



# CENTRAL ARKANSAS Workforce Development Board

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Policy Number: Section 2 Policy 20

Effective Date: 12-09-2024

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## Incumbent Worker Training Policy

### Purpose:

The purpose of this policy is to describe and to detail the regulations concerning Incumbent Worker Training.

### References:

WIOA §§ 188(a)(3), 134(c)(3)(G), & 134(d)(4)  
20 CFR 680 & 683  
Comments in WIOA Final Rule concerning §§677.150(a), 680.320 & 680.790  
29 CFR part 2, subpart D  
TEGLs 10-16 & 19-16  
ADWS Policy No. WIOA I-B – 1.2 (Definitions)  
ADWS Policy No. WIOA I-B – 3.3 (Occupational Skills Training)  
ADWS Policy No. WIOA I-B – 3.6 (Incumbent Worker Training)

### Policy:

Incumbent worker training (IWT) is training designed to meet the needs of an employer or group of employers to retain a skilled workforce or avert layoffs.

IWT is not permitted to be used to provide the occupational training a new hire need [TEGL 19-16]. It may be used to either:

- Help avert potential layoffs of employees, or
- Obtain the skills necessary to retain employment, such as increasing the skill levels of employees so they can be promoted within the company and create backfill opportunities for less-skilled employees [TEGL 19-16]

Workforce Staff should report demographic information concerning individuals receiving IWT in American Job Link (AJL). Workforce staff should also enter information needed to calculate employment in the 2<sup>nd</sup> and 4<sup>th</sup> quarters after exit.

The Central Arkansas Workforce Development Board may use up to 20% of the combined Adult and Dislocated Worker allocation for IWT. Activities must be programmatic in nature.

IWT should be provided through contracts instead of ITAs. Incumbent Worker Training must be for occupations that are considered in-demand by the Central Arkansas Workforce Development Board. The following conditions must be met:

- Workers must be employed in a situation that meets the Fair Labor Standards requirements for an employer-employee relationship
- Workers must have an established employment history for at least 6 months, unless training is being given to a cohort of employees. The 6 months may include time spent as a temporary or contract worker.
- An incumbent worker does not have to meet eligibility requirements for careers and training services for Adult and Dislocated Worker program, unless he/she is also enrolled as a participant on one of those two programs.

In determining the eligibility of an employer or group of employers to provide IWT, the following factors will be considered:

1. The characteristics of the program
2. Whether the training improves the labor market competitiveness
3. Number of employees participating in the training
4. Wage and benefit level increase of the employees
5. Credentials and skills gained
6. Layoffs averted
7. Utilization as part of a larger sector and/or career pathway
8. Existence of other training opportunities provided by employer

### **Additional Information**

IWT may be used for underemployed workers, such as workers who are part-time, but would prefer full-time employment.

No funds may be provided to employers for work-based training and other work experiences to be used directly or indirectly to assist, promote, or deter union organizing [20 CFR 680.830]. No funds may be provided to employers for work-based training and other work experiences to be used directly or indirectly to aid in the filling of a job opening which is vacant because the former employee is on strike, the former employee is being locked out in the course of a labor dispute, or the job is vacant because of an issue in a labor dispute involving a work stoppage [20 CFR 680.840].

No funds may be used to pay a participant to construct, operate, or maintain any part of a facility used for sectarian instruction or as a place for religious worship, with the exception of maintenance of facilities that are not used primarily for sectarian instruction or worship and are operated by organizations providing services to WIOA participants [WIOA § 188(a)(3); 20 CFR 683.255(a)]

WIOA funds may not be used for the encouragement or inducement of a business or part of a business to relocate from any location in the United States if the relocation results in any employee losing his or her job at the original location.

No individual may be placed in a WIOA employment activity if a member of that person's immediate family is directly supervised by or directly supervises that individual.

The employer(s) participating in the Incumbent Worker training program must pay the non-Federal share of the cost of providing training to their incumbent workers. The nonfederal share percentages are (and cannot be less than):

1. 10% of the cost for employers with not more than 50 employees
2. 25% of the cost for employers with more than 50 employees and not more than 100 employees
3. 50% of the cost for employers with more than 100 employees.

Additional information can be found in the State Policy 3.6.

Approved by: <u>Michael Ibrue</u>	Date: <u>12/9/2024</u>
Title: <u>CAWDB Chairperson</u>	

CAPDD/Arkansas Workforce Center is an "equal opportunity employer/program," and "auxiliary aids and Services are available upon request to Individuals with disabilities." Arkansas Relay Service: 1-800-285-1121 (Voice) 1-800-285-1131 (TDD) or TDD 711