

NORTH CENTRAL COUNTIES CONSORTIUM (NCCC)
 WORKFORCE INVESTMENT BOARD (WIB)

INCUMBENT WORKER POLICY

I. Purpose

The Workforce Investment Act (WIA) statute and regulations authorize the use of WIA funds for incumbent worker training. The goal of this guidance is to establish local policy for using WIA 15% Discretionary funds awarded to the local area for incumbent worker training.

II. Background

The workplace is rapidly changing as a result of technology and innovation. It is advantageous to both business and workers for employed workers to be provided with opportunities to upgrade their skills. Businesses place such a high value on the trained worker that according to a recent survey conducted for the Department of Labor by The Urban Institute and Johns Hopkins University, the private sector invests between \$46 and \$54 billion a year in occupational training-related spending, excluding the accompanying administrative costs associated with such training. To maintain a competitive workforce in a global economy by promoting economic growth and helping businesses solve workforce challenges, such as the need to continuously upgrade worker skills and high turnover, Department of Labor Employment Training Administration encourages the workforce investment system to strategically consider incumbent worker training as a potential solution. (*Training and Employment Guidance Letter No. 18-05*)

III. References:

ETA TEGL No. 18-05	20 CFR § 665.320(d)(2)
WIA § 134(a)(3)(A)(iv)(I)	20 CFR § 663.310
WIA § 134(d)(4)(a)	20 CFR § 663.230

IV. Policy

There are three methods for spending WIA funds on incumbent or employed worker training: statewide activities; formula grant funds without a waiver; and formula grant funds with a waiver. It is the policy of the local area to target the Governor’s 15% Discretionary funds as a resource to fund incumbent worker training. These funds are reserved by the Governor for the provision of statewide employment and training activities for adults, youth and dislocated workers.

V. Definition

Who is an “incumbent worker” for purposes of statewide workforce investment activities?

An incumbent worker is an individual who is employed, but an incumbent worker does not necessarily have to meet the eligibility requirements for intensive and training services for employed adults and dislocated workers at 20 CFR 663.220(b) and 663.310. (WIA § 134(a)(3)(A)(iv)(I))