

# **Workforce Innovation and Opportunity Act (WIOA) of 2014**

## **WIOA Implementation**

### **Embracing Change for a Positive Future**

Planning: July 2014 through June 30, 2015

Transition Year: July 1, 2015 through June 30, 2016

Full WIOA Implementation is July 1, 2016

#### **DES WIOA Resource Page:**

<https://www.azdes.gov/main.aspx?menu=322&id=14583>

#### **U.S. Department of Labor WIOA Resource Page:**

<http://www.doleta.gov/WIOA/>

#### **U.S. Department of Education Rehabilitation Services Administration WIOA Resource Page:**

<http://www2.ed.gov/about/offices/list/osers/rsa/wioa-reauthorization.html>

#### **U.S. Department of Education Office of Career, Technical and Adult Education WIOA Resource Page:**

<http://www2.ed.gov/about/offices/list/ovae/pi/AdultEd/wioareauthorization.html>

**For questions and comments:** [wioa@azdes.gov](mailto:wioa@azdes.gov)

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# Title I: Workforce Development

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- **Arizona Department of Economic Security**, Division of Employment and Rehabilitation Services
- **Local Workforce Investment Areas (LWIAs)**: 12 areas statewide

## **Authorization for Title I Services**

Workforce Investment Act of 1998 (WIA)

Workforce Innovation and Opportunity Act of 2014 (WIOA)

## **Adult Program**

The WIA Title IB Adult Program provides workforce investment activities that increase the employment, job retention and earnings of adults age 18 and older.

### **Services:**

- **Core services** include self-service options, such as labor market info, job banks and on-line job matching, and staff assisted options, such as workshops, resumes, job leads, career counseling, and job search assistance.
- **Intensive services** include vocational assessment, case management, individual employment plan services, pre-vocational adult education, job search and placement.
- **Training services** include occupational skills or on-the-job training, adult education, and apprenticeship.

### **Eligibility:**

- Intensive services: age 18 and older, unemployed or underemployed
- Training: employed or unemployed, must meet eligibility for intensive services, have received an intensive service, and be determined in need of training in order to obtain or retain employment that allows for self-sufficiency.

## **Dislocated Worker Program**

The Dislocated Worker Program enables individuals of any age who have lost their job through no fault of their own to obtain gainful employment as rapidly as possible after the dislocation.

**Services:** Core, intensive and training services (see Adult Program)

### **Eligibility:**

- Be terminated or laid off, or have received notice of termination or layoff. Causes are generally plant closures or downsizing.
- Veterans and displaced homemakers if they meet program criteria.

## **Youth Program**

The purpose of the Youth Program is to increase the number of youth entering post-secondary education, training, or employment. The program enhances the basic educational skills of youth to encourage school completion or enrollment in supplementary or alternative school programs; to provide youth with exposure to the world of work and to enhance citizenship skills.

### **Services:**

- Assessment of basic skills and creation of educational and employment goals.
- Tutoring, work experience, occupational skills training, leadership development, supportive services, mentoring and case management.

### **Eligibility:**

- **In-school youth:** age 14-21, low income, and have at least one barrier, such as basic skills deficient, English language learner, homeless, parenting, be in foster care or have a disability.
- **Out-of-school youth:** age 16-21, not attending school, low income and have at least one barrier (see in-school youth).
- A small percentage of youth not meeting the low-income criteria can be served.

**Website:** <https://www.azdes.gov/wioa/>

## **Registered Apprenticeship**

The Arizona Apprenticeship program is a voluntary, industry-driven system of on-the-job training and related technical instruction. Programs are approved by the State of Arizona, sponsored by employers, employer associations, and jointly by management and labor. An apprentice, as an employee, earns an income while receiving training.

- Minimum of 2,000 hours of On-The-Job Learning (Hands On).
- Minimum of 144 Hours a year of Related Technical Instruction (Theoretical Instruction), often through community colleges.

**Website:** <https://www.azdes.gov/apprenticeship/>

# Title II: Adult Education

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## **Arizona Department of Education (ADE) - Adult Education Services**

### **Authorization for Adult Education Services:**

- Arizona Revised Statutes 15-232; 15-233; 15-234
- Title II of the Workforce Investment Act (WIA) of 1998
- Title II of the Workforce Innovation and Opportunity Act (WIOA) of 2014 *(as of July 1, 2015)*

### **Authorization for High School Equivalency (HSE) Testing and Transcripts:**

- Arizona Revised Statute 15-702

### **Purpose for Adult Education:**

- Assist adults in becoming literate and obtaining the skills needed for employment and economic self-sufficiency
- Assist parents in becoming full partners in the education of their children; improve the economic opportunities for the family
- Assist adults in attaining a secondary diploma
- Assist immigrants & others in improving reading, writing, speaking & comprehension skills in English; acquire an understanding of the responsibilities of citizenship

### **Eligibility for Services:**

Individuals who are--

- Age 16 or older;
- Not enrolled or required to be enrolled in secondary school;  
~AND~
- Basic skills deficient;
- Lacking a secondary diploma;  
~OR~
- An English language learner

## **Arizona's Current Adult Education Delivery System**

There are **25 ADE authorized and funded providers of Adult Education Services** in Arizona:

- 8 community colleges; 7 community-based organizations (non-profits); 5 school districts; 5 county programs
- Standards-based instruction is delivered both face-to-face and at-a-distance (DL) in the following content areas:
  - Adult Basic Education (ABE)- reading, writing, and math at the beginning literacy through 8<sup>th</sup> grade levels
  - Adult Secondary Education (ASE)- language arts, math, science, and social studies at the 9<sup>th</sup> through 12<sup>th</sup> grade levels; HSE test preparation to assist students in earning a secondary diploma
  - English Language Acquisition for Adults (ELAA)- reading, writing, listening, speaking skills and civics engagement for immigrant adults who are learning English

## **WIOA's Significant Changes**

WIOA Title II largely maintains WIA's Purpose and Target Population for Adult Education with the following significant changes:

- Required coordination between Core Programs to integrate adult education and literacy activities with workforce preparation and training activities
- Clear and explicit emphasis on helping adults obtain the skills necessary to compete in the modern job market

Major Instructional and Service Delivery Changes for Adult Education:

- Inclusion and definition of the term "Career Pathways"
- Workforce Preparation as an allowable adult education activity
- Four required State Leadership activities, including the inclusion of "essential components of reading instruction"
- Inclusion of math instruction for English language learners
- Integrated English Literacy and Civics Education (IEL/CE)

Major Performance Accountability Changes for Adult Education:

- Inclusion of "median earnings of program participants" as an indicator of performance
- Requirement that participants earning a secondary diploma be counted as a positive outcome only if such participants obtain/retain employment or enroll in a postsecondary training program leading to a recognized credential within one year after exit

### **Arizona's Revised State Plan for Adult Education July 1, 2015 through June 30, 2016 (WIOA Transition Year)**

There are **three overarching goals** in the Arizona Revised State Plan for Adult Education:

***System Goal- the Adult Education System is an integral component of Arizona's educational pipeline leading to postsecondary education and career pathways***

***Profession Goal- Arizona Adult Educators empower adult learners to transition to postsecondary education and livable-wage employment***

***Instruction Goal- Arizona Adult Education Instruction prepares adult learners for success in post-secondary education and the workforce***

There are **three overarching objectives** that determine and guide the initiatives implemented by Adult Education Services during the WIOA Transition Year:

- 1) Develop and build strong collaboration agreements that align Adult Education Services with WIOA Core Partners**
- 2) Implement effective program operations, both statewide and regionally, to support Adult Education's collaboration and alignment with WIOA Core Partners**
- 3) Increase academic rigor and improve instruction to better prepare Adult Education program participants for successful transition to postsecondary and the workforce**

### **Contact Information**

Website: [www.azed.gov/adultedservices](http://www.azed.gov/adultedservices)  
WIOA Updates: [www.azed.gov/adultedservices/wioa](http://www.azed.gov/adultedservices/wioa)  
State Director: Sheryl Hart  
(602) 258-2410 or [sheryl.hart@azed.gov](mailto:sheryl.hart@azed.gov)

# Title III: Employment Services

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## ***Wagner Peyser / Employment Services:***

The Wagner-Peyser Employment Service (ES) Program was established to provide employment service to employers and workforce information services to job seekers at no cost. There are no eligibility requirements for employers or job seekers to access services.

Service provided:

- Employability assessments
- Reemployment assistance
- Resume assistance
- Registration in Arizona Job Connection (AJC)
- Job referrals
- Job matching
- On-site employment recruitments for employers
- Job Fairs, hiring events
- Employment related workshops
- Referrals to community partners

## ***Supplemental Nutrition Assistance Employment & Training Program:***

The Supplemental Nutrition Assistance Employment & Training (SNA E&T) Program helps families become self-sufficient and economically independent through training and employment support.

- Participants are referred to SNA E&T upon approval for Nutrition Assistance (Food Stamps)
- Participants are assigned to work-related activities
- Referrals are made to community partners for supportive services (workshops, training, work experience, etc.)

## ***Trade Adjustment Assistance Program:***

The Trade Adjustment Assistance (TAA) Program assists U.S. workers who have lost or may lose their jobs as a result of foreign trade.

- Provides participants the opportunity to obtain the skills, credentials, resources and support necessary to become reemployed
- All participants are required to be co-enrolled with WIA

***Veteran Programs:***

Disabled Veterans Outreach Program (DVOP) Advocates provide case management services to veterans and eligible spouses of veterans with significant barriers to employment.

Local Veteran Employment Representative (LVER) provides outreach to veterans transitioning out of military service. Their primary responsibility is to promote veterans' programs to employers and veteran service providers within the local community.

***Other Programs:***

- Migrant Seasonal Farmworker Program
- Work Opportunity Tax Credit Program
- Federal Bonding



# Rehabilitation Services Administration (RSA)

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Arizona Rehabilitation Services Administration works with individuals with disabilities to achieve their goals for employment and independence.

## Contact Information

Website: <https://www.azdes.gov/rsa/VR/>

- Provides office locations, contact information, and supervisor name by county
- Referral forms, program information, program brochures, YouTube videos

## Services Provided Statewide

40 field offices statewide that are divided into regions

- Two geographic regions
  - Region 1 – Maricopa County and Northern Arizona
  - Region 2 – Pima County and Southern Arizona
- One region defined by disability
  - Region 3 – Statewide Services for the Blind, Visually Impaired, and Deaf
- VR has staff statewide who are specially trained to meet the unique needs of the following populations:
  - Blind/Visually Impaired
  - Deaf/Hard of Hearing
  - Traumatic Brain Injury/Spinal Cord Injury
  - Serious Mental Illness
  - Youth with Developmental Disabilities who are in Foster Care

## Vocational Rehabilitation (VR) Overview

- VR provides a variety of services to persons with disabilities, with the ultimate goal to prepare for, enter into, or retain employment.
- VR is an eligibility program. To be eligible and individual must meet all of the following 4 criteria:
  1. The individual must have a documented physical and/or mental impairment.
  2. The impairment creates a substantial impediment to employment.
  3. The individual requires vocational rehabilitation services to achieve an employment outcome.
  4. The individual is able to benefit from vocational rehabilitation services in the form of an employment outcome.
- Every eligible individual will be placed in an Order of Selection priority category.
- Order of Selection (OOS) - When all clients eligible for VR services cannot be served due to limited resources, federal law requires RSA to define categories which establish the order in which clients are served. Arizona has established 3 Priority Categories.

## Rehabilitation Services Administration (RSA)

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- Priority Category 1 – Individuals with the most significant disability related service needs.
- Priority Category 2 – Individuals with significant disability related service needs.
- Priority Category 3 – All other individuals.
- This law requires that clients who are most significantly disabled (Priority 1) be served first.
- Clients in other categories will be served in priority order, based on their priority category and date of application as funds become available.
- Only VR qualified staff are able to make eligibility and Order of Selection priority category determinations. VR may be able to purchase additional assessments in order to determine an individual's eligibility and/or OOS priority category.
- Services are provided to assist an individual in overcoming, accommodating, circumventing any of the impairment related barriers which keeps the individual from obtaining or maintaining employment.
  - Assessments
  - Treatment of Impairments
  - Rehabilitation Counseling
  - Training
  - Job Readiness
  - Disability Related Skills Training
  - Job Development, Search, and Placement Services
  - Support Services (to assist with participating in VR services)
  - Rehabilitation Technology services (assistive technology, aids and devices)
- Individuals "exit" the program after maintaining stable employment for 90 days.

**BOTTOM-LINE ENHANCING PROGRAMS AND INCENTIVES**

**Quality Jobs Tax Credit: \$9,000 income tax credit for each qualifying new job:**

- Credit equal to \$3,000 per year for three years for each new qualifying job
- Metro: Capital investment of at least \$5 million and at least 25 new jobs
- Rural: Capital investment of at least \$1 million and at least 5 new jobs

**Job Training Grants: Grants to employers implementing job-specific training plans:**

- Grants of up to \$1.5 million, not to exceed \$5,000 per employee trained in metro areas and \$8,000 per employee trained in rural areas
- New employees: reimbursement of up to 75% of approved training expenses
- Current employees: reimbursement of up to 50% of approved training expenses

**Research and Development Tax Credit: Income tax credit for investing in R&D in Arizona:**

- Income tax credits for year-over-year increases in R&D spending worth up to 24% of qualifying expenses
- Equal to 34% of qualifying expenses when made in conjunction with an Arizona public university
- Companies with fewer than 150 employees may take 75% of the credit as a cash refund

**Qualified Facility Tax Credits Program: Refundable income tax credit for a manufacturing facility or a manufacturing-related research or headquarter facility:**

- Equal to 10% of the capital investment in a new facility or \$20,000 per qualified new job created, whichever is less
- 51% of new jobs must pay wages of at least 125% of the state median

**Sales Tax Exemptions for Machinery and Equipment:**

- Available for:
  - Machinery/Equipment used directly in manufacturing
  - Equipment or transmission lines used directly in producing or transmitting electrical power, but not including distribution
  - Machinery or equipment used in research and development

**Computer Data Center (CDC) Tax Exemptions on purchases of CDC equipment for up to 20 years for qualifying CDCs:**

- CDCs must be certified by the Arizona Commerce Authority
- Investment requirements at a new or expanding CDC:
  - \$50 million in new investment if the CDC is located in Maricopa or Pima county; or
  - \$25 million in new investment if the CDC is located in any other county

**ARIZONA ADVANTAGES** .....

In addition to our aggressive incentive programs, Arizona is committed to attracting and supporting quality companies through competitive tax policies and has demonstrated a continued trend of reducing property, individual sales and corporate income tax rates:

**Among the lowest corporate income tax rates in the country.**

30% reduction in Arizona's corporate income tax rate, which decreases from 6.97% in 2014 to 4.9% by 2017.



**Robust workforce development assistance.** No-cost workforce assistance:

- Immediate access to job-ready talent pools
- Skill assessments and talent screening
- Human Resource consulting on Arizona's labor laws
- Custom recruiting services
- Transition and retention services
- Training grants for new hires and incumbent employees

**Sales factor further reduces corporate tax burdens.** 100% electable sales factor for multi-state corporations (increasing from 80% to 100% between 2014 and 2017).

**Improved accelerated depreciation schedules.** Five-year accelerated depreciation schedules reduce corporate tax burdens. This allows many companies to recover investments more quickly, significantly reducing personal property's full cash value, and taxes owed, over five years.

**97% increase in personal property tax exemption.**

**SMALL BUSINESS TAX CREDITS, GRANTS AND LOANS** .....

**Angel Tax Credit:** An income tax credit of up to 35% is available for investments of at least \$25,000 in an Arizona Commerce Authority-certified small business:

- Beginning 2014, any capital gains income derived from a qualified investment under the Angel program will be exempt from taxation in Arizona

**Arizona Innovation Accelerator Fund:** \$18.2 million loan participation program fostering business expansion and job creation in Arizona by providing debt financing for small businesses (in collaboration with private finance partners)

**Arizona Innovation Challenge:** \$3 million awarded annually (\$1.5 million twice yearly) to the most promising technology ventures (\$100,000 – \$250,000 per company) to help promote and fund Arizona innovation

**AZ Fast Grant:** Up to \$5,000 grant to pay for consulting services to advance Arizona-based technology companies

**AZ State Trade and Export Promotion Program (STEP):** Export assistance grant for small businesses as they export their products for the first time or expand to additional export markets

**RENEWABLE INCENTIVES** .....

**Renewable Energy Tax Incentive Program:** Refundable income tax credits and property tax reductions for companies engaged in the solar, wind, geothermal and other renewable energy (RE) industries when the facility is for RE manufacturing or RE headquarters operations:

- Tax credit of up to 10% of qualifying expenses
- Up to 75% reduction in real and personal property taxes for up to 15 years
- New jobs must pay wages of at least 125% of the county median

**Renewable Energy Production Tax Credit:** Income tax credit awarded to utility-scale generation systems based on the amount of electricity produced annually for a 10-year period using solar light, solar heat, wind or certain types of biomass:

- Income tax credit of up to 4 cents per kilowatt-hour produced with a maximum of \$2 million per facility

**Commercial and Industrial Solar Tax Credit Program:**

Income tax credit for companies installing a solar energy device at an Arizona facility:

- 10% of the installed cost of the solar energy device
- Up to \$25,000 per location per year
- Up to \$50,000 per business per year

**LOCATION-BASED TAX CREDITS, REDUCTIONS AND EXEMPTIONS** .....

**Military Re-use Zone (MRZ):** Tax credits, reductions and exemptions for companies located in an MRZ:

- Income tax credit of up to \$10,000 for each new qualifying employee
- Property tax reductions of up to 75% for up to five years
- Transaction privilege tax exemption on certain types of construction

**Foreign Trade Zone (FTZ):** Up to a 75% reduction in state real and personal property taxes for businesses located in an FTZ. Other benefits include duty free zone, no time constraints on storage, shorter transit time – direct delivery, and weekly entries

**BOND FINANCING OPPORTUNITIES** .....

**Private Activity Bond:** Issued to finance construction and equipment purchases associated with industrial and manufacturing facilities, residential rental projects, facilities for the furnishing of water, sewage and solid waste facilities and more. Interest on private activity bonds may be exempt from federal income tax for most bondholders.

