

Senate Health, Education, Labor and Pensions Committee
Subcommittee on Retirement Security and Aging
Hearing on the Senior Community Service Employment Program
Older Americans Act (Title V)

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Written Statement of
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Senators Enzi, Kennedy, DeWine, and Mikulski, and Members of the Committee:

As the Executive Director of Senior Service America, I appreciate this opportunity to share our views on the reauthorization of the Senior Community Service Employment Program under Title V of the Older Americans Act.

Senior Service America is the third largest national SCSEP grantee funded by the U.S. Department of Labor. Since 1968, we have operated SCSEP exclusively through subgrants to 108 local community-based, faith-based, and publicly-funded organizations. Currently, our local partners operate SCSEP in 257 rural, urban, and suburban counties in 23 states and the District of Columbia. Among our partners are local affiliates of Catholic Charities, Jewish Vocational Services, and the National Urban League; community action agencies and other community-based organizations; rehabilitation agencies; institutions of higher education; local area agencies on aging; workforce development agencies; senior centers; and regional councils of government. Our subgrantees operate an array of programs in addition to SCSEP.

Each year since the 2000 reauthorization, our network of local subgrantees has surpassed the contractual goals of our grant with the Labor Department. In Program Year 2004-2005, our diverse network of subgrantees exceeded their performance goals during the first full year of operation under the final SCSEP Rules (issued in April 2004) and the implementation of a new, far-reaching, and mandatory SCSEP data collection system. Last year, our program enrolled over 11,000 participants, who provided nearly 5.5 million hours of paid community service at over 2,800 local nonprofit and public agencies. We accomplished these goals and expended 75% of our funds to pay the wages and fringe benefits of SCSEP participants.

We believe that the performance of Senior Service America's subgrantee network demonstrates that Congress was on target when it significantly strengthened and modernized SCSEP during the last reauthorization in 2000. Under the current law and regulations, a wide range of organizations are able to accomplish SCSEP's dual missions of employing our nation's most vulnerable seniors to (1) provide needed services in their community and (2) secure unsubsidized employment.

In our opinion, the latest research on older workers, adult learning, and civic engagement published since the last reauthorization only reinforces that SCSEP is both a valid and necessary program for another five years. If SCSEP had not been established over forty years ago, experts on aging today most likely would be calling for creating a new program just like SCSEP as part of a larger, comprehensive national response to our aging society. We think that the nine million seniors who will be poor or near poor in the next decade (and therefore eligible for SCSEP) would be best served if Congress reaffirmed in 2006 the same purposes and delivery system for SCSEP as in 2000.

Using the latest “buzz” words in aging, we would argue that SCSEP is a proven civic engagement program for disadvantaged seniors. Too often unrecognized or overlooked as assets in their communities, tens of thousands of low-income seniors are doing real and valuable work that would be sorely missed. The structure and rewards of paid employment (even at the minimum wage) promote not only the acquisition of skills but also a boost in self-esteem and self-awareness. In short, SCSEP is transforming their lives and building their communities.

For these reasons, we concur with the attached document which describes a vision and rationale for SCSEP that was adopted by the national SCSEP grantees last January, prior to the Labor Department’s release of its own Legislative Principles for reauthorizing SCSEP. Instead of reiterating the principles described in this joint document, I wish to provide additional information we received from our subgrantees and focus the rest of my testimony on several key points.

In preparation for this hearing, we invited our subgrantees to submit their views on aspects of the Labor Department’s proposals. (If requested, we will provide a summary of all responses at a later date.) More than 50 of our subgrantees have responded to our invitation, along with a handful of state SCSEP directors. Based on their recommendations, there was unanimous support for the following:

- Maintaining SCSEP’s primary emphasis on community service employment
- Keeping the minimum age of eligibility at 55

All of our subgrantees who submitted comments agreed that the capacity of their participating host agencies, large and small, would be greatly diminished if national SCSEP grantees either chose or were required to cut back their expenditures on paid community service employment for SCSEP participants. Currently, the Older Americans Act requires that 75% of all SCSEP funds must be spent on paying wages and benefits to SCSEP participants. This budget policy enhances the availability of SCSEP participants to work in various agencies, including many that are integral to the larger network of service providers to the elderly under the Older Americans Act, including:

- Meals on Wheels and other senior nutrition programs
- Elder care and child care
- Senior centers

For instance, the SCSEP project director of our subgrantee in Lisbon, Ohio, reminded us of a news story he sent us last summer from the “Salem News,” quoting Iris Marshalek, the director of the local office on aging, about her three SCSEP participants: "Without their assistance, we would not be able to have senior day care...they are life savers."

Other types of agencies that would be jeopardized by a cutback on paid community service employment include libraries, especially in rural areas, and One Stop Career Centers, where SCSEP participants often serve as specialists for all older job seekers.

A cutback in paid community service employment would also discourage innovative projects such as the cultural tourism and oral history initiative that we launched last summer in south central Louisiana, the heart of Acadiana. Before Hurricanes Katrina and Rita struck, we supported two of our subgrantees, the Evangeline Council on Aging and Lafayette Council on Aging, to train SCSEP participants on conducting and transcribing interviews with older residents about local history and culture. In conjunction with the University of Louisiana in Lafayette, this project is part of an emerging economic development effort linked to local tourism. Despite the hurricanes, the SCSEP participants are completing oral histories, including several narratives of survival and recovery. While the project is unlikely to lead directly to unsubsidized employment opportunities in the immediate future, it has provided participants with the opportunity to contribute to documenting the history of their communities and enhance their communications and writing skills.

A few of our subgrantees who submitted comments supported an increase in classroom training for SCSEP participants, primarily to supplement—not replace—paid community service employment as the primary activity that best fits the needs of the majority of their SCSEP-eligible population. It is our view that Congress could increase classroom opportunities for SCSEP participants without taking away resources for community service employment by revising or eliminating the current Section 502(e) and considering “National Activities” as proposed by the Labor Department.

In addition, we support the Department’s aim to increase the capacity of the larger public workforce system to serve older workers and job-seekers. Based on population and labor market projections for many of the states where we operate SCSEP, workers 55 and over will comprise ALL of the net labor force growth in states such as Iowa, Ohio, Pennsylvania, and Wisconsin. To meet the needs of employers as well as older job seekers, we will need a more robust public workforce system that knows how to assess, train, counsel, and assist older persons in addition to youth and displaced workers. We must find a way in which more of the resources of the public workforce system are spent on all older workers, including SCSEP participants.

Taking into account the sheer numbers of the Baby Boomers and the latest research on pension coverage and attitudes toward retirement, we support stronger coordination and linkage between the existing public workforce system and other public systems such as state and local area agencies on aging, vocational rehabilitation, and the public library system.

SCSEP must remain an essential part of this broader system. Those seniors with multiple barriers to employment will continue to need extra assistance if they are not to be passed over by employers. The current law establishes a specific program performance measure and defines those seniors who are considered “most-in-need.” It would be helpful if Congress would provide additional clarification to the income eligibility guidelines for SCSEP.

We also urge Congress to recognize the value of funding national organizations to continue to be an integral part of the SCSEP delivery system. Working with our local subgrantees and other national SCSEP grantees, Senior Service America has been able to develop several products that are helping to improve SCSEP and other programs for older Americans. Our recent publications and video (“The SCSEP Story: Transforming Lives, Building Communities”) have been well-received by

practitioners inside and outside of our subgrantee network. “Giving Back,” a publication about SCSEP in Ohio, and “Engaging Immigrant Seniors in Community Service and Employment Programs: A Guide for Providers,” complement each other, for together they challenge us to prepare all seniors in poverty (both native- and foreign-born) to be able to contribute to their community.

We are especially grateful to the four oldest minority aging organizations for their assistance in producing our guide on immigrant seniors: the Asociacion Nacional Pro Personas Mayores, the National Asian Pacific Center on Aging, the National Caucus and Center on Black Aged, and the National Indian Council on Aging.

National grantees are also able to establish and maintain partnerships with national organizations to enhance SCSEP as a whole. For example, Senior Service America engaged the Center for Applied Linguistics to co-author the guide on immigrant seniors. We also have engaged the American Society on Aging to develop materials enabling our subgrantees to train SCSEP participants to train their peers on cognitive vitality, brain wellness, and older drivers. We also have worked with the U.S. Chamber of Commerce’s Center for Workforce Preparation to promote partnerships between our SCSEP subgrantees and their local chambers of commerce, as well as individual national corporations such as CVS.

We also work closely with the state SCSEP directors and other national SCSEP grantees in the development of the annual SCSEP state plan and helping to meet equitable distribution goals at the county level. In our opinion, the stronger state SCSEP planning process, which began with the Final SCSEP Rules in April 2004, has improved the partnership and coordination between state and national grantees operating within a state.

As a national grantee, we also provide ongoing training and technical assistance about SCSEP to our subgrantee network. They are thoroughly familiar and in compliance with final SCSEP regulations issued in April 2004 and are reporting all data required by the Labor Department.

Finally, we also demonstrate the value we add as a national SCSEP grantee by bringing in organizations without prior SCSEP experience as subgrantees. For example, recently Jewish Vocational Services in Minneapolis joined our network because they recognized that their need as an agency to increase their capacity to serve older workers.

We urge Congress to continue to serve as wise stewards for this program as it has for the last forty years. As you consider possible amendments to SCSEP, please take into consideration all the data available about the program since the 2000 reauthorization. For example, all SCSEP grantees have been collecting and reporting data about participants, host agencies, unsubsidized placements, and other performance measures mandated by the Older Americans Act. We urge a thorough analysis of this data prior to any major restructuring of this program of demonstrated effectiveness.

Also, all grantees were encouraged to participate in the evaluation currently being conducted by the Government Accountability Office. Also, many grantees participated in an independent national evaluation of SCSEP commissioned by the Labor Department and conducted by DAH Consulting. Each of these separate evaluations should provide a framework for discussing how best to strengthen and improve SCSEP for the future.

In conclusion, we urge Congress to continue its commitment to providing paid community service employment to low-income seniors as one of SCSEP's dual complementary missions. We also ask Congress to continue to support national grantees as a proven strategy to promote improvement of SCSEP at the national, state, and local levels. Just as it invests in national organizations to operate a Job Corps program targeted to serve disadvantaged youth, the Labor Department should continue to invest in national organizations to operate the Senior Community Service Employment Program to serve disadvantaged older adults.

Thank you again for this opportunity to participate in this hearing. We will be providing additional testimony to the Committee within the next two weeks.

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A Vision for America's Low-Income Senior Workers and Their Communities

The following statement was adopted at a meeting held January 10, 2006, of the 13 national grantees funded by the U.S. Department of Labor.

For forty years, the Senior Community Service Employment Program (SCSEP) has provided part-time employment in a wide range of nonprofit and public agencies to low-income adults 55 and over. Every year, more than 100,000 older adults with poor employment prospects and the greatest need are able to re-enter the labor force. As extra help, SCSEP participants enable thousands of community and faith-based organizations to provide vital public services that would not otherwise be available to other needy seniors, children, and the general public.

The 2000 reauthorization of the Older Americans Act kept SCSEP intact while strengthening program accountability and the role of state governments. Congress concluded that SCSEP is an efficient and cost-effective program, serving practically every county in the nation, including hard-to-serve rural and urban communities.

The 2005 White House Conference on Aging recognized that SCSEP ensures that "the oldest, poorest and least skilled older workers do not fall through the cracks." Across the aging network, there is broad support for continuing SCSEP—with minor refinements—as our nation's most effective workforce program serving the most vulnerable older Americans.

Principles to Guide SCSEP Reauthorization (Title V, Older Americans Act)

1. Target services to older persons with the greatest economic and social need—including those from minority, rural, and urban hard-to-serve communities—by keeping the current age and income eligibility requirements.
2. Maintain and enhance the community service employment aspect of the program in addition to promoting economic self-sufficiency among participating seniors.
3. Maximize expenditures on participant wages and benefits and minimize administrative costs by retaining current policy on program budgets.
4. Support best practice and avoid disruption in the program by continuing to fund both national and state/territorial grants to operate SCSEP.
5. Strengthen the role of the Administration on Aging in SCSEP.

Possible Refinements to SCSEP

1. Amend section 502(e) to remove disincentives for private business concerns, community colleges, and other training providers to participate in innovative training and placement activities for SCSEP participants.
2. Fully implement a "balanced scorecard" to measuring SCSEP grantee performance that reflects Congressional intent, including service level to most-in-need, unsubsidized placement, and community service.
3. Streamline performance data collection.
4. Provide sufficient funds to respond to the projected increase in SCSEP-eligible persons.

This approach would respect Congressional intent in 2000 to update SCSEP without disrupting a proven program that has evolved to meet changing needs since its inception. Adopting these principles and refinements will enable SCSEP to serve the most vulnerable and hardest-to-serve older adults in a cost-effective, research-validated, and high-quality manner for the remainder of this decade.

Rationale

1. The number of older adults in poverty and at risk will increase significantly, according to the Census. By 2008 there will be 6.7 million persons aged 55 or over below poverty, a 22% increase from 5.5 million in 2000; by 2015, this number will increase to 9 million low income older Americans. Clearly the need for SCSEP is growing.
2. Current research about productive aging, employment, and civic engagement supports the validity of paid community service employment to assist older adults at risk. Working in bona fide part-time jobs provides not only needed financial aid but also contributes to participants' physical and mental well being, helping them avoid becoming increasingly dependent on others
3. SCSEP does more than help older job seekers find employment—it directly supports the day-to-day operation of thousands of community and faith-based organizations and government agencies. According to USDOL, 70% of these agencies reported that they would not have been able to provide the same level of services without SCSEP. Last year alone, SCSEP participants provided these agencies close to 46 million hours of paid community service. For instance, SCSEP participants and staff work as the primary older worker specialists at many WIA One Stops and have helped meet the increased demand for social services as a result of Hurricane Katrina.
4. SCSEP serves over 100,000 persons 55 and over each year, over twice as many as those served by WIA. Further, SCSEP serves a more needy population: over 70% of all SCSEP participants are women; over 80% are 60 and older; over 80% are at or below poverty, about one-third have less than a high school education; and over 40% are from a minority group. In contrast, WIA nationally serves less than 4,000 persons 65 and over of any income and education level (likely due to performance disincentives currently built into WIA, according to GAO Report 03-350). In PY2004, national and state/territorial SCSEP grantees achieved ACSI customer satisfaction scores that were “substantially higher” than scores for WIA, and better than most organizations in the private sector.
5. The thirteen national grantees (selected by USDOL through a national competition in 2003) add significant value to the total SCSEP program and delivery system. They develop and replicate successful program models by partnering with national-level corporations, employer associations, social service agencies, and other providers. These national nonprofit organizations strengthen SCSEP at the state and local level by sharing best practices on serving hard-to-reach rural and urban communities, including minority and immigrant groups; collaborating with WIA One Stops, area agencies on aging, etc.; and leveraging local resources to support SCSEP. National SCSEP grantees represent unmatched expertise and experience that would be difficult to replace.
6. Since USDOL did not issue final regulations for SCSEP until 2004, many of the initiatives and improvements embodied in the 2000 reauthorization are only starting to take effect. For instance, the reauthorization requires stronger national and state grantee coordination, but the improved state planning process has been in place for only one year. At the request of the Senate Special Committee on Aging, GAO is conducting a review of SCSEP since the 2000 Amendments. It would be premature to make major changes without full implementation of Congressional intent from the last reauthorization in 2000.