

Reemployment Fund Annual Report

JUNE 30, 2022 – CALENDAR YEAR 2021

Reemployment Fund Annual Report for Calendar Year 2021

June 30, 2022

The Reemployment Fund was established in Section 601.5 of the Unemployment Compensation Law (Law). The Law requires a report be provided to the General Assembly to include contributions deposited into the Reemployment Fund and expenditures from the Reemployment Fund during the prior calendar year. This document serves as the 2021 report.

Section 301.4(e)(1) sets forth that five percent of employee contributions paid from January 1, 2013, through September 30, 2017, shall be deposited into the Reemployment Fund to the extent contributions are paid on or before December 31, 2017.

This authorization was extended through the fiscal code under a new subsection to specify that from July 1, 2018, through September 30, 2022, five percent of the contributions on wages paid under Section 301.4 of the Unemployment Compensation Law of 1936 (relating to contributions by employees), shall be deposited in the Reemployment Fund to the extent the contributions are paid on or before December 31, 2022.

The Law requires that all funds deposited in a calendar year must be expended or obligated by June 30 of the following year. Any unexpended or unobligated funds shall be transferred to the Unemployment Compensation Trust Fund. The enabling legislation generally allows the funds to be used by the Department of Labor & Industry for the following purposes:

- Programs and services to assist individuals become employed or improve their employment.
- Research and studies to improve the department's ability to provide employment services.
- Improvements to the department's IT infrastructure that will enhance the ability to provide employment services.
- Administrative costs associated with the above activities.

The enabling legislation allows the department to make funds available to governmental and private sector organizations, on a competitive basis, to perform activities as outlined above.

In calendar year 2021, a total of \$10,583,505.88 was deposited into the Reemployment Fund. The Law requires that all funds deposited in a calendar year must be expended or obligated by June 30 of the following year. Any unexpended or unobligated funds shall be transferred to the Unemployment Compensation Trust Fund. A total of \$9,179,400.43 in calendar year 2021 funds were expended or committed by the department as follows:

Grants \$7,916,918.50

- *DCNR Youth Employment Programs* – The department executed an MOU with the Department of Conservation and Natural Resources (DCNR). The MOU provided DCNR with \$1,600,000.00 million to support the creation of a Youth Conservation Corps to provide youth and young adults the opportunity to receive paid training in construction and conservation in an effort to further employment in those age groups.
- *Veteran's Grants* – The department awarded a competitive award of 585,364.50 funding to provide training for Veterans with barriers to employment. As part of Provide Veterans for job training and emerging employment opportunities, with access to employment with family-

sustaining wages by increasing communities' infrastructure for providing foundational digital literacy skills.

- *Metrix Learning* – The department expended \$880,000.00 for a Job Seeker Skills Development Online Management System. online learning. The L&I Workforce Development deputate proposes enhancing the CWDS application by adding an online learning management system that will allow job seekers to assess their current skills, participate in trainings that will lead to certifications, and prepare them for career pathways that lead to family/self-sustaining wages. By adding an online learning management system for Pennsylvania's job seekers, the department will better enable them to meet the needs of the business community through the economic recovery. This will modernize the departments service offerings, by ensuring that as new trainings, certifications, and jobs are created that we have a mechanism to meet job seekers expectation of virtual services and any-time participation so that they are prepared for the post-recovery economy.
- *Clean Energy Certification Grant* – The department awarded a competitive award of \$2,000,000.00 to ensure that Pennsylvania remains competitive in the clean energy sector by offering training, services, and other supports to businesses and placement assistance to unemployed workers who are seeking to gain skills and find high-quality employment in the industry. Four primary Local Workforce Development Board (LWDB) awardees will work across 11 workforce areas to create and execute individualized workforce plans to forge meaningful connections between employers and training providers, community organizations, and underserved job seeker populations.
- *School to Work* – The department awarded a competitive award of \$2,851,554.00 to support new partnerships between schools, employers, organizations, or associations to create employment and training career paths for students.

Center for Workforce Information & Analysis \$302,300.35

- The department set aside \$302,300.35 for the Center to research and study workforce needs, labor market information/trends, and in-demand occupations and skills.

Harvard Fellow \$200,000.00

- The department committed \$200,000.00 for an innovation initiative that may include improvements to procurement and contracting processes, use of data to inform service delivery and referral systems, piloting of new services or service-delivery models, establishing active contract management systems between governments and service providers, pay for success and performance-based contracts, optimizing resource allocation, and other initiatives designed to improve government performance and make government programs more effective.

Connections 4 Success \$610,181.58

- The department committed and expended a total of \$610,181.58 for the goal of this project is to evaluate the effectiveness and return on investment of the Digital Literacy grant to promote high-level performance with-in and high-level outcomes from the workforce development system. This will be accomplished through a review of each of the 32 Digital Literacy grant awards to determine if the grant was effective in addressing the digital literacy skills of the target population

and to determine what additional needs remain to address for the coverage areas and unserved or underserved populations. The grantee will:

- Propose and utilize research and evaluation methodologies to provide quantitative and qualitative information to the department.
- Propose an implementation and data collection plan to address the stated needs.
- Collect, evaluate, and report data and information as specified in the deliverables section to determine the success of the Digital Literacy Notice of Grant Availability (NGA).
- Provide summary information related to best practices and lessons learned so that the department can evaluate the need for additional supports or initiatives.
- Schedule and perform one site visit per Grantee.

Personnel \$150,000.00

- *Salary and Benefits* – A total of \$150,000.00 was set aside to be spent on personnel salary and benefits costs in support of the grants described above.