**Heartland Workforce Solutions Board**

**Incumbent Worker Policy**

Purpose

To establish local policy for providing services to incumbent workers under the Workforce Innovation and Opportunity Act (WIOA) and identify the requirements for One Stop Operators and service providers to adhere to in providing such services to adults, dislocated workers, and youth.

Policy

The Greater Omaha Workforce Development Board (WDB) supports the use of up to 20 percent of the funds allocated by the Governor under 133(b) [Adult Employment and Training Activities and Dislocated Worker funds] to the local area involved to pay the program cost of providing training through a training program for incumbent workers (per WIOA section 134(d)(4)(A)(i). In determining the eligibility of an employer to receive this funding, the following must be taken into account:

* the characteristics of the participants in the program;
* the relationship of the training to the competiveness of a participant and the employer; and
* such other factors as the local board may determine to be appropriate, which may include the number of employees participating in the training, the wage and benefit levels of those employees (at present and anticipated upon completion of the training), and the existence of other training and advancement opportunities provided by the employer (per WIOA section 134(d)(4)(A)(ii).

The Governor or State board may also make recommendations to the local board for incumbent worker training that has a statewide impact (per WIOA section 134(d)(4)(A)(iii).

The training activities for incumbent workers shall be carried out by the WDB in conjunction with the employers or groups of employers of incumbent workers (which may include employers in partnership with other entities for the purposes of delivering training) for the purpose of assisting such workers in obtaining the skills necessary to retain employment or avert layoffs (WIOA section 134(d)(4)(B).

Program funds will be used to reimburse employers providing incumbent worker training on a graduated scale based on the size of a business. Such participating employers must pay the remaining share of the costs not covered by WIOA program funds for providing such training (WIOA section 134(d)(4)(C). The local board shall establish the employers’ share of cost, taking into consideration factors such as the number of employees participating in the training, the wage and benefit levels of the employees (at the beginning and anticipated upon completion of the training), the relationship of the training to the competitiveness of the employer and employees, and the availability of other employer-provided training and advancement opportunities (WIOA section 134(d)(4)(D)(i).

For an employers’ share of cost, a sliding scale has been established based on the employer size at a local operation (i.e., not based on nationwide employer size) where the incumbent worker training will be provided. The employers’ share of cost shall not be less than:

* 10 percent of the cost for employer with not more than fifty (50) employees;
* 25 percent of the cost for employers with more than fifty (50) employees but not more than 100 employees; and
* 50 percent of the cost for employers with more than 100 employees.

The share provided by an employer participating in the program may include the amount of wages paid by the employer to a worker while the worker is attending an incumbent worker training program under 134(d)(4). The employer may provide this share of cost in cash or in kind, fairly evaluated (WIOA section134(d)(4)(D)(iii)). Official payroll records documenting the worker’s hours and wages must be utilized to determine the amount of the employer’s share of cost.

The Employer Size means the number of employees currently employed at the local operation where the incumbent worker training placements will be made. When substantiating the employer count, the most current Labor Market Information (LMI) may be a source to consider. LMI may be obtained from NEworks. Local employer site information, including an employee size range for each local operation, is available in NEworks through data provided by Infogroup. The employee size range from NEworks is acceptable to the extent the entire size range fits within the incumbent worker training employer reimbursement sliding scale ranges (e.g. an employee size range listed as 20-49 in NEworks falls within the 1-50 employee range found within the incumbent worker training employer reimbursement sliding scale). Employer Size is determined by the number of employees at the time of the execution of the incumbent worker training contract. This applies to all employers, including employers with seasonal or intermittent employee size fluctuations.

Training services authorized under Sec. 134 [Use of Funds for Employment and Training

Activities] may be provided pursuant to a contract for services in lieu of an individual training account if such services are incumbent worker training.

The One-Stop Operator must collect performance information from providers on incumbent worker training and use the information to determine whether the providers meet such performance criteria as the Governor may require. The one-stop operator must disseminate information identifying providers that meet the criteria as eligible providers, and the performance information, through the one-stop delivery system. Providers determined to meet the criteria for incumbent worker training services shall be considered to be identified as eligible providers of such training services (WIOA section 122(h)(2).

Agreements with employers regarding incumbent worker training must be in writing and must ensure that all participants are provided a structured training opportunity by which to gain the knowledge and competencies necessary to retain employment and avoid lay-offs.

Restrictions

Funds provided under WIOA cannot be used to pay the wages of incumbent employees during their participation in an economic development activity provided through a statewide workforce development system (WIOA section 181(b)(1). Additionally, when a relocation of a business results in the loss of employment of any employee of such business, no funds provided for employment training can be used for incumbent worker training until after 120 days has passed since the relocation that caused the loss of employment at an original business location in the U.S. (WIOA section 181(d)(1).