

Help Colorado's Workers Get Better Skills and Back to Work

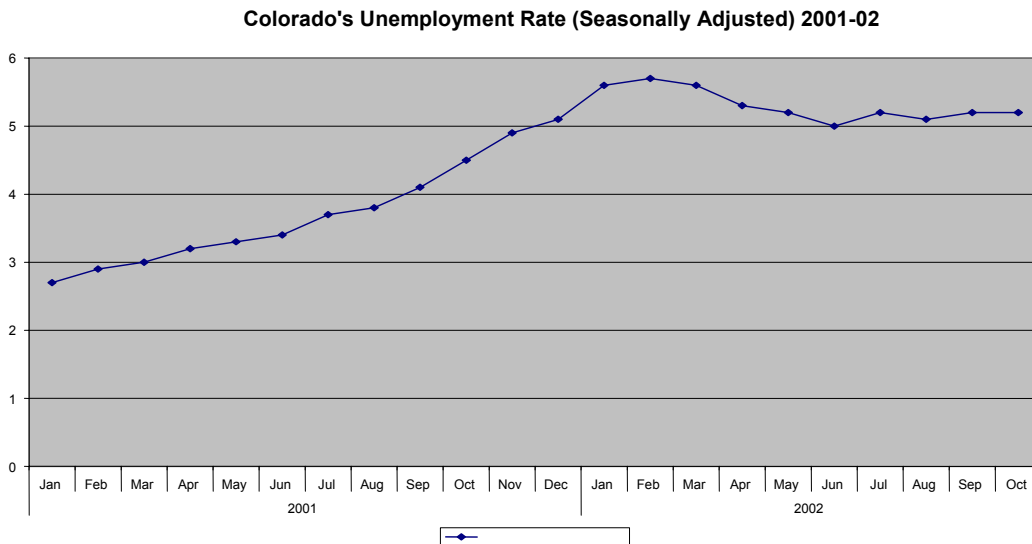
Program Name: **Workforce Development and Employment Services**

Responsible State Agency: Department of Labor and Employment

Goal: *Use 15% of federal "Reed Act" funds to ensure the provision of effective workforce development services to the state's growing population of unemployed and underemployed workers.*

Rationale:

- Colorado's unemployment rate almost doubled in two years, from 2.7% in December 2000 to 5.2% in November 2002. The state has lost more than 50,000 jobs this year, leaving more than 124,000 workers unemployed.



- This has created increased demand on our workforce development system, which provides employment and training services to those who are out of work.
- Last March, in response to this strain on the capacity of states to provide benefits and services to unemployed workers, the federal government distributed \$8 billion in excess federal unemployment trust funds to the states' accounts in the Unemployment Trust Fund (Special Reed Act Distribution, Job Creation and Worker Assistance Act of 2002). Colorado received \$142.7 million in Reed Act funds.

(over)

- In a guidance letter, the U.S. Department of Labor urged states to give “serious consideration” to using these new federal funds to strengthen and enhance the services provided to unemployed and underemployed clients of the workforce development system.
- Some of the ways they suggested these funds be used include:
 - Hiring staff for delivery of appropriate core and intensive services employment services
 - Developing products that support service delivery such as labor market information products and job bank technology
 - Providing job search and job placement services
 - Improving access for individuals with disabilities and with limited English proficiency.
- **It is imperative that the state legislature appropriate 15% of Reed Act funds to the Department of Labor and Employment to ensure the adequate and effective provision of these essential services to Colorado’s unemployed and underemployed. This will not only help these workers remain self sufficient but will reduce the demand for unemployment insurance.**