Report to the House and Senate Appropriations Committees FY 2008 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) 2008. The Operating Plan outlines ETA's planned allocation by major priority areas and activities. The PD&R funds are used for Program Year (PY) 2008, which begins on July 1, 2008, and ends on June 30, 2009. The total FY 2008 appropriation for PD&R is \$48,508,000; however, \$43,595,000 is devoted to earmarks. The remaining \$4,913,000 is to be used for a new demonstration program of competitive grants to address the employment and training needs of young parents.

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 Congress has directed the investment for PY 2008 for one demonstration project – the Young Parent's Demonstration, described in item 3, below. This plan only covers new projects that will begin in PY 2008.

1) Integration of Workforce and Regional Economic Development

This priority area 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 priority area 1.

2) Methods of Expanding U.S. Workforce Skills

This priority area focuses on increasing the skills of the workforce so that America retains 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 priority area 2.

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 highgrowth 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 focused on increased participation and productivity.

Under this priority area, ETA plans to:

• Implement the Young Parent's Demonstration which will provide educational and occupational skills training that leads to family economic self-sufficiency for both mothers and fathers and expectant mothers ages 16 to 24.

4) <u>Using State-Level Administrative Data to Measure Progress and Outcomes</u>

This priority area 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 priority area 4.

5) Post-Secondary Education and Job Training

The 21st century knowledge economy demands 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 area focuses on expanding access to post-secondary education and job training for workers.

No new projects will begin under priority area 5.

6) <u>Unemployment Insurance (UI)</u>

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.

No new projects will begin under priority area 6.