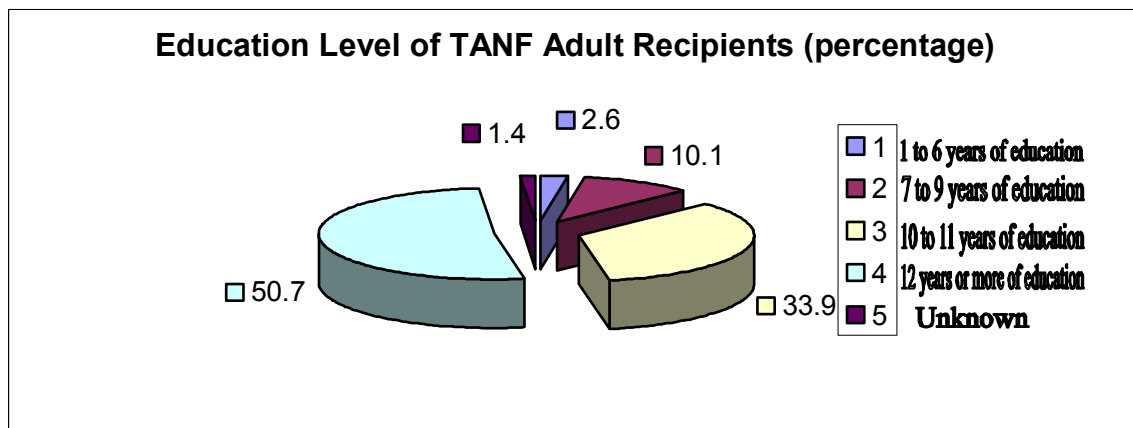


Executive Summary

A significant proportion of welfare recipients in New York State have barriers to employment such as lack of a twelfth grade education, low literacy levels, limited English proficiency, learning disabilities and having low or very low basic skills. Nearly half of recipients of the Temporary Assistance to Needy Families (TANF) lack a twelfth grade level education as well as performing in the lowest literacy level. Learning disabilities pose as a significant educational barrier for low-income individuals, estimated to be a problem for one-fifth to one-third of current TANF recipients. Even those welfare recipients who have a high school education may have low or very low basic skills. In addition to the educational barriers are the language barriers that exist for thousands of New Yorkers who have limited English proficiency, estimated to be a significant portion of the New York City welfare caseload.



Despite the data showing these barriers to employment, the federal welfare reform law, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, sharply cut off access to education and training for many of New York's welfare participants by establishing a thirty percent cap on the proportion of the caseload allowed to participate in vocational training and a one year limit on the amount of time a participant can attend vocational training.

In New York State, welfare agency administrators certainly seem to have received the message and implemented "work first" policies in which training and education are limited in favor of direct referral for job search activities. The results are astounding: only five percent of TANF recipients are engaged in vocational education as their work activity, about three percent are in education related to employment, and hardly anyone is in job skills training.

**Average Monthly Number of Adults with Hours of Participation in Education or Training
Related Activity in New York State**

	FY 2001 ¹ (NYC not included)	FY 2000 ²	FY 1999 ³
On-the-Job Training	0%		
Vocational Education	5%	4.9%	
Job Skills Training	2%	.2%	2.2%
Secondary School Attendance	0.9%		
Education Related to Employment	---	2.9%	
Community Services ⁴	9%	13.8%	
New York City ⁵ (March 2002)			
Education/Training/Search	3.5%		
WEP & BEGIN Managed Activities	1.8%		
WEP/Substance Abuse/Training	0.0%		
WEP & Training	.2%		

A closer look at some of the counties' programs reveals the degree of restricted access. A review of the county Public Assistance and Food Stamp Employment Plans, which every social service district in New York State must submit every two years outlining their plans for moving welfare and Food Stamp participants from welfare to work, reveals a more complete picture of access to education and training at implementation level. This report examined the Employment Plans from a select number of counties to obtain a sample of what education and training options the counties have established.

As illustrated in the following chart, some of the counties with welfare caseloads in the several thousands had 50 or fewer participants in adult basic education. Access to training was a similar story with the numbers varying from only 5 participants to 150. However, even in the county with the higher number of participants, when calculated as percentage of the total number of adult recipients, a mere 1.3 percent of the adult recipients in the county were accessing basic education. Access to college by far showed the greatest impact of restricted access. As detailed

¹ New York State Department of Labor. Unofficial TANF Sample Data for FFY 2001 (monthly average participants): Rest of State data (non-NYC), 2002.

² U.S. Department of Health and Human Services, Office of Planning, Research and Evaluation, TANF Fourth Annual Report to Congress, April 2002.

³ U.S. Department of Health and Human Services

⁴ Community Service as a work activity is included in this section because some of the New York State counties have taken the option to define this to include some level of access to education and training. See following section for more information.

⁵ Human Resources Administration, Public Assistance Weekly Caseload Engagement Status, Monthly Report. March 3, 2002.

in the second column of the chart, only a few counties allow for access to one or two years of college programs to count towards work requirements. Even in these counties the number of college participants were low: Albany County had only 32 participants and Erie County had 37. Suffolk County with the fourth largest welfare caseload in the State had only 5 participants; neighboring Nassau County, also with a sizable welfare caseload, had no participants in college.

The review of the Employment Plans also showed that none of the select counties had included post-employment training and education programs to help welfare leavers in low-wage jobs gain the additional education or training needed. These programs would help leavers to go to college or attend vocational training part-time while working in order to move them into better paying jobs.

Summary of Key Education and Training Provisions from County Employment Plans
 “N/R” means not responsive to the request for data

Counties	Defined “Community Service” to include education and training activities	Access to College	List of “work activities” includes education and training	Education and Training Activity Enrollment Policy: Restrictions	Education and Training Support Services	Work study, Internships, Externships
Albany	Yes * also includes 3 rd year of an approved 2-year college degree	Yes 2-year degree programs similar to those allowed under JOBS The number of people accessing college: 32	Vocational educational training: education directly related to employment when recipient has no High School or secondary degree The number of people accessing Basic Education: 47		Tuition Academic fees, books and/or supplies of essentials	Contingent upon education provider's program requirements
Dutchess	Yes Educational training/ESL, GED classes (but must have work experience component)	Yes Some programs at Community Colleges: vocational education, job readiness and training* does not appear to allow for 2-year degree The number of people accessing college: 0	Vocational educational training: Training in technical job skills. Vocational education is available for all clients. The number of people accessing Basic Education: approximately 50	1) Course of study must be realistic based upon participant's abilities 2) No previous termination from DSS sponsored training program for failure to satisfactorily complete	Tuition, academic fees, books, training-related supplies and expenses for taking exams for professional certification	Includes counting up to 5 hours of study time * more study time can be allow if need is verified with educational provider
Erie	No * mentions a variety of work-related activities that lead to employment	Yes, generally for 1-year vocational training, however, the district may elect to place some participants in 2-year programs The number of people accessing college: approximately 37.	Vocational educational training: educational programs, services and activities directly related to employment not requiring 2-year, baccalaureate or advanced degree. Job skills training and education for participants not having High School degree or GED or who have not completed secondary school. The number of people accessing Basic Education: approximately 130. The number of people in Training: approximately 150.	1) Must possess little or no work history or marketable skills 2) Must not have completed training program within past 4 years 3) Has satisfactorily progressed in work experience attendance and performance, including meeting all scheduled appointments	Not provided/detailed in plan	
Nassau	Yes Combination of work-related functions designed to lead to employment. Includes ESL and/or literacy programs	Yes Some programs at Community Colleges: work-based training activities and education * does not allow for 2-year degree	Vocational educational training: 12 months or less of training offering a sequence of courses for current or emerging occupations. Education directly related to employment The number of people in Basic Education: between 15-20 The number of people Training: 60		Books and supplies up to \$500 per year, tuition and academic fees up to \$2,100 per year	Plan stated in this section: “not applicable”

<u>Counties</u>	Defined “Community Service” to include education and training activities	Access to College	List of “work activities” includes education and training	Education and Training Activity Enrollment Policy: Restrictions	Education and Training Support Services	Work study, Internships, Externships
Oneida	Yes Combination of work-related functions designed to lead to employment. Includes ESL, basic education, literacy training.	No * for employed parents, there is a computer training program at the Community College The number of people accessing College:0	Vocational educational training: training in specific skill or occupation which will be completed in 12 months but many not result in Bachelor of Arts degree. The number of people accessing Basic Education: approximately 120 The number of people in Training programs: approximately 5		Not provided/detailed in plan	Work study, externship and internship are approved under “community service” section
Saratoga	Unclear * Section lays out what participants must document in order to be allowed to pursue education and training	No contracts with Community College/s. No provision under “community service” section The number of people accessing college: 0	Vocational training: one year of training in a specific skill or occupation that has been demonstrated to be relevant to current local labor market needs. The number of people accessing basic education: less then 3 The number of people accessing training: approximately 5	1) Training record 2) Realistic plan for transportation, child care, financing (i.e., grants, scholarships, loans)	Tools, clothing, equipment and licensing fees * no specified education-related benefits	Includes Job Shadowing and any activity that promotes a community benefit
Schenectady	No * mentions combination of work-related functions designed to lead to employment	No contracts with Community College/s. No provision under “community service” section The number of people attending college: N/R	Vocational training: maximum 12 months for occupational licensing or certification, skill refresher course, etc. Adults may attend GED and ESL classes need to prepare for employment. Number of people attending Basic Education: N/R The number of people attending Training: N/R	1) Does not already possess marketable skill 2) Participant demonstrates the necessary skills and commitment to the program for at least 4-8 weeks	Tuition, academic fees, books and supplies for agency approved educational and vocational training no to exceed \$1,500 per year	No specifics provided. Reference to general education and training activity enrollment policy.
Suffolk	Yes Combination of work-related functions designed to lead to employment. Includes ESL, remedial and basic skills education.	Yes. The final calendar year in a postsecondary AAS degree program may be counted as an allowable vocational training program. The number of people accessing College: less then 5	Vocational training: short-term (one year or less) training in a marketable program leading to employment. The number of people accessing Basic Education: Not available The number of people accessing Training: Not available	1) Lack a marketable skill 2) Participant have a viable plan in place for child care and transportation 3) No previous history of non-compliance with work program rules	Tuition costs for up to \$2,100 per calendar year when other resources such as financial aid are exhausted. Books and school supplies as deemed necessary when other resources are unavailable.	

<u>Counties</u>	Defined "Community Service" to include education and training activities	Access to College	List of "work activities" includes education and training	Education and Training Activity Enrollment Policy: Restrictions	Education and Training Support Services	Work study, Internships, Externships
Westchester	Yes Combination of education and work-based activity provided that the education is remedial, adult basic education, GED or ESL. If education is included as part of community services, the work-based activity must be at least half the hours required to count towards the participation rate.	Yes. No more than 2 years (or the part-time equivalent). Must be necessary to the attainment of the participant's employment goals. The first 12 months must result in a certificate. A maximum of one additional year may be approved at the sole discretion of DSS. The number of people access College: N/R	Vocational educational training: may include, but not limited to, organized educational program offering a sequence of courses which are directly related to the preparation of individuals for current competency-based applied learning. The number of people accessing Basic Education: N/R Number of people accessing Training: N/R	1) Must have no previous education, training certificate or degree that prepares them to work as determined by DSS 2) Must not already have a significant work history or marketable job skills for jobs in demand 3) The training is needed to prepare the recipient for specific work identified in the self-sufficiency plan		Provision noting that the new requirements governing work-study placements do not supersede requirement that the individual participant in other work activities or accept an offer of employment, as determined appropriate exclusively by DSS.

As a result of the restrictive federal law and state and county implementation of the work first concept, today there are few TANF participants who are engaged in education and training as counting towards their work requirements. In addition to the low levels of access to vocational and job skills training, the number of welfare recipients in adult literacy programs has plummeted with enrollment of welfare recipients in the New York City Adult Literacy Initiative (NYCALI) dropping from 14,369 students in 1995 to 3,331 students in 2000. At the college level, since the law's enactment, the City University of New York (CUNY) lost 21,000 of its college students who were receiving welfare (down to 9,000 from 30,000 students).

The drop in levels of access to education and training programs is cause for concern given that various studies have shown a direct correlation between education, employability and earnings levels. Levels of education and degrees of success in the labor market are clearly and closely linked; higher levels of education produce higher earnings return. Jobs requiring the least education will experience the slowest growth over the next decade, while the number of jobs requiring at least an associates degree is expected to grow by thirty-one percent. In addition, the federal Department of Labor estimated that by the year 2000 the majority of new jobs required postsecondary education; in New York City, they estimate that seventy-five percent of the major employers require at least two years of college for entry level positions. Most jobs require the performance of one or more cognitive tasks, such as reading and writing paragraphs, dealing with customers, doing arithmetic, and using computers.

Maximizing earning potential has become a more important issue in recent years once it became evident that many TANF participants who found employment ended up earning low wages, in New York State averaging a little over \$7.00 per hour, with no benefits or low benefits. It has also been difficult for these individuals to find year-round, full-time

employment. For these reasons, many welfare leavers who found jobs still experienced significant hardships, such as homelessness or being at risk of hunger, especially if they worked less than full time.

Leaving welfare for employment but staying poor and suffering hardships should not be our state or country's goal for low-income families. It is particularly difficult to understand given that data show that the more years of education women complete the less likely they are to live in poverty. More than sixty-five percent of people on welfare who have a diploma or the equivalent leave welfare and become self-sufficient within two years. Welfare recipients who earn a bachelor's degree remain economically independent nearly one hundred percent of the time. Another study estimates that seventy-five percent of women receiving AFDC who complete at least one year of college are no longer dependent on welfare after two years. In contrast, only forty to fifty percent of parents on welfare who completed "work first" programs got jobs, and a year later, forty to fifty percent were unemployed and back on welfare.

Maine and a sampling of other states present a different story to the New York story and the federal picture. These states responded to the 1996 welfare reform legislation by creating programs within their state welfare plans that would preserve access to college for TANF eligible families. A growing number of states have moved to expand access to postsecondary education for TANF eligible families. A number of these states had adopted a general policy of promoting education for all their residents, thereby facilitating the continuation of this philosophy to residents receiving public assistance. Additionally, some states guarantee access to postsecondary education, as well as adult basic education and other such programs, for all of their qualified TANF participants.

By guaranteeing access to postsecondary education, these states have provided many low-income families with an escape route out of poverty. And the results have been positive with high employment rates in a variety of occupations, including professional fields, increased hourly wages, full-time work and benefits packages. In addition to adopting rules that allow for access to postsecondary education, several states have allocated millions of state funds to expand and support services for these students.

As the renewal of the federal welfare law proceeds, increasing access to education and training will greatly benefit low-income New Yorkers, as well as our businesses and our workforce development goals. On the other hand, requiring New York State to increase work requirements would lead to the counties cutting back even further on education and training opportunities and instead shift their focus to make work programs that have abysmal job placement rates.

It is clear that individuals participating in the TANF program in New York State are unemployed or under-employed in large part due to lack of education, skills and training. Employers are looking for educated and trained workers and increasingly a postsecondary education is needed for the jobs that pay family-sustaining wages. In reauthorizing TANF, Congress should look to fulfill its original promise of opportunity for employment to low-income Americans.

Recommendations to Congress on TANF Reauthorization:

- Remove the 30% cap on vocational education training, or at a minimum, expand the percentage allowed and do not count teenage parents attending high school education towards the limit;
- Remove, or at a minimum, expand the 12 month limit on vocational educational training;
- Allow for access to education and training to all individuals who are assessed to be in need of these programs;
- Count towards participation rates time spent by individuals to learn English, gain literacy skills and develop coping skills for learning disabilities;
- Allow participants to choose postsecondary education in order to make them marketable for higher-paying jobs that allow participants to support their families;
- Promote post-employment training and education by requiring states to track welfare leavers and set up programs to help them increase earnings;
- Encourage states to improve access to education and training by providing funding and performance bonuses to states; and,
- Amend the goals of TANF to include poverty reduction so that states will be working towards this TANF goal by increasing access to education and training and thus to higher earnings and reduced poverty rates.

The hope is that TANF will be reauthorized to include some flexibility for the State to ensure that low-income New Yorkers get needed training and education. New York should maximize its options in this area and greatly increase its current low-levels of participation in education and training.

Recommendations to New York State Governor, State Legislature and County Commissioners, Legislatures and Administrators:

- Enact the Basic Education Bill (A. 7933) allowing General Equivalency Diploma (GED), English for Speakers of other Languages (ESOL) and Adult Basic Education (ABE) to count as work activities;
- Increase funding to these programs to meet the current and continuing need;
- Establish a state task force to promote equality of access to ongoing education and training;
- Enact the College Access Bill (A. 7286A) allowing welfare participants to pursue postsecondary education;
- Tuition assistance should be provided to all New Yorkers who need it;
- Consider establishment of a college program similar to the Maine Parents As Scholars program. Giving early thought to this could put New York ahead of other States should the federal bill be enacted leading to federal funding opportunities; and
- In New York City and other counties, enact local legislation similar to Intro. 93 (New York City Council proposed) legislation to maximize access to education and training for TANF and Safety Net participants.

The Workforce Investment Act (WIA)

Welfare participants are one of a number of WIA customer groups that also includes dislocated workers, low-income youth and adults. While the spectrum of WIA's service population encompasses more than just welfare recipients, WIA promises to deliver much needed employment-related services and programs. In addition, welfare recipients as unemployed or underemployed persons, that are essentially mandated to work or find gainful employment, should be key customers of the One-Stop and partner sites.

Priority for WIA services. Many localities such as Nassau and Saratoga will give priority to public assistance (PA) recipients. Suffolk County has a most in need policy that is based on "employment status, skills transferability and itemized barriers to employment." New York City actually will give priority to non-public assistance families and not to public assistance recipients.⁶ The New York City plan notes that PA recipients will receive comparable training services through other non-WIA funding sources available for that population, as long as these services are available. Welfare recipients in New York State should be considered a priority or at the least have all services made readily available to them. A workforce development policy should not implement a system that has deterrents from receiving services. Workforce development should and can benefit all of us.

Work First. Overwhelmingly counties are adopting work-first strategies and policies. This is demonstrated clearly in the mode that services are provided under WIA. Training is only provided to people who have not found jobs by other means. Therefore, regardless of potential gain that customers and employers might receive from training it is used only as a "last resort." The percentage of total adult services that were training⁷ varied in the eight localities that were sampled from a low of less than one percent in Oneida/ Washington/ Warren and a high of 46.6% in Saratoga/ Herkimer/ Madison. The average amount of services that were training in the study sample was 17.9 percent. A similar trend has been occurring at the national level with a noted decrease of training services from 1996 to the present day due to welfare reform and the change from JTPA to WIA.⁸

Integration of Services. While it is still very early in the implementation process there are a few practices that show some promise. In Westchester and Putnam counties, up to \$8,000 dollars can be spent on a training program which is the highest amount noted in any of the local work plans reviewed. The Capital region provides up to \$5,000 on tuition for training. In Westchester, the Department of Social Services (DSS) office is located in the one-stop, which is a good indicator that services are accessible to welfare recipients. Also, once a person enters the WIA system they are granted a lifetime membership card that will enable them to access services even when they become employed. Additionally, there were some positive signs for improved integration of WIA services. Other promising signs came from Suffolk, where the public assistance recipients receive a tour of the one-stop facility. However, New York's

⁶ However, at a WIA Forum sponsored by the U.S. Employment and Training Administration, the new Commissioner of the New York City Department of Employment stated that they were re-examining this issue.

⁷ Number of training slots was divided by total number of planned services provided (Core, Intensive and Training).

⁸ Nilsen, Sigurd. "Coordination of TANF Services Through One- Stops Has Increased Despite Challenges" GAO report on Workforce Investment Act, May 16, 2002.

implementation of WIA was ranked as category number two, minimal or low-level coordination. In New York, the WIA and TANF agencies are relatively independent of one another. In other cases welfare clients are not served in the One Stop Centers.

The new national workforce development act was intended to improve the previous bill, JPTA. While, it is still too early to come to a decisive verdict on the issue, several concerns have arisen. The decrease in available training services and insufficient funding is not a good sign for welfare recipients. An additional concern was New York State's report card on integrating services with welfare policies, which was lackluster at best.

The state should better monitor the localities' progress on implementation of WIA and integration of TANF services. Next, the counties and the states should supplement training funds in order to expand access to welfare recipients and other low-income individuals who could benefit from these services. Additionally, performance goals should not deter localities from allowing welfare recipients to participate in the program—if more supports are needed to ensure that PA recipients succeed, then they should be provided. Finally, local and state officials should require additional research and tracking of services (e.g., tracking of services and outcomes measures for select customers, such as individuals receiving TANF) in order to better assess performance and plan for the future.