DATE: November 19, 2013

TO: LA’s Workforce Development System (WDS)

FROM: Jaime Pacheco-Orozco, Director
Workforce Development System

SUBJECT: WDS INFORMATION BULLETIN NO. 14-12
DISLOCATED WORKER ELIGIBILITY REVISITED

EFFECTIVE DATE
This directive is effective upon date of issue.

PURPOSE
The purpose of this bulletin is to re-issue to the WorkSource Center (WSC) operators the Dislocated Worker Status Made Easy (DWSME) document, which spells out the six categories of Dislocated Worker, and the eligibility requirements of each category, in order to facilitate enrollments into the City’s Getting LA Back-to-Work National Emergency Grant (B2W NEG) and 25% Additional Assistance programs (B2W 25%).

BACKGROUND
In March 2013, the City executed contracts with all 18 WSCs for the B2W NEG program, and 12 of the 18 WSCs for the B2W 25% program. The focus of these programs is to enroll and serve participants dislocated from specific employers in both the public and private sectors. Since these programs are funded through the Workforce Investment Act (WIA), standard WIA eligibility requirements apply.

All adults and dislocated workers who receive services funded under Title I-B of WIA, other than self-service or informational activities (Core A), must be determined eligible and registered. Registration/enrollment occurs the first day on which the individual actually begins receiving staff-assisted core, intensive, or training services.

Eligibility must be determined and documented prior to the provision of services. Adult/Dislocated Worker eligibility consists of right-to-work, proof of age (at least 18) at time of enrollment, and for males, compliance with the Military Selective Service Act (MSSA).

The majority of eligible participants for the B2W programs may be enrolled under Category 1 – Substantial Layoff, or Category 2 – Plant Closure, of the DWSME. There are multiple forms of documentation that may be used to determine eligibility under
these two categories, but one important thing to remember is that neither of these two categories requires that the participant be receiving Unemployment Insurance (UI).

STOPGAP/UNDEREMPLOYMENT
Participants may be either unemployed at time of registration, or engaged in stopgap employment resulting in underemployment. The Employment Development Department (EDD) Eligibility Technical Assistance Guide (TAG), RWIAD04-18, defines stopgap employment as "...work an individual does only because he has lost the customary work for which his training, experience or work history qualifies him (see "underemployed"). This TAG may be downloaded at http://www.edd.ca.gov/Jobs_and_Training/pubs/rwiad04-18.pdf

"Employment would be considered "stopgap" if the salary is substantially below the salary of the individual's primary occupation and/or if he is working substantially under the skill level of his customary occupation. There may be times when stopgap employment provides a self-sufficient wage, e.g. contract employment or employment obtained through a temporary employment services agency. Such employment would not change the individual's dislocated worker status."

The TAG also provides the following definition of underemployed – "Underemployed means an individual who is working part time but desires full time employment, or who is working in employment not commensurate with the individual's demonstrated level of educational attainment."

For purposes of the City's B2W programs, the threshold for "substantial" is defined as loss of 20% or greater in wages and/or hours, or a downgrade in position classification resulting in loss of wages or hours. Individuals engaged in stopgap employment are reported as not employed.


WDS CONTACT
Questions regarding this bulletin should be addressed to Robert Reed at Robert.Reed@acity.org or (213) 744-7184, TTY (213) 744-9395.

JHP:RR
Attachment: Dislocated Worker Status Made Easy
Dislocated Worker Status
Made Easy

There are 6 Dislocated Worker statuses currently in effect. The following is a detailed explanation regarding each one of them as well as examples of acceptable documentation. Please see EDD TAG RWIADD-84 for additional information.

Please note that category 6, Terminated or Laid off, is the only category that requires verification of Unemployment Insurance and Unlikely to Return to previous occupation or industry.

1) Substantial Layoff (MIS Code 2 = Received notice of Layoff)

This status requires that employee numbers be met:
In a 30-day period, at least 10 employees are laid off at a plant, facility, or enterprise.

Acceptable Documentation (for additional documentation, please refer to page 43 of the Technical Assistance Guide and Information Bulletin No.03-46 dated 06/18/03):

➢ Worker Adjustment and Retraining Notification Act (WARN) notice
➢ Bankruptcy documents (Please see Info Bulletin 03-46);
➢ Employer's notice (or phone verification from employer) specifying the number of affected employees;
➢ Newspaper or magazine article specifying the number of affected employees;
➢ Original documentation verifying the receipt of Rapid Response services, including referral card, completed survey form, Trade Adjustment Act (TAA) referral form; or
➢ Applicant Statement.

In addition, except when stand-alone documentation is used, there must be documentation verifying that the individual was an employee at the facility and was affected by the layoff. Payroll records, letters or phone verifications from the employer would verify this.

2) Plant Closure (MIS Code 2 = Received notice of Layoff)

Has there been a closure of or a notice of intent to close a plant, facility, or enterprise (including a department or division) of a business or industry?

Note: There is no minimum number of affected workers required to verify this status. If a department consists of one employee, and that department is eliminated, that employee has been involved in a plant closure.
Acceptable Documentation – similar to that of Substantial Layoff: (for additional documentation, please refer to page 44 of the Technical Assistance Guide and Information Bulletin No. 03-46 dated 06/18/03):

- Worker Adjustment and Retraining Notification Act (WARN) notice;
- Bankruptcy documents (Please see Info Bulletin 03-46);
- Employer’s notice (or phone verification from employer);
- Newspaper or magazine article; or
- Original documentation verifying the receipt of Rapid Response services, including referral card, completed survey form, Trade Adjustment Act (TAA) referral form; or
- Applicant Statement.

In addition, there must be documentation verifying that the individual was an employee at the facility and was affected by the plant closure. Payroll records, letters or phone verifications from the employer would verify this.

3) Self-Employed (MIS Code 4=Self Employed)

Was the individual self employed, but is now unemployed as a result of declining general economic conditions in the community in which he or she lives, or as a result of a natural disaster?

Note: An individual who was self-employed but is unemployed due to bad business practices does not qualify as a Dislocated Worker under this status.

Acceptable Documentation (for additional documentation, please refer to page 44 of the Technical Assistance Guide):

- Notice of foreclosure or intent to foreclosure;
- Business License;
- The failure of the business to return profit for the previous twelve months (balance sheets or other financial records indicating losses);
- The inability to obtain capital necessary to continue operations (rejected loan applications by lending institutions); or
- Applicant Statement

These forms of documentation must be accompanied by one of the following:

- Evidence of a natural disaster (newspaper or magazine articles, etc.).
- Evidence of declining economic conditions where the individual resides (not necessarily where his or her place of business is located). Such information may be obtained from the Labor Market Division of EDD, or other appropriate sources of labor market information.
4) Displaced Homemaker (MIS Code 5=Displaced Homemaker)

If enrolling a client under this status, two conditions must be met and documented:

A – Has the individual been providing unpaid services to family members, and has been dependent on the income of another family member, but is no longer supported by that income?

B – Is the individual unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment?

This could include individuals who are involved in separation or divorce or individuals whose family income earners are now deceased and the incomes are no longer a means of support. It does not automatically mean that the family member supporting the individual has necessarily left the individual.

Acceptable Documentation:

➢ Evidence of separation or divorce;
➢ Death certificate;
➢ Evidence that the other family member has been terminated or laid off;
➢ Bank records indicating that the income of the supporting family member is no longer available (bankruptcy, etc.); or
➢ Evidence of termination of supporting family member public assistance.

In addition to the above documentation, it must also be verified that the individual is unemployed or underemployed. Documentation for this may include:

➢ UIB Records;
➢ Evidence of employment at a “stop-gap” type of job;
➢ Public Assistance Records; or
➢ Applicant Statement.

5) Voluntarily Terminated Employment and UI Eligible (MIS Code 1=Terminated or Laid Off)

Has voluntarily terminated employment and has been determined eligible to receive UI benefits.

Acceptable Documentation (for additional documentation, please refer to page 44 of the Technical Assistance Guide):

➢ Appointment Notice or referral to an Initial Assistance Workshop (IAW);
➢ Reemployment Plan generated by IAW;
Invitation letter to Self Employment Assistance (SEA) orientation; or

Telephone verification from EDD verifying that one of the above conditions has been met.

Please note that this category is determined at the State level, not at the City or WorkSource Center level. Applicant Statements are not acceptable under this Category.

6) Terminated/Laid Off (MIS Code 1= Terminated or Laid Off)

If enrolling a client under this status, three conditions (A, B, and C) must be met and documented:

A – Has the client been terminated or laid off or received a notice of either termination or lay off?
Acceptable Documentation (for additional documentation, please refer to page 42 of the Technical Assistance Guide - TAG):

➢ Notice of Termination or Layoff;
➢ Unemployment Benefits Insurance (UB) notice with the client’s employer name indicated;
➢ Telephone verification by the agency substantiating the client’s termination or layoff;
or
➢ Evidence of early retirement in lieu of termination or layoff.
➢ Applicant Statement

B – Is the client receiving, eligible for, or has exhausted Unemployment Benefits?
Acceptable Documentation (for additional documentation, please refer to page 42 of the Technical Assistance Guide):

➢ Unemployment Insurance Records
➢ Statement by an Unemployment Insurance Representative

Note: If the client were not eligible for UIB due to insufficient earnings or non-participation by the employer, a letter from the employer or verification from EDD would be adequate documentation. Please refer to page 42 of the TAG for more acceptable documentation.

C – Is the client unlikely to return to his/her previous occupation or industry?
Acceptable Documentation (for additional documentation, please refer to pages 42 and 43 of the Technical Assistance Guide):

➢ Declining Industry Reports - these are available through the Chamber of Commerce, EDD, or the County. Evidence of general knowledge of a declining industry such as a newspaper or magazine articles would also be adequate documentation to verify this status;
➢ Medical records indicating that the client is physically or mentally unable to perform his/her previous job;
➢ Evidence of an unsuccessful job search (rejection letters, job applications) over a substantial period of time;
➢ Evidence of additional education or training required for re-entry into the client’s industry or occupation;
Evidence of the client's poor work history such as long term UIB, long term public assistance, consistent patterns of under employment, etc; or

Applicant Statement.

**ATTENTION:**

The following documents are considered Stand-alone documentation to verify an individual's status as a Dislocated Worker (Terminated / Laid Off):

- Appointment Notice or referral to an Initial Assistance Workshop (IAW);
- Reemployment Plan generated by IAW;
- Invitation letter to Self Employment Assistance (SEA) orientation;
- Telephone verification from EDD verifying that one of the above conditions has been met.
- Rapid Response (RR) Referral Card. It is estimated that other non-City of L.A. Rapid Responders may use a similar Referral Card system. Rapid Reponse Referral Cards are valid regardless of the issuing WIB. (See samples below)

**Rapid Response Referral Card**

Name

Home Phone

Company

WARN #

Date

WorkSource Center

City of Los Angeles Rapid Response Referral Card

Orientation Session Date: __/__/__

Name:

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Home Phone/Cell: RR#00000

Company: