

DHS moves to Segregate TANF Customers from Workforce Services in Pennsylvania

The Pennsylvania Department of Human Services (DHS) stated in the most recent PA Workforce Board meeting in November 2021 that the Department intends to alter the longstanding procurement process of the Employment, Advancement and Retention Network (EARN).

EARN is one of three DHS models implemented under the Temporary Assistance for Needy Families (TANF) Employment & Training Programs – serving mostly single-parents in poverty become career ready and attain gainful employment. The current process, through which most Local Workforce Development Boards (LWDB) across the Commonwealth procure EARN services in their local communities, has been successful for the last thirty years. This LWDB model provides transparent and locally driven services to thousands of TANF recipients.

While no specific date of the procurement process has been released; PA DHS staff have alluded to a December 2021 or January 2022 release date, with a projected start date of July 1, 2023. DHS staff has stated that the basis for this procurement is the Management Directive 305.20 Amended (Governor Office of Budget). This Management Directive has an option that DHS leadership has decided not to continue to utilize: a non-solicitation award. Please note, this option has been utilized successfully for the past thirty years.

Specifically, the new procurement will:

- Segregate TANF customers in a system with few resources and little or no skill building training options. This will leave customers in continual poverty and entry level positions.
- Withdrawal of PA DHS's \$60 million investment in PA CareerLink® jeopardizes the integrated service delivery system and will leave an unfunded deficit thus forcing up to 50% of PA CareerLink® centers to close statewide.
- Pennsylvanians receiving unemployment assistance, jobseekers in search of new employment, and employers receiving support will be **negatively impacted at a time when PA's economy is still fragile.**
- Threaten layoff and work disruptions for approximately 1,400 PA CareerLink® staff across Pennsylvania this includes staff employed by state and local governments, as well as non-profits and community-based organizations.
- Exacerbates fragmentation of services by excluding the private-sector led Local Workforce Development Boards which limits the ability of TANF customers to access employment and job training services funded by the Workforce Innovation and Opportunity Act (WIOA).
- Conflicts with the Wolf Administration's efforts of collaboration across state agencies and federally approved TANF and Workforce state plans

- **Ignores** <u>Keystone Command Center's recommendations</u> on accessibility of services and leveraging Commonwealth flexibility
- Creates more barriers to employment for Pennsylvania citizens
- Reinforces a <u>DHS program redesign</u> that has not been formally evaluated for its merits in improving customer outcomes and lacks input from Pennsylvania's workforce development and employment experts

Why Now?

There is no dire need for DHS to competitively procure the EARN program. The lingering COVID-19 economic crisis does not merit a new fragmented approach for employment and training that segregates Pennsylvanians in poverty. It is the wrong approach to helping customers receiving TANF and has consequences for all Pennsylvania jobseekers and employers receiving support from PA CareerLink®.

Call to Action

Without an integrated system of workforce development services, TANF customers may miss out on the myriad of services and opportunities presented by the Local Workforce Development Boards and the PA CareerLink® system. Can you agree that segregating or limiting employment and training services to TANF customers is not the solution to an equitable recovery of our economy?

The proposed change of the procurement of the EARN program will result in serious consequences for all Pennsylvania communities, limits benefits to TANF customers and stunts employers looking to hire workers and expand their businesses.

What Pennsylvania workforce system needs is less fragmentation, increased flexibility to provide services, stable leadership, and reliable funding. Exploring ways to further program integration across WIOA and TANF is the right thing to do.

Please consider stopping or delaying the procurement until more information is available to understand the new proposed model of service delivery or explore ways the Pennsylvania can lift its citizens out of poverty through quality career pathways.

The impact to impoverished communities is too important to risk.