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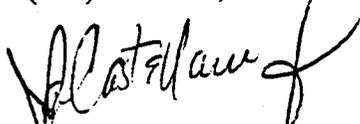
December 16, 1999

REGIONAL INFORMATIONAL BULLETIN NO. 20-99

**TO: ALL SESA ADMINISTRATORS
WIA LIAISONS, WELFARE TO WORK GRANTEEES**

**SUBJECT: AMPLIFICATION OF WELFARE TO WORK AMENDMENTS, NEW
ELIGIBILITY REQUIREMENTS , EFFECTIVE DATES, IMPLEMENTATION
TIMETABLE.**

1. Purpose: To transmit amplification of the Welfare to Work Amendments of 1999, including the new Eligibility Requirements, Effective Dates, Allowable Activities and Implementation Timetable.
2. Background: Title VIII of H.R. 3424, the Departments of Labor, Health, and Human Services, and Education and Related Agencies Appropriations Act, 2000, contains the "Welfare to Work and Child Support Amendments of 1999" . These amendments make several significant changes to the Welfare to Work Program Grant administrated by the Department of Labor.
3. SESA Administrators and State WIA Liaisons are requested to distribute copies of this information to practitioners.
4. Inquiries: Please direct any inquiries to your Grant Officer's Technical Representative (GOTR): Arnold Cooperman at (212)337-2167, David Riley at (212)337-2176, Ralph Muniz at (787)766-5129, or Carlos Ortiz at (787)771-3623.


MARILYN K. SHEA
Regional Administrator

Enclosures

The 1999 Welfare-to-Work Amendments

Title VIII of H.R. 3424, enacted as part of the Consolidated Appropriations Act for FY2000, contains the "Welfare to Work and Child Support Amendments of 1999" (1999 Amendments). These amendments make several significant changes to the Welfare-to-Work (WtW) grant programs administered by the Department of Labor. These changes, summarized below in question-and-answer format, are generally similar to those proposed by the Administration to allow WtW grantees to more effectively serve both long-term welfare recipients and noncustodial parents of low-income children, and to streamline WtW reporting requirements.

How is eligibility changed under the 1999 WtW Amendments?

Required Beneficiaries/General Eligibility **"The 70% Eligibility Criteria"**

Old Requirement: As originally enacted, at least 70 percent of WtW grant funds had to be expended to provide services to long-term Temporary Assistance for Needy Families (TANF) recipients who met two of three specified barriers to employment and to noncustodial parents who met the barriers and whose children are long-term TANF recipients.

How do the 1999 WtW Amendments Change General Eligibility? The 1999 amendments remove the requirement that long-term TANF recipients must meet additional barriers to employment in order to be eligible for WtW. Therefore, TANF recipients are eligible for WtW if they have received assistance for at least 30 months (whether consecutive or not), if they are within 12 months of reaching their TANF time limit, or if they have exhausted their receipt of TANF due to time limits.

In addition, under the 1999 amendments, noncustodial parents are eligible if: (1) they are unemployed, underemployed, or having difficulty paying child support obligations; (2) their minor children are eligible for, or receiving TANF benefits (with a priority for parents with children who are long-term recipients), received TANF benefits during the preceding year, or are eligible for, or receiving assistance under the Food Stamps program, the Supplemental Security Income program, Medicaid, or the Children's Health Insurance Program; AND (3) they enter into a personal responsibility contract under which they commit to cooperating in establishing paternity and paying child support, and participating in services to increase their employment and earnings, and to support their children. The 1999 amendments also require grantees to consult with domestic violence organizations in developing these projects to serve noncustodial parents.

Other Eligibles - "The 30% Eligibility Requirement"

Old Requirement: As originally enacted, WtW grantees could also spend up to 30 percent of grant funds on TANF recipients and noncustodial parents who have characteristics associated with long-term dependency.

How do the 1999 WtW Amendments Change Eligibility under the 30% provision? In general, the 30% eligibility criteria are retained, except for noncustodials. In addition, the 1999 amendments add several categories of eligibility under the 30% provision, including 1) TANF recipients who have significant barriers to self-sufficiency under criteria established by the PIC, 2) youth aged 18 to 25 who have "aged out" of foster care, and 3) custodial parents with incomes below the poverty line (regardless of whether or not they are or have been a TANF recipient).

Noncustodial parents are no longer included under the 30 percent provision, but may be served under the general eligibility provisions described above.

What changes were made to WtW allowable activities?

The 1999 Amendments add vocational education and job training as a separate allowable activity under WtW. Such training may be provided to a WtW participant for up to 6 months.

In addition, grantees that are not PICs or workforce investment boards may provide readiness, placement and post-employment services directly to WtW participants. As originally enacted, WtW grantees could generally only provide such services through contracts or vouchers.

How will reporting changes affect current grantees?

The 1999 WtW Amendments eliminate the participant and financial reporting requirements as originally enacted and authorize the Secretary of Labor, in consultation with the Secretary of Health and Human Services as well as States, organizations representing States, and localities, to establish requirements for the collection and maintenance of financial and participant information and the reporting of such information. The Department expects to publish WtW participant and financial reporting requirements early in 2000. WtW grantees will continue to operate under the current reporting requirements until reporting changes are published and become effective.

How do the 1999 WtW Amendments effect grantees' access to information about potential WtW participants?

Under the 1999 Amendments, State agencies responsible for enforcing child support orders (State IV-D agencies) have the authority to share information on noncustodial parents for the purpose of identifying and contacting them regarding participation in the WtW program. This information can include names, addresses, telephone numbers and identifying case number information, and can only be shared with WtW grantees who are PICs (or local workforce investment boards). The State must ensure that the PIC has procedures in place for safeguarding

the privacy of this information and for ensuring that the information will be used solely for WtW recruiting purposes.

How do the 1999 Amendments affect the Performance Bonus for Formula grants?

As originally enacted, \$100 million was set-aside from FY1999 funds to provide a bonus to successful States. The 1999 Amendments reduce the amount to \$50 million, and require that no outlays of these funds occur before October 1, 2000.

When do the 1999 WtW Amendments take effect?

WtW Competitive grantees may implement the new eligibility criteria and begin serving individuals under these criteria on January 1, 2000. Competitive grantees may also provide vocational education and job training immediately upon enactment. Further, competitive grantees who are not PICs (or local workforce investment boards) may immediately provide job placement, job readiness and post-employment services directly to WtW participants.

Formula grantees may implement the new eligibility criteria and begin serving individuals under these criteria, and providing vocational education and job training, as of July 1, 2000, except that federal formula funds may not be expended for these purposes until October 1, 2000.

For Indian and Native American grantees all applicable provisions are effective immediately.

**Welfare-to-Work 1999 Amendments
Implementation Timetable**

- | | |
|-------------------|--|
| November 29, 1999 | <ul style="list-style-type: none">* WtW Amendments signed into law.* Brief Summary of new provisions on website. |
| December 13, 1999 | <ul style="list-style-type: none">* Detailed 1999 WtW Amendments Summary on website.* Timetable for Regulations on 1999 WtW Amendments. |
| January 3, 2000 | <ul style="list-style-type: none">* Summary of issues that may be addressed by new regulatory provisions provided on WtW website for informal comment. |
| January 11, 2000 | <ul style="list-style-type: none">* Consultation meeting with Intergovernmental groups. |
| January 13, 2000 | <ul style="list-style-type: none">* Consultation meeting with Constituent groups. |
| January 14, 2000 | <ul style="list-style-type: none">* Final date for receipt of informal comments on Summary. |
| January 2000 | <ul style="list-style-type: none">* Release WtW Participant and Financial Reporting Instructions |
| February 2000 | <ul style="list-style-type: none">* Publication of WtW Final Regulations and Interim Final Regulations for 1999 WtW Amendments. |

The grid below outlines the various provisions and when they become effective for different types of grantees.

Effective Dates

GRANTEE TYPE	Formula Grants		Competitive Grants	Indian/Native American Grants
NOVEMBER 1999 AMENDMENTS – Eligibility and Allowable Activities				
Expanded eligible population	July 1, 2000, except that no federal funds may be expended	October 1, 2000 (expending federal WtW funds permitted)	January 1, 2000	November 29, 1999
Six month vocational education and job training allowed	July 1, 2000, except that no federal funds may be expended	October 1, 2000 (expending federal WtW funds permitted)	November 29, 1999	November 29, 1999

Allowable Activities

GRANTEE TYPE	Formula Grants	Competitive Grants		Indian/Native American Grants
NOVEMBER 1999 AMENDMENTS – Other Provisions		<i>Grantee is PIC/local board</i>	<i>Grantee is not PIC/local board</i>	
Information sharing between PICs/local boards and Child Support Enforcement agency	November 29, 1999	November 29, 1999	Not applicable.	Not applicable*
Direct provision of job readiness, job placement and post-employment services	Not applicable*	Not applicable.	November 29, 1999	November 29, 1999

* Except in rare cases.