

SUMMARY OF CHANGES OPEN FOR COMMENT: WELFARE-TO-WORK INTERIM FINAL RULE

PLEASE NOTE: Changes to the Welfare-to-Work (WtW) regulations resulting from the 1999 Amendments are included as the January 11, 2001, WtW Interim Final Rule and are open for comment until March 12, 2001. However, any changes that were incorporated into the WtW Final Rule resulted from public comment on the November 18, 1997, WtW Interim Final Rule and are now final. The following summary is offered to assist the public to identify those changes open for comment. Please consult the January 11, 2001 published rule for the actual regulatory language and the accompanying preamble for an explanation of the changes.

Subpart A -- Scope and Purpose

- 645.120 A definition of “unemployed” is added which is consistent with the definition under the Workforce Investment Act (WIA). A definition of “IV-D Agency” was added to identify the State child support enforcement agency’s new role in serving noncustodial parents under WtW. A definition for “Local Workforce Investment Board” was also added.
- 645.125
New Section This new section, entitled, “What are the roles of the local and State governmental partners in the governance of the WtW program?”, incorporates the principle of flexibility for State and local governments to define terms not otherwise defined in the law or regulations. It is similar to a provision in the WIA regulations.
- 645.130
New Section This new section denotes the effective dates for the WtW 1999 Amendments for formula and competitive grants.
- 645.135
New Section This new section denotes the effective dates for spending federal WtW formula funds on newly eligible participants and newly authorized services.

Subpart B -- General Program and Administrative Requirements

- 645.211 This section explains that not more than 30% of funds may be spent on individuals who meet the “Other Eligibles” eligibility requirement. The remaining funds are to be spent on individuals who meet the “General Eligibility” or “Noncustodial Parent” eligibility (primary eligibility) requirements. The 70% eligibility category which was eliminated in the 1999 Amendments is now replaced by the “Primary Eligibility” category.
- 645.212 The 1999 Amendments have changed the groups to be served under the “Primary Eligibility” category. The provision describes the eligibility requirements for individuals who are now eligible under the “General Eligibility” and “Noncustodial Parent” (primary eligibility) provision.
- 645.213 This section describes new eligibility criteria for individuals who may be served

under the 30% “Other Eligibles” provision, such as individuals who have been in foster care and custodial parents with incomes below the poverty line. This section also allows the local boards or PICs to establish criteria for determining if an individual has significant barriers to self-sufficiency.

645.214 This section now reflects that operating entities must have mechanisms in place to determine eligibility for new categories of eligibles not previously served in WtW and provides authority for the use of a presumptive eligibility standard for one of the categories of eligible participants.

645.215 This new section describes what an entity that serves noncustodial parents must do with regard to the timeliness and content of personal responsibility contracts and the obligation to consult with domestic violence organizations and describes the preference within the category of eligible noncustodial parents.

New Section

645.220 This section notes that the 1999 Amendments add six (6) months of vocational educational training and job training to the list of allowable WtW activities. The terms are left up to the States and operating entities for definition but the activities must be related to preparing a participant for employment.

645.221 This new section is added to restate that Local Boards or Private Industry Councils (PICs) must finance job readiness activities, job placement services and post-employment services through job vouchers or contracts with public or private providers. However, the 1999 Amendments allow an operating entity which is not a PIC or Local Board to provide these services directly.

New Section

645.240 This section notes that participant data collection and reporting requirements will have a simplified format. The Secretary of Labor has established the requirements for the collection and maintenance of both financial and participant information. (The public has already had an opportunity to submit comments on a revised reporting package. The comments have been taken into consideration and the revised reporting package has been submitted under separate cover to the Office of Management and Budget for consideration and approval.)

Subpart D -- State Formula Grants Administration

645.420 This section reflects that the 1999 Amendments reduced the amount available for performance bonuses to \$50 million and requires that no outlays of these funds occur before FY 2001. However, the Consolidated Appropriations Act of 2001 subsequently eliminated the remaining \$50 million setaside for performance bonuses.