

## Needs-Related Payments

**SUBJECT:** Needs-Related Payments

**REFERENCE:** Sections 134, 20 CFR: 663.815, 663.820, 663.825, 663.830, 663.840, State Workforce Investment Plan.

**BACKGROUND:** Needs-related payments provide financial assistance to participants for the purpose of enabling them to participate in training and are one of the supportive services authorized by the Workforce Investment Act (WIA). The provision of needs-related payments is a discretionary local area activity.

**POLICY:** Funds allocated to the local area may be used to provide needs-related payments to adults and dislocated workers, respectively, who meet eligibility requirements.

### Eligibility

**Adults** must meet all of the following conditions:

- be unemployed;
- not qualify for, or have ceased qualifying for, unemployment compensation; and
- be enrolled in a program of training services under WIA, Section 134(d)(4).

**Dislocated Workers** must:

- Be unemployed and have ceased to qualify for unemployment compensation or trade readjustment allowance under Trade Adjustment Assistance (TAA) or North American Free Trade Agreement-Transitional Adjustment Assistance (NAFTA-TAA); and be enrolled in a program of training services under WIA Section 134(d)(4) by the later of - the end of the 13th week after the most recent layoff that resulted in a determination of the worker's eligibility as a dislocated worker or by the end of the 8th week after the worker is informed that a short-term layoff will exceed 6 months; or
- Be unemployed and did not qualify for unemployment compensation or trade readjustment assistance under TAA or NAFTA-TAA.

### Payments

- Adults

The payment level for adults must be established by the Local Board.

- Dislocated Workers

The payment level for dislocated workers must not exceed the greater of either of the following:

For participants who were eligible for unemployment compensation as a result of the qualifying dislocation, the payment may not exceed the weekly benefit amount established for his/her unemployment claim; or

For participants who did not qualify for unemployment compensation as a result of the qualifying layoff, the weekly payment may not exceed the poverty level for an equivalent period. The weekly payment level must be adjusted to reflect changes in total family income as determined by Local Board policies.

- Training Delay

Needs-related payments may be paid while a participant is waiting to start training classes provided the participant has been accepted in a training program that will begin within thirty (30)

calendar days. Local areas may extend the 30 day period on an exception basis to address special circumstances. Documentation for the extension should be kept in the participant's case file.

#### **Local Policy on Supportive Services**

Local boards, in consultation with the One-Stop partners and other community service providers, must develop a policy on supportive services that insures resource and service coordination. Such policy should address procedures for referral to such services, including how such services will be funded when they are not otherwise available from other sources. Such policy must include whether or not needs-related payments will be authorized and, if they are, establish the payment level for adults.

Local boards may establish limits on the provision of supportive services or provide the One-Stop operator with the authority to establish such limits, including a maximum amount of funding and maximum length of time for supportive services to be available to participants.

Procedures may be established to allow One-Stop operators to grant exceptions to the limits established. If the local policy allows for needs-related payment exceptions when there is a training delay beyond thirty days, the policy should address the special circumstances that would qualify for the exception basis.