

## **Report to the House and Senate Appropriations Committees FY 2009 Pilots, Demonstrations, and Research Operating Plan**

This report provides the Department of Labor, Employment and Training Administration (ETA) Operating Plan for Pilots, Demonstrations, and Research (PD&R) for Fiscal Year (FY) 2009. The Operating Plan outlines ETA's planned allocation by major priority areas and activities. The PD&R funds are for Program Year (PY) 2009, which begins July 1, 2009, and ends June 30, 2010. The total FY 2009 appropriation for PD&R is \$48,781,000; however, \$41,324,000 is devoted to earmarks. Of the remaining \$7,457,000, \$5,000,000 is to be used for the continuation of the Young Parents Demonstration Program and \$2,457,000 will be used for activities related to unemployment insurance.

While investment decisions are traditionally guided by the following six priority areas in the Five-Year Pilots, Demonstrations and Evaluation Strategic Plan for 2007-2012, note that for PY 2009 the Appropriation's Act directed ETA to invest \$5,000,000 for one demonstration project – the Young Parents Demonstration. This plan only covers new projects that will begin in PY 2009.

### **Priority Area 1.) Integration of Workforce and Regional Economic Development**

This priority focuses on measuring the success of integrating regional workforce investment and economic development, examining regional differences in economic performance and effectiveness, determining the drivers of “innovation hot spots” and job creation, and examining the effects of immigration on the economy and the labor force.

No new projects will begin under this priority.

### **Priority Area 2.) Methods of Expanding U.S. Workforce Skills**

This priority focuses on increasing the skills of the workforce to help America retain its competitive edge. This research area is intended to measure the effectiveness of credentialing, research occupation projections, examine career ladders, explore the limitations on the capacity to train in certain occupational areas, and expand learning opportunities through the use of technology.

No new projects will begin under this priority.

### **Priority Area 3.) Increasing the Labor Market Participation of Underutilized Populations**

To meet the needs of the 21st century job market, every available segment of the U.S. population will need to be engaged, skilled, and prepared to enter or advance in the high-growth job opportunities afforded by the global economy. This priority area focuses on integrating underutilized segments of the population into the labor market and identifying successful strategies to increase participation and productivity.

Under this priority, ETA plans to:

- Provide funding for an extended group of grantees under the Young Parents Demonstration Program.

Priority Area 4.) Using State-Level Administrative Data to Measure Progress and Outcomes

This priority focuses on tapping into state-level administrative data for cost-effective research and evaluation purposes. Using administrative databases, rather than surveys, provides more longitudinal information; therefore, administrative data presents numerous advantages for conducting research.

No new projects will begin under this priority.

Priority Area 5.) Post-Secondary Education and Job Training

The 21st century knowledge economy requires a highly educated and skilled workforce. The fastest growing jobs, on average, require a post-secondary credential – a vocational certificate or other credential, or an associates or higher degree. This priority focuses on expanding access to post-secondary education and job training for workers.

No new projects will begin under this priority.

Priority Area 6.) Unemployment Insurance (UI)

This priority area focuses on the efficacy of the current UI system for the 21st century workforce and economy, examines the incentives and disincentives to work, and looks at workers covered and not covered by UI.

Under this priority, ETA plans to:

- Begin examining the impact and effectiveness of the temporary: 1) increase to UI benefits, 2) suspension of taxation of UI benefits, and 3) suspension of interest payments on all state borrowing.
- Begin studying the implementation of the Special Transfers for Unemployment Compensation Modernization.
- Begin studying State UI and Employment Service Operations to determine what impact the grants given to State Employment Service Operations had on the state's policies, implementation, institutional outcomes, and individual state outcomes.