

TRAINING AND EMPLOYMENT NOTICE	NO. 12-08
	DATE October 2, 2008

TO: ALL STATE WORKFORCE AGENCIES  
ALL STATE WORKFORCE LIAISONS

FROM: THOMAS M. DOWD /s/  
Administrator  
Office of Policy Development and Research

SUBJECT: Release and Availability of a Final Report on the Personal Reemployment  
Account Demonstration

1. Purpose. The Employment and Training Administration (ETA) announces the release and availability of a report entitled: *Responses to Personal Reemployment Accounts (PRAs): Findings From the Demonstration States.*

2. Background. Personal Reemployment Accounts (PRAs) are a strategy intended to help unemployed workers build job skills and find work through self-managed accounts. Targeted to a subset of recipients of Unemployment Insurance (UI) benefits who are most likely to exhaust UI benefits, PRAs of \$3,000 allow those recipients to choose how and when to spend funds from their account to purchase reemployment services, including training. Recipients may also elect to receive the funds as cash reemployment bonuses for reentering the workforce and keeping a job. PRAs were intended to achieve three goals: (1) to give job seekers choice in and control over the type and timing of services they received; (2) to encourage and support rapid return to the labor market, thereby shortening the unemployment spell; and (3) to promote job retention.

In 2004, the ETA launched the PRA demonstration to examine this strategy. Seven states volunteered to participate in the demonstration: Florida, Idaho, Minnesota, Mississippi, Montana, Texas, and West Virginia. In the summer of 2006, a second round provided Idaho, Minnesota, and Mississippi with additional funds to extend their PRA demonstrations, and allowed a new state—Hawaii—to join the demonstration. The eight demonstration states established PRAs for 4,480 unemployed workers at risk of exhausting their UI benefits.

The lessons from the evaluation of the PRA demonstration are of value to policymakers and program administrators, as the concept of self-managed accounts in the workforce investment system continues to evolve. The PRA demonstration can shed light on potential strengths and weaknesses of self-managed accounts.

3. Publication Description. The report presents findings from evaluation of the PRA demonstration as implemented in eight states. The evaluation focused on several questions, including how demonstration sites planned and implemented PRAs, the rate of PRA acceptance

among eligible job seekers, how recipients used PRA funds, and the UI receipt patterns and employment outcomes among PRA recipients. The report also explores the implications that the experience of the PRA model suggests for expanding self-managed accounts in the workforce investment system. To learn more about the report's findings, please see the attached Summary and Implications document.

4. Availability. To download the full report or introduction as a PDF, visit the ETA Research Publication Database Web site at: <http://wdr.doleta.gov/research/keyword.cfm>. To request a hard copy of this publication, call the order line at 202-693-3666, or write the Dissemination Team, Division of Policy, Legislation and Regulation, Office of Policy Development and Research, Employment and Training Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W. Room N5641, Washington, DC 20210.

5. Attachment. ETA Summary and Implications document.