

New York State Subsidized Employment Initiatives Program Design and Implementation

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NYS Subsidized Employment Program Design and Implementation

- \$49 Million Investment (\$45 million in TANF funds and \$4 million in State Funds)
- Combination of Program Expansion and New Program
- Approach was Client/Customer Centered
 - Provided necessary job creation and a competitive advantage for employment opportunities for those with limited work histories and skills

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- Scope of Investments Determined by State Appropriation Process
 - \$10 million increase in existing Wage Subsidy Contracts with community vendors
 - \$25 million to social services districts to support Transitional Jobs program
 - \$7 million to largest social services districts to support a Health Care Jobs program
 - \$7 million to competitively selected districts to support a Green Jobs Corps program

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- Competition for TANF Funds and a determination that New York State could earn all available TANF ECF based on increased spending without new program creation heavily influenced program scale
- Program timeframes – period of ECF availability also influenced program scale
- State retained but did not increase investments in Summer Youth
- Total increased placement goal of about 5,000 – as of July 1, 2010 reached 75% of goal

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- Existing Wage Subsidy contractors serve TANF eligibles with incomes up to 200% of poverty, most served are low-income unemployed.
- New initiatives all targeted to public assistance recipients
- Investments were targeted to meet needs of specific customers, so no mass marketing or outreach (a mass marketing approach to employers could have more rapidly spent funds)

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- New program designs for \$32 million of the \$49 million new investments to supplement existing district programs or for new program creation
- 49 of the states 58 social services districts operated programs, of which most had not previously operated subsidized employment programs.
- Intended to meet needs of target population (most without high school degree, literacy deficits, often limited formal occupational training). Called for more complex program models that provided both employment and occupational skill development for participants.

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Employment Readiness Model

- Model - NY City of Parks Opportunity Program
- Based on developing participant's readiness for the private sector job market. Target population has limited formal work credentials and work histories and/or proven difficulty retaining employment
- Structured work with significant case management, skill building opportunities and income reward
- Important to still mirror private sector opportunities and expectations
- Relevant in times of high or low unemployment

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- Private Sector Employer Outreach
 - Permitted 100% wage subsidy and fringe, if necessary
 - Subsidy permitted for up to 12 months, typical subsidy about six months
 - Did not require permanent jobs, but virtually all districts chose to seek permanent jobs
 - Combined with WOTC to increase employer incentive and range of Work Supports for all employees

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- Private Sector Employer Outreach
 - Sector focused
 - Health Experience
 - Green Experience
 - Need for “buy-in” of education/training component
 - Initially large employers easier sell, improvements with additional outreach
 - Use of Intermediary or “employer of record” significantly expedites initial placements

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- Future Program Model
 - Improve staff job development training
 - Business Enterprise for JRT Model
- Future Funding
 - TANF appropriations
 - Grant Diversion
 - Food Stamp Work Supplementation Option
 - Private Donated Funds
 - Business Enterprise Revenues