



EMPLOYMENT & TRAINING REPORTER

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Courtesy Reprint for Workforce Florida, Inc. from ETR 5/29/06, p. 566

Career Advancement

FLORIDA PROMPTS TANF LEAVERS WITH CASH FOR CLIMBING LADDER

Concerned that former welfare recipients are not advancing to higher wages, Florida workforce officials are trying out incentive awards to entice them into post-employment services.

The program, Passport to Economic Progress, offers gift certificates to low-wage workers for meeting a personal goal, such as earning a GED, attending training sessions, getting a driver's license or applying for the earned income tax credit. The hope is that Passport clients will improve their job skills and raise their income in order to become more self-sufficient, said JenniLee Robins, who helped develop the Passport program at Workforce Florida, Inc.

The post-employment services are targeted to welfare leavers who earn less than 200 percent of the federal poverty line, Robins said. Below that threshold, they qualify for a range of transitional TANF benefits, such as child care subsidies and transportation assistance.

State studies found that a sizeable portion of TANF leavers were stuck in low-wage jobs or not working enough hours to earn more than 200 percent of the poverty level, Robins told MII.

4-year Demo

Passport was set up as a four-year demonstration through state funds appropriated in fiscal year 2001-02. The Florida legislature extended program funding this May by shelling out another \$2 million. The program currently runs in Hillsborough, Manatee and Sarasota counties, but it can now be replicated elsewhere.

Since its implementation, Passport has undergone a significant face-lift. The incentive awards were not originally offered. Instead, Passport clients were given wage subsidies to raise income to 200 percent of the poverty level and a more generous earned income disregard, as long as they worked at least 32 hours a week.

Robins said the original design of the program was not leading to self-sufficiency. Clients took advantage of wage subsidies but did not enroll in employment services. Job training and GED sessions were poorly attended. The counties also struggled to

get clients to apply for the EITC and child tax credit, Robins said.

"The offer of wage supplementation caused a perverse effect. Clients were not working more hours or searching for better jobs," she said.

Eighteen months into the pilot, Workforce Florida replaced wage subsidy and income disregard elements with a performance-based program that offers rewards for engaging in employment services, Robins said.

The counties have budgeted \$1,500 to \$2,000 in incentive awards for each Passport client, Robins said. Another \$3,000 covers the cost of transitional benefits, vocational training and case management. In total, around 380 former welfare recipients are enrolled in Passport in the three counties.

Under the performance-based system, clients set goals for achieving self-sufficiency. Each time they meet a goal, they get an award. For example, a client might earn a \$50 gift certificate to Wal-Mart for applying for the EITC, Robins said. They receive similar award amounts for increasing work hours, retaining employment, raising their income level, earning an occupational certificate or obtaining a GED. Gift cards can be used for child care expenses, car repairs, vehicle insurance, purchases at retail stores and Internet connection.

The introduction of the incentive package has led to improved employment outcomes, Robins said. Clients have raised their quarterly earnings by an average of \$560, to \$3,087. Over the year, earnings are expected to rise by \$2,240, to \$12,348. In comparison, former welfare recipients not receiving Passport services are projected to make \$10,380.

Job Retention

Job retention is also up. Eight-two percent of clients have maintained employment, compared with 49 percent of the control group.

Clients are initially enrolled in Passport for one year. But they can qualify for a second year of services if they maintain employment and continue to earn below the 200 percent poverty threshold. Robins said 80 percent of current participants were eligible for a second year.

Education and training services are accessed in different ways. Clients might receive some services through the one-stop system. Occasionally, case-workers have asked employers to allow clients to do online course work during their lunch hours, Robins

said. Employers also have agreed to post signs advertising Passport in their break rooms.

Robins said caseworkers have worked with hospitals and nursing care facilities to set up academic remediation sessions for clients employed as certified nurse's assistants to prepare them for careers as licensed practical nurses.

Caseworkers help clients leverage other funding sources to pay for certificate programs or associate's

degrees. Clients must remain employed for at least 32 hours a week.

Robins notes that Passport is part of a continuum of post-employment services. Clients who increase their earnings above 200 percent of the poverty line may qualify for training or employment services funded through WIA.

—David Altstadt

About ETR — The *Employment & Training Reporter* is a weekly trade journal covering the field of workforce development with a special emphasis on public sector programs.

Since 1969, ETR coverage of the whole range of U.S. federal, state, and local programs has included the Workforce Investment Act, Perkins vocational education, education for employment at the secondary and technical levels, Temporary Assistance for Needy Families and work supports, as well as vocational rehabilitation and employment for the disabled.

ETR is published by MII Publications, 1522 K Street N.W., Suite 1010, Washington, D.C. 20005.

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