

TRAINING AND EMPLOYMENT NOTICE	NO. 12-24
	DATE November 15, 2024

TO: STATE WORKFORCE AGENCIES

FROM: JOSÉ JAVIER RODRÍGUEZ 
Assistant Secretary

SUBJECT: State Performance Targets and Midyear Performance Assessment for Fiscal Year (FY) 2024 Unemployment Insurance (UI) Reemployment Services and Eligibility Assessments (RESEA) Outcome Payments

1. **Purpose.** To publish FY 2024 state-level RESEA outcome payment performance targets for the reemployment and reduced UI duration of RESEA participants and to provide states with a midyear analysis of their performance levels compared against these targets.
2. **Action Requested.** The U.S. Department of Labor’s (Department’s) Employment and Training Administration (ETA) requests that state agency administrators provide information contained in this Training and Employment Notice (TEN) to appropriate staff. States that are currently meeting the requirements to be eligible for FY 2024 outcome payments based on this midyear analysis are encouraged to begin planning in case they are deemed eligible for an outcome payment award in March 2025. States that are not identified on the attached list are encouraged to assess their current RESEA selection and service delivery models to ensure alignment with current labor market conditions and consult available technical assistance resources and the RESEA evidence-base for possible adjustments.
3. **Summary and Background.**
 - a. Summary – Beginning in FY 2021, Section 306(f)(2) of the Social Security Act (SSA), requires the Department to annually make “outcome payments” to states that meet or exceed the outcome goals for reducing the average duration of receipt of unemployment compensation (UC) by improving employment outcomes. To implement this requirement the Department uses statistical models to identify state specific reemployment and UI duration targets. This TEN identifies states’ outcome payment targets for both duration and reemployment that will be used to determine FY 2024 outcome payment eligibility and provides a midyear analysis of each state’s current performance against those targets. The UI duration and reemployment outcomes identified in this TEN are from quarter ending December 31, 2023, through quarter ending March 31, 2024.
 - b. Background – As required by Section 306(f)(2)(a), SSA, RESEA outcome payments were implemented in FY 2021 and are awarded to states that meet or exceed outcome goals for reducing the average duration of receipt of UC by improving employment outcomes. On October 19, 2021, ETA published a second notice, Federal Register (86

Fed. Reg. 57,856 (2021)) announcing the final RESEA outcome payments methodology. The October 19, 2021, notice also announced that ETA would apply an interim methodology for the evaluation of states' RESEA reemployment performance. This interim methodology applied each state's Wagner-Peyser Act-funded Employment Service (ES) program negotiated target for the Reemployment Rate in the 2nd Quarter After Program Exit Quarter as the RESEA reemployment target. The notice explained that ETA would later transition to a statistical model for establishing RESEA-specific reemployment targets after sufficient RESEA data became available to identify, develop, and test an appropriate statistical approach. Immediately following the publication of this notice, ETA developed a regression-based statistical model based on a variety of state-level data factors directly related to RESEA and UI operations, including total unemployment rate, unemployment compensation (UC) reciprocity rate, job openings percent change from prior year, UI duration, and net jobs (gross job gains and gross job losses) by year. After testing, ETA determined that the statistical model and its RESEA-specific targets are a more effective and reliable means of assessing RESEA performance. In FY 2022, following appropriate notifications to Congress, the interim use of ES targets was discounted and the RESEA specific model was established.

ETA developed a prerecorded webinar that provides a more detailed explanation of the new regression-based statistical model. This webinar and additional technical assistance related to RESEA outcome payments will be posted on WorkforceGPS's *Reemployment Connections* resource page:

https://rc.workforcegps.org/resources/2019/07/30/17/31/RESEA_Performance_Reporting

4. RESEA Outcome Payments Performance Targets and Results of Midyear Analysis of Performance.

To be determined eligible for an outcome payment a state must meet or exceed both its UI duration target and reemployment target. Given the inherent lag in collecting outcome data, FY 2024 outcome payments will be based on outcomes associated with RESEA services and activities conducted during FY 2023.

Duration Target – States must demonstrate improvement in UI duration. The measure looks at a 12-month average of each state's duration of benefits. A state's UI duration of benefits can be impacted by many different conditions, such as changes in a state's economy or changes in state law and a regression model is used to establish performance targets for a state's duration of benefits.

RESEA Reemployment Target – States must show improvement in reemployment outcomes for RESEA participants. Similar to the Duration Target, the RESEA Reemployment Target looks at a 12-month average for each state. RESEA reemployment performance is measured by calculating the reemployment rate for RESEA participants who secure unsubsidized employment that is during the second quarter after program exit. This data is reported to ETA through the Workforce Integrated Performance System (WIPS) and collected by the Employment Services (ES) programs. As with the duration model, the RESEA model

parameters will be refreshed each year, using the most recent three years of data.

ETA has conducted a midyear analysis of each state's performance regarding these performance targets. Attachment I to this UIPL, titled *Midyear Analysis of FY 2024 Reemployment Services and Eligibility Assessments (RESEA) Targets for Outcome Payments*, provides the results of this analysis.

5. **Inquiries.** Please direct inquiries regarding the information in this TEN to the appropriate ETA Regional Office and OUI.RESEA@dol.gov.

6. **References.**

- Section 306 of the Social Security Act (SSA) (42 U.S.C. 506);
- 84 *Fed. Reg.* 39018, *Allocating Grants to States for Reemployment Services and Eligibility Assessments (RESEA) in Accordance with Title III, Section 306 of the Social Security Act (SSA)*, published August 8, 2019, <https://www.federalregister.gov/documents/2019/08/08/2019-16988/allocating-grants-to-states-for-reemployment-services-and-eligibility-assessments-resea-in>;
- 85 *Fed. Reg.* 27249, *Notice Requesting Public Comment on the Proposed Methodology To Distribute Outcome Payments to States for the Unemployment Insurance (UI) Reemployment Services and Eligibility Assessments (RESEA) Program in Accordance With Title III, Section 306(f)(2) of the Social Security Act (SSA)*, published May 7, 2020, <https://www.federalregister.gov/documents/2020/05/07/2020-09803/notice-requesting-public-comment-on-the-proposed-methodology-to-distribute-outcome-payments-to>;
- 86 *Fed. Reg.* 57856, *Notice Announcing the Methodology to Distribute Outcome Payments to States for the Unemployment Insurance (UI) Reemployment Services and Eligibility Assessments (RESEA) Program in Accordance with Title III, Section 306(f)(2) of the Social Security Act (SSA)*, published October 19, 2021, <https://www.federalregister.gov/documents/2021/10/19/2021-22704/notice-announcing-the-methodology-to-distribute-outcome-payments-to-states-for-the-unemployment>; and
- UIPL No. 10-22/TEGL No. 05-21, *Fiscal Year (FY) 2022 Funding Allotments and Operating Guidance for Unemployment Insurance (UI) Reemployment Services and Eligibility Assessments (RESEA) Grants*, issued January 21, 2022, <https://www.dol.gov/agencies/eta/advisories/unemployment-insurance-program-letter-no-10-22>; <https://www.dol.gov/agencies/eta/advisories/training-and-employment-guidance-letter-no-05-21>.

7. **Attachment(s).**

- Midyear Analysis of FY 2024 Reemployment Services and Eligibility Assessments (RESEA) Targets for Outcome Payments.

Midyear Analysis of FY 2024 Reemployment Services and Eligibility Assessments (RESEA) Targets for Outcome Payments

	<i>2024 Midyear Duration Component</i>			<i>2024 Midyear RESEA Reemployment Component</i>			<i>Midyear Target Results Qualifying Yes/No</i>
	State Duration (Weeks) of Benefits Performance	State Duration (Weeks) of Benefits Target	Meets Duration Target	RESEA Percent Reemployed	RESEA State Modeled Target	Meets Reemployment Target	
Alabama	6	10	YES	78%	67%	YES	YES
Alaska	16	15	NO	68%	58%	YES	NO
Arizona	13	17	YES	73%	59%	YES	YES
Arkansas	9	12	YES	58%	64%	NO	NO
California	16	20	YES	59%	53%	YES	YES
Colorado	12	16	YES	67%	60%	YES	YES
Connecticut	13	17	YES	78%	59%	YES	YES
Delaware	16	18	YES	66%	59%	YES	YES
District of Columbia	15	19	YES	64%	57%	YES	YES
Florida	8	13	YES	69%	65%	YES	YES
Georgia	8	12	YES	0%	63%	NO	NO
Hawaii	11	17	YES	62%	62%	YES	YES
Idaho	9	12	YES	73%	63%	YES	YES
Illinois	14	18	YES	69%	57%	YES	YES
Indiana	10	15	YES	75%	63%	YES	YES
Iowa	9	11	YES	80%	63%	YES	YES
Kansas	8	12	YES	80%	66%	YES	YES
Kentucky	14	16	YES	0%	60%	NO	NO
Louisiana	14	14	YES	66%	61%	YES	YES
Maine	13	15	YES	69%	62%	YES	YES
Maryland	16	17	YES	67%	62%	YES	YES

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	State Duration (Weeks) of Benefits Performance	State Duration (Weeks) of Benefits Target	Meets Duration Target	RESEA Percent Reemployed	RESEA State Modeled Target	Meets Reemployment Target	
Massachusetts	16	18	YES	67%	57%	YES	YES
Michigan	11	15	YES	81%	60%	YES	YES
Minnesota	14	16	YES	65%	59%	YES	YES
Mississippi	11	16	YES	79%	63%	YES	YES
Missouri	11	14	YES	70%	64%	YES	YES
Montana	12	14	YES	70%	62%	YES	YES
Nebraska	11	14	YES	77%	66%	YES	YES
Nevada	13	18	YES	75%	56%	YES	YES
New Hampshire	9	15	YES	81%	67%	YES	YES
New Jersey	17	19	YES	61%	55%	YES	YES
New Mexico	16	19	YES	69%	60%	YES	YES
New York	16	19	YES	72%	56%	YES	YES
North Carolina	9	13	YES	72%	63%	YES	YES
North Dakota	---	---	---	---	---	---	---
Ohio	13	17	YES	0%	61%	NO	NO
Oklahoma	12	14	YES	68%	63%	YES	YES
Oregon	14	18	YES	71%	57%	YES	YES
Pennsylvania	13	16	YES	67%	59%	YES	YES
Puerto Rico	15	20	YES	29%	53%	NO	NO
Rhode Island	14	16	YES	68%	60%	YES	YES
South Carolina	10	14	YES	75%	63%	YES	YES
South Dakota	13	14	YES	79%	66%	YES	YES

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Tennessee	12	16	YES	67%	63%	YES	YES
Texas	14	17	YES	66%	59%	YES	YES
Utah	11	15	YES	85%	64%	YES	YES
Vermont	11	14	YES	76%	64%	YES	YES
Virgin Islands	13	17	YES	60%	60%	YES	YES
Virginia	11	15	YES	74%	65%	YES	YES
Washington	13	17	YES	0%	59%	NO	NO
West Virginia	13	17	YES	63%	60%	YES	YES
Wisconsin	11	15	YES	74%	63%	YES	YES
Wyoming	12	15	YES	0%	62%	NO	NO

This midyear analysis is based on partial data and **does not** represent final outcome payment eligibility. Analysis is provided for informational purposes only.