

Report to the House and Senate Appropriations Committees FY 2010 Pilots, Demonstrations, and Research Operating Plan

This report provides the Department of Labor, Employment and Training Administration (ETA) Operating Plan for Pilots, Demonstrations, and Research (PD&R) for Fiscal Year (FY) 2010. FY 2010 PD&R funds are available for Federal obligation from April 1, 2010, through June 30, 2011. The Operating Plan outlines ETA's planned allocation by major priority areas and activities, including both those that will be supported with FY 2010 funds and those continuing activities that were funded with prior year appropriations. The total FY 2010 appropriation for PD&R is \$93,450,000; however, \$48,889,000 is devoted to earmarks. Of the remaining \$44,561,000, \$30,000,000 is designated to be used for Transitional Jobs activities; \$5,500,000 is to be used for the continuation of the Young Parents Demonstration Program; \$3,000,000 is to be used in support of the Workforce Investment Act (WIA) Gold Standard Evaluation; \$2,000,000 is to be used for the Evaluation of the Unemployment Compensation Provisions of the American Recovery and Reinvestment Act of 2009; and \$4,061,000 would be available for other projects. ETA expects to identify additional projects in consultation with the Department of Labor's Chief Evaluation Officer and Chief Economist as well as ETA program offices.

In addition, for Fiscal Year 2010, a total of \$22,916,000 is available under the set-aside within the Dislocated Workers Assistance National Reserve for demonstration, pilot, multiservice, research, and multi-State projects under the WIA. Given the often unanticipated dislocated worker needs, these funds need to remain flexible through the program year to enable us to support the workforce system's response to overwhelming economic downturns, mass dislocations, natural disasters or other emergencies. Therefore, this plan does not specify how Dislocated Worker demonstration funds will be used during the program year. To the extent that these funds are not needed to respond to disasters or emergencies, the portion of the set-aside not needed for these purposes would be available for dislocated worker demonstration projects.

PD&R investment decisions will be guided by the following six priority areas in the Five-Year Pilots, Demonstrations and Evaluation Strategic Plan for 2007-2012. It is important to note that the specific projects identified under each priority area will be planned in accordance with resource availability as well as departmental and agency priorities. This plan covers new and continuing projects.

Priority Area 1.) Integration of Workforce and Regional Economic Development

This priority focuses on measuring the success of integrating regional workforce investment and economic development, examining regional differences in economic performance and effectiveness, determining the drivers of "innovation hot spots" and job creation, and examining the effects of immigration on the economy and the labor force.

- No new projects will begin under this priority pending results of the Workforce Innovation in Regional Economic Development Initiative.

Priority Area 2.) Methods of Expanding U.S. Workforce Skills

This priority focuses on increasing the skills of the workforce to help America retain its competitive edge. This research area is intended to measure the effectiveness of credentialing, research occupation projections, examine career ladders, explore the

limitations on the capacity to train in certain occupational areas, and expand learning opportunities through the use of technology. Under this priority area, ETA plans to:

- Explore different methods of targeting services to workforce clients, with the possibility of funding a demonstration project with FY 2010 funds or later with FY 2011 funds.

Priority Area 3.) Increasing the Labor Market Participation of Underutilized Populations

To meet the needs of the 21st century job market, every available segment of the U.S. population will need to be engaged, skilled, and prepared to enter or advance in the high-growth job opportunities afforded by the global economy. This priority area focuses on integrating underutilized segments of the population into the labor market and identifying successful strategies to increase participation and productivity. Under this priority, ETA plans to:

- Fund a Transitional Jobs demonstration program (TJ demo).
- Fund a third round of grants under the Young Parents Demonstration Program.
- Identify strategies designed to improve the educational and employment outcomes of youth with disabilities.
- Explore ways of keeping migrant and seasonal farm workers in the labor market.

Priority Area 4.) Using State-Level Administrative Data to Measure Progress and Outcomes

This priority focuses on tapping into state-level administrative data for cost-effective research and evaluation purposes. Using administrative databases, rather than surveys, provides more longitudinal information; therefore, administrative data presents numerous advantages for conducting research. Under this priority, ETA plans to:

- Support a new cadre of researchers by providing research grants for the development of papers related to employment and training using administrative data.
- Explore the development of an administrative data infrastructure accessible for research.

Priority Area 5.) Post-Secondary Education and Job Training

The 21st century knowledge economy requires a highly educated and skilled workforce. The fastest growing jobs, on average, require a post-secondary credential – a vocational certificate or other credential, or an associates or higher degree. This priority focuses on expanding access to post-secondary education and job training for workers. Under this priority area, ETA plans to:

- Continue conducting the WIA Gold Standard Evaluation of the Adult and Dislocated Worker Programs.

Priority Area 6.) Unemployment Insurance (UI)

This priority area focuses on the efficacy of the current UI system for the 21st century workforce and economy, examines the incentives and disincentives to work, and looks at workers covered and not covered by UI. Under this priority, ETA plans to:

- Support nationwide and state-specific research and evaluations of Special UI Provisions under the Recovery Act.