

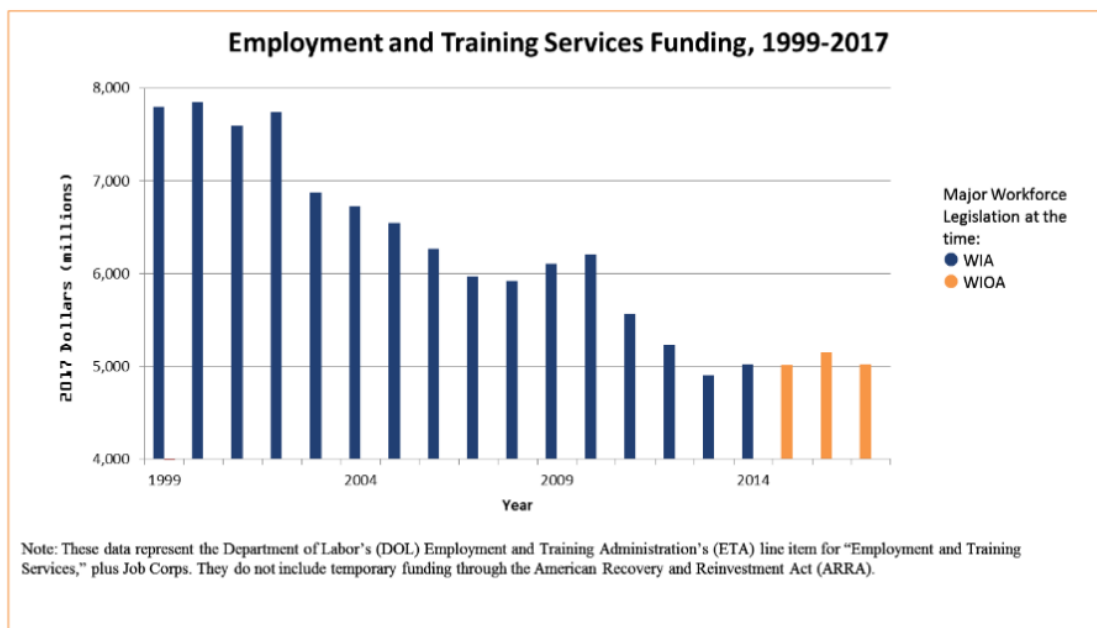
A Primer on Federal Employment and Training Programs for Human Services Advocates

This brief is intended to help Medicaid and human services advocates understand workforce development, particularly under the Workforce Innovation and Opportunity Act (WIOA).¹ WIOA is the flagship federal investment in employment and training programs that succeeded the Workforce Investment Act (WIA) of 1998. It provides federal funding for employment services and some occupational training to help unemployed and underemployed workers pursue better jobs. It also supports a network of American Job Centers, known as “one-stop centers,” where job seekers can find information on job openings, training, and career opportunities. WIOA encompasses multiple programs, including:

- Title I, Adult, Youth, and Dislocated Worker² programs;
- Title II, Adult Education for individuals with low-literacy or who are English language learners;
- Title III, Employment Services (ES), most often for workers receiving unemployment benefits; and
- Title IV, Vocational Rehabilitation (VR) for individuals with disabilities.

While federally funded, WIOA is predominantly implemented at the local level, with localities having considerable flexibility on whom they choose to serve. Although WIOA requires Title I Adult programs to prioritize workers with the greatest needs, there is great variation in how much this has occurred.³

Funding for employment and training services has been decreasing over the last 40 years, with a sharp drop over beginning in 2003,⁴ making services less frequent and less intensive for those who need them most.



WIOA Title I Adult Program⁵

The U.S. Department of Labor uses a federal formula to distribute WIOA Title I funding to states, which govern their programs using state Workforce Development Boards (WDB). The federal formula also governs state distribution of funds to workforce development local areas like cities, regions, or counties, which are led by local WDBs. WIOA is predominantly locally administered, giving WDBs a great deal of flexibility in what services they provide and whom they serve.

WIOA Title I and required partner programs provide funding for “one-stop” career centers, where jobseekers and employers can get a wide array of employment and training services.

WIOA supports two broad types of services: “career services” and “training services.” Career services programs provide job search, initial and comprehensive assessment of skills, information about careers and the local labor market, development of an individual employment plan, career counseling, and information and assistance in filing for unemployment compensation. Some services may also be available online, or at satellite locations that are often collocated with other government programs.

Training services programs provide occupational skills training, on-the-job training, incumbent worker training, and transitional jobs (a type of employment that is subsidized for individuals with significant barriers to employment). Training services are provided for an individual through a voucher (called an Individualized Training Account, ITA) or by contract in a group (cohort) training setting. WIOA also allows local areas to fund support services such as child care or transportation to people participating in career and training services.

Career and training services are available to jobseekers regardless of income. Through WIOA Title I Adult, states are required to prioritize public benefit recipients, other low-income individuals, and people with low basic skills. Like other provisions, there is great variability in how localities implement this priority.

WIOA Title I Youth Program⁶

WIOA youth funding is intended to provide comprehensive interventions that “support the attainment of a secondary school diploma or its recognized equivalent, entry into postsecondary education, and career readiness for participants.”⁷ It is designed to serve low-income youth who face barriers to continued education and employment.

Services provided depend on the specific service strategy customized to each youth. However, local areas are required to offer specified youth program elements, including dropout prevention and recovery, linkages between academic and occupational learning, paid and unpaid work experience with academic and occupational education components, training for a specific occupational cluster, career counseling, and exploration of and preparation for postsecondary education and training.

The WIOA youth program serves both out-of-school youth ages 16-24 and in-school youth ages 14-21. At least 75 percent of formula funds must be allocated for out-of-school youth, who must meet at least one of several additional criteria including, but not limited to: dropped out of school; pregnant or

parenting; individual with a disability and/or low-income; and/or requires additional assistance to enter or complete an educational program or to secure or hold employment.

Services for in-school youth are targeted to low-income youth who must also meet at least one of several additional criteria including, but not limited to: basic skills deficient; English language learner; pregnant or parenting; individual with a disability; and/or requires additional assistance to complete an education program or secure and hold employment.

WIOA Title II Adult Education (The Adult Education and Family Literacy Act)⁸

WIOA adult education provides states with funding for a variety of services to help adults develop basic skills (e.g., reading, writing, math, English language acquisition), complete a high school education, transition to postsecondary education and training, and secure employment. The adult education, literacy services (including workplace literacy and family literacy programs), English language instruction, and integrated education and training that WIOA Title II supports can open doors to career pathway programs for those with limited literacy or numeracy skills or limited English proficiency.

Funding for Title II is awarded by states through competitive grants and contracts to eligible providers such as school districts, community colleges, libraries, community-based organizations, public housing authorities, and other public or private nonprofit entities.

Eligibility for services under Title II is limited to adults who are at least 16 years of age and not currently enrolled, or required to be enrolled, in high school. Additional eligibility criteria include one or more of the following: basic skills deficient; lack a high school diploma or its equivalent; function below the level of a high school graduate (even if the individual has a high school credential); or unable to speak, read, or write the English language.

WIOA Title III – Employment Services (Wagner-Peyser Act)⁹

WIOA Title III uses formula grants to states to provide employment services and career counseling to jobseekers, as well as labor exchange services to jobseekers and employers. Services are available to any jobseeker, regardless of employment status—although the services have traditionally gone to those receiving unemployment insurance benefits. Veterans receive priority, and disabled veterans receive the highest priority. In addition, states can provide specialized assistance to other targeted populations. Any employer seeking workers is eligible for employer services.

Services predominately include:

- Job search and placement assistance for jobseekers;
- Recruitment services and special technical services for employers;
- Re-employment services for unemployment insurance claimants;
- Labor exchange services for workers who have received notice of permanent or impending layoff;
- Referrals and financial aid application assistance for training and educational resources and programs; and
- The development and provision of labor market and occupational information.

WIOA Title IV – Vocational Rehabilitation for individuals with disabilities¹⁰

Eligibility for services under Title IV is limited to adults who have a physical or mental impairment that results in substantial employment barriers and who require Title IV services to “prepare for, secure, retain, advance in, or regain employment that is consistent with the applicant’s strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice.” State agencies determine eligibility and how people will be served but must give priority of services to persons with the “most significant disabilities”; others can be put on a waiting list.

Services can include assessment of needs; career coaching and career choice assistance; job search, placement, and retention; interpreter services; education and training services, including tuition, books, and supplies; and occupational license fees, tools, and equipment.

WIOA included three new purposes for Title IV: emphasizing competitive integrated employment, increasing employer involvement, and supporting individuals with disabilities as they transition from secondary to postsecondary education.

States must provide a non-federal match of at least 21.3 percent of their grant. If states do not provide this, their federal allocation is reduced and can be allotted to other states.

Other sources of workforce and education funding

While WIOA is the primary source of dedicated federal funding for employment and training services, other federal funding streams may be used to support employment and training programs. These other federal workforce programs are typically both very small and targeted to specific populations that might not otherwise be served, such as veterans or Native Americans. Perhaps the most notable investments that target low-income individuals are the Supplemental Nutrition Assistance Program (SNAP) Employment & Training program, the Temporary Assistance for Needy Families program, and federal Pell Grants. Unfortunately, job search is the primary—and often the only—activity in SNAP E&T and TANF.

SNAP Employment & Training (E&T)

Supplemental Nutritional Assistance Program Employment and Training (SNAP E&T; formerly known as Food Stamps Employment and Training, or FSET) funds can be used to support a variety of education, training, employment, and related services for people receiving SNAP nutrition assistance.

SNAP E&T funds can support operating costs of education and training programs, support services for participants, and job retention services for up to 90 days. Participants must be recipients of SNAP benefits, but not also of TANF. In general, SNAP recipients must have gross monthly incomes under 130 percent of the federal poverty level and have assets under defined limits. SNAP E&T services are not guaranteed to all SNAP recipients.

SNAP E&T provides grants to states and federal reimbursement to states. The program includes two main types of funding: 100 percent federal funds and 50 percent federal reimbursement funds. Under the first type of funding, each state receives a capped allotment of federal funds to provide SNAP E&T services (other than participant reimbursements). This allotment is very low compared to the total number of potentially eligible SNAP recipients. In many states, the allotment is entirely consumed by job search activities and referrals to education and training that are also funded from other sources. Under the second type of funding, states can claim a 50 percent reimbursement for any non-federal spending on SNAP E&T activities. Unlike the 100 percent funds, the 50 percent funds are not capped. To draw down these funds, states must include a description of these activities and a proposed budget in a SNAP E&T plan, which must be approved by the federal Food and Nutrition Service (FNS) in the U.S. Department of Agriculture. Third-party (non-governmental) expenditures may be claimed as state spending for this purpose, contingent upon approval by FNS.

Temporary Assistance for Needy Families (TANF)

Temporary Assistance for Needy Families is a federal block grant providing funding to states that supports a very wide range of activities, including employment services and limited education and training activities. Most benefits and services are limited to low-income families with children. States set the income criteria, which may vary for different services. Thus, TANF funds can be used to provide employment and training services to low-income parents, whether or not they receive TANF cash assistance. However, the TANF block grant has not been increased since it was created in 1996, and thus has lost more than 30 percent of its value to inflation. Because TANF can be used for a large variety of purposes there are always many competing possible uses for these funds.

Pell Grants for postsecondary education

In addition to what is traditionally thought of as workforce funding, the federal Pell Grant Program promotes access to postsecondary education by providing need-based grants to low-income undergraduate students. Pell Grants, unlike other federal aid, do not need to be repaid. Recipients must

attend an accredited institutions on at least a part-time basis. WIOA is supposed to leverage Pell Grants, meaning students should apply for Pell grants before the workforce systems uses its own funding for postsecondary education. Unfortunately, this does not always happen because many cannot attend postsecondary education for a number of reasons, including work hours; family responsibilities, including lack of access to childcare; lack of academic preparedness; and lack of transportation, among other barriers to postsecondary education.

Conclusion

The federal government supports employment services, occupational training, and education for low-income youth and adults with several funding streams that tend to be increasingly underfunded. In addition, the structures and functions of the programs are often not set up well for public benefit recipients, although some states and localities do a much better job than others. This primer is intended to help advocates for Medicaid and human services advocates gain a basic understanding of the programs available to they can help public benefit recipients find the help they need.

Endnotes

¹ This is a companion piece to: Anna Cielinski “Workforce System not Funded or Structured to Help Medicaid Recipients Keep Health Care.” 2018. Center for Law and Social Policy. <https://www.clasp.org/publications/fact-sheet/workforce-system-not-funded-or-structured-help-medicaid-recipients-keep>

² The WIOA Title I Dislocated Worker Program is not described in this brief because it is rarely used for public benefit recipients. “Dislocated workers” include those who have been laid off or have received notice of termination from employment, are self-employed but unemployed due to general economic conditions, are the spouse of a member of the Armed Forces on active duty who is unemployed due to relocation for permanent duty reassignment, or are displaced homemakers.

³ Anna Cielinski and David Socolow. “‘Priority of Service’ Provision in the Workforce Innovation and Opportunity Act: Targeting Funding to Serve More High-Need Adults.” Center for Law and Social Policy. 2015.

<https://www.clasp.org/sites/default/files/public/resources-and-publications/publication-1/Priority-of-Service-brief.pdf>

⁴ Anna Cielinski. “Federal Investment in Employment and Job Training Services Has Declined Over the Last 40 Years.” 2017. Center for Law and Social Policy. <https://www.clasp.org/publications/fact-sheet/federal-investment-employment-and-job-training-services-has-declined-over>

⁵ Much of the material from this section is drawn from “Funding Career Pathways: A Federal Funding Toolkit for States and Local/Regional Career Pathway Partnerships.” February 2016, Center for Law and Social Policy (CLASP). Page 16. <https://www.clasp.org/sites/default/files/public/resources-and-publications/publication-1/Career-Pathways-Funding-Toolkit-2015-8.pdf>

⁶ Much of the material in this section is drawn from “Funding Career Pathways.” Page 20.

⁷ WIOA, Sec.129(c)(2))

⁸ Much of the material from this section is drawn from “Funding Career Pathways.” Page 31.

⁹ Much of the material from this section is drawn from “Funding Career Pathways.” Page 29

¹⁰ Much of the material from this section is drawn from “Funding Career Pathways.” Page 35