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Region 1 Workforce Development Board Policy Letter #11

Subject: Incumbent Worker Training

Effective Date: January 1, 2017

1. **REFERENCE(S):** Workforce Innovation and Opportunity Act of 2014 (WIOA), Section 134(d)(4)
2. **PURPOSE:** To establish policy for implementation of Incumbent Worker Training under section 134(d)(4) of WIOA.
3. **BACKGROUND:** Incumbent Worker training provides both workers and employers with the opportunity to build and maintain a quality workforce. Incumbent Worker training can be used to help avert potential layoffs of employees, or to increase the skill levels of employees so they can be promoted within the company and create backfill opportunities for the employers. Under section 134(d)(4) of WIOA, local boards can use up to 20 percent of their adult and dislocated worker funds to provide for the federal share of the cost of providing Incumbent Worker training. Incumbent Worker training needs to take into account the following factors:
 - The characteristics of the participants in the program;
 - The relationship of the training to the competitiveness of a participant and the employer; and
 - Other factors the state or local boards may determine appropriate, e.g., the number of employees participating in the training, wage and benefit levels of those employed (both pre- and post-participation earnings), and the existence of other training and advancement opportunities provided by the employer.
4. **ACTION:** The state may make recommendations to the local boards for providing Incumbent Worker training that has a statewide impact. Incumbent Worker training is intended to meet the requirement of an employer, or group of employers, to retain a skilled workforce or avert the need to lay off employees by assisting the workers in obtaining the skills necessary to retain employment. Employers are required to pay for a significant cost of the training for those participants in Incumbent Worker training.

Potentially eligible employers able to participate in Incumbent Worker training contracting include: private-for-profit businesses, private non-profit organizations, and public sector employers.

Potentially eligible individuals will be WIOA participants.

Approved:	February 2, 2017	Executive Committee
	February 16, 2017	Region 1 Workforce Development Board of Directors
	February 22, 2017	LEO's

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