

# **The Economic Ladders to End Volatility and Advance Training and Employment (ELEVATE) Act**

**Background:** Despite the relatively low current unemployment rate, millions of workers are being left behind and employers across the country report having trouble finding workers to fill current job openings. While the cause of this “workforce gap” varies depending on the specific jobs, sectors, and regions, more must be done to bridge the gap and connect job seekers with quality jobs that enable them and their families to move up the economic ladder. Many workers face significant barriers to labor market entry, such as discrimination due to past incarceration or the lack of quality affordable child care. Moreover, employers often struggle to benefit from and collaborate with local workforce development offices given inconsistent and often siloed funding.

**Summary:** The ELEVATE Act would help unemployed and underemployed workers succeed by connecting job seekers with job preparation, work supports, employer-supported training and a job itself. The bill would create a new title of the Social Security Act to provide funding to states to support public and private sector job training, job readiness and transitional employment programs. It would help with both cyclical and structural unemployment by creating a designated funding stream for targeted populations and increasing the federal matching rate in times of (and in areas with) high unemployment. ELEVATE job-seekers would receive up to 6 months of evidence-based workforce interventions in addition to wages and wraparound services to assist them in developing the skills and contacts needed to make them successful in the current job market upon completion of a program.

## **Purpose:**

1. Promote subsidized and transitional employment programs for public and private sector jobs.
2. Expand the availability of jobs during economic downturns or in areas with persistently high unemployment and poverty.
3. Provide economically and socially disadvantaged individuals (such as the long-term unemployed, people with criminal records, former foster youth, and other economically and socially disadvantaged populations) with the ability to gain job experience.
4. Provide employers with new pathways into the workforce development system enabling them to have a greater role in the training and hiring of new workers and labor market re-entrants.
5. Allow for sufficient state flexibility to design programs targeted at community-specific workforce gaps and employer needs.

## **Activities eligible for states to receive federal matching funds:**

- Up to 6 months of wages for public, private, or non-profit sector jobs
- Up to 6 months of “soft-skill” development, job search and job readiness activities
- Necessary work supports such as job coaching, employment navigators, and other services
- Stipends for individuals participating in job preparation activities
- Training for employers to establish subsidized employment programs
- Casework and administrative costs