



## **A Guide for Economic Stimulus Funding for Workforce Programs April 2009**

The American Recovery and Reinvestment Act of 2009 was signed on February 17<sup>th</sup>. In March, the U.S. Department of Labor began to release guidelines and funding amounts for the \$4.7 billion for employment and training programs. The amounts to Texas are \$82 million for youth; \$34 million for adults; \$54 million for dislocated workers.

The Texas Workforce Commission then allocated the funds to 28 Workforce Solutions Boards. North Texas is expected to receive a total of \$1,411,191, including:

- \$548,479 for dislocated workers;
- \$198,574 for adults;
- \$474,795 for youth;
- \$118,339 for re-employment services;
- \$71,004 for employment services.

The funds must be expended by June 30, 2011, and will enable increased numbers of area residents to receive training, which will result in job placement.

Allowable activities follow the Workforce Investment Act (WIA), which provides for occupational skills training, on-the-job training, programs that combine workplace training and related instruction, work experience, training programs operated by the private sector, skills upgrade and retraining, entrepreneurship training, job readiness training, adult education and literacy training, customized training, and registered apprenticeship. ARRA also includes funding through the Wagner-Peyser Act which provides guidance and assistance for individuals who are eligible for unemployment insurance benefits.

In addition to the allowable WIA activities, the additional funding encourages featured programs, including:

- **Summer employment** – From May 1 to September 30, Boards are encouraged to spend the majority of the youth funds for a summer youth program that includes a work experience component. Academic learning may be directly linked to summer employment.

WIA defines youth from ages 14 to 21. ARRA funding expands the age range to 24. Employment must follow child labor laws. Wages will be paid to the individual youth at \$7.25 per hour, which will become the federal minimum wage effective on July 24, 2009. Federal law also mandates priority of service for veterans and eligible spouses.

Work experience should be age-appropriate and meaningful and matched with individual interests and goals. At the conclusion of the summer program, individuals who successfully complete will receive a work-readiness certificate. The work experience should be structured to impart communication, interpersonal, decision-making, and learning skills. A combination of public sector, private sector, and non-profit summer employment opportunities will be offered.

Work experience for youth should not replace the work of employees who have experienced layoffs. None of the funds appropriated may be used by any state or local government or any private entity for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

The availability of the Work Opportunity Tax Credit (WOTC) is expanded to disconnected youth ages 16-24 who are not regularly attending school, not readily employed, and lacking basic skills.

Eligibility will be determined by staff members of the Workforce Solutions Centers. Eligibility for the youth and adult programs is based on family income. For example: A family of 4 cannot earn more than \$22,523. Dislocated workers are eligible when they have lost their jobs through no fault of their own.

Worksite agreements for work experience will be developed by workforce staff members. A worksite supervisor must be designated. The individual's time at work will be documented by timesheets signed by the worksite supervisor.

- **Green Jobs** – Boards are encouraged to incorporate green work experiences in the fields of solar, geothermal, wind power design, and the use of environmentally-friendly building materials. Other activities include conservation and sustainability efforts, such as retrofitting public buildings, construction of energy-efficient affordable public housing, solar panel installation, reclaiming public park areas, or recycling of computers.