

FY 2025

CONGRESSIONAL BUDGET JUSTIFICATION

EMPLOYMENT AND TRAINING ADMINISTRATION

Community Service Employment for Older Americans

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COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

TABLE OF CONTENTS

Appropriation Language	1
Amounts Available for Obligation.....	2
Summary of Changes	3
Summary Budget Authority and FTE by Activity	4
Budget Authority by Object Class	5
Appropriation History	6
Budget Activities	7
Community Service Employment for Older Americans.....	7

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COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

APPROPRIATION LANGUAGE

To carry out title V of the Older Americans Act of 1965 (referred to in this Act as "OAA"), \$405,000,000, which shall be available for the period April 1, 2025 through June 30, 2026, and may be recaptured and reobligated in accordance with section 517(c) of the OAA.

Note.--A full-year 2024 appropriation for this account was not enacted at the time the Budget was prepared; therefore, the Budget assumes this account is operating under the Continuing Appropriations Act, 2024 and Other Extensions Act (Division A of Public Law 118-15, as amended). The amounts included for 2024 reflect the annualized level provided by the continuing resolution.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2023 Enacted		FY 2024 Estimate		FY 2025 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	\$405,000	0	\$405,000	0	\$405,000
Non-Expenditure Transfer to ETA PA per P.L. 117-328	0	-\$460	0	\$0	0	\$0
Non-Expenditure Transfer to PDS per P.L. 117-328	0	-\$1,500	0	\$0	0	\$0
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$404,540</i>	<i>0</i>	<i>\$405,000</i>	<i>0</i>	<i>\$405,000</i>
Recapture Authority per P.L. 109-365	0	\$15,350	0	\$24,607	0	\$0
B. Gross Budget Authority	0	\$419,890	0	\$429,607	0	\$405,000
Recapture Authority per P.L. 109-365	0	-\$15,350	0	-\$24,607	0	\$0
Offsetting Collections:						
<i>Subtotal Transfers</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
C. Budget Authority Before the Committee	0	\$404,540	0	\$405,000	0	\$405,000
Offsetting Collections From:						
Prior Year Balance	0	\$4,015	0	\$2,374	0	\$0
Unobligated Balances, Non-Expenditure Transfer to CEO per P.L. 117-103	0	-\$1,157	0	\$0	0	\$0
Unobligated Balances, Non-Expenditure Transfer to CEO per P.L. 117-328	0	\$0	0	-\$1,090	0	\$0
Recapture Authority per P.L. 109-365	0	\$15,350	0	\$24,607	0	\$0
<i>Subtotal</i>	<i>0</i>	<i>\$422,748</i>	<i>0</i>	<i>\$430,891</i>	<i>0</i>	<i>\$405,000</i>
D. Total Budgetary Resources	0	\$422,748	0	\$430,891	0	\$405,000
Unobligated Balance End-of-Year, not expiring	0	-\$2,374	0	\$0	0	\$0
E. Total, Estimated Obligations	0	\$420,374	0	\$430,891	0	\$405,000

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2024 Estimate	FY 2025 Request	Net Change
Budget Authority			
General Funds	\$405,000	\$405,000	\$0
Total	\$405,000	\$405,000	\$0
Full Time Equivalents			
General Funds	0	0	0
Total	0	0	0

Explanation of Change	FY 2025 Change							
	FY 2024 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	0	\$0	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$405,000	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	0	+\$405,000	0	\$0	0	\$0	0	\$0
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Increase	0	+\$405,000	0	\$0	0	\$0	0	\$0
Decreases:								
A. Built-Ins:								
To Provide For:								
Built-Ins Subtotal	0	\$0	0	\$0	0	\$0	0	\$0
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Decrease	0	\$0	0	\$0	0	\$0	0	\$0
Total Change	0	+\$405,000	0	\$0	0	\$0	0	\$0

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2023 Enacted		FY 2024 Estimate		FY 2025 Request		Diff. FY25 Request/ FY24 Estimate	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Community Service Employment for Older Americans	0	405,000	0	405,000	0	405,000	0	0
General Funds	0	405,000	0	405,000	0	405,000	0	0
Total	0	405,000	0	405,000	0	405,000	0	0
General Funds	0	405,000	0	405,000	0	405,000	0	0

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2023 Enacted	FY 2024 Estimate	FY 2025 Request	Diff. FY25 Request / FY24 Estimate
	Full-Time Equivalent				
	Total	0	0	0	0
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
41.0	Grants, subsidies, and contributions	405,000	405,000	405,000	0
	Total	405,000	405,000	405,000	0

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2015					
Base Appropriation				\$434,371	0
2016					
Base Appropriation...1/	\$434,371	\$434,371	\$400,000	\$434,371	0
2017					
Base Appropriation...1/	\$434,371		\$400,000	\$400,000	0
2018					
Base Appropriation				\$400,000	0
2019					
Base Appropriation				\$400,000	0
2020					
Base Appropriation...1/		\$463,800		\$405,000	0
2021					
Base Appropriation...2/				\$405,000	0
2022					
Base Appropriation...3/	\$405,000	\$450,000		\$405,000	0
2023					
Base Appropriation	\$405,000			\$405,000	0
2024					
Base Appropriation...4/	\$405,000		\$405,000		0
2025					
Base Appropriation	\$405,000				

1/ This bill was passed by the Senate. It was passed out of the House Subcommittee but was not reported out of the House Committee or by the full House.

2/ This bill was passed by the House. It was not taken up by the Senate Appropriations Subcommittee or full Appropriations Committee.

3/ This bill was passed by the House. It was not taken up by the Senate Appropriations Subcommittee or the full Senate Appropriations Committee.

4/ The full-year FY 2024 appropriation was not enacted at the time the budget was prepared.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2023 Enacted	FY 2024 Estimate	FY 2025 Request	Diff. FY25 Request / FY24 Estimate
Activity Appropriation	405,000	405,000	405,000	0
FTE	0	0	0	0

Introduction

The Community Service Employment for Older Americans (CSEOA) program, also known as the Senior Community Service Employment Program (SCSEP), supports the self-sufficiency and employment of older workers by providing part-time, paid community service positions and work-based training for unemployed, low-income individuals, age 55 or older.

SCSEP, as authorized by Title V of the Older Americans Act (OAA), has a dual purpose “to foster individual economic self-sufficiency and to increase the number of participants placed in unsubsidized employment in the public and private sectors, while maintaining the community service focus of the program.” The OAA was amended by the Supporting Older Americans Act of 2020 and the Older Americans Act Reauthorization Act of 2016 (2016 OAA).

In FY 2023, SCSEP grantees included 56 units of state and territorial government and 19 competitively-selected national grantees. SCSEP-funded services are available in nearly all 3,000 U.S. counties and territories.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

Resource and Program Data Community Service Employment for Older Americans (Dollars in Thousands)

Data Category	FY 2023 Enacted	FY 2024 Estimate	FY 2025 Request
Resource Data:			
Service Grant	401,475	402,975	402,975
Formula	88,397	88,728	88,728
Competitive	313,077	314,247	314,247
Training/Technical Assistance	2,025	2,025	2,025
Total Resources	403,500	405,000	405,000
Program Data:			
Total Grants	75	75	75
New Starts	401,475	402,975	402,975
#	75	75	75
\$			
Continuing			
#	0	0	0
\$	0	0	0
Contracts			
#	6	6	6
\$	2,025	2,025	2,025
Interagency Agreements			
#	0	0	0
\$	0	0	0

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2020	\$405,000	0
2021	\$405,000	0
2022	\$405,000	0
2023	\$405,000	0
2024	\$0	0

NOTE: A full-year 2024 appropriation for this account was not enacted at the time the budget was prepared.

Funding Mechanism

The SCSEP program operates on a Program Year (PY) basis (April 1 to June 30 of the following year) and SCSEP funds are, in general, distributed by a statutorily prescribed formula which allocates funds to every state, the District of Columbia, and Puerto Rico, based on U.S. Census

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

data on the number of individuals in that jurisdiction who have low incomes and are age 55 and older. Under current law, prior to determining the amount available to be allocated to the states, the District of Columbia, and Puerto Rico, funds are reserved for the following: 1) up to 1.5 percent of the total authorization as determined by the Secretary of Labor for pilots, demonstrations, and evaluation projects; 2) a fixed percentage of 0.75 percent of the total allocation to the territories of Guam, the U.S. Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands; and 3) a portion determined by the Secretary of Labor for national public or non-profit agencies to serve eligible American Indian and Pacific Island/Asian American individuals.

After the reserved amounts are specified and the funding proportion for each state is determined by the formula, funds are allocated to and administered through grants to all state governors, Puerto Rico, the District of Columbia, and four territories, as well as national non-profit agencies. Approximately 22 percent of formula funds are awarded to the governors, with 78 percent competitively awarded to national nonprofit agencies for services across the country. Under the OAA, these competitively awarded grants are renewed annually for four years, with an optional one-year extension.

FY 2025

The FY 2025 Budget requests \$405,000,000 for Program Year (PY) 2025, which covers the period of April 1, 2025, through June 30, 2026. Seventy-five grantees are expected to provide low-income seniors with subsidized work experience through community service employment assignments. The Department anticipates that SCSEP will serve approximately 42,265 participants in PY 2025 (based on the PY 2022 cost per participant). SCSEP remains a mandatory partner within the American Job Center network and, pursuant to WIOA, SCSEP grantees must carry out the responsibilities of one-stop partner programs, such as coordinating and aligning programs to better serve job seekers and businesses.

SCSEP advances racial and gender equity and supports underserved communities in several ways. The program only serves unemployed, low-income persons 55 years of age or older, a population which has been historically underserved, marginalized, and adversely affected by persistent poverty and inequality. SCSEP provides further priority of service to several other populations, including individuals with a disability, those who have low literacy skills or limited English proficiency, individuals who reside in rural areas, or those who are homeless / at risk of homelessness. SCSEP also expands opportunity and access to formerly incarcerated individuals through statutory recognition of this population as “most-in-need” of assistance. An annual Minority Report to Congress¹ holds the program accountable to its levels of service to minority SCSEP participants. The report must include a description of each grantee’s efforts to serve minority individuals and recommendations for increasing participation of minority individuals in the program. State grantees also must provide an annual Equitable Distribution Report and a State Plan every four years, which includes a strategy for serving minority older individuals under SCSEP.

¹ SCSEP Analysis of Services to Minority Individuals Report, available at <https://www.dol.gov/agencies/eta/seniors/performance>

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

FY 2024

Figures for FY 2024 are an estimate. Discretionary amounts shown for FY 2024 reflect an annualized Continuing Resolution (Division A of P.L. 118-15, as amended), as a full-year appropriation had not been enacted at the time the budget was produced. Mandatory amounts are equal to the FY 2024 President's Budget and do not reflect sequestration.

FY 2023

In FY 2023, \$405,000,000 was appropriated for PY 2023, and \$1,500,000 was transferred to Program Administration to perform program integrity activities. Seventy-five grantees provided low-income seniors with subsidized work experience in community service employment assignments. The Department anticipates that SCSEP served approximately 42,438 participants in PY 2023 (based on PY 2021 cost per participant). During PY 2023, ETA will release competitive grants for competition, including a new Sector demonstration grant, and new grantees will start in PY 2024. ETA will also initiate an Older Worker Sector Strategy study of evidence-based practices for improving employment of low-income seniors.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

WORKLOAD AND PERFORMANCE SUMMARY							
		PY 2022		PY 2023		PY 2024	PY 2025
		Revised Enacted		Enacted		Estimate	Request
		Target	Result	Target	Result	Target	Target
Community Service Employment for Older Americans							
Strategic Goal 1 - Build Opportunity and Equity for All							
Strategic Objective 1.1 - Advance training, employment, and return-to-work opportunities that connect workers to higher-wage jobs, especially in ways that address systemic inequities.							
ETA-WIOA SCSEP-01	Employment Rate – 2nd Quarter After Exit (WIOA Senior Community Service Employment Program)	37.9%	26.1%	37.9%	--	40.0%	40.2%
ETA-WIOA SCSEP-02	Employment Rate – 4th Quarter After Exit (WIOA Senior Community Service Employment Program)	33.3%	19.4%	33.3%	--	35.3%	35.5%
ETA-WIOA SCSEP-03	Median Earnings – 2nd Quarter After Exit (WIOA Senior Community Service Employment Program)	\$3,195	\$3,248	\$3,195	--	\$3,259	\$3,324
ETA-Budget SCSEP-01	Number of Participants Served (Senior Community Service Employment Program)	42,228[p]	--	42,228[p]	--	42,438[p]	42,438[p]

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

Workload and Performance Narrative

The OAA Reauthorization Act of 2016 more closely aligned SCSEP performance indicators to those of WIOA. The Department continues to highlight three indicators related to employment and earnings (Employment Rate 2nd Quarter after Exit; Employment Rate 4th Quarter after Exit; and Median Earnings in 2nd Quarter after Exit) for the purposes of tracking program progress and showing the Department's return on investment. SCSEP grantees began reporting on these measures in Program Year 2018. For 'Employment Rate in the 2nd Quarter after Exit,' the grantees achieved 25.1% nationwide in PY 2022. The PY 2022 performance measure for 'Employment Rate in the 4th Quarter after Exit' saw grantees achieve 18.8%. Finally, for the PY 2022 performance measure for 'Median Earnings in the 2nd Quarter after Exit,' grantees achieved \$3,120. In PY 2022, the cost per participant was \$9,582.

Grantees continue to report employment rates below their performance targets for PY 2022, as the last cohort to have been impacted by the pandemic during their time of receiving services phases out of the performance indicator cohorts. The Department expects employment rate performance results to improve in PYs 2023, 2024 and 2025.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

CHANGES IN FY 2025

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments \$0

Grants, subsidies, and contributions 0

Built-Ins Subtotal \$0

Net Program \$0

Direct FTE 0

	Estimate	FTE
Base	\$405,000	0
Program Increase	\$0	0
Program Decrease	\$0	0