

**Department of Workforce Services**  
**Report on COVID Crisis**  
**Social Services Appropriations Subcommittee**  
**June 1, 2021**

## **Legislative Requirement**

The Department of Workforce Services submits this report to comply with the following intent language from the 2021 General Session:

*From HB 3, item 63*

The Legislature intends that the Department of Workforce Services provide a written report to the Social Services Appropriations Subcommittee June 1, 2021 on what the Legislature can do to better prepare our citizens, employees, and most vulnerable populations for times of crises, including identifying programs the agency has determined are effective for preparing citizens that could not operate at full capacity; for these programs, agencies should indicate if this was due to inadequate funding and provide recommendations for how to improve the program.

## **Executive Summary**

COVID-19 has highlighted the significant impact disruptive events can have on the economic situations of individuals, families, communities, businesses, and State employees. This report highlights some of the vulnerabilities of populations related to the Department of Workforce Services (DWS) that were exacerbated by the pandemic. In general, because of the support of State policymakers and the dedication and innovation of State employees, the department was able to continue services to support the populations it serves. However, the pandemic challenges forced the department to assess its operations and programs and as a result DWS has recommendations to promote its continued success.

## **Section I : Vulnerable Populations and their needs: What did we learn from COVID-19 about the needs of Vulnerable Populations?**

### ***Unemployment Insurance***

The unemployment insurance program is a weekly benefit available to those that are unemployed through no fault of their own, are both able and available for work, and were connected to the workforce for an extended period of time prior to losing their job. The pandemic showed the following to be critical:

- Online Access – 99% of claims were filed online, allowing for the following of health guidance to reduce the spread



- Employment Center Access – DWS safety net programs serve vulnerable populations that may need help applying for those critical benefits, the DWS employment centers provide that assistance and access
- Unemployment benefits can help meet critical needs and reduce economic decline by replacing some of the lost wages
- Job Search Remains Critical – Utah has a diverse economy, resulting in a quick recovery, however not all industries recovered the same. Job search and employment center connection allowed people to broaden their job search to discover where employment was now available

### *Office of Child Care (OCC)*

Child care subsidies are available for low-income parents to ensure access to affordable, high-quality childcare for their children while they seek or maintain employment. The number of households and children that receive a child care subsidy reduced slightly in calendar 2020, when compared to 2019. Households receiving a subsidy declined 5.8% during the pandemic, from 9,823 in 2019 to 9,256 in 2020. The number of children receiving a subsidy from these households declined 4.4% from 18,682 in 2019 to 17,842 in 2020.

During the COVID-19 pandemic, school and workplace closures created a challenge for all working parents and child care businesses. In April 2020, licensed centers reported 6,157 children attending, which was 30% of their center capacity. In the same month, licensed family child care providers reported 3,615 children attending, which was 50% of their capacity. Enrollment numbers have improved over the last year and in February 2021, licensed centers reported 21,804 children attending (74% of their capacity) and licensed family child care providers reported 7,120 children attending (81% of capacity).

#### Providing safe places for children

To ensure working parents had access to child care options, the Office of Child Care (OCC):

- Implemented an emergency child care system to support essential employees throughout the state;
- Launched operations grants to provide child care business owners with the means to stay open and operating, critical for supporting working parents;
- Released grants for summer programming for school-aged youth; and
- Provided funding to the Child Care Licensing Division for child care programs needing to retrofit or upgrade facilities to implement COVID-related health and safety protocols.

#### Preparing Employees

Employees were able to transition to remote work quickly and continued operations in a telecommuting environment. Virtual conferencing platforms were critical to meet and collaborate throughout the crisis. Ongoing support for technology supporting telework provides flexibility and the ability to adjust to changing working environments.

## ***Workforce Development Division (WDD)***

Reemployment services are available for all Utah citizens and many services are available online for citizens to access. Throughout the pandemic many citizens were able to successfully navigate online resources. There is a portion of our most vulnerable citizens who lack digital access or literacy and are unable to navigate online services. These individuals and families use Workforce Services and other community partners to access computers, internet, and in-person services. During the pandemic some of these vulnerable citizens struggled with accessing services as the department implemented physical distancing forcing limited computer availability.

Financial assistance is available to individuals and families through the General Assistance and Family Employment Programs in the state of Utah. The General Assistance (GA) Program provides time limited cash assistance and case management services to single adults and married couples that have no dependent children residing with them 50% or more of the time. General Assistance customers must verify a physical or mental health impairment that prevents basic work activities in any occupation. These services continued to be available throughout the pandemic. Some case management services, provided prior to the pandemic, were done primarily in a virtual environment over the phone and email. This allowed those services to continue to be provided in a similar format during the pandemic.

The Family Employment Program is a time limited cash assistance program available to single and two parent households with dependent children. During the pandemic, services provided needed to be adjusted to accommodate limited in-person interaction. This was done by providing services over the phone, by email and text. Options to have customer's sign required paperwork virtually were available prior to the pandemic and assisted in helping customers to have continued access. The program participants faced many struggles during the pandemic due to lack of child care options, children's schooling being moved online or virtual, health concerns, and employment opportunities. This population also tends to have a lack of resources which can include the technology resources and skills needed to navigate participation in the program while also balancing the added demands needed for their families during the pandemic.

WIOA education assistance is available to individuals and youth. During the pandemic case management services for these programs shifted to a format that accommodated more limited in-person interaction and was offered similar to other case management services at Workforce Services. These interactions occurred primarily via phone, email and text. Due to school closures or shifting of services to online formats, individuals faced challenges that delayed schooling or required additional resources to continue. Some individuals in this population did not have the technology access in their home, creating additional needs unforeseen due to the pandemic, such as child care.

Assistance needs for these individuals and their families increased as many were laid off due to the pandemic and struggled to make ends meet. Many of the ways to engage and connect with individuals that would benefit from these services were no longer available, due to the lack of in-person services at schools and in the community. Vulnerable youth that qualified for the

WIOA program became more difficult to engage and identify with, in some cases even more so than their adult peers. The youth also faced heightened mental health barriers due to isolation and limited ability to connect.

### ***Office of Homeless Services***

- Individuals and families experiencing homelessness need access to stable and attainable housing solutions
- Increased access to, and expansion of mental health services
- Increased access to, and expansion of substance use treatment facilities
- Continued programs and funding to support homeless prevention, permanent supportive housing, and rapid rehousing

### ***Housing & Community Development***

With millions of temporary or permanent job losses due to the pandemic, a national eviction moratorium was put in place to prevent a massive surge in homelessness, and additional support programs were implemented to assist individuals and families to remain in stable housing environments. The Housing and Community Development Division implemented federally funded programs to provide emergency rental assistance.

- Local Housing Assistance Program (May-December 2020) - The state utilized CARES Act funds to establish a rent relief program for individuals and households impacted financially by COVID-19 and whose housing stability was in jeopardy.
- Emergency Rental Assistance Program Round 1 (January 2021-September 2022) - Federally funded through the U.S. Department of Treasury to provide rent relief assistance to individuals and households impacted financially by the pandemic and support landlords carrying the burden of past-due rent. The program can pay for past-due rent, fees, utilities, and other housing stability needs.
  - Utah did request funds for Emergency Rental Assistance Round 2. The Housing and Community Development Division is in consultation with municipal partners to determine the need for the additional assistance.
- Homeowner Assistance Fund - Utah requested to participate in this program intended to support individuals and households needing mortgage assistance after January 2021. Currently, the division is doing the necessary research to determine the need and build a plan accordingly to submit to the U.S. Department of Treasury.

### ***Utah State Office of Rehabilitation (USOR)***

USOR provides services to individuals with disabilities through Vocational Rehabilitation (VR), Disability Determination Services, the Division of Services for the Deaf and Hard of Hearing and the Division of Services for the Blind and Visually Impaired.

During the pandemic the USOR transitioned to primarily providing services in a virtual setting, via video call, phone call and email. To accommodate specific disability related-needs, we continued to meet with some customers in-person (while adhering to COVID safety protocol).

From COVID-19, we learned the following about the need of vulnerable people with disabilities:

- Many people with disabilities have health-related concerns that put them at higher risk for contracting COVID. This created additional barriers for engaging in services and participating in the workforce. Many individuals had to suspend participating in training and job search activities.
- There are often technology challenges, especially for those with developmental and intellectual impairments, in being effectively served through virtual platforms. In addition, some customers did not have the technology available to participate in virtual services; nor the computer literacy skills.
- Individuals who require in-person support through job coaches and care attendants sometimes struggle with receiving an adequate level of support due to provider restrictions and social distancing.
- Limited in-person interaction and social distancing created negative consequences for some customers. This includes difficulties for those who need extra assistance or support, such as those with physical and sensory disabilities seeking accommodation and for those with mental health conditions struggling in isolation.
- Many youth and students with disabilities struggled in sustaining participation in services; they also encountered challenges with engaging in online school.
- Additionally, people with disabilities sometimes experience service provider and community-based challenges with transportation, accessibility in virtual health care environments (such as real-time American Sign Language (ASL) or captioning; or screen reader compatible for individuals who are blind or have visual impairments) and communication.
- People with disabilities, especially those with the most significant disabilities were strongly impacted by the economic fallout of the pandemic. Many are employed in service industry occupations (such as retails, good service and hospitality sectors), which experienced significant layoffs. This also presented a challenge with job search activities and rejoining the workforce.
- Conversely, the rapid shift of employers offering ongoing teleworking has made some previously unviable jobs available to people with disabilities, such as those with mobility challenges.
- Managed paid work experience opportunities are highly impactful for people with disabilities. Counselors being able to create and incentivize individualized work experiences not only provides increased opportunities for their customers, but it also creates a much higher degree of ability awareness and acceptance on the part of employers who might otherwise look elsewhere for staff.

- Rapidly changing economic conditions amplify barriers for people with disabilities. During times of rapid economic and industry change such as that caused by COVID, the individualized guidance and counseling provided by counselors was critical for many who would have otherwise been overwhelmed and left behind.

### ***Refugee Services Office (RSO)***

- Utah Refugee Center (URC) Access – DWS safety net programs serve vulnerable populations that may need help applying for those critical benefits, the URC provides that assistance and access
- Job Development Remains Critical – Utah has a diverse economy, resulting in a quick recovery, however not all industries recovered the same. Our job development efforts are essential to getting refugees back in the workforce post pandemic.
- Training programs and housing remain critical. The health of our training programs to train refugees in industries that are in high demand has never been more important. Also, as resettlement numbers increase, our housing programs such as refugee housing (RESH) are essential programs providing refugees access to affordable housing and training upon arrival into Utah.

### ***Eligibility Services Division (ESD)***

- ESD's workload increases gradually and not as immediately as some of our other divisions.
- Customer expectation of timeliness and accuracy is heightened.
- Common assumptions of ESD customers being technology-challenged may be overstated.

Supplemental Nutrition Assistance Program (SNAP) total benefits issued:

- 2019 - \$232,510,471
- 2020 - \$333,565,850

## **Section II: Preparing for the time of crisis (vulnerable populations, citizens, employees): Identifying programs the agency has determined are effective for preparing citizens that could not operate at full capacity.**

### **Office of Child Care (OCC)**

*Programs that are effective to prepare citizens that could not operate at full capacity*

The Child Care Quality System (CCQS) was launched for licensed centers in October 2019 to help support Utah families in making informed decisions about the child care program that best serves their child's needs while creating a safe, nurturing and developmentally appropriate setting. A key component of the quality rating system is classroom observations. Due to pandemic restrictions and centers focusing on adjusting to operating within the restrictions, new

applications to participate in the CCQS were put on hold. OCC is working to recertify observers to continue building CCQS again in the summer of 2021.

### **Section III: Policy responses and recommendations: What the Legislature can do to better prepare our citizens, employees, and most vulnerable populations for times of crisis?**

#### ***Unemployment Insurance***

- Trust Fund Solvency – Utah’s trust fund formula has proven to be incredibly effective. During the Great Recession, 35 state trust funds went insolvent, Utah’s did not. Thus far during the pandemic, 20 states have already gone insolvent with 4 more having depleted over 75% of their fund, Utah is not projecting insolvency. The solvent trust fund allowed benefits to continue without disruption.
- Online services have proven to be incredibly effective for the majority, however the in-person, employment center support model remains critical for vulnerable populations.
- The Legislature has supported the use of UI modernization funds annually to modernize the enterprise platform, and this need continues as we complete full system alignment to the .NET platform. This continued focus on IT enhancement allowed the state to respond to the demand, stand up the new programs timely, and prevent downtime.

	2019	2020
Total New Unemployment Claims	57,200	387,345
Total Unemployment Benefits Paid	\$150,192,511	\$1,711,130,974

#### ***Office of Child Care (OCC)***

- OCC amended subsidy policies to ensure low-income working parents had access to child care. Policy changes included raising the income limit for eligibility to 85% of the State Median Income, waiving copayments, and paying a subsidy grant based on enrollment rather than attendance in a child care program. These policies will be in place through FY23.

#### ***Workforce Development Division (WDD)***

- Continue to provide opportunities for those on the other side of the digital divide to obtain needed computer, phone, internet and technology access available with in-person building assistance.



- Continue to support programs that assist vulnerable families in obtaining skills that assist with upward economic mobility.

### *Office of Homeless Services*

- Identified resources for quarantine, isolation, overflow, and day shelter
- Increased in staff in Homeless Resource Centers and emergency shelters to connect and support people when they move into housing
- Increased housing program staffing to support landlord and tenant mediation, to identify available units, and to build relationships with landlords
- Increased staffing and resources for street outreach programs throughout the state
- Access to supplies (PPE and hygiene support)
- Access to services (healthcare, testing, vaccinations)

As federal funding is reduced, what needs remain?

Continued programs and funding to support homeless prevention, permanent supportive housing, and rapid rehousing

Data represented below is from the Homeless Management Information System (HMIS) and reported to the U.S. Housing and Urban Development for the Federal Fiscal Year (\*FFY). It is important to note that HMIS data does not include domestic violence service providers, as they are prohibited from entering identifiable data into the system per the federal Violence Against Women's Act (VAWA).

Additionally, there are a number of homeless service providers throughout the state who do not participate in data collection through HMIS.

- Successful exits and retention of permanent housing increased from 93% in FFY19 to 95% in FFY20
- Persons who exit homelessness to permanent housing destinations and who return to homelessness has decreased from 32% in FFY19 to 29% in FFY20
- The number of unduplicated persons in emergency shelters and transitional housing decreased from 12,847 in FFY19 to 10,846 in FFY20
- The number of persons experiencing homelessness for the first time decreased from 8,946 in FFY19 to 7,433 in FFY20
- Average length of time in emergency shelter increased from 62.4 days in FFY19 to 72.97 days in FFY20

(\*FFY19 is October 1, 2018 to September 30, 2019 -- FFY20 is October 1, 2019 - September 30, 2020)

### *Housing & Community Development*





Continue to support efforts to solve housing affordability in Utah at all levels, but especially for low and middle income households. The housing market in Utah continued to boom during the pandemic, even though hundreds of thousands of Utahns were impacted financially.

- Utah has a shortage of 46,470 rental homes that are affordable and available for extremely low-income renters.
- 183,220 Utah low-income households spend more than half of their income on housing.
- The Kem C. Gardner Policy Institute reports that Utah has a housing gap between new home permits and new households of roughly 45,000 units over the past decade, resulting in lower vacancy rates, doubled up households and higher housing costs.

#### ***Utah State Office of Rehabilitation (USOR)***

- Continue to provide opportunities for people with disabilities and other special health care needs to obtain needed access to computer, phone, internet and technology services with in-person building assistance.
- Continue to ensure websites with emergency-related information are accessible to people with disabilities including using captioned videos, American Sign Language (ASL) Interpreters, and alternative tags for images to increase readability by those who are blind or visually impaired and who use screen readers and other assistive technologies.
- Continue to consider the specific needs of people with disabilities when developing safety and prevention strategies; and priority in accessing resources and treatment.

#### ***Refugee Services Office (RSO)***

- Continue to set the example as a state in welcoming refugees to Utah. The support from the governor and the legislature are essential for us to continue supporting refugee organizations (RCBO's).
- Continues to support RSO's efforts in showing how the diversity that Utah gains from supporting a robust refugee resettlement program enriches us all. Refugees fill many essential positions that are in tremendous demand by employers throughout the State of Utah.
- Continue to support the Refugee Services Office to cover programs and to hire the essential staff needed to provide the unique services that RSO offers.

#### ***Eligibility Services Division (ESD)***

- During times of crisis, services offered by ESD are greatly needed. It is during these times that ESD experiences its highest caseloads. Funding is necessary to deliver services.
- Supporting continued system enhancements and initiatives ensures ESD continues to deliver services in an efficient and cost-effective manner.
- Robust and intuitive online portal offering most ESD services online.
- Limited vacancies and appropriate staffing levels to handle workload changes.

## **Conclusion**

During a crisis, the challenges and needs of the vulnerable population are exacerbated including populations served by the Department of Workforce Services. The department was able to continue its operations and serve its customers because of prudent investment and support of the Legislature and Governor and because of the innovation and dedication of the department's employees. The department asks the Legislature to continue its support of the department's critical programs and systems to ensure the residents of Utah are best able to meet future challenges.