



LOS ANGELES COUNTY

WIA/ARRA Adult and Dislocated Worker Program DIRECTIVE

Number: WIA/ARRA ADW D09-08 **Subject:** Workforce Investment Act (WIA)/
American Recovery and Reinvestment Act (ARRA)
Needs-Related Payments

Date: July 21, 2009

Effective Date: July 1, 2009

Page 1 of 5

OVERVIEW

The Los Angeles County Local Workforce Investment Area (LWIA) encourages the provision of supportive services to WIA participants to the extent that they are necessary to promote participants' completion of services and/or training leading to employment or other planned outcomes. While "needs-related payments" are one of the support services authorized by WIA, they have not been utilized within the County's WIA program, due, largely, to limited WIA funding being available to support training. However, guidance issued pursuant to the employment and training provisions of the American Recovery and Reinvestment Act of 2009 (ARRA) encourages the establishment of policies on needs-related payments to support WIA clients' participation in job training.

Purpose:

This directive provides guidance to County Workforce Investment Act (WIA) program contractors on the County's policy, along with related procedural information, concerning the provision of needs-related payments to individuals enrolled in WIA Title I Adult and Dislocated Worker programs.

Scope:

This policy is intended to ensure that the County's WIA service providers have a process in place to make available needs-related payments to adult and dislocated worker participants who are eligible for and require this form of WIA support services. While this directive sets forth the County LWIA's policy, contractors must establish internal procedures to execute this policy.

Effective Date:

This directive is effective on the date of its issuance.

Definitions:

Support Services:

Section 101(46) of the Workforce Investment Act of 1998 provides the following definition of supportive services:

“The term “supportive services” means such services as transportation, child care, dependent care, housing, and needs-related payments, that are necessary to enable an individual to participate in such activities authorized under this title, consistent with provisions of this title.”

Needs-Related Payments:

Workforce Investment Act Final Rules (Sec. 663.815) provides the following definition of Needs-related payments

“Needs-related payments provide financial assistance to participants for the purpose of enabling individuals to participate in training and are one of the supportive services authorized by WIA section 134(e)(3).”

References:

- ❖ WIA 101 (46) –*Definitions – Supportive Services*
- ❖ WIA 134(e)(2)– *Supportive Services (Adults and Dislocated Workers)*
- ❖ WIA 134(e)(2)– *Needs-Related Payments*
- ❖ Title 20 CFR 663.800 – *What are supportive services for adults and dislocated services?*
- ❖ Title 20 CFR 663.805 – *When may supportive services be provided to participants?*
- ❖ Title 20 CFR 663. 810 – *Are there limits on the amounts or duration of funds for supportive services?*
- ❖ Title 20 CFR 663.815 – *What are needs-related payments?*
- ❖ Title 20 CFR 663.820 – *What are the eligibility requirements for adults to receive needs-related payments?*
- ❖ Title 20 CFR 663.820 – *What are the eligibility requirements for dislocated workers to receive needs-related payments?*
- ❖ Title 20 CFR 663.830 - *May needs-related payments be paid while a participant is waiting to start training classes?*
- ❖ Title 20 CFR 663.840 - *How is the level of needs-related payments determined?*
- ❖ U.S Department of Labor Training and Employment Guidance Letter (TEGL) No. 14-08 – *Guidance for Implementation of the Workforce Investment Act and Wagner-Peyser Act Funding in the American Recovery and Reinvestment Act of 2009 and State Planning Requirements for Program Year 2009*

BACKGROUND

Supportive services for adults and dislocated workers are defined at WIA sections 101(46) and 134(e)(2) and (3). They include services such as transportation, child care, dependent care, housing, and needs-related payments, that are necessary to enable an individual to participate in activities authorized under WIA title I. Local Boards, in consultation with the one-stop partners and other community service providers, are required to develop policies on supportive services that ensures resource and service coordination in the local area. Such policies are intended to address procedures for referral to such services, including how such services will be funded when they are not otherwise available from other sources. The provision of accurate information about the availability of supportive services in the local area, as well as referral to such activities, is one of the core services that must be available to adults and dislocated workers through the One-Stop delivery system.

WIA authorizes the provision of needs-related payment as supportive services. However, this form of supportive services has been infrequently utilized in the past for various reasons,

including the fact that they are costly to deliver and that WIA funds for training have been limited. However, guidance issued by the U.S. Department of Labor (DOL) regarding ARRA-funded WIA programs, indicates that needs-related payment should be available to the extent they are necessary to ensure participation in training.

The following statement is from U.S. DOL Training and Employment Guidance Letter (TEGL) 14-08:

“Because of the nature of our nation’s changing economy, many dislocated workers may need training to increase their skills and gain employment. ETA encourages states to establish policies that assure that supportive services and needs-related payments, described in WIA section 134(e)(2) and (3) and in WIA regulations 20 CFR part 663, subpart H, that may be necessary for an individual’s participation in job training are part of the dislocated worker service strategy. Guidance on the provision of needs-related payments to dislocated workers can be found in 20 CFR 663.820 and 663.825. To maximize the reach of these funds, One-Stop Career Centers should help eligible customers take advantage of the significant increase in Pell Grant funds also included in the Recovery Act by coordinating with the Pell Grant program in accordance with 20 CFR 663.320. One-Stop staff should also take into account the additional weeks of UI benefits available under the Emergency Unemployment Compensation and Extended Benefits that may help eligible customer’s complete longer-term training.”

While the preceding excerpt from TEGL 14-08 specifically references dislocated workers, the use of needs-related payments is also applicable to participants enrolled in the WIA Adult program.

POLICY/PROCEDURES

Policy:

It is the policy of the Los Angeles County Workforce Investment Area that a WIA-enrolled dislocated worker or adult participant may receive needs-related payments to enable such individual to participate in approved training and education programs. Pursuant to this policy, the following requirements also apply:

1. Needs-related payments will be provided to an eligible dislocated worker or adult only in order to enable such individual to participate in training or education programs and only if the following criteria are met:

For an Adult Program participant, to receive needs-related payments they must:

- a. Be unemployed;
- b. Not qualify for, or have ceased qualifying for, unemployment compensation; and
- c. Be enrolled in a program of training services under WIA Section 134(d)(4).

For a Dislocated Worker Program participant to receive needs-related payments they must:

- a. Be unemployed, and:

1. Have ceased to qualify for Unemployment compensation or trade readjustment assistance under TAA or NAFTA-TAA; and
 2. Be enrolled in a program of training services under WIA section 134(d)(4) by the end of the 13th week after the most recent layoff that resulted in a determination of the worker's eligibility as a Dislocated Worker, or if later, by the end of the 8th week after the worker is informed that a short-term layoff will exceed 6 months; or
 - b. Be unemployed and did not qualify for unemployment compensation or trade readjustment assistance under TAA or NAFTA-TAA.
 - c. Be enrolled in a program of training services under WIA.
2. To qualify for such payments, a determination of need must be made. Need is to be determined by comparison of a participant's household income versus his/her expenses. If monthly household expenses exceed monthly gross income, a participant can be determined in need. For the purpose of determining need, household income is defined as the income of the participant and his/her spouse.
 3. Every three (3) months from the date of the original determination of eligibility for needs-related payments, the household income must be re-examined to determine the participant's current eligibility for payments.
 4. Needs-related payments shall not be provided to any participant for the period that such individual is employed or is receiving financial support through sources such as the Trade Act.
 5. Needs-related Payments will not be allowed when program breaks exceed 14 days. In the event a program break exceeds 14 days, needs-related payments will be re-authorized once training recommences.
 6. An individual participating in an approved training or education program is protected from being disqualified for needs-related payments for failure to participate that is not the fault of the individual.
 7. Levels for needs-related payments shall comply with the following requirements:
 - a. For adults, the weekly payment may not exceed the poverty level for an equivalent period.
 - b. For dislocated workers, payments must not exceed the greater of either of the following levels:
 1. For participants who were eligible for unemployment compensation as a result of the qualifying dislocation, the payment may not exceed the applicable weekly level of the unemployment compensation benefit; or
 2. For participants who did not qualify for unemployment compensation as a result of the qualifying layoff, the weekly payment may not exceed the poverty level for an equivalent period.

Procedures:

WIA contactors must adopt and implement procedures to implement the above-described policy, which will include, but not necessarily be limited to the following:

1. A process to identify the needs of WIA-enrolled individuals for needs-related payments to enable their participation in training;
2. A process to determine the level of needs-related payments for participants
3. A process for reexamining (every three months) a participant's household income to determine current eligibility for and level of needs-related payments.
4. Processes for accurately tracking and recording the provision of needs-related payments.

ACTION

Los Angeles County WIA contractors should ensure that the policies and procedures described herein are communicated throughout the operations management and governance structure of the contractor organization and that this Directive is appropriately maintained until further notice.

INQUIRIES:

Inquiries regarding this directive and the policies and procedures described herein should be directed to Maggie Mireles, Program Manager, at (213) 738-2198 or Irene Pelayo at (213) 351-5246 or by e-mail at ipelayo@css.lacounty.gov.




**Josie Marquez, Executive Director
Workforce Investment Board**