

REEMPLOYMENT ELIGIBILITY ASSESSMENTS

BUDGET AUTHORITY BEFORE THE COMMITTEE						
(Dollars in Thousands)						
	FY 2008 Enacted	FY 2009 Enacted	Diff. FY08 Enacted / FY09 Enacted	Recovery Act	FY 2010 Request	Diff. FY09 Enacted / FY10 Req
Activity Appropriation	0	40,000	40,000	0	50,000	10,000

Introduction

Reemployment and Eligibility Assessments (REAs) are in-person interviews with selected Unemployment Insurance claimants to review their adherence to state UI eligibility criteria, determine if reemployment services are needed for the claimant to secure future employment, refer individuals to reemployment services, as appropriate, and provide labor market information which addresses the claimant's specific needs. States may utilize staff from UI, the Employment Service, or a combination, to conduct REAs. Research has shown that interviewing claimants for the above purposes reduces UI duration and saves UI trust fund resources by helping claimants find jobs faster and eliminating payments to ineligible individuals.

Funding Mechanism

States will receive funding based on proposals they submit to the Department. States participating in the initiative in FY 2009 may describe how they will expand their REA initiatives. States seeking to implement a new REA initiative will provide the REA design they propose to implement.

Five-Year Budget Activity Component History

Fiscal Year	Funding (Dollars in Thousands)	FTE
2009	40,000	0

NOTE: Excludes Recovery Act Funding. See budget activity head table.

FY 2010

The request includes \$50,000,000 for REAs which is estimated to fund 911,000 REAs resulting in \$204,000,000 in state trust fund account savings. The \$50,000,000 is an increase of \$10,000,000 over the amount that was provided in the final passage of the FY 2009 budget. This amount will support continuation and expansion of the REA initiative in 18 states and allow for additional states to participate.

ETA will provide states an opportunity to apply for a portion of these funds to improve their improper payment prevention, detection and collection efforts by taking advantage of current and emerging technologies. The focus will be on addressing the two top causes of improper

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payments: UI claimants who return to work and continue to claim benefits and errors made by state staff in making initial eligibility determinations.

FY 2009

\$40,000,000 was included in the final appropriation passed in March 2009, and will allow for significant expansion of the initiative. It is estimated that these funds will allow for 723,000 REAs and save state UI trust fund accounts \$160 million by returning unemployed UI claimants to work faster and reducing overpayments.

ETA will provide states an opportunity to apply for a portion of the funds in this initiative to improve their improper payment prevention, detection and collection efforts by taking advantage of current and emerging technologies. The focus will be on addressing the two top causes of improper payments: UI claimants who return to work and continue to claim benefits and errors made by state staff in making initial eligibility determinations.

FY 2008

A request for \$40,000,000 for REAs was not included in the final appropriation.