

TRAINING AND EMPLOYMENT NOTICE	NO. 24-09
	DATE January 19, 2010

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE LIAISONS
ONE-STOP CAREER CENTER LEADS
ALL STATE AND LOCAL WORKFORCE INVESTMENT BOARDS

FROM: JANE OATES /s/
Assistant Secretary

SUBJECT: Joint Letter from the Employment and Training Administration (ETA) and the U.S. Department of Health and Human Services Administration for Children and Families (ACF) regarding youth subsidized employment opportunities under the Temporary Assistance for Needy Families (TANF) Emergency Contingency fund

1. Purpose. To encourage the public workforce system to partner with TANF agencies in their efforts to promote subsidized employment opportunities allowable under the American Recovery and Reinvestment Act's (ARRA) TANF Contingency funding for the creation and expansion of subsidized summer employment for low-income youth. To also encourage co-enrollment of youth in TANF and appropriate WIA programs so individuals can benefit from WIA services such as supportive services, occupational skills training, and other relevant services.

2. Background. The attached joint letter reflects the efforts of the U.S. Department of Labor and the U.S. Department of Health and Human Services to identify and explore areas of collaboration that support training and employment opportunities for low-income families, particularly opportunities to place eligible TANF participants in subsidized employment in the summer of 2010. It is our hope that this national partnership focused on subsidized employment will be modeled throughout state and local TANF and workforce agencies.

The need for this partnership comes at a critical time-- overall teen employment rate has remained devastatingly low, reaching levels not seen in 60 years. Unfortunately, according to a Bureau of Labor Statistics data, the proportion of young people employed in July 2009 was 51.4 percent. This is the lowest July rate for the series, which began in 1948.

While the WIA summer youth employment funding under ARRA has been nearly expended, significant TANF Emergency Contingency funding remains and TANF agencies can choose to commit some of those funds to subsidized employment programs for low-income youth.

In working with state and local TANF agencies, Workforce Investment Boards (WIBs) can access substantial joint resources in developing or expanding subsidized employment programs. Funds allocated to WIA can be used to provide training and employment services, including career guidance, skill assessments, case management, supportive services, basic skills and literacy training, and occupational training, as well as specific youth services such as work experience, leadership development opportunities, and mentoring. State and local WIBs have identified growing industries and occupations and developed relationships with employers in local communities. This can be a valuable resource when creating subsidized employment positions for low-income youth.

3. Inquires. Questions concerning this Training and Employment Notice should be directed to the appropriate regional office.

4. Attachment. See attached joint Dear Colleague letter.



United States
Department of Health
and Human Services



United States
Department of Labor

January 19, 2010

Dear Colleague,

As States and localities establish their 2010 subsidized summer youth employment programs, the Administration for Children and Families (ACF) at the Department of Health and Human Services and the Employment and Training Administration (ETA) at the Department of Labor (DOL) urge workforce and human services agencies to work together to explore all funds available for the creation and expansion of subsidized summer employment programs for low-income youth.

Even before the recent recession, the overall teen employment rate was devastatingly low, reaching levels not seen in 60 years, according to a report by the Center for Labor Market Studies. The youth labor force – 16 to 24 year-olds working or actively looking for work – grows sharply between April and July each year, with July typically marking the peak of summer youth employment. Unfortunately, the current recession has eliminated many employment opportunities for youth. According to the DOL's Bureau of Labor Statistics, the proportion of young people employed in July 2009 was 51.4 percent, the lowest July rate on record for the series, which began in 1948.

Subsidized employment provides valuable skills and work experience for young people, and serves as a stepping stone on the path to unsubsidized employment. For example, over 10,000 older youth in the Workforce Investment Act (WIA) subsidized summer youth employment this past summer transitioned into unsubsidized employment. By accessing resources made available by the Temporary Assistance for Needy Families (TANF) program and WIA employment and training programs, State and local TANF agencies and Workforce Investment Boards (WIBs) have the potential to bring additional subsidized job opportunities to youth across the nation this summer.

Last year, through funds from the American Recovery and Reinvestment Act of 2009 (Recovery Act), WIA's WIBs created over 314,000 subsidized work experiences for youth nationwide. Many of these experiences took place during the summer in the form of six to eight week summer jobs. While much of the ETA's summer youth employment funding under the Recovery Act has been expended, significant TANF Emergency Contingency funding remains and TANF agencies can choose to commit some of those funds to subsidized employment programs for low-income youth. Several State and local TANF agencies and WIBs across the country have already created partnerships and have used TANF funds to support subsidized employment opportunities for low-income youth during previous summers.

By working together, State and local TANF agencies and WIBs can access substantial joint resources in developing or expanding subsidized employment programs. Both TANF funds and

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the WIA and Wagner-Peyser funds available to the workforce investment system can be used to support programs and services that help alleviate unemployment and increase employment prospects for low-income youth. WIA and Wagner-Peyser funds can be used to provide training and employment services, including career guidance, skill assessments, case management, supportive services, basic skills and literacy training, and occupational training, as well as specific WIA youth services, including work experience, leadership development opportunities, and mentoring. The workforce investment system also has extensive experience and capability helping individuals gain and retain employment. State and local WIBs have identified growing industries and occupations and have developed relationships with employers in local communities, who become valuable resources when creating subsidized employment positions for low-income youth.

TANF Emergency Contingency Funds can be used by States and Tribes to provide subsidized employment to low-income youth along with other benefits and services allowed under the TANF Program. Twenty-two States have already had TANF Emergency Contingency Fund applications for adult subsidized employment programs approved, and ACF has worked closely with States to ensure that their programs fit Fund parameters.

We hope that as many State and local TANF agencies and WIBs as possible will take advantage of the subsidized employment opportunities made available by partnering WIA and TANF resources. In addition, when appropriate, we strongly encourage co-enrollment of youth in the TANF and applicable WIA programs so that participants in the TANF-funded subsidized employment opportunities can benefit from additional WIA services such as supportive services, occupational skills training, and other relevant services.

If you have any questions about the TANF program, please contact your ACF regional contact. The regional contact information can be found online at: http://www.acf.hhs.gov/programs/oro/regions/regional_contacts.html. For questions about WIA programs in your region, please contact the appropriate ETA Regional Office. The contact information for ETA regional offices can be found online at: <http://www.doleta.gov/regions/regoffices/>.

Sincerely,

(Signed by Carmen R. Nazario)

Carmen R. Nazario, Assistant Secretary
Administration for Children and Families

(Signed by Jane Oates)

Jane Oates, Assistant Secretary
Employment and Training Administration