**Slide 1:**

Good afternoon, or morning, and thank you for joining us for the presentation: Reemployment Services and Eligibility Assessment Grants: Overview of Recent Legislation and FY 2018 Operating Guidance.

**Slide 2:**

My name is Lawrence Burns with ETA’s Office of Unemployment Insurance and I am the national lead for the RESEA program.

I am joined today by Gay Gilbert, Administrator for the Office of Unemployment Insurance.

Before we start, I would like to note that this session is intended to provide a broad overview of recent changes to RESEA. We are planning to release FY 2019 operating guidance soon and will be accompanying that guidance with a more detailed webinar and other technical assistance. Again, this session is intended to provide basic information to help states prepare for forthcoming guidance and technical assistance.

With that, I’d like to turn it over to Gay Gilbert for a few opening remarks.

**Slide 3:**

Hi Everyone, Welcome to our webinar on our newly authorized Reemployment Services and Eligibility Assessment Program (RESEA). We’re really excited to bring you information on the new program. It does have a number of different elements to it and we’re going to start to acquaint you with that. As Larry mentioned, we’re going to have guidance to follow and additional webinars in more detail but today is about introducing you to some of the basic requirements.

**Slide 4:**

Thanks Gay. This presentation is organized around the who’s, what’s, when’s, and where’s of the new RESEA program. Therefore, we will address the following questions.

1. What is the new RESEA Program
2. When do new requirements take effect?
3. Where do we go from here? or What should states expect moving forward?
4. How can states start preparing? More specifically, what resources and flexibilities are available now?
5. Who do can states contact for help and more information?

**Slide 5:**

As Gay mentioned, the RESEA program was recently permanently authorized. This authorization includes several programmatic changes and new requirements.

In this section you should gain the following knowledge :

1. The statutes you should know and what they do;
2. The purpose of the new program—specifically the 4 goals that RESEA is intended accomplish; and
3. A high-level understanding of new requirements that will impact state operations.

**Slide 6:**

The Bipartisan Budget Act of 2018 ( referenced as the BBA) which was enacted on February 9, 2018 amended the Social Security Act by creating a new section 306. Section 306 contains all the provisions directly impacting state operations.

* These amendments to the SSA establish a permanent authorization for RESEA.
* Unlike previous legislative proposals, the BBA maintains RESEA as a voluntary program. Please note that in this context we mean voluntary for states. If a state operates an RESEA program the participation by selected claimants is mandatory.
* The BBA also provides authorized funding levels and “cap” adjustments that we explain later in the presentation.
* Introduces several new requirements, which we will go into detail about, and
* Provides for a phased implementation of new requirements beginning upon enactment.

**Slide 7:**

The Consolidated Appropriations Act of 2018, signed on March 23, 2018, delayed implementation of the new requirements—The Act prohibited implementation of new SSA section 306 during FY 2018.

This allowed ETA to continue RESEA under FY 2017 approved plans and operating guidance during FY 2018.

**Slide 8:**

SSA Section 306 (b) Purpose identifies four goals for RESEA.

1. “To **improve employment outcomes** of individuals that receive unemployment compensation and to reduce average duration of receipt of such compensation through employment.”
2. To **strengthen program integrity** and reduce improper payments of unemployment compensation
3. To promote **alignment with the vision of the Workforce Innovation and Opportunity Act** of increased program integration and service delivery
4. **Establish RESEA as an entry point** to other workforce system partners

These goals are important because various new requirements, such as outcome payments and new state RESEA plans, link back to these goals. We have quoted goal 1 because this emphasis on improving employment outcomes is the most frequently referenced.

**Slide 9:**

As noted earlier, the BBA not only authorized RESEA but it also made numerous changes intended to strengthen the program.

These changes include:

1. Use of evidence-based strategies and evaluations.
2. Increased state discretion in participant selection.
3. Submission and approval of annual RESEA state plan.
4. Formula allocation of funding and new funding requirements

In this next section we will be providing a high-level discussion of each of these requirements. Specific instructions and guidance will be provided in forthcoming Unemployment Insurance Program Letters (UIPLS) and technical assistance.

At this point, I’d like to hand the presentation over to Gay to talk about evidence-based strategies and evaluations.

**Slide 10:**

So I’m going to talk for a minute about the evidence-based strategies and evaluations provisions in the new RESEA law. They are fairly unique and they mirror some of the requirements that are showing up in other federal programs as well. Some are at HHS, which happen to perform RESEA. It focuses on a tiered evidence approach. Which means that you want to both be using evidence-based strategies while you are also building new evidence.

Larry mentioned the program goals and the point of the evidence is very much wrapped around those goals:

* RESEA funds must only be used for interventions or strategies demonstrated to reduce claim duration by improving employment outcomes. So it really wraps together the idea of reducing duration by improving employment outcomes.
* FY 2019 operating guidance will provide more detailed instructions around these provisions. I’d like to spend a few minutes sharing some of the parameters. First of all, the parameters to use evidence-based strategies is effective in 2019, even though we won’t be able to incorporate that into a formal state plan until 2020. States are still held to this standard.
* States are required to use the evidence that we have now around reemployment strategies to support the service delivery design in your state or if you want to try new strategies or use different strategies that don’t have the evidence behind them, there must be an evaluation of those new strategies.
* And the state can use up to 10 percent of its funding for that evaluation.

**Slide 11:**

So one of the requirements with regard to evidence and evaluation is that states service delivery strategies for RESA must be determined to be either highly or moderately causal. OR if not, you must be evaluating those strategies.

Today, the Department of Labor, through its Chief Evaluation Office, has a website called CLEAR. We are currently taking all of the Reemployment Studies out of CLEAR and synthesizing them into one tool for states to use and sharing those that are determined to be highly or moderately causal.

Right now, our definition of highly or moderately causal speaks to whether or not the study was rigorous. It does not speak to the effectiveness of the strategy. Moving forward, by 2020, we will have a more clear definition of highly or moderately causal and we will also have had the ability to capture additional evidence from other federal agencies and from your states that we can classify as highly or moderately causal so we can grow the body of evidence from which states can use and depend on to justify your service delivery strategies.

We are getting a contractor to help with this work and in addition to helping with our definitions and amassing this evidence into one place for you to use, they will also be providing technical assistance to states on how to conduct your evaluations so you can perhaps use future evidence that you are building to justify your program because ultimately, and Larry will cover this a little bit more, you won’t be required to use evidence-base strategies for fixed percentages of your funding.

The other thing the contractor will be doing is to conduct an RESEA implementation study. We know that the RESEA program, as codified now, is different than the path we were on previously, where we were focusing on targeting those most likely to exhaust and UCX claimants, we’ve also made changes around flexibility and the like. It’s going to be a different program and we want to understand how you are operating it in the states and also what additional evidence we want to build together. The Department believes that it has a role to play with state in building up this evidence over time.

**Slide 12:**

Thanks Gay. With that, we’re going to be moving on to the second significant change in the RESEA program and that is the targeting of participants.

Historically RESEA has been focused on two target populations.

1. Claimants that have been determined likely to exhaust benefits under the Worker Profiling and Reemployment Services Program (WPRS) and
2. Recipients of Unemployment Compensation for Ex-Servicemembers (UCX).

Beginning in FY 2017, Federal appropriations expanded targeting to additional claimant populations. ETA permitted such expansions only after the two primary populations were offered services.

Beginning in FY 2019, states should anticipate greater discretion in how RESEA is targeted. However, states may continue to serve those identified as likely to exhaust and UCX.

Please note that WPRS program remains a separate statutorily required program. In past years, states operating RESEA were determined to meet WPRS requirements because of the similar targeting of participants. If states opts to significantly change RESEA targeting in future years, they may also be required to operate a separate WPRS program.

**Slide 13:**

s Gay mentioned earlier, the amendments to the SSA include a requirement that states submit an annual RESEA plan. This plan must be approved by DOL before it will be determined eligible for funding.

We are currently developing a standard template for the RESEA state plan. This template will include various administrative and program information and look very similar to the RESEA proposals submitted in FY 2017 but it will also add additional data elements such as:

* + An assurance/description of proper notification and scheduling accommodations;
  + An assurance/description of how the program design meets the 4 goals of RESEA, including evidence-based requirements; and
  + A description of any evaluations conducted by the states during the previous year.

We hope to launch the new plan in FY 2020 following paperwork reduction act (PRA) approval. States will have an opportunity to provide feedback on this plan during the PRA approval process. Please note that the law is very prescriptive about the state plan requirements and our template aligns closely with these requirements.

**Slide 14:**

Beginning in Fiscal Year 2021, ETA must transition to a formula-based allotment of RESEA funds. Annual allotments will be provided to states under two categories:

1. The first category is **base funding**– based on rates of insured unemployed in the state.
2. The second category is **outcome payments-** based on states’ performance against outcome goals.
   * Please notes these goals will link back to the “purposes” and goals discussed earlier.

We will be seeking input on the formula methodologies in the coming weeks and publishing the formula by September 30, 2019.

We plan to publish a Federal Registrar notice that will provide more information and request your formal feedback and input.

Please note that the ratio of Base funds vs Outcome Payments will change over time as shown in the chart.

Also beginning in Fiscal Year 2021, the Department may reserve up to 1% of RESEA funds for technical assistance.

**Slide 15:**

Beginning in FY 2023 additional funding requirements take effect. Specifically a percentage of each states’ allotted funds must be used on evidence based strategies with a high or moderate causal evidence rating.

As Gay mentioned earlier, DOL will be defining high and moderate causal evidence ratings in future guidance and also provide resources about strategies that meet those standards.

The rate associated with this requirement increases over time. During Fiscal Years 2023 and 2024 it is set at 25%, In Fiscal Years 2025 and 2026 it will be increased to 40% and after Fiscal Year 2027 it will be at 50%.

**Slide 16:**

In this next section we want to inform you of the phased implementation for the new RESEA program. Please note that the vast majority of provisions will be implemented over the next few years, between FY 2019 and FY 2021.

**Slide 17:**

In this slide, we’ve attempted to organize the major milestones of the RESEA program.

* In FY 2019, the general evidence-based requirement took effect. This is not linked to funding but it is a requirement that all RESEA funding move towards evidence-based strategies. We’ll also implement the flexibility in targeting of UI claimants and we’ll seek input in the funding formula that will take effect in 2021. We’ll also publish the formula by September 30, 2019.
* In FY 2020, our major initiative will be launching the state plan.
* In FY 2021, we’ll be launching the formula allocation and also reporting to Congress on promising reemployment practices.
* Skipping ahead to FY 2023, that’s the year when the evidence-based funding requirements will take effect.

**Slide 18:**

Where do we go from here---what should states expect?

In this section, we’ll be covering funding outlook for RESEA and FY 2019 guidance.

**Slide 19:**

Funding Outlook.

Unlike previous years we now know the full-year appropriation for FY 2019--$150m a $30 million increase from FY 2018.

We are now working to expedite release of FY 2019 guidance which includes more detailed instructions for implementing RESEA requirements we discussed today. We will conduct a full webinar as part of the roll-out of this guidance.

BBA/SSA amendments includes authorizations and cap adjustments. These cap adjustments allow funding for RESEA to be increased without counting against federal discretionary funding caps. These caps are not a guarantee of funding but do provide a form of “incentive” for Congress to continue to invest in RESEA.

The chart below presents funding cap adjustments beginning in FY 2020 and extending through FY 2027. This chart shows how the cap adjustments increase over time.

**Slide 20:**

As you await FY 19 guidance, we want to highlight a few resources that are currently available to you. Specifically, we want to discuss:

* FY 2018 Flexibilities;
* The Clearinghouse for Labor Evaluation and Research; and
* Changes to the Reemployment Connections on WorkforceGPS.

**Slide 21:**

Beginning in FY 2018, ETA provided states with increased flexibility in how RESEA services are provided.

* + We streamlined required RESEA elements such as making AJC orientation optional and allowing different approaches, such as online tools, to develop reemployment plans
  + We also allowed for alternative locations other than AJCs such as schools, town halls, and libraries. This flexibility may be especially beneficial in serving rural areas
  + And provided greater flexibility in how RESEA services are provided by streamlining reemployment service requirements.

A complete summary of the FY 2018 changes is provided in UIPL- 8-18 in Attachment A.

**Slide 22:**

On this slide, we are providing a direct link to DOL’s Clearinghouse for Labor Evaluation and Research or CLEAR.

As Gay mentioned, please begin to familiarize yourself with the CLEAR website. The Department will be heavily relying on this resource to implement the new RESEA evidence-based requirements. States should especially explore the “Reemployment” topic area. Additional RESEA resources will also be listed as they become available.

**Slide 23:**

The Reemployment Connections resource pages hosts numerous resources related to UI work search requirements and reemployment. We will also be using it to hose various RESEA technical assistance such as webinars, facts sheets, and FAQs. We are making revisions to this page to make RESEA resources more prevalent and easy to find.

**Slide 24:**

That concludes our formal presentation but at this time, we move into some Q&A and respond to some questions received in the chat feature. I’ll start of by reading the question and then Gay and I will take turns answering the questions.

**Question:** Since when RESEA was a voluntary program. As long as I know, participation is mandatory for those referred to the program.

**Answer:** Our references to RESEA being a voluntary program pertain only to State-level participation. In states operating an RESEA program, the participation of selected claimants remains mandatory.

**Question:** In UIPL 08-18, was it the intention to permit the cost to provide referred activities to be chargeable toward the RESEA grant?

**Answer:** Part of RESEA has been and continues to be the ability to reimburse reemployment services and activities resulting directly from the RESEA program.

**Question:** Can we expect to be completing the SBR process to request FY 2019 RESEA funds, as in previous years?

**Answer:** Yes, the process will generally be the same and will require an SF-424, SF-424A, and completed proposal. However, transmittal of these documents will be completed using grants.gov. This process will make RESEA more consistent with other DOL programs. Additional information about using grants.gov will be included in the forthcoming FY 2019 RESEA UIPL and technical assistance.

**Question:** Do you have a timeframe of when you will be releasing results from the REA Impact Study?

**Answer:** Our CEO indicates that we should have an interim report in the fall and that we’ll have a final report in the spring of 2019.

**Question:** You mentioned strengthening program integrity. Can you please elaborate?

**Answer:** One of the components for the REA program, and now the RESEA program has been program integrity. Now a portion of the service being provided is a redetermination of a persons UI benefits. In RESEA, you are checking on work search requirements and checking whether they meet the able and available criteria. the goal is to be sure that every claimant continues to be eligible and if for some reason there’s an issue, that you’ve caught that and prevented an improper payment.

**Question:** Will there be changes to the 9128 (activities) and 9129 (outcomes) reporting?

**Answer:** We are currently reviewing options for program reporting under the new RESEA requirements. Specifically, we are attempting to develop and prioritize methods that will use the current reports to prevent potential changes. At this time no final decisions have been made.

**Question:** Initially will states receive allocated funds in order to fiscally prepare? Will we know that we will have a minimum amount each year to operate?

**Answer:** The formula allocating RESEA funds is still under development. As required by BBA we will be seeking input from the states regarding how the formula should be structured. A Federal Register Notice requesting state input will be posted soon.

**Question:** Does the state plan have to be reapproved annually to continue receiving funding?

**Answer:** The recent legislation does require an annual state plan that must be approved by the Secretary. ETA is currently developing a standardized template to streamline this process. States will have an opportunity to provide comments on the proposed template as part of the Paper Reduction Act approval process. Please note, the new state plan will not be implemented until FY 2020.

**Question:** Will WPRS and RESEA both be required going forward, or can states opt only RESEA?

**Answer:** States that continue to use the WPRS profiling model to select participants for RESEA will continue to be exempt from WPRS requirements. However, states that opt to target other claimant populations and not use the WPRS profile model will be required to operate a separate WPRS program. Additional information is in the forthcoming UIPL.

**Question:** If states need to conduct evaluations, are there restrictions on persons or agencies that conduct these evaluations.

**Answer:** No, however we do plan to offer TA about conducting evaluations and that will likely include information about the kind of organizations that might be able to carry out the requirements to meet the new statute.

**Question:** Are you soliciting for volunteering states to assist with developing the formula for allocation?

**Answer:** we actually have already reached out to NASWA, both the Unemployment Insurance committee and the Administration and Finance committee to request any feedback. We do plan a Federal Register Notice so we can solicit public feedback, including yours. There will be plenty of opportunity to provide feedback.

**Question:** Originally, there were comments about incentive awards, is this covered under this presentation as "achieving program success" or is that still being defined?

**Answers:** This pertains to outcome payments that will be awarded under the formula. The approach for making such payments is still under development. We will be requesting state feedback on possible strategies as part of the forthcoming Federal Registrar notice.

**Question:** Could you provide us with one example of an evidence based strategy?

**Answer:** Many of you are familiar with the studies that we did with the REA program, the predecessor to RESEA. One of those focused in on the State of Nevada and basically Nevada’s approach was to integrate their delivery of their foundational reemployment portion of the REA, delivering labor market and career information, helping with the reemployment plan. Combining and integrating that and having it delivered by the same person that does the eligibility assessment and focuses in on work search. That proved to be very successful, it reduced duration and increased performance outcomes and earnings and saved trust fund dollars.

**Question:** Can you provide some examples of flexibility in program shaping?

**Answer:** Under the new RESEA program states have flexibility in targeting claimant populations. Additionally, recent changes to required reemployment services have allowed for locations other than American Job Centers such as, schools town halls, libraries to support increased availability of RESEA services, especially in rural areas. Other requirements, such as development of a reemployment plan allows for either in-person or virtual service delivery. These are just a few examples of the new flexibilities

**Slide 25:**

Thank you everyone for taking the time to attend this session and going through the questions. I just wanted to provide some contact information.

As usual, your best contact will be the regional office however, if you have specific program questions or questions about this presentation, please feel free to get in touch with me.