by stakeholders about youth programs authorized under WIA. First, some policy makers have proposed consolidating these and other workforce programs to make them more efficient and less costly. Other stakeholders assert that at-risk youth and other groups with barriers to employment would be overlooked under such a consolidation. Another issue is the perceived lack of coordination between the workforce system and other systems that serve youth, such as the education system. Stakeholders have suggested that greater coordination can help meet the varied needs of youth, as intended by WIA. Members of Congress and others have also continued to inquire about the effectiveness of programs that serve youth in meeting their objectives and serving the most at-risk youth. To date, only an impact evaluation of Job Corps has been completed; however, DOL recently awarded a contract to a social policy research organization to conduct an impact evaluation of YouthBuild.

In addition to these broader issues, Congress is interested in issues specific to Youth Activities and Job Corps. Youth Activities provides funding for youth employment and training services overseen by a state workforce investment board (WIB) and the governor, in coordination with local WIBs and community organizations. The program targets youth ages 14 through 21 who are low-income and have one or more barriers to employment. Since the start of the program, policy makers and others have considered the extent to which youth have had to prove their eligibility for the program. Some local workforce investment boards have reported challenges with documenting income and other eligibility criteria, and some proposals would establish different methods for determining eligibility. Further, stakeholders have raised issues about whether the program should focus more on out-of-school youth. Local workforce investment boards have reported challenges recruiting and retaining these youth. Related to this is the age of youth who ought to be eligible for the program. The American Recovery and Reinvestment Act of 2009 (ARRA, P.L. 111-5) temporarily enabled youth ages 22 through 24 to access services under the program. Whether WIA ought to target these older youth, particularly in light of the possible cost of doing so, could be addressed in any reauthorization legislation. Congress has considered proposals to provide federal funding for states to operate Job Corps centers, as a state option, or to close centers. This is due to concerns that the program has had mixed performance outcomes, and that some centers are low performing.

This report accompanies two CRS reports—CRS Report R40929, *Vulnerable Youth: Employment and Job Training Programs*, and archived CRS Report R40830, *Vulnerable Youth: Federal Policies on Summer Job Training and Employment*, both by (name redacted).

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Introduction

Since the 1930s, federal job training and employment programs and policies have sought to connect vulnerable youth to work and school. Generally, these young people have been defined as being vulnerable because they are low-income and have a barrier to employment, such as having dropped out of school or spent time in foster care. The Workforce Investment Act of 1998 (P.L. 105-220) is the most recent federal law to provide job training and related services to unemployed and underemployed individuals, including youth. WIA includes titles that authorize programs for job training and related services for adults, youth, and dislocated workers (Title I); adult education and literacy (Title II); employment services (Title III); and vocational rehabilitation (Title IV).

All youth job training programs and related services are authorized under Title I of WIA and are carried out by the Department of Labor (DOL). These programs include the WIA Youth Activities (Youth) formula program, Job Corps, and YouthBuild. Under the pilot and demonstration authority in Title I, DOL has carried out the Reintegration of Ex-Offenders program. Together, these programs make up the federal job training system for youth. Although the programs have distinct activities and purposes, each program seeks to connect youth to educational and employment opportunities, as well as leadership development and community service activities.

WIA authorized funding through September 30, 2003; however, WIA programs continue to be funded through annual appropriation acts. In the 112th Congress, policy makers had signaled that the law may be reauthorized in the near future. This report provides an overview of issues pertinent to the WIA youth programs, particularly Youth Activities and Job Corps. It also discusses relevant provisions of two bills: (1) H.R. 803, which was reported by the House Education and Workforce Committee on March 6, 2013, and passed the House on March 15, 2013, and (2) Workforce Investment Act of 2013 (S. 1356), which was ordered reported by the Senate Health, Education, Labor, and Pensions (HELP) Committee on July 31, 2013.

Youth Programs Authorized Under Title I of the Workforce Investment Act

Job training and employment services for youth under WIA include

- *WIA Youth Activities*, a formula program that includes employment and other services that are provided year-round;
- *Job Corps*, a program that provides job training and related services primarily at residential centers maintained by contractor organizations;
- *YouthBuild*, a competitive grant program that emphasizes job training and education in construction;
- *Reintegration of Ex-Offenders*, a demonstration program for juvenile and adult offenders that provides job training and other services and is authorized under WIA's pilot and demonstration authority; and

• *Youth Opportunity Grants (YOG)*, a multi-site demonstration program funded through FY2003 that created centers in low-income communities where youth could receive employment and other services.

Although WIA's authorization of appropriations expired at the end of FY2003, Congress continues to appropriate funds, including those for youth job training programs—except for the YOG program, which has not been funded since FY2003. Except for Job Corps, all of the programs are (or were) carried out by the Division of Youth Services in DOL's Employment and Training Administration (ETA), Office of Workforce Investment. Job Corps is administered by ETA's Office of Job Corps.

Table 1 summarizes key features of Youth Activities, Job Corps, YouthBuild, the youth component of the Reintegration of Ex-Offenders program, and Youth Opportunity Grants. Each of the programs has a similar purpose of connecting youth to educational and employment opportunities. All of the programs serve mostly low-income youth who have specific employment barriers. Unlike Youth Activities and Job Corps, students in YouthBuild must be high school dropouts. The youth component of the Reintegration of Ex-Offenders program focuses on youth offenders and those at risk of dropping out. Although each of the programs provides employment and educational services, these services are carried out differently and by distinct entities. For example, under the Youth Activities program local areas (local workforce investment boards, WIBs) must provide 10 specific elements, including mentoring and follow-up, to youth in the program. YouthBuild program participants engage in employment and other activities primarily related to housing and other types of construction work. Job Corps is the only one of the programs that provides residential services, where youth can live onsite and receive employment and educational services. The youth component of the Reintegration of Ex-Offenders program activities vary, and can include mentoring, educational services, and reentry services for youth returning from a secure facility to the community.

The programs are also funded somewhat differently. DOL allocates funding for Youth Activities to states based on a formula, and states in turn distribute the funds to local WIBs. DOL enters into competitively awarded agreements with nonprofit and for-profit organizations to operate Job Corps centers. DOL also enters into cooperative agreements with the U.S. Department of Agriculture (USDA) Forest Service to carry out Job Corps programs on USDA lands. YouthBuild and the youth component of the Reintegration of Ex-Offenders program competitively awards grants to nonprofit and other organizations and local communities. For further information about the programs, see CRS Report R40929, *Vulnerable Youth: Employment and Job Training Programs*.

Key Feature	Youth Activities Formula Program	Job Corps	YouthBuild	Youth Offenders (Reintegration of Ex- Offenders)	Youth Opportunity Grants (no longer funded)
Purpose	To provide eligible youth with assistance in achieving academic and employment success through activities that improve educational and skill competencies and foster effective connections to employers; ensure ongoing adult mentoring opportunities for eligible youth; provide opportunities for training, continued supportive services, and participation in activities related to leadership, citizenship, and community service; and offer incentives for recognition and achievement to eligible youth.	To provide disadvantaged youth with the skills needed to obtain and hold a job, enter the Armed Forces, or enroll in advanced training or higher education.	To enable disadvantaged youth to obtain the education and employment skills necessary to achieve self-sufficiency; foster leadership skills; provide work and service opportunities; and expand the supply of permanent affordable housing for the homeless.	To support related initiatives that seek to assist youth offenders and youth at risk of dropping out; to reduce violence within persistently dangerous schools; and provide supports for youth at risk of involvement with the justice system.	To increase the long-term employment of youth who live in enterprise communities, empowerment zones, and high- poverty areas.
Target Population	Youth ages 14 through 21 who are low-income and have one or more of the following barriers: (1) deficient in basic literacy skills; (2) a school dropout; (3) homeless, a runaway, or a foster child; (4) pregnant or parenting; (5) an offender; or (6) require additional assistance to complete an educational program or to secure and hold employment. At least 30% of funds are to be used for out- of-school youth.	Youth ages 16 through 24 who are low-income and meet one or more of the following criteria: (1) basic skills deficient; (2) homeless, a runaway, or a foster child; (3) a parent; or (4) an individual who requires additional education, vocational training, or intensive counseling and related assistance in order to participate in regular schoolwork or to secure and maintain employment.	Youth ages 16 through 24 who are (1) members of low- income families, in foster care, offenders, disabled, the children of incarcerated parents, or migrants; and (2) are school dropouts.	Youth offenders, young adult offenders, and students in high-risk schools.	Youth ages 14 through 21 who reside in enterprise communities, empowerment zones, and high- poverty areas and who seek assistance.

Table I. Features of Selected Youth Programs Authorized Under Title I of WIA

Key Feature	Youth Activities Formula Program	Job Corps	YouthBuild	Youth Offenders (Reintegration of Ex- Offenders)	Youth Opportunity Grants (no longer funded)
Funding Mechanism	Funds are allocated by formula to state Workforce Investment Boards (WIBs), based on a formula that accounts for a state's relative share of unemployment and economically disadvantaged youth. In turn, state boards reallocate, by formula, funding to local WIBs using certain factors. Local WIBs competitively contract with local entities, such as nonprofit organizations and community colleges, to provide services.	DOL enters into an agreement with a federal, state, or local agency; an area vocational education school or residential vocational school; or a private organization to operate Job Corps centers.	Grants are competitively awarded to community-based organizations, community action agencies, state or local youth service or conservation corps, and other organizations that provide the services directly.	Grants are competitively awarded to a variety of entities, including community-based organizations, school districts, and state departments of corrections.	Grants were competitively awarded on a one-time basis to 36 low-income communities that established one or more centers where youth could participate in activities and receive services.
Types of Activities for Youth	Each local WIB must provide 10 "elements," which include academic activities, summer employment opportunities, supportive services, follow-up services, and other activities.	Youth generally live at the Job Corps centers, which provide youth with a program of education, vocational training, work experience, recreational activities, physical rehabilitation and development, and counseling.	Grantees may carry out a number of activities, including education and employment activities, supervision in rehabilitating or constructing housing and facilities; adult mentoring; provision of wages or other benefits; and follow-up services.	Grantees provide a variety of activities, depending on the type of grant awarded. Such activities can include pre- release, mentoring, housing, case management, employment services, and violence prevention strategies.	Grantees carried out a number of activities, including education and workforce investment activities; and leadership development, citizenship, community service, and recreational activities.
Youth Served in the Program	232,563 youth exited the program (April I, 2012-March 31, 2013)	91,298 (April I, 2012-March 31, 2013)ª	28,374 were enrolled (cumulative from October I, 2007-March 31, 2013)	15,914 (April I, 2012- March 31, 2013)	92,263 were enrolled (cumulative from FY2000-FY2005)
Authorized Funding	Such sums as necessary for FY1999-FY2003.	Such sums as necessary for FY1999-FY2003.	Such sums as necessary for FY2008-FY2012. ^b	Such sums as necessary for FY1999-FY2003.	Such sums as necessary for FY1999-FY2003.

Key Feature	Youth Activities Formula Program	Job Corps	YouthBuild	Youth Offenders (Reintegration of Ex- Offenders)	Youth Opportunity Grants (no longer funded)
FY2014 Funding (dollars in thousands	\$820,430	\$1,688,155	\$77,534	\$43,910 (FY2013 funding)	Not applicable

Sources: Congressional Research Service, based on correspondence with the U.S. Department of Labor, Employment and Training Administration, May 2012; Workforce Investment Act (P.L. 105-220), as amended; U.S. Department of Labor, Employment and Training Administration, "Workforce Investment Act; Final Rules," 65 Federal Register, August 11, 2000; U.S. Department of Labor, Employment and Training Administration, Workforce System Results for the Quarter Ending March 30, 2013 http://www.doleta.gov/performance/results/#etaqr, and U.S. Department of Labor, Employment and Training Administration, Office of Job Corps, "Student Outcomes/Who Job Corps Serves," http://www.jobcorps.gov/AboutJobCorps/performance_planning.aspx; and U.S. Congress, House Committee on Rules, 113th Cong., 2nd sess., Committee Print 113-32 to the Senate Amendment to the Consolidated Appropriations Act, 2014 (H.R. 3547), which was enacted as P.L. 113-76.

- a. This number includes students who are enrolled in the program during this period, graduates who separated prior to April 1, 2013, and were receiving placement services; and former enrollees who separated prior to April 1, 2013, and were receiving placement services.
- b. The YouthBuild Transfer Act (P.L. 109-281) codified the authorizing statute for the YouthBuild program under WIA and transferred the program from the Department of Housing and Urban Development (HUD) to the Department of Labor. The program was reauthorized under WIA from FY2008 through FY2012.
 P.L. 109-281 retained the core parts of the program; however, it made several notable changes. For a detailed discussion of these changes, see U.S. Department of Labor, YouthBuild Transfer Act: Synopsis and Section-by-Section Analysis; YouthBuild Transfer Act: Side-by-Side Comparison, http://www.doleta.gov/reports/youthbuild_program.cfm.

Overview of Issues

Congress has taken steps toward reauthorizing WIA since the 108th Congress.¹ Recent hearings and listening sessions have addressed multiple issues regarding the WIA youth programs. During the 111th Congress, the Senate Health, Education, Labor, and Pensions (HELP) Committee held a series of listening sessions in April 2009 to address the positive aspects of WIA and to increase understanding of the issues that can be addressed as part of any reauthorization legislation. One of the listening sessions focused on the Youth Activities grant program. Youth advocates, researchers, and other stakeholders spoke about the ways the committee could consider refining the law to improve the program. The Senate HELP Subcommittee on Employment and Workplace Safety subsequently conducted a hearing in July 2009 to discuss how WIA could be updated to help workers and employers meet the demands of a changing economy.² In October 2009, the House Education and Workforce Committee held a hearing on declining youth employment.³ During the 112th Congress, the House Education and Workforce Subcommittee on Higher Education and Workforce Training held hearings on removing inefficiencies in job training programs and modernizing WIA on May 11, 2011, and October 4, 2011, respectively. The full committee held a hearing on a bill to reauthorize WIA, the Workforce Investment Improvement Act of 2012 (H.R. 4297), on April 17, 2012. The committee marked up and favorably reported the bill on June 7, 2012. Also during the 112th Congress, the Senate HELP Committee released discussion drafts in June 2011 of legislation to amend and reauthorize WIA, but it did not receive further action in that Congress.

In the 113th Congress, the House Committee on Education and the Workforce has ordered reported H.R. 803—the Supporting Knowledge and Investing in Lifelong Skills Act (SKILLS Act). This bill was introduced on February 25, 2013, by Representative Virginia Foxx of North Carolina, the chair of the Subcommittee on Higher Education and Workforce Training. A legislative hearing on H.R. 803 was held before the full Committee on Education and the Workforce on February 26, 2013. The committee ordered the bill reported by a vote of 23 to 0 on March 6, 2013. The House passed the bill on March 15, 2013, by a vote of 215 to 202.⁴ In the Senate, Senators Patty Murray, Lamar Alexander, Tom Harkin, and Johnny Isakson introduced the Workforce Investment Act of 2013 (S. 1356) on July 24, 2013. The Senate HELP Committee held a markup of S. 1356 on July 31, 2013, and ordered the bill reported by a vote of 18 to 3.⁵

¹ The 108th, 109th, and 110th Congresses considered legislation to reauthorize WIA: H.R. 1261 and S. 1627 (108th), H.R. 27 and S. 1021 (109th), and H.R. 3747 (110th). For further information, see CRS Report RL32778, *The Workforce Investment Act of 1998 (WIA): Reauthorization of Job Training Programs in the 109th Congress*, by (name redacted) and (name redacted); and CRS Report RS21484, *Workforce Investment Act of 1998 (WIA): Reauthorization of Title I Job Training Programs in the 108th Congress*, by (name redacted).

² U.S. Congress, Senate Committee on Health, Education, Labor, and Pensions (HELP), Subcommittee on Employment and Workplace Safety, *Modernizing the Workforce Investment Act (WIA) of 1998 to Help Workers and Employers Meet the Changing Demands of a Global Market*, 111th Cong., 1st sess., July 16, 2009. (Hereinafter: U.S. Congress, Senate HELP Subcommittee on Employment and Workforce Safety, *Modernizing the Workforce Investment Act (WIA) of 1998 to Help Workers and Employers Meet the Changing Demands of a Global Market.*)

³ U.S. Congress, House Committee on Education and Labor, *Ensuring Economic Opportunities for Young Americans*, 111th Cong., 1st sess., October 1, 2009.

⁴ For further information, see CRS Report R42990, *Workforce Investment Act (WIA) Reauthorization Proposals in the* 113th Congress: Comparison of Major Features of Current Law and H.R. 803, by (name redacted) and (name red acted).

⁵ For further information, see CRS Report R43265, *Workforce Investment Act (WIA) Reauthorization Proposals in the* (continued...)

Issues that have been raised as part of the WIA reauthorization process in Congress and elsewhere generally include the following:

- Some policy makers have proposed consolidating workforce programs for adults, dislocated workers, and youth. Under such a proposal, states would generally have greater ability to target funds to certain activities and populations. Advocates for consolidation say that it could make the programs more efficient and less costly. Other stakeholders assert that at-risk youth and other groups with barriers to employment could be overlooked if workforce programs were collectively funded. If youth programs were consolidated, Congress may wish to consider the role of one-stop centers and oversight bodies, such as youth councils, to help meet the needs of youth.
- Another issue is the perceived lack of coordination between the workforce system and other systems that serve youth, such as the education system. Stakeholders have suggested that greater coordination can help meet the varied needs of youth, as intended by WIA.
- Members of Congress and others have also continued to inquire about the effectiveness of youth workforce programs in meeting their objectives and serving the most at-risk youth. To date, only an impact evaluation of Job Corps has been completed; however, DOL recently awarded a contract to a social policy research organization to conduct an impact evaluation of YouthBuild.

In addition to these broader concerns, Congress is interested in issues specific to Youth Activities and Job Corps:

- Since the start of the Youth Activities program, as authorized under WIA, policy makers and others have discussed the extent to which youth should have to prove their eligibility for the program. State and local workforce officials have said that income eligibility requirements for the program may exclude some needy youth, and that obtaining proof of income can be challenging for some youth. Still, others assert that the requirements are necessary in order to ensure that vulnerable young people enroll in the program.
- A separate concern is how much of an emphasis the program should place on serving older youth. The American Recovery and Reinvestment Act of 2009 (ARRA, P.L. 111-5) temporarily enabled youth ages 22 through 24 to access services under the Youth Activities program. Whether WIA ought to target these older youth, particularly in light of the possible cost of doing so, could be addressed in any reauthorization legislation.
- In addition, stakeholders have raised issues about the school status of youth in the Youth Activities program—specifically, whether the program should focus more on out-of-school youth, including those who are not working. Related to this is the age of youth who ought to be eligible for the program.

^{(...}continued)

^{113&}lt;sup>th</sup> Congress: Comparison of Major Features of Current Law and S.1356, by (name redacted) and (name red acted).

• Congress has considered proposals to provide federal funding for states to operate Job Corps centers, at state option, or to close centers. This is due to concerns that the program has had mixed performance outcomes, and that some centers are low performing.

Consolidation of Youth Workforce Programs

A 2011 report by the Government Accountability Office (GAO) identified existing federal workforce programs and found that many of the programs overlap because they provide a similar service.⁶ The report also stated that despite this overlap, "the services they provide and the populations they serve may differ in meaningful ways." For example, the report discussed the similarities between the youth workforce programs and noted that they have varying models of carrying out program services (for further information about similarities and differences, see **Table 1**).

GAO recommended that the Departments of Labor and Health and Human Services consolidate administration of selected workforce programs—the Employment Service (ES) and employment and training services provided under Temporary Assistance for Needy Families (TANF), among other recommendations.⁷ Past legislation has sought to consolidate certain workforce programs, including the ES with the Adult Activities and Dislocated Worker programs, the major workforce programs for adults under Title I of WIA.⁸

Legislation in the 113th Congress to reauthorize WIA would consolidate multiple workforce programs, including those that serve youth. The Workforce Investment Improvement Act of 2013 (H.R. 803) would consolidate Youth Activities, YouthBuild, and Reintegration of Ex-Offenders—along with multiple other workforce programs and activities—into a single Workforce Investment Fund (WIF) that would be allocated to states and local areas to provide required and allowable statewide employment and training activities. (Job Corps would remain a stand-alone program, and the bill would make substantive changes to the program.) For example, required activities would include providing "work ready services" in the one-stop delivery system.⁹ Such work-ready services would include most existing core (i.e., assessment of skills and needs and job search assistance) and intensive (i.e., career planning and case management) services provided at one-stop centers and add other services such as internship and work experience. The allocation to states would be based on multiple factors, including the relative number of disadvantaged youth in each state. After setting aside up to 15% of funding at the state level, funding would be distributed to local workforce investment areas based on similar factors.

⁶ U.S. Government Accountability Office, *Providing Information on Colocating Services and Consolidating Administrative Structures Could Promote Efficiencies*, GAO-11-92, January 13, 2011, pp. 10-12. (Hereinafter, GAO, *Providing Information on Colocating Services and Consolidating Administrative Structures Could Promote Efficiencies*.)

⁷ These programs do not explicitly target youth, though teens and young adults could be eligible if they had children (TANF) or the requisite work history (ES).

⁸ For further information, see CRS Report RS21484, *Workforce Investment Act of 1998 (WIA): Reauthorization of Title I Job Training Programs in the 108th Congress*, by (name redacted); and CRS Report RL32778,*The Workforce Investment Act of 1998 (WIA): Reauthorization of Job Training Programs in the 109th Congress*, by (name redacted) and (name redacted).

⁹ For further information about the one-stop system, see CRS Report R41135, *The Workforce Investment Act and the One-Stop Delivery System*, by (name redacted).

The bill does not include a separate funding stream for youth workforce training; however, states would be required to set aside some funding from the WIF to establish a competitive grant program for individuals with barriers to employment.¹⁰ Such individuals could include youth: individuals would be eligible if they were ages 16 or older and low-income or members of low-income families. States could award grants to local boards or nonprofits to provide employment and training services to these individuals.

In addition, as part of their state and local workforce plans, state and local workforce investment boards would be required to describe the strategies and services that would be used in the state and local area to assist at-risk youth and out-of school youth in acquiring the following: (1) education and skills; (2) credentials, including industry-recognized postsecondary credentials and industry-recognized credentials; and (3) employment experience for succeeding in the labor market, including training and internships in in-demand industries or occupations important to the state and local economy; dropout recovery activities designed to lead to the attainment of a high school diploma or its equivalent; and activities combining remediation of academic skills, work readiness training, and work experience. The bill would define "at-risk youth" as those ages 16 through 24 who are low-income and high school dropouts, youth in foster care, youth offenders, youth with disabilities, children of incarcerated parents, or migrant youth.

At the March 6, 2013, markup of H.R. 803 by the Education and Workforce Committee, Chairman Kline said that consolidating workforce programs would eliminate and streamline duplicative and ineffective programs, while ensuring accountability.¹¹ Concerns have been raised by some policy makers and others that fewer youth could be served under the proposed WIF, particularly because the bill does not set aside a minimum amount of funding specifically for youth.¹² In recent years, a combined \$900,000 has been appropriated annually to Youth Activities, YouthBuild, and the youth component of the Reintegration of Ex-Offenders program.¹³

S. 1356 would maintain the youth programs. It would also establish and authorize appropriations for Youth Innovation and Replication Grants (YIRG), which would provide competitive grants to states and localities to develop and implement strategies and programs (e.g., career pathways) to improve education and employment outcomes for youth.

Role of One-Stop Centers

If youth programs are consolidated with other workforce programs, Congress may wish to consider the role of one-stop centers in serving youth. One-stop centers are intended to facilitate connections to job training, employment, and other services for adults and youth in a community,

¹⁰ H.R. 803 allows governors to reserve up to 15% of the total Workforce Investment Fund state allocation for statewide activities. From this 15% reserve, governors may reserve up to 25% for Rapid Response Activities, must reserve 15% for the Statewide Grants for Individuals with Barriers to Employment program, and may reserve up to 5% for administrative costs.

¹¹ U.S. Congress, House Education and the Workforce, *markup of H.R. 803, "Supporting Knowledge and Investing in Lifelong Skills Act," or the "SKILLS Act,"* 113th Cong., 1st sess., March 6, 2013.

¹² National Youth Employment Coalition, *Letter to Chairman Kline and Representative Foxx*, March 6, 2013, http://democrats.edworkforce.house.gov/sites/democrats.edworkforce.house.gov/files/documents/SKILLSConcern-NYEC.pdf.

¹³ For further information about funding for these programs, see CRS Report R40929, *Vulnerable Youth: Employment and Job Training Programs*, by (name redacted).

even those youth who are ineligible for the WIA Youth program. Nearly 20 federal programs must currently provide services through the one-stop system, either by co-location, electronic linkages, or referrals.

Generally, one-stops provide services to youth, as discussed in a 2002 GAO report on the Youth Activities program.¹⁴ These centers reported using a variety of methods to attract youth to the centers, such as actively recruiting youth (75% of local WIB directors polled by GAO), placing youth program staff at the one-stop (64%), training one-stop staff in youth programs (45%), and making the facility more attractive to youth (35%). Yet GAO found that some local areas face challenges attracting youth to one-stop centers. In some areas, youth did not typically come into the centers, unless they were referred or brought to them by schools or other service providers. As part of the April 2009 Senate HELP listening session on the WIA Youth program, one stakeholder recommended that one-stops should cater more to youth and do a better job of training service professionals on youth matters.¹⁵

DOL has encouraged one-stop centers to target youth by providing funding to support planning projects for local WIBs and youths to enhance youth connections to the one-stop delivery system, and providing guidance on this topic.¹⁶ Through written guidance, DOL has explained that local areas can enhance access for youth through methods such as co-locating youth program staff at the one-stop center or designating staff to coordinate outreach and services for youth, including cross-training youth program and one-stop staff; and customizing one-stop centers for youth to make the facilities more "youth-friendly," such as by establishing separate satellite centers for youth at places where youth tend to frequent.

Under H.R. 803 and S. 1356, states would be required to continue funding one-stop centers to provide job search and other assistance. The bills do not address the extent to which youth would be served at these centers.

Role of Youth Councils

Related to the possible consolidation of youth is the role of youth councils. Currently, each local WIB has a youth council, which is responsible for developing parts of the local workforce plan related to eligible youth and coordinating services on behalf of eligible youth, in consultation with the local board.¹⁷ Members of the youth council include members of the local board with special interests or expertise in youth policy; representatives of youth service, juvenile justice, and local law enforcement agencies; representatives of local public housing authorities; and

¹⁴ U.S. Government Accountability Office (GAO), *Workforce Investment Act: Youth Provisions Promote New Service Strategies, but Additional Guidance Would Enhance Program Development*, April 2002. (Hereinafter, GAO, *Workforce Investment Act: Youth Provisions Promote New Service Strategies, but Additional Guidance Would Enhance Program Development*.)

¹⁵ Statement of Mala Thakur, National Youth Employment Coalition (NYEC), at the April 15, 2009, WIA Listening Session on Youth, conducted by the Senate Committee on Health, Education, Labor, and Pensions.

¹⁶ U.S. Department of Labor, Employment and Training Administration, Training and Employment Guidance Letter (TEGL) No. 16-00, "Availability of Funds to Support Planning Projects that Enhance Youth Connections and Access to the One-Stop System," March 19, 2001.

¹⁷ For further information about youth councils and the local workforce plan, see CRS Report R40929, *Vulnerable Youth: Employment and Job Training Programs*, by (name redacted).

parents of eligible youth seeking assistance through WIA's formula grant programs for adults and dislocated workers.

The National Youth Employment Coalition (NYEC), an organization that represents the interests of youth employment and youth development organizations, has documented that some youth councils have experienced difficulty developing beyond being advisory bodies to their WIBs.¹⁸ Also in its 2002 report, GAO identified challenges with establishing youth councils.¹⁹ The report found that some councils could not get youth or parents to participate due to a lack of transportation or conflicting work and school schedules.

A 2002 report prepared for DOL identified "enabling conditions" that have allowed innovative youth councils to develop a more comprehensive system for carrying out youth activities under the Youth program.²⁰ Some of these conditions include (1) the presence of an established intermediary organization that has built a strong reputation with critical stakeholders and has an infrastructure to facilitate youth, provider, and business engagement; (2) a strong school-to-career partnership that creates connections between K-12 institutions, businesses, and institutions of higher education; and (3) a pre-existing, community-wide planning process that has mapped key players and initiatives in a community, identified key indicators around which stakeholders might coalesce, and then determined how WIA dollars can leverage other funds to address relevant issues. Stakeholders have also suggested a stronger role for the youth councils that would enable them to have greater flexibility in configuring their partners and priorities.²¹ Stakeholders have also recommended that the councils be required to develop a comprehensive youth plan that coordinates activities and consolidates multiple funding streams for youth.²²

Due to some of the challenges with operating youth councils, reauthorization legislation from previous Congresses would have made youth councils optional.²³ In addition, H.R. 803 in the 113th Congress would make youth councils optional and would not require local workforce investment boards to have representatives of youth interests on those boards; however, H.R. 803 would require state boards to have representatives with youth interests. It would also require state and local workforce investment boards to address the needs of vulnerable youth in their respective plans. S. 1356 would change local workforce investment boards to local workforce

¹⁸ NYEC, NYEC Recommendations for Reauthorization of the Workforce Investment Act.

¹⁹ GAO, Workforce Investment Act: Youth Provisions Promote New Service Strategies, but Additional Guidance Would Enhance Program Development, pp. 14-15.

²⁰ Jobs for the Future and John J. Heldrich Center for Workforce Development, *Evaluation of the Transition to Comprehensive Youth Services Under the Workforce Investment Act*, for the U.S. Department of Labor, Employment and Training Administration, 2002, http://www.jff.org/sites/default/files/publications/YCEval.pdf;and Richard Kazis, *Youth Councils and Comprehensive Youth Planning: A Report from Eight Communities*, Jobs for the Future, Issue Brief, May 2001, http://eric.ed.gov/?id=ED455384.

²¹ Harris, Recommendations for WIA Reauthorization Legislation: Title I Provisions.

²² Ibid and *Statement of Harry Holzer*, Georgetown Center on Poverty, Inequality and Public Policy at the April 15, 2009, WIA Listening Session on Youth, conducted by the Senate Committee on Health, Education, Labor, and Pensions.

²³ See, for example, U.S. Congress, House Committee on Education and the Workforce, H.Rept. 109-9, *Report to Accompany the Job Training Improvement Act of 2005*, 109th Cong., 1st sess., February 25, 2005. According to GAO's survey of local WIBs for a report in 2004 on the Youth Activities program, almost two-thirds of local WIBs reported that they would keep their youth council even if it became optional. Of those who reported that they would not keep their council, 73% would use a youth committee of the local WIB to perform the functions of a youth council. See GAO, *Workforce Investment Act: Labor Actions Can Help States Improve Quality of Performance Outcome Data and Delivery of Youth Services*, p. 20.

development boards (LWDB), and would require LWDBs to establish at least three standing committees to address the one-stop system, youth services, and disability services. The standing committee for youth would be required to provide information and to assist with planning, operational, and other issues related to providing youth services, which is to include community-based organizations with a demonstrated record of success in serving eligible youth. The bill would enable an existing entity to fulfill the requirements concerning the standing committees as long as they meet the requirements for establishing a standing committee.

Regardless of whether Congress decides to eliminate the councils or make them optional, it may wish to look to best practices for how some existing youth councils have helped facilitate youth workforce activities.

Coordination with the Education System

Another issue concerning youth workforce programs is the perceived lack of coordination between the workforce system and other systems that serve youth, particularly the education system. WIA currently includes provisions that are intended to facilitate coordination between the workforce and education system.²⁴ For example, WIA requires that local boards have representatives of local education entities, such as school districts and postsecondary education institutions. In addition, youth councils, in coordinating youth programs at the local level, must "establish linkages with educational agencies responsible for services to participants as appropriate."

Some stakeholders have suggested that greater coordination can help meet the multiple needs of youth, as intended by WIA, and that existing WIA infrastructure (one-stop centers and youth councils, which are required under the Youth Activities program) can facilitate coordination. This issue was raised at the Senate HELP Committee's listening session on WIA and youth.²⁵ A 2004 report by the Government Accountability Office on the Youth Activities program documented some of the ways in which the workforce and education systems have collaborated, and where improvements are needed.²⁶ Among other items, the report examined the entities that local WIBs contract with to provide services to youth.²⁷ The report found that about half of all youth received services under the Youth Activities program through community-based organizations, secondary

²⁴ For further information about collaboration among federal workforce and education programs, see CRS Congressional Distribution memorandum, *Intersection of the Youth Workforce System and the Education System*, by (name redacted) and (name redacted), coordinators. Available upon request.

²⁵ Some stakeholders at the Senate HELP listening session presented options for promoting collaboration between workforce and education entities, and other systems. These stakeholders suggested that Youth Activities funds could be used to bring in partners from the school systems, employer and industry groups, the criminal justice system, and the mental health system. Specifically, they would be responsible for developing a local "youth plan" that sets goals and benchmarks, coordinating activities, and allocating funds for different populations of disadvantaged youth. Localities would be encouraged to consolidate multiple funding streams where possible. Peter Edelman, Mark Greenberg, and Harry Holzer, Georgetown Center on Poverty, Inequality and Public Policy, *Youth Policy Proposals, Working Draft*, April 2009.

²⁶ U.S. Government Accountability Office, *Workforce Investment Act: Labor Actions Can Help States Improve Quality of Performance Outcome Data and Delivery of Youth Services*, GAO-04-308, February 2004. (Hereinafter, GAO, *Workforce Investment Act: Labor Actions Can Help States Improve Quality of Performance Outcome Data and Delivery of Youth Services*.)

²⁷ WIA is silent on the types of entities that may be contracted to provide services for youth. The state workforce investment board identifies the criteria to be used by local boards in awarding grants with Youth Activities funds.

schools, and colleges or universities.²⁸ Nonetheless, GAO found that education entities in some locations were cautious about partnering.²⁹ According to GAO, some educators believed WIA's vision for providing comprehensive youth development services to at-risk youth was inconsistent with the mission of schools to provide academic services to all youth. For example, in Wisconsin some schools were hesitant to allow WIA Youth Activities to be provided on school grounds because of the perceived stigma associated with WIA being targeted to at-risk youth and not all youth generally.

Separately, at the July 2009 hearing conducted by the Senate HELP Subcommittee on Employment and Workplace Safety, the Under Secretary of Education Martha Kanter and the then Assistant Secretary of Labor Jane Oates testified that the Department of Labor and Department of Education are committed to working together to better ensure that youth—whether in-school or out-of-school—receive the services and supports they need.³⁰ A past example of collaboration between DOL and ED on education and workforce activities is the School-to-Work (STW) program, which authorized a variety of competitive and non-competitive grants. A joint STW office was administered by both agencies. The grants supported the development of programs that combined work-based learning in schools, school-based learning in the workplace, and job training. Congress could look to lessons from the STW program to learn more about the successes and challenges associated with partnerships between the school and work systems.³¹

H.R. 803, the reauthorization legislation that was passed by the House on March 15, 2013, includes some provisions that could facilitate coordination of the workforce and education systems, but this coordination is not explicit. For example, the bill would allow, but not require, local areas to include education officials (superintendent of a local secondary school system or leaders of a postsecondary educational institution) on the local workforce investment board. As part of the local plan under H.R. 803, local areas would be required to identify the strategies and services used in the local area to assist youth acquiring education and skills needed to succeed in the labor market. Presumably, this could facilitate coordination between the workforce and education systems.

The Senate bill to reauthorize WIA, S. 1356, also addresses coordination with the education system to some extent. It would require states to submit a Unified State Plan (USF) to the Secretaries of Labor and Education every four years that covers the Youth Activities program and other programs authorized under Titles I and II of WIA—the Adult Activities program, the Dislocated Workers program, adult education programs, the Employment Service, and vocational rehabilitation program. The plan must include elements such as an analysis of state economic

²⁸ A smaller share of youth received services through one-stop centers for adults or youth and other entities, such as local or state governments and private employers. In-school youth were most likely to receive services through—in this order—community organizations, secondary schools, colleges or universities, youth one-stop centers, adult one-stop centers, and other providers, such as local or state governments. Out-of-school youth were most likely to receive services through—in this order—community organizations, colleges or universities, secondary schools, adult one-stop centers, youth adult one-stop centers, and other providers, such as local or state governments. GAO, *Workforce Investment Act: Labor Actions Can Help States Improve Quality of Performance Outcome Data and Delivery of Youth Services*, pp. 17-19.

²⁹ Ibid, p. 23.

³⁰ U.S. Congress, Senate HELP Subcommittee on Employment and Workforce Safety, *Modernizing the Workforce Investment Act (WIA) of 1998 to Help Workers and Employers Meet the Changing Demands of a Global Market.*

³¹ For additional information, see Mathematica Policy Research for the U.S. Department of Education, *Schooling in the Workplace: Increasing the Scale and Quality of Work-Based Learning, Final Report*, January 2001, http://www.eric.ed.gov/ERICDocs/data/ericdocs2sql/content_storage_01/0000019b/80/29/cb/3a.pdf.

conditions and a description of the state's vision and goals for preparing an educated and skilled workforce (including for youth), among other elements. Current law allows states the option of submitting a unified plan, which must cover one or more of WIA Title I, WIA Title II, and activities authorized under the Carl D. Perkins Career and Technical Education programs.

Program Performance

Congress and other stakeholders are concerned about the extent to which youth programs authorized under WIA meet their goals and serve the most at-risk youth. This section provides background on evaluations and performance measures of the three major youth programs—Youth Activities, Job Corps, and YouthBuild. Few evaluations of these programs have been conducted. Under a common set of performance measures across all three programs, known as the "common measures," the three programs have met or exceeded their goals established by the Department of Labor. The **Appendix** includes a discussion of these common measures, and how the three programs have performed under the common measures.

Impact Evaluation

Section 172 of WIA requires DOL to continuously evaluate programs and activities authorized under Title I of WIA. The evaluations are to address several aspects of these programs and activities, including their effectiveness relative to their cost. The law also required that DOL conduct at least one multi-site control group evaluation by the end of FY2005 (the law does not specify any one program). WIA reauthorization legislation from the 113th Congress, H.R. 803, would direct DOL to conduct an independent evaluation of the programs and activities funded under WIA at least every five years.

As noted in GAO's 2011 report on workforce programs, there is limited information about the effectiveness of these programs generally.³² The report found that only 5 of 47 identified programs had been subject to an impact study since 2004 to determine whether participant outcomes are attributable to the program. Rigorous impact studies often involve randomly assigning individuals to treatment and control groups. This assignment allows researchers to determine that any differences in the outcomes between the treatment and control groups are not due to chance, but rather to the intervention being studied—in this case, participation in the treatment group. None of the five programs identified in the GAO report were the youth programs authorized under WIA. With limited information about the impacts of these programs, policy makers may have difficulty determining whether they are effective.³³

³² GAO, Providing Information on Colocating Services and Consolidating Administrative Structures Could Promote *Efficiencies*.

³³ For a summary of evaluations of 11 major employment or education programs serving high school dropouts, see Dan Bloom, "Programs and Policies to Assist High School Dropouts in the Transition to Adulthood," *The Future of Children*, vol. 20, no. 1 (Spring 2010), pp. 94-98, http://futureofchildren.org/futureofchildren/publications/journals/ journal_details/index.xml?journalid=72. Except for Job Corps, these programs are not funded with funds appropriated for Workforce Investment Act programs.

Youth Activities

While the Youth Activities program has not been formally evaluated to determine impacts on participants, a small number of comprehensive studies of the program have been conducted, primarily focusing on how the program has been implemented and carried out.³⁴

YouthBuild

DOL has contracted with a social science research organization to conduct an impact evaluation of YouthBuild that will randomly assign some youth to the program and other youth to a control group. Initial results of the impact of the program on youth employment and other outcomes are expected in 2015.³⁵

Job Corps

DOL recently completed a process evaluation of the Job Corps program to examine center practices that are associated with center performance on selected measures (e.g., job placement rate, post-program earnings, education and training attainment). The evaluation drew on a survey of centers and program management data to identify center management and program practices that were related to each of the center performance measures included in the study. The study examined center practices in the following areas: (1) general center management; (2) academic training practices; (3) Career Technical Training (CTT) practices; (4) student life and development; (5) staff dynamics and culture; (6) center corporate operator oversight; and (7) community and partner relations. Some common factors that were associated with strong performance include robust student support, staff accountability and reward practices, and strong partner relationships.³⁶

The most recent impact evaluation for Job Corps is dated. The program was rigorously evaluated in the late 1990s through the early 2000s to determine the effects of the program on a sample of youth ages 16 through 24 during the 48 months after they were randomly assigned to attend Job Corps or to a control group.³⁷ The evaluation found that youth enrolled in Job Corps had several

³⁴ These studies were conducted by the Government Accountability Office (GAO) in 2002 and 2004 and by Social Policy Research Associates in 2004. Among other findings, GAO concluded that the program has had challenges in identifying and retaining out-of-school youth, providing youth with certain program elements, creating effective youth councils, and providing training and technical assistance to some local areas. The report by Social Policy Research Associates found that local areas studied during program year (PY) 2001 had all 10 required program elements in place and few seemed to have difficulty expending 30% of their funds on out-of-school youth. However, among the major challenges cited by local areas was the need to move from a large-scale stand-alone summer youth program, as carried out under the former Job Training Partnership Act, and replace it with comprehensive youth services. GAO, *Workforce Investment Act: Youth Provisions Promote New Service Strategies, but Additional Guidance Would Enhance Program Development*, GAO-02-413, April 2002; and GAO, *Workforce Investment Act: Labor Actions Can Help States Improve Quality of Performance Outcome Data and Delivery of Youth Services*, GAO-04-308, February 2004. Social Policy Research Associates, *The Workforce Investment Act After Five Years: Results From the National Evaluation of the Implementation of WIA*, June 2004, for the U.S Department of Labor, http://www.doleta.gov/reports/searcheta/occ/ papers/SPR-WIA_Final_Report.pdf.

³⁵ MDRC, "YouthBuild Evaluation," http://www.mdrc.org/project_32_103.html.

³⁶ CRS correspondence with the U.S. Department of Labor, Employment and Training Administration, February 2014. The report is being finalized and will be disseminated. DOL does not have any other studies underway on the program.

³⁷ Peter Z. Schochet, John Burghardt, and Sheena McConnell, National Job Corps Study and Longer-Term Follow-Up Study: Impact and Benefit-Cost Findings Using Survey and Summary Earnings Records Data, August 2006, (continued...)

positive outcomes in education and employment. A follow-up report analyzed the longer-term impacts of the program based on earnings and employment rates (and not on other outcomes) approximately 5 to 10 years after random assignment, when sample members were between the ages of 26 and 34. This research found that the positive employment effects diminished such that the program and control groups were employed at a similar rate and had similar earnings; however, the follow-up also found increased earnings for youth who were ages 20 through 24 at the time they applied for the program. Unlike youth who applied for the program at a younger age, the benefits for serving these older youth outweighed the cost.

Performance Measures

WIA specifies performance measures for Youth Activities and Job Corps, and directs the DOL Secretary to identify performance measures for the YouthBuild program. The discussion below includes an overview of performance measures for the three programs. It also addresses concerns that have been raised with regard to the performance measures for Youth Activities and Job Corps, including that performance measures may provide disincentives for serving youth with the greatest barriers to employment.

H.R. 803, the WIA reauthorization bill that passed the House on March 15, 2013, would eliminate the current youth core performance measures and add new performance measures for individuals who participate in activities funded under the Workforce Investment Fund (as well as certain other titles of WIA). These proposed indicators would measure (1) entry into unsubsidized employment by the end of the second quarter after exiting the program; (2) retention in unsubsidized employment during the fourth quarter after exiting the program; (3) the change in median earnings of participants who are in unsubsidized employment; (4) the attainment of an industry-recognized postsecondary credential, an industry-recognized credential, or regular secondary school diploma within one year after exit from the program; (5) participation in an education or training program that leads to such credentials or diploma and gains made in basic skills toward these credentials or employment; or (6) unsubsidized employment in a field related to the training services they received under the WIF.

S. 1356 creates six indicators of performance for eligible youth in activities funded by the WIA Youth Activities program. They are (1) entry into education, training, or employment; (2) retention in education, training, or employment; (3) earnings for employed youth; (4) attainment of a postsecondary credential or secondary school diploma or equivalent; (5) participation in and measurable skills gains toward education or training programs that lead to a recognized credential or employment; and (6) program effectiveness in serving employers. States may also require additional performance indicators. Further, S. 1356 requires that the DOL Secretary establish performance measures for Job Corps center operators that are based on the six indicators of performance for youth eligible under Youth Activities.

^{(...}continued)

http://wdr.doleta.gov/research/FullText_Documents/

National%20Job%20Corps%20Study%20and%20Longer%20Term%20Follow-Up%20Study%20-%20Final%20Report.pdf.

Youth Activities

Section 136 of WIA sets forth state and local performance measures as part of the accountability system for the Youth Activities program (and the related Adult and Dislocated Worker programs).³⁸ These measures are used as part of the accountability system "to assess the effectiveness of States and local areas in achieving continuous improvement of workforce investment activities funded under this subtitle, in order to optimize the return on investment of Federal funds in statewide and local workforce investment activities."³⁹ Under WIA, "state performance measures" consist of the core indicators of performance described in Section 136(b)(2)(A)⁴⁰ and any additional indicators identified by individual states. The core indicators for youth ages 14 through 18 are different than the indicators for youth ages 19 through 21.

- For youth ages 14 through 18, the core indicators are attainment of basic skills, attainment of secondary school diplomas, and placement and retention in postsecondary education or employment.
- For youth ages 19 through 21, the core indicators are entry into employment, retention in employment, earnings, and attainment of a credential.

For each of the core indicators, the states negotiate with DOL to establish a level of performance. That is, the "measures" are identified in WIA Section 136, but the "levels" are determined by negotiation between states and DOL.⁴¹

Stakeholders have asserted that performance measures do not adequately capture the gains made by the most at-risk youth, and may in fact lead programs to serve only the highest-functioning eligible youth to ensure that the programs meet their performance targets. As part of a 2008 report on youth who are neither working nor in school, the Government Accountability Office documented that some local programs funded with Youth Activities dollars only accepted young people who tested at a specific grade level so that youth can more readily meet the goals of the program.⁴² GAO further reported that DOL officials were aware that WIBs had implemented program contracts in a way that may unintentionally discourage programs from working with lower-skilled youth. For example, some contracts are issued for 12 months, which may be an inadequate timeframe to assist youth in meeting the goals.

In response to the report, DOL issued guidance in 2010 to state workforce agencies on strategies to facilitate service providers to serve youth most in need, while still achieving performance goals.⁴³ This guidance focused on six strategies in particular: (1) employing multiyear or option-

³⁸ For further information on these programs, see CRS Report R41135, *The Workforce Investment Act and the One-Stop Delivery System*, by (name redacted).

³⁹ Section 136 of WIA (P.L. 105-220) describes the "performance accountability system" for WIA.

⁴⁰ States must also comply with additional customer satisfaction indicators, as specified in Section 136(b)(2)(B).

 $^{^{41}}$ In their state plans, states must identify the expected (adjusted) level of performance for each of the core indicators. In order to "ensure an optimal return on the investment of Federal funds in workforce investment activities," the Secretary and the governor of each state shall "reach agreement on the levels of performance" for all youth and other indicators identified in Section 136(b)(2)(A). This agreed-upon level then becomes the "state adjusted level of performance" that is incorporated into the plan.

⁴² U.S. Government Accountability Office, *Disconnected Youth: Federal Action Could Address Some of the Challenges Faced by Local Programs That Reconnect Youth to Education and Employment*, GAO-08-313, February 2008, pp. 31-33.

⁴³ U.S. Department of Labor, Employment and Training Administration, "Contracting Strategies That Facilitate (continued...)

year contracting; (2) basing enrollment goals on a total participant count in a performance period; (3) using "real-time" indicators or interim progress benchmarks to assess provider performance in addition to WIA Youth common measures and other measures established by statute; (4) factoring participant characteristics and external factors into performance goal negotiations; (5) creating positive incentives for youth providers to enroll youth most in need of services and provide services that will assist these youth in achieving successful outcomes; and (6) encouraging the use of interagency collaboration to meet the many needs of youth prior to their enrollment in WIA for services targeted to career education and employment.

In its report, GAO also suggested that the common measures, which apply the same metrics across programs, may give local programs more flexibility to work with youth at different ability levels. (See the **Appendix** for further information about the common measures.) The 2010 DOL guidance encourages local WIBs to adopt "real-time" or interim indicators such as changes in attitudes, behaviors, knowledge, and skills that can be expected to occur during youth's participation in the program or immediately upon completing the program. DOL cites examples such as substantial learning gain, grade level improvement, or an increase in the retention rate for youth participating in alternative education activities, among others.⁴⁴

Others have suggested that the common measures do not necessarily encourage workforce investment boards to serve higher-risk groups. In the same vein as the DOL guidance, some have recommended that the performance levels be adjusted downward for states and local areas choosing to serve more challenging youth populations.⁴⁵ WIA's predecessor, the Job Training Partnership Act, may provide insight into how adjustments could be made to account for local areas that serve the neediest youth, if this is, in fact, a goal of WIA reauthorization. JTPA allowed for adjustments to national performance standards that were established by DOL for youth and other populations.⁴⁶ Governors adjusted the standards for service delivery areas (SDAs) based on economic and demographic factors. (Each state was divided by the governor into geographic areas referred to as SDAs for purposes of carrying out activities under JTPA. SDAs were similar to local workforce investment boards.) The process of adjusting national performance standards to state and local areas was premised on the logic of "leveling the playing field" across areas with different local conditions and took one of two forms under JTPA—use of DOL adjustment models or another approach developed by the state and approved by DOL.⁴⁷

^{(...}continued)

Serving The Youth Most in Need," Training and Employment Guidance Letter (TEGL) No. 13-09, February 16, 2010. ⁴⁴ Ibid.

⁴⁵ Center for Law and Social Policy and National Youth Employment Coalition, "Recommendations to USDOL on Guidance to States on Implementing Youth Activities in the Recovery Act," February 25, 2009.

⁴⁶ The performance measures used for youth fluctuated over time, but generally youth were subject to three to seven measures each program year.

⁴⁷ As noted in a DOL guide on JTPA, "performance standards are adjusted to 'level the playing field' by making the standards neutral with respect to who is served and to local economic conditions. For example, an SDA serving a hard-to-serve population would be given a lower standard than an SDA serving a less hard-to-serve population. Although set at different levels, meeting those two standards would require the same level of SDA effort." See Social Policy Research Associates, *Guide to JTPA Performance Standards for Program Years 1998 and 1999*, February 8, 1999, pp. III-1. Despite the fact that JTPA allowed states to develop their own adjustment models, states had to follow strict criteria from DOL. In addition, developing an adjustment model requires a degree of expertise in statistical analysis. For these reasons, there is some question of whether or not states were actually discouraged from developing their own models. See Carolyn J. Heinrich and Burt S. Barnow, *One Standard Fits All? The Pros and Cons of Performance Standard Adjustments*, La Follette School of Public Affairs, Working Paper 2008-023, Madison, WI, November 18, 2008.

Job Corps

Section 159(c) and Section 159(d) of WIA require Job Corps to establish more than 20 core performance and related metrics. These measures cover a range of outcomes, including entered employment, average wage, and retention in postsecondary education or employment, among others. In addition, DOL has implemented an additional 33 performance metrics to assess the program's performance.⁴⁸ These measures were developed from DOL policy and the Government Performance and Results Act (GPRA), which established requirements in statute for most agencies to set goals, measure performance, and report the information to Congress for potential use.⁴⁹ A September 2011 report by the DOL Office of the Inspector General raised concerns about how Job Corps has implemented its performance metrics. The report specifies that the Office of Job Corps (the office within ETA that administers the program) reported inaccurate results for some metrics; did not establish results and/or targets for other metrics; did not publicly publish required results; and miscalculated the cost of each program participant.⁵⁰

YouthBuild

Section 173A(c)(3)(B)(xii) of WIA requires that in applying for a grant under the YouthBuild program, applicants include "a description of results to be achieved with respect to common indicators of performance for youth and lifelong learning, as identified by the Secretary." The authorizing statute for YouthBuild is otherwise silent on performance measures. The final regulation for YouthBuild was promulgated in February 2012 and addresses performance indicators for YouthBuild grantees.⁵¹ The performance indicators for the grantees are the three common measures—placement in employment or education; attainment of a degree or education; and literacy and numeracy gains—and "such other indicators of performance that may be required by the Secretary." The regulation goes on to say that DOL will provide details of the performance indicators in administrative guidance.

DOL has issued guidance to grantees as part of the process for awarding grants.⁵² In addition to the three common measures (see **Appendix**), DOL has two other goals for the program:

• The retention rate includes the number of individuals who exit (i.e., leave) the program and are placed in employment, post-secondary education, or training in the first quarter after exit and remain in employment or education in the third quarter after exit.

⁴⁸ See, U.S. Department of Labor, Office of the Inspector General, *Job Corps Needs to Improve Reliability of Performance Metrics and Results*, September 30, 2011, http://www.oig.dol.gov/public/reports/oa/2011/26-11-004-03-370.pdf. (Hereinafter: U.S. Department of Labor, Office of the Inspector General, *Job Corps Needs to Improve Reliability of Performance Metrics and Results.*)

⁴⁹ For further information, see CRS Report R42379, *Changes to the Government Performance and Results Act (GPRA): Overview of the New Framework of Products and Processes*, by (name redacted).

⁵⁰ U.S. Department of Labor, Office of the Inspector General, *Job Corps Needs to Improve Reliability of Performance Metrics and Results*.

⁵¹ U.S. Department of Labor, *FY2013 Congressional Budget Justification, Employment and Training Administration*, Job Corps, http://www.dol.gov/dol/budget/.

⁵² U.S. Department of Labor, Employment and Training Administration, *Performance Outcome Summary for YouthBuild Programs*, no date, provided to Congressional Research Service, May 2012.

• The recidivism rate is the percentage of participants who were re-arrested for a new crime or re-incarcerated (for revocation of the parole or probation order) within one year of enrollment in the YouthBuild program. If participants are re-arrested and subsequently released without being convicted of a new crime, they may be taken out of the calculation.

Youth Served by the Youth Activities Program

Since the start of the Youth Activities program, stakeholders have considered the extent to which youth should have to prove their eligibility for the program. They have also raised questions about how much of an emphasis the program should place on serving out-of-school youth and older youth.

Under H.R. 803, the reauthorization legislation that the House passed in March 2013, states and local areas would be required to have strategies and services to assist at-risk youth, defined as low-income individuals who have a barrier to employment, and out-of-school youth ages 16 through 24; however, states and localities would not be required to serve a certain percentage of these young people or allocate a minimum amount of funding for such services, as required under current law.

Eligibility

A youth is eligible for the Youth Activities formula program if he or she is age 14 through 21,⁵³ a low-income individual, and has one or more of the following barriers:

- deficient in basic literacy skills;
- a school dropout;
- homeless, a runaway, or a foster child;
- pregnant or parenting;
- an offender; or
- requires additional assistance to complete an educational program or to secure and hold employment.⁵⁴

An ongoing point of discussion about the WIA Youth program is the extent to which youth should be required to prove their eligibility—particularly, that they are low-income. The Government

⁵⁴ These terms are defined in CRS Report R40929, *Vulnerable Youth: Employment and Job Training Programs*, by (name redacted). Up to 5% of youth participants in a local area may be individuals who do not meet

⁵³ ARRA effectively authorized programs funded by Youth Activities via the law to temporarily extend the age of eligibility from 21 to 24. ARRA funds were appropriated in PY2008; these funds were available for the balance of PY2008 and all of PY2009 and PY2010, which extended through June 30, 2011.

the income criteria, but have at least one barrier to employment, some of which are not identical to those listed above: (1) deficient in basic literacy skills; (2) a school dropout; (3) homeless or a runaway; (4) an offender; (5) one or more grade levels below the grade level appropriate for the individual's age; (6) pregnant or parenting; (7) possess one or more disabilities, including learning disabilities; or (8) face serious barriers to employment as identified by the local WIB (20 C.F.R. 664.220).

Accountability Office's (GAO's) 2002 research on the implementation of the program found that a majority of state and local officials who were interviewed or visited told GAO that documenting a youth's income eligibility was challenging. State and local officials reported that many potentially eligible youth were unable or unwilling to provide pertinent documentation of their eligibility, such as their parents' paycheck stubs or tax returns.⁵⁵ The officials said obtaining necessary documentation diverted financial and staff resources away from direct service delivery. More recently, GAO examined how states and localities are carrying out their WIA Youth program and nine other federal programs using funding appropriated under the Recovery and Reinvestment Act of 2009 (ARRA, P.L. 111-5). According to GAO, state and local workforce officials commented that youth had difficulty providing the documents required to prove WIA program eligibility, and that the income eligibility requirements for the program may exclude some needy youth.⁵⁶

Separately, youth may also face challenges in obtaining documentation to prove that they are eligible under other WIA criteria, such as that they are or were involved in foster care or the juvenile justice or criminal justice system, or were runaways or homeless youth.⁵⁷ For example, youth may be reticent to furnish their previous criminal records. Youth who have run away or are homeless may not be connected to family, and may have difficulty in providing their records.

Some states have appealed to DOL to waive certain eligibility criteria for youth. Under WIA, DOL is authorized to waive certain statutory or regulatory requirements for states or local areas (Section 189 (i)(4)(A)(i)). However, DOL cannot allow waivers for participant eligibility. Therefore, this would not be an option for the states and localities that wish to waive certain eligibility criteria. Still, WIA regulations (20 CFR 661.120) give states and local governments the authority to establish their own policies and guidelines relating to verifying and documenting eligibility. It is not clear whether states have changed their guidelines to incorporate greater flexibility.

Still, stakeholders have asserted that WIA does not allow flexibility in documenting income and other eligibility factors. As part of GAO's work in 2002, some states and localities reported that they preferred using certain eligibility criteria under WIA's predecessor, the Job Training Partnership Act (JTPA).⁵⁸ In-school youth were eligible if they qualified for the federal free lunch program or they participated in a program authorized under Title I of the Elementary and Secondary Education Act, which is targeted to low-income school districts. Alternatively, youth were eligible if they met the definition of "economically disadvantaged," which was nearly the same as the current definition of "low-income" under WIA. Out-of-school youth were eligible if they met the definition of "economically disadvantaged."

⁵⁵ GAO, Workforce Investment Act: Youth Provisions Promote New Service Strategies, but Additional Guidance Would Enhance Program Development, pp. 20-21.

⁵⁶ U.S. Government Accountability Office, *Recovery Act: States' and Localities' Current and Planned Uses of Funds While Facing Fiscal Stresses*, GAO-09-829, July 2009, p. 61.

⁵⁷ Written Statement of Mary Sarris, Executive Director of the North Shore Workforce Investment Board, U.S. Congress, Senate HELP Subcommittee on Employment and Workforce Safety, *Modernizing the Workforce Investment Act (WIA) of 1998 to Help Workers and Employers Meet the Changing Demands of a Global Market.*

⁵⁸ GAO, Workforce Investment Act: Youth Provisions Promote New Service Strategies, but Additional Guidance Would Enhance Program Development. The eligibility criteria for in-school and out-of-school youth were under Section 263 of JTPA.

Other stakeholders support adding eligibility based on a youth's residency in a high-poverty census tract.⁵⁹ Youth who lived in Youth Opportunity grant program sites were automatically eligible based solely on their residency in low-income communities. Some stakeholders have also suggested that certain groups of at-risk youth—such as dropouts, youth in foster care, homeless and runaway youth, and youth who are not working or in school—should be categorically eligible without regard to income.

The goal of WIA is to serve the most vulnerable youth. It is unclear the extent to which changing the eligibility requirement to make it based on a means tested program (such as the free lunch program), residency of youth, or certain risk factors would change the number of youth who would be eligible—or whether youth with more opportunities would receive services.

In-School and Out-of-School Youth

Stakeholders have raised another issue about the youth population in the Youth Activities program; specifically, whether the program should focus more on out-of-school youth, including those who are not working. WIA requires that at least 30% of all Youth Activities funds must be used for activities for out-of-school youth, *or* youth who have dropped out or received a high school diploma or its equivalent but are basic skills deficient, unemployed, or underemployed. Yet, GAO found, as part of its 2002 and 2004 reports, that while local youth programs may meet this goal, they still reported challenges in recruiting and retaining out-of-school youth.⁶⁰ GAO cited a DOL estimate that serving an out-of-school youth under the program is about twice as costly as serving an in-school youth. In addition, local officials reported that they had more difficulty maintaining contact with out-of-school youth. These youth also faced particular difficulties with transportation.

Some stakeholders have suggested that a greater share of WIA Youth funding should be devoted to dropouts, and other youth in high-risk categories, even those youth who are in school.⁶¹ For example, one policy organization that focuses on workforce development issues has asserted that youth who are not in school, and certain in-school youth (those who, for their age, do not have enough credits to graduate) should be the first priorities for use of WIA funds.⁶² Prior legislation in Congress would have required local WIBs to serve primarily out-of-school youth; the accompanying committee reports to some of these bills cite that several federal programs already serve in-school youth.⁶³ Others have argued for maintaining the current share of funding for out-of-school youth but increasing technical assistance to states and localities to meet the needs of

⁵⁹ Jobs For the Future, WIA Reauthorization Policy Principles and Recommendations First Edition—Youth Activities, last updated March 29, 2009. (Hereafter, Jobs for the Future, WIA Reauthorization Policy Principles and Recommendations First Edition—Youth Activities); and Linda Harris, Recommendations for WIA Reauthorization Legislation: Title I Provisions, Center for Law and Social Policy (CLASP), July 19, 2007, http://www.clasp.org/ resources-and-publications/files/0369.pdf (Hereinafter: Harris, Recommendations for WIA Reauthorization Legislation: Title I Provisions).

⁶⁰ See, for example, GAO, *Workforce Investment Act: Labor Actions Can Help States Improve Quality of Performance Outcome Data and Delivery of Youth Services*, pp. 17-19.

⁶¹ Jobs For the Future, *Reauthorization Policy Principles and Recommendations First Edition—Youth Activities* and Linda Harris, *Recommendations for WIA Reauthorization Legislation: Title I Provisions*.

⁶² Jobs for the Future, *Reauthorization Policy Principles and Recommendations First Edition—Youth Activities*.

⁶³ For example, see U.S. Congress, House Committee on Education and the Workforce, H.Rept. 109-9, *Report to Accompany the Job Training Improvement Act of 2005*, 109th Cong., 1st sess., February 25, 2005.

these youth.⁶⁴ Some observers have asserted that localities need flexibility in determining the optimal share of funding.⁶⁵

DOL has provided some guidance to states and localities about serving out-of-school youth and in-school youth who are at risk of dropping out. In direct response to the concerns raised in the 2004 GAO report about recruiting and retaining out-of-school youth, DOL issued guidance recommending that WIBs provide strong alternative education programs for out-of-school youth, including dropouts and youth at risk of dropping out.⁶⁶ Separately, DOL funded the Multiple Education Pathways Blueprint Grants under WIA's pilot and demonstration authority. In FY2007, DOL provided \$3.4 million to seven midsize cities to implement a system that can reconnect youth who have dropped out to multiple education pathways.

Finally, a 2004 report for DOL addressed the implementation of WIA programs and identified the ways that local areas were successful in serving out-of-school youth.⁶⁷ For example, some states provided technical assistance to local areas through a training and technical assistance network. Minnesota prepared a list of resources for out-of-school youth, which included relevant articles and guides and a brief description of strategies used by Job Corps centers to attract these youth. Further, some local areas reported contracting with service providers who had experience working with out-of-school youth, and their services focused on a GED or high school diploma program and vocational training.

Older Youth

Currently, youth are eligible for WIA if they are ages 14 through 21 and meet other criteria. The American Recovery and Reinvestment Act of 2009 temporarily enabled youth through age 24 to access WIA Youth services for the first time. The purpose of expanding the upper age limit was to reach a growing number of young adults who are unemployed.⁶⁸

Extending the program to this older age appears to reflect the growing amount of research literature that suggests that many young people are taking much longer to transition to adulthood. Multiple factors—including the delayed age of the first marriage, the high cost of living independently, and additional educational opportunities—have extended the period of transition from adolescence to adulthood.⁶⁹ For vulnerable youth populations, the transition to adulthood is further complicated by a number of challenges, including family conflict or abandonment and

⁶⁴ NYEC, NYEC Recommendations for Reauthorization of the Workforce Investment Act.

⁶⁵ Written Statement of Mary Sarris, Executive Director of the North Shore Workforce Investment Board, U.S. Congress, Senate HELP Subcommittee on Employment and Workforce Safety, *Modernizing the Workforce Investment Act (WIA) of 1998 to Help Workers and Employers Meet the Changing Demands of a Global Market.*

⁶⁶ U.S. Department of Labor, Employment and Training Administration, Training and Employment Guidance Letter No. 3-04 ("The Employment and Training Administration's (ETA's) new strategic vision to serve out-of-school and atrisk youth under the Workforce Investment Act (WIA)"), July 16, 2004; and U.S. Department of Labor, Employment and Training Administration, *Youth Services Section, WIA Planning Guidance Training*, no date.

⁶⁷ Social Policy Research Associates, *The Workforce Investment Act After Five Years: Results from the National Evaluation of the Implementation of WIA*, June 2004.

⁶⁸ U.S. Congress, Making Supplemental Appropriations for Job Preservation and Creation, Infrastructure Investment, Energy Efficiency and Science, Assistance to the Unemployed, and State and Local Fiscal Stabilization, For the Fiscal Year Ending September 30, 2009, and for Other Purposes, 111th Cong., 1st sess., H.Rept. 111-16.

⁶⁹ For additional information about the transition to adulthood, see CRS Report RL33975, *Vulnerable Youth: Background and Policies*, by (name redacted).

obstacles to securing employment that provides adequate wages and health insurance. The research literature has shown that older youth are more likely to be disconnected—that is, not working or in school—than their younger counterparts.⁷⁰ Whether WIA ought to target these older youth, particularly those who are disconnected, could be addressed in any reauthorization legislation.

On the other hand, increasing the age of youth in the program could strain the program's resources if funding remains stable (at least in nominal dollars), as it has over the past several years.⁷¹ According to a report by GAO on oversight of ARRA activities, 7% of the approximately 300,000 youth who were participating in the Youth program as funded by ARRA were ages 22 through 24.⁷² This translated to about 21,000 youth. In other words, the usual Youth program might see an influx in the number of youth who would like services if the age is expanded.

As allowed under WIA, DOL has advised workforce investment systems that they may co-enroll older youth in both the Youth Activities program and Adult Activities program (also authorized under Title I) to meet their individual needs. For example, older youth can receive mentoring services under the Youth program and can be eligible under the Adult program for what is known as an individual training account (ITA), from which they can fund occupational skills training.⁷³

It is unclear the extent to which youth ages 18 through 21 self-select or are encouraged to participate in the Youth program, Adult program, or both. Exiters ages 19 to 21 in the Youth program have increased from 28.1% in program year 2008 (July 1, 2008-June 30, 2009) to 34.8% of all youth exiters in a recent period that covers both program year 2012 and 2013 (April 1, 2012-March 31, 2013). This is compared to youth ages 18 through 21 in the Adult Activities program, who have made up 10% of the program's exiter population during the same time period (although in terms of numbers, there are generally more older youth in the Adult program than in the Youth program, as based on exiter data).⁷⁴

Major distinctions between the programs appear to be that the Youth program includes more opportunities for academic services, such as tutoring and alternative secondary school services, although the Adult program provides individuals with information about available dropout services during the core phase, which involves job search assistance.⁷⁵ The Adult program also

⁷⁰ CRS Report R40535, *Disconnected Youth: A Look at 16- to 24-Year Olds Who Are Not Working or In School*, by (name redacted) and (name redacted), pp. 17-20.

⁷¹ For further information about funding, see CRS Report R40929, *Vulnerable Youth: Employment and Job Training Programs*, by (name redacted)

⁷² U.S. Government Accountability Office, *Recovery Act: Funds Continue to Provide Fiscal Relief to States and Localities, While Accountability and Reporting Challenges Need to Be Fully Addressed*, GAO-09-1016, September 2009, http://www.gao.gov/new.items/d091016.pdf, pp. 62-79.

⁷³ U.S. Department of Labor, Employment and Training Administration, Training and Employment Guidance Letter (TEGL) No. 3-99, "Program Guidance for Implementation of Comprehensive Youth Services Under the Workforce Investment Act During the Summer of 2000," January 31, 2000.

⁷⁴ U.S. Department of Labor, *PY2012 Workforce Investment Act Standardized Record Data (WIASRD) Data Book*, Tables II-1 and IV-1, December 3, 2013, http://www.doleta.gov/Performance/results/pdf/ PY2012WIASRDDataBook.pdf.

⁷⁵ To receive "intensive" services (e.g., individual career planning and job training), an individual must have received core services and need intensive services to become employed or to obtain or retain employment that allows for self-sufficiency. To receive training services (e.g. occupational skills training), an individual must have received intensive services and need training services to become employed or to obtain or retain employment that allows for self-sufficiency.

provides programs that combine workplace training with related instruction during the training phase. The Youth program also focuses on developing the leadership skills of youth in the program and engaging them in community service activities. The Adult program does not have this same emphasis.

While both programs provide opportunities for occupational skills training and links to employment, these activities tend to be available only to those Adult program participants who are in the training component of the program. Training activities include on-the-job training, programs that combine workplace training with related instruction, training programs operated by the private sector, skill upgrading, and entrepreneurial training. And while the Youth program provides supportive services, such as child care and transportation, the Adult program provides referrals to these services. Finally, the Youth program focuses on adult mentoring and job and other counseling, including drug and alcohol abuse counseling. This is compared with the Adult program's primary focus on job counseling, which tends to occur during the intensive phase.

Proposals to Close Job Corps Centers or Make Them a State Option

On January 10, 2013, DOL published a request for comment in the *Federal Register* on its methodology for selecting "a small number of chronically low-performing centers" for closure.⁷⁶ The methodology includes the following three primary criteria:

- Performance rating, weighted 70%: This refers to the overall performance of the center, based on the Center Report Card. The Center Report Card ranks each center based on three sets of factors primarily related to student outcomes.⁷⁷
- On-board strength (OBS), weighted 20%: This refers to an efficiency rating that demonstrates the extent to which a center operates at full capacity.
- Facility condition, weighted 10%: This refers to the condition of residential and learning facilities at the centers.

In addition to the three major criteria, DOL would ensure that at least one center remained in each state, the District of Columbia, and Puerto Rico. DOL also proposes to exempt certain centers from closure and take into consideration any disproportionate impact that a center closure would have on a certain subpopulation of students.

The notice explains that the closures are part of DOL's "ambitious reform agenda" to improve the performance of centers, including federal oversight of operations and performance outcomes for all centers. While cost does not appear to be cited in the notice as a driving factor for proposing the closures, the notice states that "current budgetary constraints make it even more critical to ensure the program's resources are deployed in a way that maximizes results to students and

⁷⁶ U.S. Department of Labor, "Methodology for Selecting Job Corps Centers for Closure; Comments Request," 78 *Federal Register* 2284 (January 10, 2013).

⁷⁷ For further information about performance management, see U.S. Department of Labor, Employment and Training Administration, Office of Job Corps, "Job Corps Performance Management System Overview Guide," http://www.jobcorps.gov/Libraries/pdf/jc_performance_management_system_overview_guide.sflb.

taxpayers." The comment period ended on February 11, 2013, and as of February 2014, DOL had not issued further information on the closure proposal.⁷⁸

H.R. 803, as passed by the House, includes provisions to improve low-performing centers and close such centers that do not improve. The bill would maintain some of the existing performance measures and add several new ones. It would require the DOL Secretary to develop and implement a program improvement plan lasting one year for centers that report less than 50% on certain performance indicators, and includes new provisions to close those centers that are low-performing on certain performance criteria for more than four consecutive years. The bill would further require that no later than three months after the enactment of H.R. 803, the DOL Secretary is to conduct an audit of centers based on the past 10 years of center performance and to rank centers based on performance and incidents of crimes of violence. The bill directs the DOL Secretary to submit a report to Congress that includes findings and conclusions from the audit, including information indicating the centers that are ranked in the bottom of selected performance indicators. Within 12 months of enactment of H.R. 803, the DOL Secretary is to close the centers that are ranked in the bottom quintile—or 25 out of 125 centers.⁷⁹

Similar proposals have been put forth in prior Congresses. For example, the Reagan Administration proposed closing all Job Corps centers or reducing the capacity of the program by about half to improve the efficiency of the program. DOL was charged with identifying the least efficient centers "in terms of program outcomes, costs, accessibility of client population and other relevant factors."⁸⁰ The centers were ultimately not closed. Similarly, legislation in the 104th Congress (H.R. 1617 and S. 143) would have directed DOL to close 25 underperforming centers based on an audit of centers and criteria related to center performance, incidents of violence or criminal activities, need for rehabilitation and repair, relative and absolute cost, and the level of state and local support for the center. The proposal also sought to transfer operation of Job Corps from the federal government to the states based on the belief that states "are in the best position to manage and operate Job Corps centers that are integrated with their workforce development systems"; however, states would not be required to have Job Corps centers.⁸¹ Some Members objected to transferring operations from the federal government to the states because states could "significantly decrease the number of students attending a center or shift funds to nonresidential programs" and could "limit applicants' access to centers outside their states that might offer programs better suited to their needs." (Both the House and Senate bills passed; however, a conference committee was not convened to resolve differences between the bills.) These same

⁷⁸ CRS correspondence with DOL, Employment and Training Administration, February 2014.

⁷⁹ The bill would make multiple other changes to Job Corps. It would allow the Secretary to set aside up to 25% of the overall appropriation for Job Corps out of the Workforce Investment Fund before funds are distributed to states. Therefore, DOL would decide how much funding would be provided to the program. H.R. 803 would authorize up to \$6.2 billion for FY2014 and each of the six succeeding fiscal years. (If Congress were to appropriate this full amount, Job Corps could receive as much as \$1.56 billion, which is less than the FY2012 appropriation of \$1.71 billion.) H.R. 803 also amends requirements for selecting operators of centers. For example, operators would be required to demonstrate effectiveness in assisting individuals in achieving performance indicators. The bill would also establish a new performance accountability and management system. In addition, the bill would require that workforce councils be appointed by the governor of the state where the Job Corps center is located. Currently, an industry council appointed by the director of the center oversees a Job Corps center.

⁸⁰ U.S. Department of Labor, 1988 Budget Justifications of Appropriation Estimates for Committees on Appropriations, Special Analysis, Employment and Training Administration.

⁸¹ U.S. Congress, Senate Committee on Labor and Resources, *Job Training Consolidation Act of 1995*, committee print, 104th Cong., 1st sess., July 24, 1995, S.Rept. 104-118.

arguments in favor of and against changing Job Corps could be relevant to current efforts to scale back or alter the program.

The Workforce Investment Act of 2013 (S. 1356), which was passed by the Senate HELP Committee in July 2013, would direct the Secretary to determine when a center is to be closed and how to carry out such closure. It would also eliminate the existing indicators of performance and require the DOL Secretary to establish expected levels of performance based on the indicators of performance for the Youth Activities program. It would further require the DOL Secretary to develop and implement a performance improvement plan (PIP) and to take other action as required under current law, except that such action would have to be taken within a one-year period.

Appendix. Common Measures for Selected WIA Youth Programs

The common measures are a set of performance metrics developed by the Department of Labor's Employment and Training Administration (ETA) and used across multiple workforce programs, including Youth Activities, Job Corps, and YouthBuild. The common measures include placement in employment or education, attainment of a degree or education, and literacy and numeracy gains.

In 2003, ETA first implemented a common measures policy for several workforce programs and revised the reporting requirements for WIA Title I programs in an effort to develop a "single, comprehensive system to collect, record, and report program performance for workforce programs."⁸² ETA introduced three measures for youth (described in more detail below) in programs carried out by ETA, including Youth Activities and Job Corps.⁸³ Since that time, ETA has issued additional policy guidance on the common measures.⁸⁴ ETA specifically indicated that the common measures were not to supersede the existing statutory performance reporting requirements for WIA and that states would continue to negotiate performance goals for the indicators required under the Youth Activities program.⁸⁵ In addition to enabling DOL to streamline collection of data on performance, the common measures are used to assess program performance under the Government Performance and Results Act (GPRA), as amended. GPRA, first enacted in 1993, requires most federal agencies to measure program performance.

Table A-1, below, includes the goals and outcomes of each of the common measures for the Youth Activities, Job Corps, and YouthBuild programs. The table includes data for PY2011 and PY2012; however, the data for YouthBuild are based on aggregated program data, beginning with the 2007 grant cycle, through each of those two program years. The goals for the common measures are established as part of the budget process. According to DOL, the goals are "set at the higher end to be 'ambitious' within the context of prior performance."⁸⁶ DOL also states that program goals apply to the program as a whole and may need to be adjusted for individual grantees to account for different economic or other circumstances. DOL develops the performance targets for the programs using regression analysis, which is a statistical technique for determining the relationship between outcomes (dependent variables) and explanatory factors (independent variables). The regression model for Youth Activities incorporates several factors to set targets, including program results from the prior year, current labor market conditions, and

⁸² See U.S. Department of Labor, Employment and Training Administration, *Training and Employment Guidance Letter No. 15-03, Common Measures Policy,* December 10, 2003.

⁸³ YouthBuild became subject to the measures when the YouthBuild Transfer Act (P.L. 109-281) transferred the program from the Department of Housing and Urban Development to the Department of Labor, effective in 2007.

⁸⁴ The most recent guidance is from 2006 and 2007. See U.S. Department of Labor, Employment and Training Administration, *Training and Employment Guidance Letter No. 17-05, Common Measures Policy*, February 26, 2006; and *Training and Employment Guidance Letter No. 17-05, Common Measures Policy, Change 2*, August 13, 2007. Unless otherwise noted, this section draws upon this guidance.

⁸⁵ Despite this, DOL has granted waivers to more than 30 states to permit implementation and reporting on only common measures for the Youth Activities program rather than the current fuller array of measures in WIA. See U.S. Department of Labor, Employment and Training Administration, *Workforce Investment Act (WIA) Waiver Summary Report*, http://www.doleta.gov/waivers/pdf/WIA_Waivers_Summary.pdf.

⁸⁶ U.S. Department of Labor, *Workforce System Results, July 1-September 30, 2011*, http://www.doleta.gov/ Performance/results/quarterly_report/Sept_30_2011/WorkforceRprt_Sept2011_Final_WEB.pdf#page=28.

individual characteristics to correct for the effects of the business cycle and labor market conditions on the outcomes of employment and training programs.⁸⁷ The performance targets for YouthBuild are based on the regression analysis used for Youth Activities.⁸⁸ DOL sets the performance targets for Job Corps similarly. For example, the target for placement in employment or education is based on economic assumptions, program results, unemployment, and the factors developed for the Youth Activities regression model.⁸⁹

The common measures are described in more detail below. Each program met or exceeded its goals in both PY2011 and PY2012.

Placement in Employment or Education

Of those youth who were not enrolled in postsecondary education or employed (including in the military) when they began the program, this placement measure refers to the share who are enrolled in postsecondary education and/or advanced training or occupational skills training, or are employed (including the military) in the first quarter after the exit quarter. It is calculated by including youth who are in high school at exit but excluding youth who are enrolled in school or employed when they enter the program.

Attainment of a Degree or Certificate

Of those enrolled in an educational institution or program at the date of participation in the program or at any point during the program, this measure refers to the share of youth participants who attain a diploma, GED, or certificate by the end of the third quarter after the exit quarter. The term diploma means any credential that a state education agency accepts as equivalent to a high school diploma and other post-secondary degrees, including Associate's degrees and Bachelor's degrees. Such a diploma may be earned at a secondary school, postsecondary school, adult education program, or any other organized program of study leading to a degree or certificate. DOL specifies that a work readiness certificate does not qualify as a diploma. Youth who are in postsecondary school are excluded from this measure.

Literacy or Numeracy Gains

Of those youth who are not in school and are deficient in basic skills,⁹⁰ this measure refers to the share of youth participants who increase one or more educational functional levels. This measure is calculated based on youth who have completed a year in the program (i.e., one year from the date of the first youth program service) and youth participants who exit before completing a year in the program.

⁸⁷ U.S. Department of Labor, FY2014 Congressional Budget Justification, Employment and Training Administration, Training and Employment Services, p. TES-36, http://www.dol.gov/dol/budget/2014/PDF/CBJ-2014-V1-04.pdf.

⁸⁸ Ibid, p. TES-97.

⁸⁹ U.S. Department of Labor, FY2014 Congressional Budget Justification, Employment and Training Administration, Job Corps, p. OJC-20 - OJC-21, http://www.dol.gov/dol/budget/.

 $^{^{90}}$ This means that the individual computes or solves problems, reads, writes, or speaks English at or below the 8th grade level or is unable to compute or solve problems, read, write, or speak English at a level necessary to function on the job, in the individual's family, or in society. In addition, states and grantees have the option of establishing their own definition, which must incorporate this definition.

This measure is only for out-of-school youth. Each youth is initially assessed in reading, writing, and math by a pre-test administered up to six months prior to the date of the first service received under the program. If prior pre-test scores are not available, youth must take pre-tests within 60 days following the date that they first received a service. Youth are then to be tested at "regular intervals after entering the program" (but no later than one year after entering the program). Individuals who are determined not to be basic skills-deficient are excluded from this measure. The measure excludes these individuals so that programs can focus on youth who need remediation, and to eliminate the burden of testing on these young people. Additional guidance by DOL discusses the types of tests that can be used to assess literacy and numeracy gains, and directs programs to make accommodations for students with disabilities, among other guidance.

	Goal PY2011	Outcome PY2011	Goal PY2012	Outcome PY2012			
Placement in Employment or Education							
Youth Activities	53%	59%	60%	67%			
Job Corps	53%	59%	74%	75%			
YouthBuild	42%	47%	50%	50%			
Attainment of D	egree or Cer	rtificate					
Youth Activities	55%	65%	60%	68%			
Job Corps	57%	65%	65%	71%			
YouthBuild	60%	66%	63%	67%			
Literacy and Nu	meracy Gain	s					
Youth Activities	40%	48%	41%	51%			
Job Corps	60%	65%	66%	69%			
YouthBuild	52%	58%	59%	59%			

Table A-1. Common Measures for Selected Youth Programs Authorized Under the Workforce Investment Act, PY2011-PY2012

Source: U.S. Department of Labor, *Workforce System Results, Fourth Quarter, Program Year 2011,* http://www.doleta.gov/performance/results/Archive_Reports.cfm; and CRS correspondence with the U.S. Department of Labor, Employment and Training Administration, December 2013 for PY2012 results.

Note: The goals for each program vary year to year, depending on factors such as program results from the prior year, current labor market conditions, and individual characteristics of participants, among other items.

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