



Older Americans Act (OAA)

Reauthorize OAA to Protect and Support America's Older Workers

What is the OAA?

In 1965, the OAA was passed in response to concern by policymakers about a lack of community social services for older persons. Although older individuals may receive services under many other federal programs, today the OAA is considered to be the major vehicle for the organization and delivery of social and nutrition services to seniors and their caregivers, authorizing an array service programs.

Title V of the OAA authorizes the Senior Community Service Employment Program (SCSEP), a 45-year-old program dedicated to preparing older workers for the modern labor market. It is the only federal workforce development program explicitly designed to assist older workers. SCSEP participants must be unemployed, 55 years of age or older, and have incomes of no more than 125 percent of the federal poverty level. While they train for employment, SCSEP participants provide valuable services at local nonprofits and public agencies, expanding the capacity of these organizations to serve the public.

Issues of Concern

The unemployment rate for seniors has reached record high levels during the recent economic downturn. At the same time, the labor force participation rate for this group has been on the rise. Some have attributed this to the need of many individuals near retirement to continue working after large losses in their retirement accounts and to ensure adequate post-retirement incomes to address increased life spans.

For older workers who have lost their jobs, it takes drastically longer to find new employment than it does for their younger counterparts. The longer a worker is unemployed, the less likely he or she is to return to work. In addition, older workers are more likely to be laid off from jobs in declining industries. These structural changes in the labor market require workers to obtain additional skills training and education. As home owners, older workers do not have the flexibility to relocate to an area where the job market is better.

Older Workers and Goodwill®

Goodwill Industries® believes that everyone who wants to work should have the opportunity to do so. SCSEP enables community-based organizations like Goodwill to create opportunities for older workers, and demonstrate to a diverse set of employers that older workers can be contributing, productive and successful members of the labor force.

Since October 2006, Goodwill Industries International has been one of 18 national SCSEP grantees, funded by the U.S. Department of Labor Employment and Training Administration. SCSEP provides Goodwill Industries International and its six local Goodwill sub-grantees with resources to engage older individuals with low incomes in valuable training and employment preparation. From 2009 to 2010, almost 3,000 seniors participated in 20 hours per week of paid community training in more than 770 community-based organizations and public entities.

The Solution

The OAA is due for reauthorization, thus offering a key opportunity to enhance the law to meet the needs of seniors, especially those who are vulnerable and face additional disadvantages. Based on Goodwill's experiences providing services to nearly 130,000 seniors in 2011, Goodwill Industries International makes the following recommendations:

- **Allow the use of pilot and demonstration authority in Section 502(e) to test "Sector Strategies."** Piloting a test in this area will create jobs in specific growth sectors, with an emphasis on addressing issues faced by older workers (e.g. discrimination, workplace flexibility, workplace culture, etc.).
- **Expand the scope of SCSEP to include other older adults who have low incomes but not currently eligible.** Anecdotal evidence shows that many applicants have been receiving unemployment insurance for two years or more and may be only slightly over the income level to qualify for SCSEP. These individuals need updated skills training to be competitive in today's labor market.

- **Maintain the 48-month durational limit of the program.** SCSEP is designed for individuals who want to work. Current time limits are in place to assure this need is addressed in a cyclical program that assists as many eligible individuals as possible.
- **Maintain the structure of the grant competition and data collection.** A competitive grant increases the quality of the program while data collection and reporting assist with identifying best practices and areas for improvement.
- **Increase collaboration with SSA TTIWA in section 503(b)(2)(A).** This will result in individuals utilizing the full array of supports and meeting increased needs of participants, and removing the SCSEP participation barriers of SSI and SSDI recipients.

Action Requested

Goodwill urges Congress to reauthorize the OAA in a timely manner to meet increasing needs of older workers with low incomes.

About Goodwill Industries

Goodwill generates opportunities for people to achieve economic stability and build strong families and vibrant communities by offering job training, employment placement services and other community-based programs for people who have disabilities, lack education or job experience, or face employment challenges. In 2011, Goodwill provided services to 4.2 million people. Approximately 190,000 people in the United States and Canada obtained meaningful employment as a result of Goodwill career services programs. Collectively, these employees earned \$2.9 billion in salaries and wages and contributed to their communities as productive, tax-paying citizens.

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"I never considered that I would not be employed – that is, until the day when I was 57 years old and got laid off. Being over 55 and disabled does not make me a desirable job candidate. I enrolled in the SCSEP program through Goodwill to start up the data destruction and recycling program. I want to do this for the rest of my life". – Larry Ready