

Implications and Opportunities in the Workforce Investment Act for the Senior Community Service Employment Program

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Document date: September 22, 1998

Released online: September 22, 1998

The enactment of the *Workforce Investment Act of 1998* (WIA) (Public Law 105-220, enacted Aug. 7, 1998) will significantly affect the Senior Community Service Employment Program (SCSEP), authorized by Title V of the *Older Americans Act* (OAA), just as it will affect all employment-related federally-funded programs. The WIA is intended to consolidate and streamline the numerous federal employment programs and provide states and localities with more discretion to design and monitor workforce development strategies that meet their own labor market needs. The legislation does not directly alter the SCSEP, but the *Job Training Partnership Act* (JTPA), including the Section 204(d) set-aside program for older workers, is repealed by the WIA. And older workers and the pre-existing programs authorized under the OAA are now considered part of the workforce development system. Thus, the legislation raises both important challenges to the SCSEP and affords new opportunities to improve services to older workers.

One-Stop System. The SCSEP has been part of many of the one-stop career centers established over the past few years but now is required to be part of the one-stop system mandated by the WIA. States and localities have discretion over the nature of that involvement, and it will vary.

The WIA requires that each state establish fully-operational one-stop service delivery systems. The one-stop system must consist of at least one physical location in each designated local area, known as a core one-stop center, that must provide access to all programs and services included in the WIA to the various eligible populations. The designator operator of each local one-stop center is to be competitively selected by the local Workforce Investment Board (WIB) and the local elected officials. The local system may also include a network of affiliated sites operated by "one-stop partners." These partners include organizations and programs that serve special populations. The SCSEP is required to be part of the one-stop system, meaning operated fully from a comprehensive one-stop center or affiliated with the one-stop center as a "partner" for a special population. Even if SCSEP is separate, though, some mechanism must exist in the core one-stop center to allow eligible persons to access SCSEP services. A major benefit of locating within the one-stop center would be the opportunity to enhance the general awareness among the traditional employment and training providers of the special needs of maturing workers. In addition, physical proximity might allow better coordination of SCSEP resources with WIA resources to serve those workers eligible under both SCSEP and WIA.

It may be easier for SCSEP to remain separate, but that may also mean foregoing the opportunity to access additional funds that will be available through the WIA. The elimination of the 204(d) set-aside should motivate SCSEP grantees to seek to replace those lost funds, either by directly receiving WIA funds to augment the SCSEP or by ensuring that SCSEP participants are able to access WIA-funded services (usually through the one-stop center).

Older worker organizations could apply to the WIB to operate as a separate specialized center, affiliated with the one-stop center as a "partner," to serve their special population. Presumably, it would be possible to obtain some WIA funds to serve this special population, although the legislation strongly states that all WIA-funded service providers be selected through a competitive process. The decision about whether any WIA funds will be used in this manner for services to any special populations, though, will be left to the discretion of the WIB.

Workforce Investment Boards. As states and localities are restructuring their governing systems into workforce investment boards, the employment needs of older workers will be best assured if the state WIBs include representatives of the State Unit on Aging and/or other SCSEP grantees, but their membership is not specifically required.

The legislation specifies some of the representatives who must be included as members of the state and local WIB but also gives elected officials some discretion in deciding the specific composition of the boards. The act

requires that lead state agencies of programs in the one-stop system be included on the state WIB and that local one-stop partners be included on local WIBs, but the law does not require that **all** partners be included. Over the next several months as states are making decisions about the composition of the boards and one-stop systems, SCSEP grantees should actively pursue their inclusion. Given the complex and numerous programs specifically listed in the WIA (e.g., business representatives, elected officials, labor organizations, youth organizations, and education agencies), it cannot be assumed that all possible members will be identified by the state planning officials. Especially in states where the SCSEP has operated fairly independently from mainstream employment and training programs, it will be important to actively campaign for a representative of the State Unit on Aging or a national SCSEP grantee and one or more representatives of local SCSEP providers to be included on the boards.

Workforce Investment Plans. The WIA directs states to develop workforce development plans and allows states to submit even more comprehensive Unified Plans if they choose; the planning process can be a substantive mechanism to ensure equitable service to mature and older workers.

In keeping with the intent of the law, states will be required to include in their workforce investment plans specific information about program coordination and non-duplication of service. Title V/SCSEP is among the programs that must be addressed in the plan, and older workers is one population group specifically noted. The WIA also amends the OAA to require that the State Units on Aging coordinate WIA and OAA programs to avoid duplication of services. Developing strategies for dislocated workers and youth and establishing coordination between the WIA activities and other large systems such as welfare reform and vocational education will undoubtedly be a higher priority than SCSEP for states in the early WIA planning phases. The State Unit on Aging and other SCSEP grantees should seek to be actively included in the WIA process to develop the first five-year plan, since the new legislation provides an important window of opportunity to influence the targeting of WIA funds.

The legislation has fewer specific participant eligibility criteria than existed under JTPA. States have been given discretion over establishing priorities for serving particular groups within the broad eligibility parameters (unemployed in general, or for intensive services, low-income unemployed). Thus, there are no "dual enrollment" provisions in the WIA. There will still be separate appropriations for dislocated workers, and the category can include a broad range of individuals, but there is no provision similar to the 204(d) set-aside for older workers. (There is, though, an implicit set-aside amount for youth programs.)

Findings from the 1997 Urban Institute report on the effect of the aging of the population on employment and training programs suggested that mature and older workers (45 to 70 years of age) were generally underrepresented in JTPA, and that the vast majority of mature and older workers in JTPA were served under either the 204(d) set-aside or the dislocated worker programs. It is important to ensure that older workers are more equitably served under WIA than they had been under JTPA IIA and to ensure that older workers continue to be served proportionately by dislocated worker programs. Officials from agencies and programs familiar with the special needs and services of this population should be actively involved in the WIA planning. For example, state WIA planning officials should understand that the average age of the general target population of low-income or disadvantaged adults in the next several years will increasingly be older, and that the largest population growth will occur among persons over 45 and workers under 20. An understanding of the projected demographic trends will be very important as the states develop their five-year workforce investment plans.

Performance Accountability. The WIA establishes a comprehensive performance accountability system that, among other features, requires states and local WIBs to report on performance for special populations, including older workers.

The new legislation expands the concept of performance standards in a few ways. In keeping with the federal Government Performance and Results Act (GPRA), states must include not only measures of standard employment outcomes such as entered employment and earnings, but also indicators of customer satisfaction. In addition, the WIA performance system will involve a substantial degree of negotiated performance measurement. Through a mutual negotiation process, the federal government, states, and local WIBs will agree on plans for achieving performance goals, ensuring continuous performance improvement, and adjusting levels of performance to take into account economic conditions and other factors. Each year, states must submit a performance report to the Department of Labor that includes information on the progress the state is making towards its WIA objectives, including customer satisfaction. The report must also provide information on a number of additional items, including performance with respect to the following special populations: welfare recipients, out-of-school youth, veterans, individuals with disabilities, displaced homemakers, and older individuals.

The performance accountability provisions in the WIA provide another opportunity, along with the strategic planning process, to emphasize the importance of serving older workers. Since few older workers have been served through traditional JTPA II-A programs, this may require special attention by program planners. States and WIBs will do well to consider the needs of all the designated special populations, including older workers, up front in the early planning phase, to maximize performance levels.

State Set-aside Funds. While there are fewer federal set-aside provisions had existed under JTPA, the WIA does provide states with discretionary funds that can be used for statewide workforce investment strategies, representing an opportunity for developing and expanding services to older workers.

States may reserve up to 15 percent of each of their separate adult, youth, and dislocated worker WIA

allotments to "carry out statewide employment and training activities." The types of activities mentioned in the law as examples include developing exemplary programs, implementing innovative programs for certain populations (e.g., displaced homemakers), or providing "other activities" allowed under the act. These set-asides will represent a significant amount of funding, especially since the three set-aside funding streams can be consolidated, meaning for example, that a certain amount does not have to be spent on adults rather than youth.

The state set-aside funds may provide an opportunity for developing and funding special services for older workers. SCSEP grantees, including State Units on Aging should consider proposing innovative strategies that can be funded with the state WIA 15 percent set-asides. Proposals that intend to fully capitalize on the possibilities of coordinating resources across programs might be of particular interest to states. These might include (1) integrating welfare reform, SCSEP, and WIA resources to serve older individuals exiting from welfare; (2) combining SCSEP, WIA dislocated-worker funds, and vocational education funds to serve unemployed or underemployed older workers; or (3) using SCSEP and WIA funds to upgrade skills of unemployed workers or underemployed incumbent workers. Set-aside funds could also be used simply to deliver training and employment services to mature, experienced workers. SCSEP grantees' experience with the maturing worker population can be used to develop innovative ideas for using the set-aside-funds.

Workforce Flexibility Waivers. The Work-Flex Waiver concept is incorporated into the WIA and allows states to request waivers of federal rules for various programs including the Wagner-Peyser Act and the Older Americans Act.

Under the Workforce Flexibility provisions included in the WIA, states may request waivers from OAA and other federal policies. There are some limitations, in that no waivers may be obtained to change the eligibility criteria of programs, and basic worker protections such as federal wage and hour standards may not be waived. While states have been allowed for the past several years to request waivers under JTPA and related programs, this new provision for the first time extends the concept to the OAA.

Theoretically, the waiver authority allows states maximum flexibility to develop comprehensive workforce investment systems. In fact, though, states have such a substantial amount of discretion under the new WIA that there is probably little reason for them to request additional waivers. Similarly, SCSEP already allows grantees considerable discretion in designing their programs. Nonetheless, SCSEP grantees should bear in mind that except for legislatively established eligibility requirements, the new waiver authority may be useful when developing special projects or evolving coordinated or integrated strategies involving SCSEP and other workforce investment programs (e.g., modifications to performance goals). It is also important to recognize that while waiver authority may prove useful in allowing states and local programs to develop innovative service delivery strategies, careful scrutiny must occur to ensure that the integrity of the OAA mission and goals be fully honored and maintained.

Conclusion

The WIA provides an important new opportunity for SCSEP and the entire older workers community to embrace the new national direction for workforce development policy. If SCSEP becomes a key member of the emerging workforce development system, there are real opportunities to increase services to older workers by merging resources and services from multiple funding streams. The opportunity also exists right now to transfer some of the extensive experience and knowledge in the older worker provider community to the emerging integrated workforce development system. By actively engaging in the early dialogues at the state and local level about the nature and priorities of the new workforce development system, the SCSEP experts can influence the nature of that system and thereby expand services to older workers.

Given the complexity of the emerging WIA system, though, this is likely to happen only if SCSEP officials take the initiative. The enactment of the new law also provides an opportunity to energize the older worker system, for example by adopting or trying out new service innovations and strategies, considering special projects or demonstrations, or establishing (or re-establishing) collaborations with other programs and agencies that can benefit older workers. The opportunities are there, if SCSEP actively pursues them. The alternative is that SCSEP will be isolated from the newly emerging workforce development system, missing out on this rare opportunity to forcefully advocate for the interests of its customers: mature, experienced workers who can still make significant contributions to the health and prosperity of the expanding U.S. economy.

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