

WHERE'S THE MONEY? FEDERAL EMPLOYMENT AND TRAINING FUNDING SOURCES

October 2015, Stakeholder Resource

Many federal and state public systems and funding streams that target individuals and families living in poverty aim to increase employment and economic opportunity among these individuals, many of whom face barriers to employment.

Here are a few federal resources that can be used to fund employment services for low-income individuals who often face chronic unemployment.

HEARTLAND ALLIANCE
NATIONAL INITIATIVES

**WIOA PLANNING & IMPLEMENTATION
TOOLKIT**

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Eligible Population	Type of Funding	Can Subsidize Wages?	Can Pay for Training & Supportive Services?
Programs should benefit primarily “low- and moderate-income” individuals, defined as having family income under 80 percent of the family median income for that area.	Cities and large urbanized counties receive direct formula funding from U.S. Department of Housing and Urban Development (HUD); states receive formula grants to cover the remainder of states. While most funds go to construction projects, 15 percent of funds may go to “public services,” including job training.	Yes.	Yes.

COMMUNITY SERVICES BLOCK GRANT (CSBG)

Eligible Population	Type of Funding	Can Subsidize Wages?	Can Pay for Training & Supportive Services?
Low-income individuals and families; states may opt to raise income limit to 125 percent of the federal poverty level.	Formula grant to states. Ninety percent of funds must be allocated to “eligible entities” at sub-state levels (typically Community Action Agencies).	Yes.	Yes.

SECOND CHANCE ACT DEMONSTRATION GRANTS

Eligible Population	Type of Funding	Can Subsidize Wages?	Can Pay for Training & Supportive Services?
Individuals who have been incarcerated.	Competitive grants to states, units of local governments, and tribal entities.	Yes.	Yes.

SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM (SCSEP)

Eligible Population	Type of Funding	Can Subsidize Wages?	Can Pay for Training & Supportive Services?
<p>Adults who are 55 and older and have incomes of no more than 125 percent of the federal poverty level. An eligible individual is given priority for SCSEP program services if the individual is 65 years of age or older and:</p> <ul style="list-style-type: none"> • Has a disability; • Has limited English proficiency or low literacy skills; • Resides in a rural area; • Is a veteran; • Has low employment prospects; • Has failed to find employment after utilizing services provided under Title I of the WIOA; • Is homeless or at risk of homelessness. 	Competitive grant.	Yes.	Yes.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) EMPLOYMENT & TRAINING

Eligible Population	Type of Funding	Can Subsidize Wages?	Can Pay for Training & Supportive Services?
Any SNAP recipient who does not receive ongoing cash assistance from TANF. Recipients are eligible to participate in E&T services only during the months when they are receiving SNAP benefits.	States receive grants for E&T costs. Some expenditures over the allotted grant funds may be reimbursed by federal funds at 50 percent.	No, E&T funds may not be used for wage subsidies.	Yes, including retention activities for up to 90 days.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)

Eligible Population	Type of Funding	Can Subsidize Wages?	Can Pay for Training & Supportive Services?
Low-income (as defined by state) families with children.	Block grant to states.	Yes.	Yes.

UNEMPLOYMENT INSURANCE (UI)

Eligible Population	Type of Funding	Can Subsidize Wages?	Can Pay for Training & Supportive Services?
UI recipients. Under a provision created by the Middle Class Tax Relief and Job Creation Act of 2012, up to 10 states may receive waivers allowing them to use UI administrative funds or trust funds to provide wage subsidies for employer-provided training, or direct disbursements (not to exceed the weekly benefit amount of an individual) to employers who hire those receiving unemployment compensation.	States receive formula allocations of administrative funds. Trust funds are funded from state UI taxes.	Under waiver authority; no states have applied.	Under waiver authority; no states have applied.

WORKFORCE INNOVATION & OPPORTUNITY ACT (WIOA) ADULT & DISLOCATED WORKER PROGRAM

Eligible Population	Type of Funding	Can Subsidize Wages?	Can Pay for Training & Supportive Services?
<p>Under WIOA Title I, “adults” are individuals age 18 and over. “Dislocated workers” include those who have been laid off or have received notice of termination from employment, are self-employed but unemployed due to general economic conditions, or are displaced homemakers. The adult funding stream incorporates a priority of service for public assistance recipients, other low-income individuals, and individuals who are basic skills deficient.</p>	<p>Formula grant to states. Ninety-five percent of funds must be passed through to local workforce investment areas.</p>	<p>Yes.</p>	<p>Yes.</p>

WORKFORCE INNOVATION & OPPORTUNITY ACT (WIOA) YOUTH PROGRAM

Eligible Population	Type of Funding	Can Subsidize Wages?	Can Pay for Training & Supportive Services?
<p>To be eligible, a young person must be age 16 to 24 and not attending school, or be low income, age 14 to 21 and attending school, and have at least one of the following barriers:</p> <ul style="list-style-type: none"> • Be deficient in basic literacy skills; 	<p>Formula grant to states. Ninety-five percent of funds must be passed through to local workforce investment areas.</p>	<p>Yes.</p>	<p>Yes.</p>

WIOA YOUTH PROGRAM, CONTINUED

Eligible Population, Continued

- Be a school dropout;
- Be homeless, a runaway, or a foster child;
- Be pregnant or a parent;
- Be subject to the juvenile or adult justice system; or
- Require additional assistance to complete an education program or to secure and hold employment.

At least 75 percent of formula funds must be allocated for out-of-school youth.

33 W. Grand Avenue, Suite 500, Chicago, IL 60654 | 312.870.4949 | ni@heartlandalliance.org
www.heartlandalliance.org/nationalinitiatives | [@Nlheartland](https://twitter.com/Nlheartland) | <http://bit.ly/NIFacebook>



HEARTLAND ALLIANCE
NATIONAL INITIATIVES

**HEARTLAND
ALLIANCE**
ENDING POVERTY