

**FY 2024**

**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

### COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

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, [2023] 2024 through June 30, [2024] 2025, and may be recaptured and reobligated in accordance with section 517(c) of the OAA. (*Department of Labor Appropriations Act, 2023.*)

## COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

<b>AMOUNTS AVAILABLE FOR OBLIGATION</b>						
(Dollars in Thousands)						
	<b>FY 2022 Revised Enacted</b>		<b>FY 2023 Revised Enacted</b>		<b>FY 2024 Request</b>	
	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>
<b>A. Appropriation</b>	<b>0</b>	<b>\$405,000</b>	<b>0</b>	<b>\$405,000</b>	<b>0</b>	<b>\$405,000</b>
Non-Expenditure Transfer to ETA PA per P.L. 117-103	0	-\$562	0	\$0	0	\$0
Non-Expenditure Transfer to SOL per P.L. 117-103	0	-\$2,000	0	\$0	0	\$0
Non-Expenditure Transfer to PDS per P.L. 117-328	0	\$0	0	-\$1,500	0	\$0
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$402,438</i>	<i>0</i>	<i>\$403,500</i>	<i>0</i>	<i>\$405,000</i>
Recapture Authority per P.L. 109-365	0	\$9,681	0	\$15,351	0	\$0
<b>B. Gross Budget Authority</b>	<b>0</b>	<b>\$412,119</b>	<b>0</b>	<b>\$418,851</b>	<b>0</b>	<b>\$405,000</b>
Recapture Authority per P.L. 109-365	0	-\$9,681	0	-\$15,351	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>
<b>C. Budget Authority Before the Committee</b>	<b>0</b>	<b>\$402,438</b>	<b>0</b>	<b>\$403,500</b>	<b>0</b>	<b>\$405,000</b>
Offsetting Collections From:						
Prior Year Balance	0	\$2,345	0	\$4,015	0	\$0
Unobligated Balances, Non-Expenditure Transfer to CEO per P.L. 116-260	0	-\$488	0	\$0	0	\$0
Unobligated Balances, Non-Expenditure Transfer to CEO per P.L. 117-103	0	\$0	0	-\$1,157	0	\$0
Recapture Authority per P.L. 109-365	0	\$9,681	0	\$15,351	0	\$0
<i>Subtotal</i>	<i>0</i>	<i>\$413,976</i>	<i>0</i>	<i>\$421,709</i>	<i>0</i>	<i>\$405,000</i>
<b>D. Total Budgetary Resources</b>	<b>0</b>	<b>\$413,976</b>	<b>0</b>	<b>\$421,709</b>	<b>0</b>	<b>\$405,000</b>
Unobligated Balance End-of-Year, not expiring	0	-\$4,015	0	\$0	0	\$0
<b>E. Total, Estimated Obligations</b>	<b>0</b>	<b>\$409,961</b>	<b>0</b>	<b>\$421,709</b>	<b>0</b>	<b>\$405,000</b>

# COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

## SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2023 Revised Enacted	FY 2024 Request	Net Change
<b>Budget Authority</b>			
General Funds	\$403,500	\$405,000	+\$1,500
<b>Total</b>	\$403,500	\$405,000	+\$1,500
<b>Full Time Equivalents</b>			
General Funds	0	0	0
<b>Total</b>	0	0	0

Explanation of Change	FY 2024 Change							
	FY 2023 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Increases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
Costs of pay adjustments	0	\$0	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$403,500	0	\$0	0	\$0	0	\$0
<b>Built-Ins Subtotal</b>	<b>0</b>	<b>+\$403,500</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>B. Programs:</b>								
<b>Programs Subtotal</b>			<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>Total Increase</b>	<b>0</b>	<b>+\$403,500</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>Decreases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
<b>Built-Ins Subtotal</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>B. Programs:</b>								
<b>Programs Subtotal</b>			<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>Total Decrease</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>Total Change</b>	<b>0</b>	<b>+\$403,500</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>

## COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

<b>SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY</b>								
(Dollars in Thousands)								
	FY 2022 Revised Enacted		FY 2023 Revised Enacted		FY 2024 Request		Diff. FY24 Request / FY23 Revised Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Community Service Employment for Older Americans</b>	<b>0</b>	<b>402,438</b>	<b>0</b>	<b>403,500</b>	<b>0</b>	<b>405,000</b>	<b>0</b>	<b>1,500</b>
General Funds	0	402,438	0	403,500	0	405,000	0	1,500
<b>Total</b>	<b>0</b>	<b>402,438</b>	<b>0</b>	<b>403,500</b>	<b>0</b>	<b>405,000</b>	<b>0</b>	<b>1,500</b>
<b>General Funds</b>	<b>0</b>	<b>402,438</b>	<b>0</b>	<b>403,500</b>	<b>0</b>	<b>405,000</b>	<b>0</b>	<b>1,500</b>



## COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

<b>BUDGET AUTHORITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2022 Revised Enacted</b>	<b>FY 2023 Revised Enacted</b>	<b>FY 2024 Request</b>	<b>Diff. FY24 Request / FY23 Revised Enacted</b>
	Full-Time Equivalent				
	<b>Total</b>	0	0	0	0
11.1	Full-time permanent	0	0	0	0
11.9	<b>Total personnel compensation</b>	0	0	0	0
41.0	Grants, subsidies, and contributions	402,438	403,500	405,000	1,500
	<b>Total</b>	<b>402,438</b>	<b>403,500</b>	<b>405,000</b>	<b>1,500</b>

## COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

<b>APPROPRIATION HISTORY</b>					
(Dollars in Thousands)					
	<b>Budget Estimates to Congress</b>	<b>House Allowance</b>	<b>Senate Allowance</b>	<b>Appropriations</b>	<b>FTE</b>
2014					
Base Appropriation...1/				\$434,371	0
2015					
Base Appropriation...1/				\$434,371	0
2016					
Base Appropriation	\$434,371	\$434,371	\$400,000	\$434,371	0
2017					
Base Appropriation	\$434,371		\$400,000	\$400,000	0
2018					
Base Appropriation				\$400,000	0
2019					
Base Appropriation...1/				\$400,000	0
2020					
Base Appropriation...2/		\$463,800		\$405,000	0
2021					
Base Appropriation				\$405,000	0
2022					
Base Appropriation...3/	\$405,000	\$450,000		\$405,000	0
2023					
Base Appropriation	\$405,000			\$405,000	
2024					
Base Appropriation	\$405,000				0

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.

## COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2022 Revised Enacted</b>	<b>FY 2023 Revised Enacted</b>	<b>FY 2024 Request</b>	<b>Diff. FY24 Request / FY23 Revised Enacted</b>
<b>Activity Appropriation</b>	<b>402,438</b>	<b>403,500</b>	<b>405,000</b>	<b>1,500</b>
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 2022, SCSEP grantees included 56 units of state and territorial governments 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 2022 Revised Enacted	FY 2023 Revised Enacted	FY 2024 Request
<b>Resource Data:</b>			
Service Grant	400,413	401,475	402,975
Formula	88,163	88,397	88,728
Competitive	312,250	313,077	314,247
Training/Technical Assistance	2,025	2,025	2,025
<b>Total Resources</b>	<b>402,438</b>	<b>403,500</b>	<b>405,000</b>
<b>Program Data:</b>			
Total Grants	75	75	75
New Starts	400,413	401,475	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>
2019	\$400,000	0
2020	\$405,000	0
2021	\$405,000	0
2022	\$405,000	0
2023	\$405,000	0

### 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 2024**

The FY 2024 Budget requests \$405,000,000 for PY 2024. Seventy-five grantees are expected to provide low-income seniors with subsidized work experience in community service employment assignments. The Department anticipates that SCSEP will serve approximately 42,438 participants in PY 2024 (based on PY 2021 cost per participant). SCSEP remains a mandatory partner within the American Job Center (AJC) 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 carries out the Administration's commitment to advance racial and gender equity and support 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 inequitable treatment. SCSEP provides further priority of service to several other populations including individuals with a disability, those who have low literacy skills, limited English proficiency, reside in rural areas, are homeless, or at risk of homelessness. SCSEP further expands opportunities and access to formerly incarcerated individuals through recent statutory recognition of this population as "most-in-need" of assistance.<sup>1</sup> An annual Minority Report to Congress holds the program accountable to its levels of service to minority SCSEP participants.<sup>2</sup> The report includes 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

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<sup>1</sup> In the Supporting Older Americans Act of 2020, Public Law 116-131 (the Act), Congress amended title V of the OAA to make certain changes to the SCSEP. The Act makes an individual who "has been incarcerated within the last 5 years or is under supervision following release from prison or jail within the last 5 years" eligible for priority of service over those individuals who meet only the basic SCSEP eligibility criteria related to age, income, and employment, and authorizes any SCSEP grantee to provide an increased period of participation if the relevant SCSEP grantee has made such a request. Public Law 116-131 sec. 401(a)(3)(B)(iii) and sec. 401(a)(3)(A)(iii); 42 U.S.C. 3056p(b)(2)(H).

<sup>2</sup> SCSEP Analysis of Services to Minority Individuals Report, available at <https://www.dol.gov/agencies/eta/seniors/performance>

## **COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS**

an annual Equitable Distribution Report and a State Plan every four years, which includes strategies for serving minority individuals through SCSEP.

### **FY 2023**

In FY 2023, \$405,000,000 was appropriated for PY 2023 and \$1,500,000 was transferred to PDS. Seventy-five grantees are expected to provide low-income seniors with subsidized work experience in community service employment assignments. The Department anticipates that SCSEP will serve approximately 42,281 participants in PY 2023 (based on PY 2021 cost per participant). During PY 2023, ETA will put out competitive grants for competition, and new grantees will start in PY 2024.

### **FY 2022**

In FY 2022, \$405,000,000 was appropriated for PY 2022, \$2,000,000 was transferred to the Solicitors office within the Department, and \$562,000 was transferred to Program Administration to perform program integrity activities. Seventy-five grantees are providing low-income seniors with subsidized work experience in community service employment assignments. The Department anticipates that SCSEP will serve approximately 42,228 participants in PY 2022 (based on PY 2021 cost per participant).

In PY22, ETA is implementing the Grantee Performance Management system, replacing the legacy SPARQ system. ETA is also initiating a study of evidence-based practices for improving employment of low-income seniors.

## COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

<b>WORKLOAD AND PERFORMANCE SUMMARY</b>							
		<b>PY 2021 Revised Enacted</b>		<b>PY 2022 Revised Enacted</b>		<b>PY 2023 Revised Enacted</b>	<b>PY 2024 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Community Service Employment for Older Americans</b>							
<b>Strategic Goal 1 - Build Opportunity and Equity for All</b>							
<b>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.</b>							
ETA-WIOA SCSEP-01	Employment Rate – 2nd Quarter After Exit (WIOA Senior Community Service Employment Program)	37.7%	31.1%	37.9%	TBD	37.9%	40.0%
ETA-WIOA SCSEP-02	Employment Rate – 4th Quarter After Exit (WIOA Senior Community Service Employment Program)	30.0%	26.0%	33.3%	TBD	33.3%	35.3%
ETA-WIOA SCSEP-03	Median Earnings – 2nd Quarter After Exit (WIOA Senior Community Service Employment Program)	\$3,162	\$3,240	\$3,195	TBD	\$3,195	\$3,259
ETA-Budget SCSEP-01	Number of Participants Served (Senior Community Service Employment Program)	56,050[p]	42,438	42,228[p]	--	42,281[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 2<sup>nd</sup> Quarter after Exit; Employment Rate 4<sup>th</sup> Quarter after Exit; and Median Earnings in 2<sup>nd</sup> 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 31.1% nationwide in PY 2021. The PY 2021 performance measure for 'Employment Rate in the 4th Quarter after Exit' saw grantees achieve 26%. Finally, for the PY 2021 performance measure for 'Median Earnings in the 2nd Quarter after Exit,' grantees achieved \$3,240, an \$181 increase from previous four quarters. In PY 2021, the cost per participant was \$9,543, and SCSEP participants conducted 3,176,807 hours of training, contributed 13,474,570 total hours in community service, and worked another 10,307,208 hours in service to the general community.

Grantees reported decreases in employment rate performance indicators for PY 2021, but performance is expected to improve in PY 2022 and PY 2023 as participants who exited the program during the COVID-19 pandemic phase out of the performance indicator cohorts. There is a structural delay from when changes occur in the economy and the program to when those changes are reflected in performance measures. This delay occurs because of the nature of the performance indicators—obtaining data for the second or fourth quarter after exit requires waiting up to a year after a participant leaves the program. Due to the lingering impact of the COVID-19 pandemic, particularly for low-income seniors, the Department anticipates that increases in the employment rate performance results in PY 2022 and PY 2023 will be smaller in magnitude than for the programs serving less severely impacted populations.



# COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

## CHANGES IN FY 2024

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

Costs of pay adjustments	\$0
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Grants, subsidies, and contributions	0
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<b>Built-Ins Subtotal</b>	<b>\$0</b>
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<b>Net Program</b>	<b>\$0</b>
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<b>Direct FTE</b>	<b>0</b>
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	Estimate	FTE
<b>Base</b>	<b>\$403,500</b>	<b>0</b>
<b>Program Increase</b>	<b>\$0</b>	<b>0</b>
<b>Program Decrease</b>	<b>\$0</b>	<b>0</b>