



A Strong REO Program Helps Build a Strong Workforce

AT A GLANCE

The Reentry Employment Opportunities (REO) program plays a critical role in facilitating a successful community reintegration for individuals leaving incarceration and building the foundations that lead to quality jobs.

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Introduction

There are more than 600,000 individuals released from state and federal prisons each year.¹ While no single federal program can address all the issues facing people rejoining their communities after incarceration, such as high unemployment rates and bias against workers reentering the labor market, the federal Reentry Employment Opportunities (REO) program can be a critical component of policies that assist returning citizens with finding and retaining employment.²

REO provides funding for a range of activities intended to improve labor market outcomes for justice-involved youth, young adults, and formerly incarcerated adults. Activities funded under REO are administered by the Employment and Training Administration (ETA) of the U.S. Department of Labor (DOL). While ETA has administered various reentry programs and activities since 2000, the REO program is not authorized directly in the main federal workforce development statute, the Workforce Innovation and Opportunity Act (WIOA). Rather, Section 169 of WIOA authorizes appropriations for “Evaluations and Research,” which provides ETA the authority to administer reentry programs and activities. Before WIOA, reentry activities were conducted under the authority of Section 171 of WIOA’s predecessor, the Workforce Investment Act (WIA). Since 2000, ETA has used a variety of names to describe reentry activities and programs.

This brief provides an overview of REO programs and offers recommendations for REO-funded activities.



Funding

REO programs are funded through the annual Labor-Health and Human Services-Education appropriations acts (L-HHS-ED). Funding has grown since Fiscal Year 2015, the effective date of WIOA, including from \$98 million for Program Year 2020 to \$115 million for PY 2023.³

Programs

As noted, ETA has administered numerous REO programs under WIOA. Because REO is not authorized in WIOA, the program parameters, purposes, and priorities are largely established by ETA. In the FY2023 L-HHS-ED appropriations act (P.L. 117-328), for example, the language accompanying the \$115 million REO appropriation only provides that of this total, \$30 million must be “for competitive grants to national and regional intermediaries for activities that prepare for employment young adults with criminal legal histories, young adults who have been justice system-involved, or young adults who have dropped out of school or other educational programs, with a priority for projects serving high-crime, high-poverty areas.”⁴ Beyond such provisions in the annual L-HHS-ED appropriations acts, ETA largely sets the conditions for the competitive grant process.



Despite not having an authorization in WIOA that sets the program structure, REO grants have generally included the following elements.

- **Participant Eligibility.**
 - Youth programs: Individuals ages 15 to 18 who are at risk of community violence or who have records of arrests, convictions, or incarceration.
 - Youth adult programs: Individuals ages 18 to 24 who are at risk of community violence or who have records of arrests, convictions, or incarceration. In addition, up to 10% of participants in this population may include individuals who are not high school graduates and do not have a record.
 - Adult programs: Individuals ages 18 and older who were incarcerated as an adult. Enrollment for adult participants occurs during incarceration.

- **Core Services.**

- Youth and young adult programs: REO projects for this group focus on post-release services, which include, but are not limited to, case management, employment and training services, education services, and other supportive services.
- Adult programs: REO projects for this group focus on pre- and post-release services, which include, but are not limited to, case management, employment and training services, legal assistance, and needs assessments.



Major initiatives are currently in place or have been implemented at some point since FY 2015 (see Table 1). The two largest projects, in terms of grantees and funding, are Reentry Project and Pathway Home, which are described briefly below:

- **Reentry Projects (RP):** ETA made three rounds of RP grants between 2017 and 2019 to 120 grantees for a total of nearly \$250 million. Grants were made to intermediary organizations, including nonprofit entities and state and local governments, to provide a wide range of services promoting “pro-social” reintegration of eligible participants. Such services included employment, housing assistance, and substance abuse treatment. All participants in the RP programs had to be living in or returning to communities where families lack sufficient income for basic needs, and crime rates are higher than in comparable areas.
- **Pathway Home (PH):** ETA made three rounds of PH grants between 2020 and 2022, with a fourth solicitation closed in the spring of 2023. The first three rounds of PH grants went to 60 grantees for a total of \$176 million. Grants were made to state and local governments, along with a range of nongovernmental organizations, to provide both pre- and post-release services to adults reentering their communities after incarceration. The PH programs are built on findings from a previous program—the Linking Employment Activities Pre-Release (LEAP) pilot—demonstrating the potential

for reducing recidivism by linking participants with employment counselors starting in incarceration and continuing into post-release. The PH programs thus connect a case manager with a participant 20 to 270 days from the scheduled release date to provide prerelease services, such as needs assessments, job preparation, and links to social services.

TABLE 1. SELECT REO PROGRAMS UNDER WIOA, 2015–2023⁵

Program	Purpose	Grantees	Funding (\$ millions)
Reentry Projects	Supports reentry strategies based on customized projects using evidence-based and evidence-informed interventions and promising practices that lead to increased employment outcomes.	120	\$246.1
Pathway Home	Provides pre- and post-release services to help eliminate gaps between release from incarceration and reentry program enrollment.	60	\$176.0
Growth Opportunities	Provides training, paid work experience, and partnerships with violence prevention organizations.	28	\$76.6
Young Adult Reentry Partnership (YARP)	Provides a range of employment and case management services to young adults with records of arrests, convictions, or incarceration in partnership with community colleges.	12	\$52.1
Partners for Reentry Opportunities in Workforce Development (PROWD)	This joint initiative between the Department of Labor (DOL) and Department of Justice (DOJ) provides targeted employment services to individuals who are federally incarcerated and approaching community reentry.	7	\$42.0

REO Recommendations

- **Authorize REO in WIOA.** Since 2000, ETA has administered a wide range of reentry programs and activities through the demonstration authority in WIA and then WIOA. This structure makes REO programs dependent on the annual appropriations process to implicitly authorize REO every year. If REO were authorized as a national program under WIOA in the same way that programs such as YouthBuild or programs for Native Americans are authorized, ETA would also have the flexibility to fund other activities under the demonstration authority in WIOA. REO currently accounts for most of the funds appropriated for “evaluations and research” because they are not directly authorized, which limits DOL’s ability to run other types of evaluations and research.
- **Maintain a Robust Evaluation Component.** Because REO has been administered through WIOA’s evaluation and research authority, there has been a robust evaluation component as part of the grantmaking process. For example, the Chief Evaluation Office (CEO) of DOL is currently conducting an impact study on the RP grants, the results of which are expected in 2024. To maintain the REO program as a resource for continuous innovation, an authorization in WIOA should include resources to evaluate programs and implement the most promising practices in future grantmaking.
- **Prioritize Prerelease Services.** Evaluation of the LEAP grants, which preceded the PH grants currently being evaluated, indicates promising results for pre- and post-release activities in outcomes such as enrollment, work readiness, and recidivism. There is some evidence that work-release and transitional employment programs, as part of a holistic approach to reentry, can result in increased employment and earnings and reductions in recidivism.
- **Include Funding for a Range of Supportive Services.** To support successful completion of employment and training activities, REO should provide comprehensive and structured support services to enhance individuals’ ability as they work toward securing self-sustaining employment while navigating the maze of structural bias and institutional barriers facing people with records of incarceration.



As part of authorization through WIOA, the REO program would be part of the WIOA performance accountability system, including reporting outcomes on the six core performance indicators. While reducing recidivism is an important goal of the REO programs and a measure of recidivism has been used as an additional performance metric in REO grants, including a measure of recidivism as part of a codified REO program is inconsistent with the primary goals of WIOA —improvement of employment and earnings for participants. The binary nature of a recidivism measure does not allow for the nuance of reentry, which may not be linear. More importantly, because WIOA programs intend to improve employment and earnings outcomes for participants rather than reduce recidivism, individuals may succeed in WIOA's measures of performance but not succeed on a measure of recidivism, which is beyond the intended purpose of WIOA programs.



Endnotes

1 “Incarceration & Reentry,” Office of the Assistant Secretary for Planning and Evaluation, accessed February 16, 2024, <https://aspe.hhs.gov/topics/human-services/incarceration-reentry-0>.

2 “Expanding Economic Opportunity for Formerly Incarcerated Persons,” The White House, accessed February 16, 2024, <https://www.whitehouse.gov/cea/written-materials/2022/05/09/expanding-economic-opportunity-for-formerly-incarcerated-persons>; “The Employment Situation—January 2024,” Bureau of Labor Statistics, accessed February 16, 2024, <https://www.bls.gov/news.release/pdf/empsit.pdf>; Leah Wang and Wanda Bertram, New Data on Formerly Incarcerated People’s Employment Reveal Labor Market Injustices (Prison Policy Initiative: Northampton, Massachusetts, February 8, 2022), <https://www.prisonpolicy.org/blog/2022/02/08/employment>.

3 “Reentry Employment Opportunities,” Department of Labor, accessed February 28, 2024, <https://www.dol.gov/sites/dolgov/files/ETA/reentry/pdf/REO-Fact-Sheet-10-28-22.pdf>; “Public Law 117–328 117th Congress,” Congress, accessed February 21, 2024, <https://www.congress.gov/117/plaws/publ328/PLAW-117publ328.pdf>.

4 “Public Law,” Congress, <https://www.congress.gov/117/plaws/publ328/PLAW-117publ328.pdf>.

5 Source: JFF, based on information from the Employment and Training Administration (ETA), U.S. Department of Labor (DOL); “Grantees,” Department of Labor, accessed February 21, 2024, <https://www.dol.gov/agencies/eta/reentry/grantees>. Note: The number of grantees includes duplicate counts, as a grantee could have received further grants in additional rounds of grantmaking and could have received funding through another REO program.



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