



Pennsylvania Partners MEMBER UPDATE

February 26, 2009

American Recovery and Reinvestment Act Boosts Workforce Funding

President Barack Obama signed the American Recovery and Reinvestment Act (ARRA) into law on February 17, the single largest spending act in the nation’s history. The \$787 billion economic stimulus legislation included a total of \$3.95 billion for employment and training services under the Workforce Investment Act (WIA). These funds will be treated as additional Program Year 2008 funds and are to be spent quickly and effectively under the existing WIA statutory and regulatory framework.

The table below indicates specific appropriations for workforce development programs.

UPCOMING EVENTS

Pennsylvania Partners
25th Annual
Employment, Training &
Education Conference
May 6-8, 2009
The Hershey Lodge
Hershey, Pennsylvania
www.papartners.org

PA Workforce
Investment Board
March 2, 2009
10 a.m.
Holiday Inn Harrisburg East

Quality Assurance
Technical Workgroup
March 10, 2009
10:30 a.m.
PA Partners Office

National Association of
Workforce Boards Forum
March 7-10, 2009
Renaissance Hotel
Washington DC
www.nawb.org

WIB Director Meeting
on Economic Recovery
March 18, 2009
10:30 a.m.
PA Partners Office

Pennsylvania Partners
Executive/Board Meetings
March 19, 2009
9 a.m. – Executive Comm.
10:15 a.m. – Board
PA Partners Office

Program	Appropriation
WIA	\$3.95 billion
Youth Formula Grants (including summer jobs)	1.2 billion
Dislocated Worker Formula Grants	1.25 billion
Adult Formula Grants	500 million
YouthBuild	50 million
National Emergency Grants	200 million
Competitive Grants for High Growth Industries	750 million
Other Programs	
State Unemployment Insurance and Employment Service Operations	400 million
Community Service Employment for Older Americans	120 million
Job Corps	250 million

Congress directed the U.S. Department of Labor (DOL) to provide guidance to states and local workforce investment boards urging them to provide supportive services and needs-related payments to unemployed individuals while in training programs.

While the legislation does not mandate the operation of summer youth programs, the intent is clear that summer youth employment programs should be emphasized in 2009 and 2010. The statute also extends the eligibility age for youth to 24 years. The sole performance measure to be used for summer youth employment programs only will be “workforce readiness” rather than the common measures. Other programs should be assumed to follow the current WIA requirements.

American Recovery Act...continued from page 1

Most of the funds (\$500 million) provided for Competitive Grants for High Growth Industries will be used to fund projects under the Green Jobs Act. The remainder of the money is to be used for health care and other “high growth” sectors.

To the surprise of many, the final legislation included language to reauthorize the Trade Adjustment Act (TAA). TAA training allocations to the states are to be increased from \$220 million to \$575 million, with \$86 million annually for the states for TAA administration and case management. Previously, the program relied on workforce agencies to use other funding sources to pay for case management and other basic and staff-assisted services.

Eligibility for TAA has been extended to service workers, including those in the public sector or secondary manufacturing workers who supply parts to manufacturers where work moves to other countries. Workers may now participate in training while facing a layoff or after they have lost their job but are working part-time, and funds may also be used for on-the-job training.

Of the \$400 million appropriated for Unemployment Insurance (UI) and Employment Services operations, \$250 million is reserved for “reemployment services” linking UI claimants to job training. ARRA increased UI benefits by \$25 per week and extended the provision of federal UI benefits by 33 weeks beyond the date when state benefits expire.

ARRA also includes the Unemployment Insurance Modernization Act, which provides \$7 billion in funds to states for UI modernization.

The federal Office of Management and Budget has issued its initial guidance for implementing the ARRA to federal departments and agencies. To view the milestones for implementation, go to www.recovery.gov, and to view the agency guidance, click on “Announcements”.

WIBs, State Officials Discuss Economic Recovery Initiatives

Fred Dedrick, deputy secretary for workforce development, and Dr. Robert Garraty, executive director of the state Workforce Investment Board, briefed local workforce investment board directors on the state’s economic recovery response in a February 20 conference call. Dedrick said the enactment of the economic stimulus legislation, the American Recovery and Reinvestment Act of 2009 (ARRA), provides the workforce development system with an opportunity to prove its worth as the system best equipped to respond in this recession.

Highlights of his comments include:

- The www.paworkforce.state.pa.us website will soon provide a link to up-to-date information about the stimulus package.
- More individuals are seeking training.
- The increased demand for services at PA CareerLinks may require some staffing changes.
- ARRA will result in an increase in 2008 WIA formula, competitive grants and Trade Adjustment Act (TAA) funds.

Workforce Investment Act

Under ARRA, Pennsylvania will receive:

- \$18 million for adult programs (\$15.5 million for local areas)
- \$43.6 million for youth programs (\$37 million for local areas)
- \$35.7 million for dislocated worker programs (\$21 million for local areas)

WIBS, State Officials...*continued from page 2*

The deputy secretary said the department welcomes suggestions and encourages innovation in the use of the funds at the local level but noted that the state would like to see 75 percent of the funds dedicated to training activities. He acknowledged that local areas may need to use money to hire some staff and ramp up to provide more training. There will be pressure for the state to get the money out to local areas quickly.

Dedrick said the state expects to receive its share of the stimulus funds in 30 days, or by March 17. Funds will then be allocated to local areas through their fiscal agents by the middle to end of April following approval by the PA General Assembly, which is required.

Dedrick strongly advised the directors to be aggressive in spending the money appropriately and effectively and to follow their best instincts. State and local areas will be scrutinized by DOL on the use of these funds, with emphasis on spending, rather than reserving, their WIA funds. Local areas will be required to provide real-time status reports monthly, and this information will be posted on the Internet. Local areas will be monitored closely to ensure that they are spending the money, and failure to expend funds could result in punitive action.

Following are some suggested strategies for the use of these stimulus funds:

- Create cohorts of 20-25 dislocated workers to receive training, as a group instead of individually.
- Work with community colleges, technical schools and other postsecondary training providers to deliver training. A community college may be added to the list of approved providers without review if the college is providing a new program.
- Industry partnerships should be used to identify training providers that have provided good outcomes.
- The use of cohorts, performance incentives and lessons learned from industry partnerships are encouraged.
- The state plans to train some PA CareerLink staff as training coordinators rather than job developers to manage the influx of training needs.
- State Upskilling Grants for long-term (one year or more) training will be available.
- Career Pathways Grants will be awarded for short-term skills training.
- On-the-job training grants may be used to encourage employers to hire and train new workers who may lack the skills needed.

Wagner-Peyser Act

An additional \$400 million will be available nationwide for Wagner-Peyser programs. These funds cannot be used for training. Pennsylvania will use a portion of its funds to hire 26 additional staff at PA CareerLinks.

Trade Adjustment Act Community Grants

Additional funds appropriated under the TAA community grants will provide up to \$5 million per trade-certified community. The competitive grants will be available through the U.S. Department of Commerce, and local areas will need to work with their economic development organizations to request this funding.

Competitive Grants for High Growth Industries

The stimulus package included \$750 million for competitive grants for high growth industries, including \$500 million for green jobs and \$250 million for health care and other high growth occupation training. The workforce development system should partner with community colleges and other organizations to deliver training, and the focus should be on industry sectors, such as green jobs, and on healthcare, information technology, food processing and specialty manufacturing.

WIBS, State Officials...*continued from page 3*

Dedrick said the department plans to hire a full-time grant writer to assist in pursuing the competitive grants. He advised local areas to inform him if they are planning to apply for these grants so efforts can be coordinated.

Local WIBs are also encouraged to apply for competitive grants under the national Energy Training Partnership Grant and state Energy Partnership grant program. The state would like to see the local workforce areas apply for \$5 million in grants according to seven regions identified as follows:

1. Northeastern Pennsylvania (Wall Street West)
2. Southeastern Pennsylvania, including Berks and Lancaster counties
3. Northern Tier, North Central and Central Pennsylvania
4. Northwestern and West Central Pennsylvania
5. Southwestern Pennsylvania
6. Southern Alleghenies
7. South Central Pennsylvania

PA Stimulus Grants

PA WIB Executive Director Garraty explained that Pennsylvania Stimulus Grants in the amount of \$150,000 each will be available for three initiatives: Upskilling Grants, Career Pathways and On-the-Job training. A total of \$5 million is available for these grants. Draft guidelines were sent by email to all WIB directors on February 26 for comment. Comments are due March 2 and should be sent to Garraty at rgarraty@state.pa.us.

A proposal from WorkKeys to provide a statewide license for this popular assessment tool is under consideration by the department.

Workforce areas were urged to work more closely with personnel in literacy programs. Garraty noted that the new director of the Department of Education's Bureau of Adult, Basic and Literacy Education (ABLE) is Michael Westover. Garraty also emphasized the need for training of direct care workers.

Local areas should build on existing high priority occupations training and integrate green technology, STEM and alternative energy principles into existing programs wherever possible. WIBs were advised to consider increasing self-sufficiency standards to enable more individuals to be eligible for services.

WIA Performance Standards

Ed Legge of the Center for Workforce Information and Analysis (CWIA) announced that the Center had conducted a conference call to secure input on the negotiation of WIA performance standards. A follow-up email was sent outlining the data needed from local WIBs to make a case for lower standards, including declining job opportunities, major layoffs and increased traffic in PA CareerLinks.

Public Relations

The Department of Labor & Industry's press secretary, Troy Thompson, emphasized the value of putting a face on the successes of the workforce development system, and that this information should be available at a moment's notice. He will begin requesting contact information from the local areas for successful training, industry partnerships and other programs. It was suggested that Pennsylvania Partners send Thompson information about the 2009 Governor's Achievement Award recipients.

WIBS, State Officials...continued from page 4

Local WIBs should express confidence that the workforce system is best equipped to handle the new challenges under the Recovery Act, and should promote the PA CareerLinks as the “go-to” place to receive employment and training services.

WIBs Urged to Move Ahead with Summer Youth Procurement

At a recent summer youth employment workshop held by the Conference of Mayors in St. Louis, Missouri, Greg Weltz, chief of the Division of Youth Services, ETA/DOL stated that existing procurement requirements will be followed for summer youth programs. He said that DOL does not intend to redefine the procurement process, and local WIBs should “use the funds quickly and wisely”. He went on to say that DOL has not stated that these funds cannot be used for additional staffing or related infrastructure needs, but they should be used for effective programming and not just to build a larger staff. Safety and performance will be critical components for expending these funds. Weltz said flexibility is critical, and advised that "simple and sooner" is better. DOL is trying to see if there is any flexibility to the eligibility requirement, but at this time, DOL does not believe the eligibility requirements will be revised.

At a summit held this week by The Workforce Alliance in Washington, DC, Gay Gilbert, administrator of the Office of Workforce Investment for ETA/DOL, also stressed that workforce investment areas should begin the procurement process for summer youth programs in order to be ready in time to implement programs this summer. Local areas should not count on or wait for waivers but should move forward expeditiously.

The American Recovery and Reinvestment Act (ARRA) specifically provides that summer youth employment programs will be evaluated only by the “work readiness” measure and not be subject to the common measures. This does not apply to other WIA youth programs, however.

Additional information supplied from various sources indicates the following:

- USDOL has established two national workgroups: 1) Guidance-TEGL and State Planning; and 2) Technical Assistance, Resources and Tools.
- By March 19, 2009, DOL will disburse allocations to the states.
- By April 15, 2009, states must submit state plan modifications and extensions, including:
 - Request for extension
 - Request for waivers
 - Performance data
- DOL will plan and conduct a series of webinars to focus on the following subjects:
 - Youth
 - Program Design
 - Procurement
 - Eligibility
 - Infrastructure Issues
- The act does not revise eligibility requirements for program participants other than increasing the maximum age for eligible youth from 21 to 24. Waivers cannot be provided for eligibility.
- There will be stand-alone summer youth employment programs for the summers of 2009 and 2010.
- Youth program allocations will use the same formula as the most recent WIA youth allocation.
- It is hoped that programs will be forward-funded so program providers will be able to pay summer youth employment program participants. Discussions of wages, stipends and incentives will follow later.
- Worksite supervisors will need to provide a clean criminal and child abuse background check.

Summer Youth...continued from page 5

- A list of suggested components for a local implementation checklist for summer youth employment programs follows:
 - Procurement
 - Program design
 - Participant recruitment
 - Worksite recruitment
 - Participant orientation
 - Worksite orientation
 - Evaluation
 - Discipline
 - Workers compensation
 - Records maintenance
 - Monitoring tools
 - Timesheets
 - Child labor laws
 - Payroll processing (Note: The minimum wage will change during the summer.)

Pennsylvania Partners Schedules Two Webinars on Summer Youth Programming

Mark your calendar for two webinars sponsored by Pennsylvania Partners to assist local administrators and policy makers in understanding the guidelines and preparing for summer youth and expanded youth programs funded by the American Recovery and Reinvestment Act of 2009. The webinars will be presented by staff from DOL/ETA Region 2, the Bureau of Workforce Development Partnership, the PA WIB, and local youth program administrators. Additional information and webinar registration details will be provided in the near future.

The webinars are scheduled as follows:

Session I-Administrative Issues and Guidelines

Tuesday, March 24, 2009

9:30 a.m.-11:30 a.m.

Session II-Program Design and Best Practices

Thursday, March 26, 2009

9:30 a.m.-11:30 a.m.

Senate Confirms Solis as Secretary of Labor

The U.S. Senate confirmed the appointment of Hilda Solis as U.S. Secretary of Labor on February 24. When confirmed, Solis was serving in the U.S. House of Representatives, where she first took office in 2001, representing a congressional district that includes East Los Angeles. Previously, she had been elected to the California General Assembly, first as a member of the House in 1992 and then the Senate in 1994.

In Congress, Solis served on the Committee on Energy and Commerce, the Committee on Natural Resources, and the Select Committee on Energy Independence and Global Warming. She is known for her commitment to labor causes and the environment and made the promotion of green-collar jobs a priority.

Oates Said to Be Leading Candidate for ETA Assistant Secretary

According to the February 23 issue of the *Employment & Training Reporter* and other sources, Jane Oates, executive director of the New Jersey Commission on Higher Education, is the leading candidate for assistant secretary of labor for employment and training programs. Oates is a former aide to Senator Edward Kennedy (D-MA), where she was engaged in developing several of the WIA reauthorization bills.

Vito Testifies at House Subcommittee Hearing on WIA Innovations

Acting Secretary of Labor & Industry Sandi Vito was among seven witnesses invited to testify at a hearing held by the U.S. House Education and Labor Committee Subcommittee on Higher Education, Lifelong Learning and Competitiveness held on February 26. Titled “*New Innovations and Best Practices under the Workforce Investment Act*,” the hearing was held to gather information in preparation for the reauthorization of WIA. Both the House and Senate have indicated plans to move ahead with WIA reauthorization in 2009. A copy of the testimony presented at the hearing and a video recording may be found at <http://edlabor.house.gov/>.

Pennsylvania Partners’ Conference is Just Around the Corner

With the implementation of the American Recovery and Reinvestment Act, renewed interest in reauthorization of the Workforce Investment Act, and new state and federal budgets on the table, local workforce leaders need to have up-to-the-minute information to respond effectively.

Catch up on the latest news on these and other policy developments at the state and national levels at the 25th Annual Employment, Training & Education Conference. The conference is scheduled for May 6-8, 2009 at the Hershey Lodge.

The list of workshops scheduled for presentation at the conference is updated frequently to respond to your needs for timely information. Visit the Pennsylvania Partners website at www.papartners.org to get the latest information on the conference, register and reserve lodging.

Special Conference Workshop Features Innovative Funding for WIBs and Partnerships

Joseph Carbone, a leader in identifying and securing funds for workforce investment boards and industry partnerships, will present a special 2 1/2 -hour workshop at the 2009 Annual Employment, Training & Education Conference. Carbone’s workshop, *Innovative Funding Tactics*, has been scheduled for the afternoon of Thursday, May 7, 2009.

Carbone is president and CEO of The WorkPlace, Inc., the Southwestern Connecticut Workforce Investment Board. His initiatives have secured new “value-added” revenue streams from competitive federal grants, private contributions and fees-for-services and led to numerous research and development initiatives such as national demonstration projects and pilots.

As a champion for regional workforce and economic development initiatives such as WIRED, Carbone emphasizes the adding of value through broader collaboration and ensuring that the system invests its resources to create a lasting impact.

Local WIBs to Brief Congressional Staff in Washington

A briefing for the labor staff of Pennsylvania's Congressional delegation has been scheduled on **Tuesday, March 10, 2009 at 11 a.m.** in Senator Specter's office located at 711 Hart Building in Washington, DC. Local WIB chairs and senior staff will discuss the state and local economic recovery activities taking place in Pennsylvania along with some examples of how the system is providing the response needed. This briefing and other visits with congress members and staff are being held during the National Association of Workforce Boards Forum, March 7-10, in Washington, DC.

In addition to the staff briefing, the following meetings have been confirmed with Pennsylvania congress members (please note that these meetings are scheduled with the actual congress member at this time):

- **Representative Jason Altmire** – Tuesday, March 10 at 9:40 a.m., 332 Cannon Building
- **Representative Todd Platts** – Tuesday, March 10 at 10:30 a.m., 2455 Rayburn Building
- **Representative Christopher Carney** – Tuesday, March 10 at 2:30 p.m., 416 Cannon Building
- **Senator Arlen Specter** – Tuesday, March 10, at 4 p.m., 711 Hart Building

Additional meetings are being scheduled, and updated information will be provided once the meetings are confirmed. If you are able to attend the briefing and any of these meetings, please inform Linda Blake lblake@papartners.org or Dennis Rhen drhen@papartners.org. Briefing materials are being developed and will be provided prior to the visits.