# ANA REPORT

PY' 2021

The Workforce Innovation Opportunity Act Annual Report from the South Carolina Department of Employment and Workforce

South CAROLINA DEPARTMENT OF Employment and Workforce "The Workforce Agency"

Real Property and a constant

### **OPENING REMARKS FROM OUR EXECUTIVE DIRECTOR**

As the 2021 program year for WIOA was beginning, South Carolina was opting out of the remaining federal pandemic unemployment programs. Since April of 2020, the state has been actively working with individuals to find employment in growing fields, identify transferable skills for open jobs, and find employment options that sustain families. With more than 100,000 jobs open, and diversity in the job options, our state had spent more than a year reengaging the workforce.

However, the pandemic changed our approach to some of our reemployment efforts. For example:

#### Virtual services:

By partnering with an online job service platform provider, our agency is able to conduct job fairs and hiring events virtually.

#### Immediate and customized intervention with UI claimants:

- As soon as someone files for UI in South Carolina, we began sending them weekly referrals to employers in their area that are hiring for positions with their skillset.
- DEW also started our Workforce Reemployment Assistance Program (WRAP). The second week of filing, claimants receive a phone call from our Employment Services staff to begin an intensive, personalized reemployment plan to get them back to work as quickly as possible.
- The agency worked to allow UI claimants who wanted to get their GED to continue receiving benefits while they studied for and took the exam. The South Carolina General Assembly was so excited about this program, they voted to reward people who get their GED through this program with \$500.



G. Daniel Ellzey Executive Director S.C. Department of Employment and Workforce

#### **Cybersecurity:**

The need for cybersecurity was highlighted during the pandemic, and employers became increasingly aware of the critical need for this workforce and these services. Our agency addressed this demand with some workforce options including:

- CompTIA: DEW's partnership with CompTIA provides an Incumbent Worker Training (IWT) scholarship for South Carolina businesses to train and certify their employees to develop Information technology (IT) proficiency at absolutely no cost. Through July of 2022, 76 businesses have been approved for training and have employees participating in CompTIA.
- Department of Defense Grant: In 2021, DEW was awarded its second grant totaling \$775,829 from the Department of Defense Office
  of Local Defense Community Cooperation (OLDCC). DEW, in partnership with the SC Manufacturing Extension Partnership and the
  SC Department of Commerce (Commerce), continued implementation of the South Carolina Cyber Assistance Program (SC-CAP) to
  provide funding and technical assistance to South Carolina manufacturers to meet the cybersecurity standards within Department
  of Defense contracts. Upon completing the program, companies have updated cybersecurity policies and procedures, reduced risk
  against cyber threats, and are able to comply with Department of Defense cybersecurity requirements.
- DEW's Cybersecurity Internship Program: The cybersecurity internship is a 12-month program that provides candidates with cybersecurity training while they work as security analysts at the agency. Participants can earn CompTIA Security+ certifications while completing the program. With the completion of the first 12-month cohort through the program, the agency will develop a template that can be utilized by other state agencies and private companies to build their own cybersecurity internship program.

#### Labor Force Participation Task Force:

Despite climbing employment and an unemployment rate back to pre-pandemic trends, South Carolina still needs workers. One way to fill open positions is to increase the state's typically low labor force participation rate. To address this opportunity, the agency convened the Labor Force Participation Task Force comprised of labor economists from higher education, businesses involved in labor market research, and a representative from the Federal Reserve who focuses in labor market information. The Task Force is approaching the problem by breaking it down into two different segments – research and a survey. These projects will help inform reemployment strategies to assist those who may not currently be in the labor force to overcome barriers and achieve employment.

In the meantime, DEW is taking a ground-up, individualized approach to this challenge through a pilot program called Laurens Direct Connect. This project identifies people who were employed in Laurens County before the pandemic but are not currently employed. By identifying UI claimants from the pandemic and working with regional partners, the agency can begin to find out why people have not returned to work, in order to offer hands-on, personalized services for reemployment, and work directly with area businesses that are hiring to match people with Laurens-area jobs. The team is calling each unemployed individual. If they are at all interested in a job, DEW and its partners will make great efforts to place them. If they indicate they have no interest in a job at all, they are asked to complete a survey to explain the reason. After completing the pilot program in Laurens, DEW will develop a statewide plan and move aggressively to implement the program for all South Carolina counties.

These are just a few of the new ways that our agency is addressing reemployment. Many more are included in this report. We will continue to support our best strategies and look for opportunities to support the booming economy of South Carolina.

### **CONTENTS**

WAIVERS	4
EFFECTIVENESS IN SERVING EMPLOYERS	5
PLANNED EVALUATIONS AND RESEARCH PROJECTS	6
SWDB Survey	
Results of the Rural Analysis	
Virtual Reality Survey	
CUSTOMER SATISFACTION	7
Job Seekers Surveys	
Business/Employer Surveys	
Survey Methods	
Efforts to Increase Survey Participation	
Continuous Improvement	
PROGRESS TOWARD ACHIEVING STATE'S VISION AND GOALS	8
Increasing the Provision of Soft Skills Instructions	
Cross-partner Frontline Staff Training	
Increasing Access through the Virtual Engagement Center	
Increasing Utilization of Work-Based Learning	
SECTOR STRATEGIES AND CAREER PATHWAYS	9
Emerging Industries	
Cybersecurity	
Electric Vehicles	
Public-Private Partnerships	
Be Pro Be Proud	
Labor Force Participation Task Force	
Career Pathways	
GED Incentive Program	
PERFORMANCE ACCOUNTABILITY	11
WIOA Primary Indicators of Performance	
WIOA Title I and III Negotiated Goals	
WIOA Title I and III Actual Performance	
WIOA Title III	
State-Specific Performance Measures and Outcomes	

Participant Cost Rate (PCR)	
Data Validation	
Common Exit Policy	
ACTIVITIES PROVIDED BY	
STATE FUNDS	19
Secret Shopper	
SWDB Resiliency Grant	
LAYOFF AVERSION AND RAPID RESPONSE ACTIVITIES	19
Layoff Aversion	
Early Identification and Assessment of Need	
Service Delivery to Avert a Layoff or Closure	
Employee Training	
Rapid Response Activities	
WAGNER-PEYSER ACT	20
Access to Employment Services	
Career Coach	
Hiring Events	
Employment Preparation	
Second Chance	
Back to Work	
Reemployment Efforts	
Weekly Job Match	
Enhanced Referral	
Individual Employer Plans	
DISLOCATED WORKER GRANTS	21
TECHNICAL ASSISTANCE	22
PROMISING PRACTICES AND	
SUCCESS STORIES	22
SC Works Success	
Regionalism	
WORKFORCE SYSTEM CHALLENGES	23
Labor Force Participation	
Low Program Enrollment	
Rural Development	
PAY-FOR-PERFORMANCE	23
ATTACHMENTS	
September 2022 Rual Workforce Study	
Temporary Layoff Training Memo	

Fund Utilization Rate (FUR)

### WAIVERS

Identify each waiver that the state has had in place for at least one program year and provide information regarding the state's progress toward achieving the goals and performance outcomes in ETA's letter of approval for the waiver (sec 189(i)(3)(C)(ii)) and outlined in the state's waiver request (when applicable). Discuss how activities carried out under each approved waiver have directly or indirectly affected state and local area performance outcomes. To the extent possible, provide quantitative information.

South Carolina did not have any active waivers in PY'21. The state submitted a request to waive the requirements outlined in the Workforce Innovation and Opportunity Act (WIOA) at Sections 116 and 122, pertaining to the collection and reporting of performance data on all students participating in training programs listed on the state's Eligible Training Providers List (ETPL) for Program Years 2021 and 2022. DOL denied the state's request, and South Carolina submitted all student performance data on October 27, 2021.

The State intends to request a waiver of the 75 percent out-of-school youth expenditure requirement outlined in WIOA Section 129(a)(4)(A). If approved, the waiver will enable the state to expand access to employment and training resources in rural communities, further engage and assist in-school youth with barriers to employment and increase the utilization of work-based learning. The State's request is to lower the out-of-school expenditure rate to 50 percent.



### EFFECTIVENESS IN SERVING EMPLOYERS

Identify the two approaches the state has chosen for the Effectiveness in Serving Employers performance indicator pilot. If the state is piloting a state-established measure of Effectiveness in Serving Employers, or has any other metrics to assess employer engagement, describe the measure or metric as well.

South Carolina utilizes the Employer Penetration Rate and Repeat Business Rate to measure Effectiveness in Serving Employers. These measures are identified in State Instruction Letter 17-09, Employer Service Performance Indicators and Employer Service Codes.

In comparison to PY'20, there was an increase in PY'21 of the number of establishments receiving services through the SC Works system. Workforce Recruitment Assistance had the largest increase of 19.22 percent, demonstrating the employer's needs for skilled workers. Incumbent Worker Training and Training Services also increased, likely as a result of the \$1M investment by the State Workforce Development Board and the uptick of On-the-Job Training contracts, which decreased during the pandemic. WIOA IWT grants to the Local Workforce Development Areas (LWDAs) were for 18 months from April 2020 through September 2022. Title I OJT activity increased from 333 contracts in PY'20 to 438 in PY'21.

A comparison of the number of establishments receiving employer services through SC Works among PYs 2019, 2020, and 2021 is below:

Employer Service	Establishment Count PY'19	Establishment Count PY'20	Establishment Count PY'21
Employer Information and Support Services	3,565	1,779	2,150
Workforce Recruitment Assistance	10,168	11,789	12,122
Engaged in Strategic Planning/ Economic Development	229	35	152
Accessing Untapped Labor Pools	1,279	1,406	1,440
Training Services	384	333	438
Incumbent Worker Training Services	65	55	75
Rapid Response/Business Downsizing Assistance	357	277	172
Planning Layoff Response	149	88	43

The pilot measures selected by South Carolina are displayed below for the same program years:

Pilot Approach	Program Yea	ar 2019	Program Yea	ar 2020	Program Year 2021		
	Numerator/ Denominator	Rate	Numerator/ Denominator	Rate	Numerator/ Denominator	Rate	
Employer Penetration Rate	13,181 / 142,721	9.2%	13,295 / 150,076	8.9%	13,542 / 164,146	8.2%	
Repeat Business Customer Rate	10,824 / 36,350	29.8%	8,395 / 37,798	22.2%	9,392 / 36,960	25.4%	

### PLANNED EVALUATIONS AND RESEARCH PROJECTS

Include brief descriptions of: Current or planned evaluation and related research projects, including methodologies used, efforts to coordinate the development of such projects with WIOA core programs, other state agencies and local boards, a list of completed evaluation and related reports and links to where they were made accessible to the public electronically, State efforts to provide data, survey responses, and timely site visits for Federal evaluations, and any continuous improvement strategies utilizing results from studies and evidence-based practices evaluated.

#### **SWDB SURVEY**

The SC Workforce Development Board partnered with the National Governors Association to compile information and examples from other states regarding the structure and governance of state workforce development boards. To gather the information, the NGA Center for Best Practices developed a survey that was circulated to state workforce development board directors and staff across the country. Based on the survey responses and independent research, the NGA center prepared a memo summarizing the state examples and best practices in the following key areas:

- Membership
- Committees and task forces
- Staff support
- Onboarding new members
- Training and professional development
- Stakeholder engagement
- Communications
- Local board engagement

A comparison of the examples compiled by the NGA to current practices deployed by the SWDB shows that the SWDB is organized very similarly to other state workforce boards. Additionally, many of the practices highlighted in the memo are practices that the SWDB currently uses. Differences emerged in areas of membership, committees and task forces, and local engagement. As a result of the survey, the Board will support the use of ad hoc task forces and work groups to engage stakeholders, including local workforce development boards, in the work of the SWDB.

#### **Results of the Rural Analysis**

During PY'21, the University of South Carolina, Darla Moore School of Business, conducted an analysis to determine if workers in rural areas faced greater barriers to reemployment. The research findings were published in September 2022 and concluded that rural workers laid-off during the COVID-19 recession were more likely to experience a longer period of unemployment than their urban counterparts, despite a broad-based labor market recovery over the past two years. Reemployment initiatives directed toward rural areas will be a crucial component of any economic development strategy to help improve long-term economic growth.

In PY'22, the SWDB will communicate strategies for prioritizing rural areas. Strategies may include:

- Expanding the use of online services to connect rural job seekers to employment and training opportunities
- Increasing availability and breadth of supportive services to remove barriers
- · Conducting strategic outreach to communities and individuals who need assistance reentering the workforce
- Utilizing non-traditional service strategies such as transitional jobs and work experience for adult participants to help overcome gaps in employment
- Engaging employers through industry and sector partnerships

The full analysis is provided in the September 2022 Rual Workforce Study.



#### **Virtual Reality Survey**

In cooperation with the SWDB, DEW is evaluating the current and planned utilization of virtual reality (VR) in education and workforce development. VR is the computer-generated simulation of a 3D image or environment. A person interacts with VR by using electronic equipment such as a helmet with a screen inside or gloves fitted with sensors. VR offers a new, hands-on approach to career exploration and can be used to augment classroom and on-the-job training.

SWDB investments in statewide employment and training activities have allowed LWDAs to purchase and deploy virtual reality equipment. The Upstate LWDA is a front-runner in the utilization of VR in partnership with K-12 and employers. Through our research, we have also found examples of VR use in other states, including Alabama, Arkansas, and Oregon.

The survey, distributed to education and workforce partners, will help the State better understand the current and desired use of VR in workforce development and inform strategies to best support and expand the use of VR technology. Results of the survey will be available in 2nd quarter of PY'22.

### **CUSTOMER SATISFACTION**

Describe the state's approach to customer satisfaction, which may include such information used for one-stop center certification, in accordance with 20 CFR 678.800. This description should include: the state's methodologies, the number of individuals/employers who were provided customer satisfaction outreach, the response rate, and efforts made to improve the response rate, the results and whether the results are generalizable to the entire population of customers, a description of any continuous improvement processes for incorporating the customer satisfaction feedback.

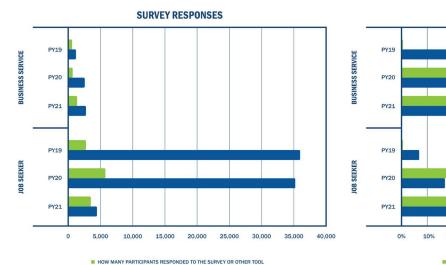
State Instruction Letter 21-06, SC Works Certification Standards, provides criteria that must be used to evaluate one-stop centers and the one-stop delivery system for effectiveness, including customer satisfaction, physical and programmatic accessibility, and continuous improvement. The Job Seeker and Business Services Standards require local areas to have a customer feedback system in place that assesses customer satisfaction of both the service(s) provided and the outcome(s) of the services. Local areas use a variety of methods and processes to collect job seeker and employer feedback.

#### JOB SEEKER SURVEYS PY'21

- 4,610 job seekers received a feedback survey or other tool
- Over 3,600 jobs seekers responded, yielding a 79 percent response rate
- Respondents reported a satisfaction rate of 88 percent

#### **BUSINESS/EMPLOYER SURVEYS PY'21**

- 2,522 business/employer surveys were distributed
- Over 1,400 employers responded, yielding a 57 percent response rate
- Respondents reported a satisfaction rate of 81 percent



HOW MANY PARTICIPANTS RECEIVED A FEEDBACK SURVEY OR OTHER TOOL

#### **YEARLY COMPARISON**

WHAT IS THE AVERAGE PARTICIPANTS SATISFACTION RATE

70% 80%

90% 100%

40% 50% 60%

SATISFACTION RATES

WHAT IS THE SURVEY RESPONSE RATE

20%

#### SURVEY METHODS

Local areas use a combination of paper and electronic survey methods:

- Electronic surveys are more commonly distributed to customers through email or made available on a website. Products such as Survey Monkey, Google Forms, MS Forms, Wufoo, Alchemer, and Rescare Pages are used for electronic surveys.
- Paper surveys are available in resource rooms and on or near staff workstations. In some LWDAs, centers have a central location where customers can submit completed paper forms.

#### **EFFORTS TO INCREASE SURVEY PARTICIPATION**

Survey completion is entirely voluntary. However, local areas use the following methods to increase survey participation:

- Using electronic or virtual platforms to distribute satisfaction surveys
- Monitoring feedback more closely (e.g., weekly vs. monthly)

#### **CONTINUOUS IMPROVEMENT**

Customer satisfaction feedback is used primarily to identify staff training and professional development needs and improve partner coordination, programs, and processes. Local areas are implementing the following additional continuous improvement measures as a result of satisfaction surveys:

- Offering more web/virtual based services, including online job fairs and WIOA orientation sessions
- Updating websites to improve accessibility and create a more user-friendly navigation experience
- Being more attentive to customer needs to create better relationships in an effort to allow SC Works to become recognized communitywide as a place to go for answers
- · Hiring a Director of First Impressions and/or other customer-oriented professionals to handle survey collections

The State is developing an SC Works Customer Satisfaction policy to serve as a guide to areas in the creation of customer feedback systems. The policy will include state-level questions that must be incorporated into local area satisfaction surveys. These standard questions will allow the State to compare satisfaction data across local areas more conclusively. The policy will also require local areas to submit satisfaction data to the State annually using a standardized template.

### **PROGRESS TOWARD ACHIEVING STATE'S VISION AND GOALS**

Progress made in achieving that state's strategic vision and goals, as described in the state's Unified or Combined State Plan, for developing its workforce and meeting employer needs in order to support economic growth and economic self-sufficiency.

#### INCREASING THE PROVISION OF SOFT SKILLS INSTRUCTIONS

Increasing the provision of soft skills instruction is a key focus of the SWDB in order to better prepare the workforce and support the needs of employers. In PY'20, South Carolina conducted an in-depth analysis of current job opportunities utilizing national and state labor market data. The analysis determined that today's essential soft skills are communication, digital literacy, problem solving, professionalism, teamwork, and time management. Partners then assessed the soft skill curricula used across programs to ensure alignment with today's essential soft skills, and agreed to report biannually and annually on the soft-skills education provided through their programs. During PY'21, approximately 4,867 participants received soft skills instruction, showing an increase of 1,013 participants from PY'20.

#### **CROSS-PARTNER FRONTLINE STAFF TRAINING**

WIOA Core and Combined Partners have committed to providing cross-program front-line staff training through involvement in the WIOA Partner Series and promoting other training opportunities to their front-line staff. The WIOA Partner Series aims to educate staff on the core and combined state plan partner programs and services, enhancing service delivery to businesses and job seekers through more informed referrals and integrated service delivery. Each quarter, one of the state plan partners will present virtually on their agency services, with an emphasis on their workforce programs, using Microsoft Teams. Participation in the webinars has at times exceeded 200, showing great interest from staff. Webinars are recorded and distributed to staff for repeat exposure. In addition to the workforce programs, other SC agencies and programs are shared with SC Works staff to educate them on solutions and services not offered within the core and combined workforce programs.

#### INCREASING ACCESS THROUGH THE VIRTUAL ENGAGEMENT CENTER

The SC Works Virtual Engagement Center (VEC) is an online platform designed to assist citizens that may otherwise not be able to visit an SC Works center in person. This includes those living in rural communities who are not able to readily access an SC Works Center or employed individuals who cannot visit an SC Works center during normal business hours. The VEC will offer an instant messaging style chat feature and the possibility of video conferencing during set business hours. The VEC will be available on a personal desktop computer or mobile device such as a smart phone or tablet. The VEC is set to be launched in PY'22.

#### **INCREASING UTILIZATION OF WORK-BASED LEARNING**

State Plan partners created a workgroup to develop strategies for increasing the utilization of work-based learning. The workgroup first met in June 2021 to identify pain points and explore joint solutions that would benefit the system. The workgroup meets monthly, and one meeting included another state's presentation of best practices. Partners anticipate implementation of co-created strategies in PY'22.

### SECTOR STRATEGIES AND CAREER PATHWAYS

Progress made implementing sector strategies and career pathways. The discussion may include business engagement strategies, workbased learning (including apprenticeship), work experiences for youth and adults, transitional jobs, and incumbent worker training strategies and policies in the state.

#### **EMERGING INDUSTRIES**

#### Cybersecurity

In 2021, Governor McMaster partnered with Commerce and the University of South Carolina (USC) to explore opportunities to improve the state's cybersecurity ecosystem. USC commissioned kglobal, LLC and its partner Simon Everett, Ltd., to conduct an analysis of South Carolina's cybersecurity ecosystem. The analysis included independent research, stakeholder interviews, and an online survey. The results of the analysis are documented in the report, *South Carolina Cybersecurity Ecosystem Study*, released September 2022.

DEW anticipated the need for a cybersecurity workforce and began to focus on this need in 2021. As such, DEW is already taking efforts that support and align with the workforce development recommendations resulting from the study:

- Cyber Workforce Data The agency is including workforce data on cyber jobs in presentations to community leaders around the state. With this information and a better understanding of the demand, businesses and educational organizations can create training and match individuals interested in participating in this emerging workforce. As a leader in this effort, our agency created the DEW Cybersecurity Internship Program.
- **DEW Cybersecurity Internship Program** The cybersecurity internship is a 12-month program that started in July of 2022 and provides candidates with cybersecurity training while they work as security analysts at the agency. Participants can earn CompTIA Security+ certifications while completing the program. The first cohort will complete the program in June of 2023. At that point, the agency will develop a template that can be utilized by other state agencies and private companies to build their own cybersecurity internship program.
- Department of Defense Cyber Grant DEW was awarded grants in 2020 and in 2021 totaling \$1,317,829 from the Department
  of Defense Office of Local Defense Community Cooperation (OLDCC). DEW, in partnership with the SC Manufacturing Extension
  Partnership and Commerce, continued implementation of the South Carolina Cyber Assistance Program (SC-CAP) to provide funding
  and technical assistance to South Carolina manufacturers to meet the cybersecurity standards within Department of Defense
  contracts. Upon completing the program, companies have updated cybersecurity policies and procedures, reduced risk against cyber
  threats, and are able to comply with Department of Defense cybersecurity requirements.
- SC CompTIA IWT Scholarship Program DEW's partnership with CompTIA provides an Incumbent Worker Training (IWT) scholarship for South Carolina businesses to train and certify their employees to develop Information technology (IT) proficiency at no cost. Employers can enroll their workers in A+ or Security+. Through July of 2022, 76 businesses have been approved for training and have employees participating in CompTIA.

#### **Electric Vehicles**

DEW, Commerce, and the Office of the Governor worked to find innovative ways to significantly increase the production of electronic transportation, develop training, and create jobs in the state for the EV industry. Pursuant to Executive Order No. 2022-31, DEW will evaluate the state's existing workforce availability and capacity, complete a comprehensive supply-gap analysis, and provide recommendations to the governor and the General Assembly to enhance workforce development and facilitate new business and industry investment or expansion in the electric vehicle sector.

#### **PUBLIC-PRIVATE PARTNERSHIPS**

#### Be Pro Be Proud

The Be Pro Be Proud SC project was created to close the gap between job seekers and employer needs for a qualified workforce. Taking a unique, targeted approach to removing the stigma from "blue-collar" jobs, its goal is to educate students and the public on the appeal and importance of these jobs for our economy.

Be Pro Be Proud SC is made possible through a public-private collaboration of the Associated Industries of South Carolina Foundation (AISCF) and DEW, and other state education, workforce, and economic development agencies. The AISCF consists of the South Carolina Chamber of Commerce, the South Carolina Trucking Association, Carolinas AGC, Home Builders Association of South Carolina, and the Forestry Association of South Carolina. Capital to build the mobile workshop and provide the job simulators comes from the private sector. With funding from the General Assembly, DEW manages the campaign's operation.

In PY'21, 113 tour stops offered the Be Pro Be Proud experience to 11,979 students and 668 additional visitors. Since its launch in September of 2020, through the program year, there have been 250 stops with 21,110 visitors. Modules within the truck include heavy equipment simulator, forklift simulator, diesel technology, commercial driving simulator, construction technology, utility bucket station, welding simulators, and computer numerical control operations.

#### Labor Force Participation Task Force

South Carolina's Labor Force Participation Rate is lower than the national average. Estimates show that if labor force participation is increased by 1 percent in the state, it would mean \$1.2 billion in extra payroll. DEW convened the Labor Force Participation Task Force, consisting of labor economists from higher education, businesses involved in labor market research, and a representative from the Federal Reserve who focuses in labor market information, to identify the cause of South Carolina's lower than average LFPR and identify strategies to increase the rate. The Task Force approached the problem in two ways:

- Survey The Task Force commissioned a survey of individuals who worked in South Carolina in 2019, filed for UI benefits in 2020, and were not found on recent wage records in the state. These individuals were asked about demographics, work history, current work status, and actual or perceived barriers to employment. Key insights from the survey have been shared and additional findings are currently being analyzed.
- Research The Task Force has commissioned research on why there is a deficit of participants in the workforce and what the state can do about it.

This research and the survey will help to inform reemployment strategies to assist those who may not currently be in the labor force to overcome barriers and achieve employment.

#### **CAREER PATHWAYS**

#### **GED Incentive Program**

Unemployment insurance claimants who do not have a high school diploma or GED credential can sign up to take the GED exam, while still receiving UI benefits. The program also provides them with training resources from Adult Education to prepare. Participants who successfully pass the GED exam receive a \$500 payment. As of July 2022, 312 claimants have received the bonus.

### **PERFORMANCE ACCOUNTABILITY**

The state's performance accountability system, including: Any specific state performance measures or goals and progress towards meeting them, any performance deficiencies on the primary indicators of performance, which may include descriptions of any factors impacting performance, the state's common exit policy, including which ETA-funded partner programs are included in the state's common exit policy, negotiated performance levels for local areas for titles I and III core programs for program years 2021-2022, the state's approach to data validation and ensuring data integrity, including a description of the methodology of any validation activities that occurred.

#### WIOA PRIMARY INDICATORS OF PERFORMANCE

#### WIOA Title I and III Negotiated Goals

	Title I - Adult Program					
	Program Year: 2021	Program Year: 2022				
	Negotiated Level	Negotiated Level				
Employment (Second Quarter After Exit)	77.8%	77.8%				
Employment (Fourth Quarter After Exit)	74.0%	74.0%				
Median Earnings (Second Quarter After Exit)	\$5,350	\$6,193				
Credential Attainment Rate	60.5%	65.0%				
Measurable Skill Gains	50.5%	55.2%				

	Title I - Dislocated Worker Program				
	Program Year: 2021	Program Year: 2022			
	Negotiated Level	Negotiated Level			
Employment (Second Quarter After Exit)	81.1%	81.1%			
Employment (Fourth Quarter After Exit)	77.0%	80.4%			
Median Earnings (Second Quarter After Exit)	\$7,300	\$7,935			
Credential Attainment Rate	60.5%	65.6%			
Measurable Skill Gains	48.5%	57.1%			

	Title I - Youth Program					
	Program Year: 2021	Program Year: 2022				
	Negotiated Level	Negotiated Level				
Employment (Second Quarter After Exit)	77.6%	77.6%				
Employment (Fourth Quarter After Exit)	70.0%	74.5%				
Median Earnings (Second Quarter After Exit)	\$3,250	\$3,622				
Credential Attainment Rate	69.1%	69.1%				
Measurable Skill Gains	48.5%	52.8%				

	Title III - Wagner-Peyser Program				
	Program Year: 2021	Program Year: 2022			
	Negotiated Level	Negotiated Level			
Employment (Second Quarter After Exit)	68.5%	61.5%			
Employment (Fourth Quarter After Exit)	68.0%	60.7%			
Median Earnings (Second Quarter After Exit)	\$4,750	\$4,984			



#### WIOA TITLE I AND III ACTUAL PERFORMANCE WIOA TITLE I

To pass performance, LWDAs must have an overall program school of at least 90 percent, have an overall indicator score of at least 90 percent, and have an individual indicator score of at least 50 percent. All 12 LWDAs achieved an overall program score of 90 percent and an individual indicator score of 50 percent. The Greenville LWDA failed the overall indicator score for Credential Attainment.

WorkLink				Pee Dee					
Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score	Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score
Employment Rate Q2	104.2%	99.3%	104.7%	102.7%	Employment Rate Q2	102.9%	89.0%	99.7%	97.2%
Employment Rate Q4	100.7%	97.3%	106.7%	101.6%	Employment Rate Q4	105.6%	105.0%	104.1%	104.9%
Median Earnings	123.7%	126.9%	107.2%	119.2%	Median Earnings	120.2%	125.5%	125.7%	123.8%
Credential Rate	113.0%	143.1%	79.2%	111.7%	Credential Rate	123.0%	114.7%	95.9%	111.2%
Measurable Skill Gains	125.4%	124.3%	119.6%	123.1%	Measurable Skill Gains	115.2%	135.9%	112.9%	121.3%
	113.4%	118.2%	103.5%			113.4%	114.0%	107.7%	

Upper Savannah				Lower Savannah					
Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score	Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score
Employment Rate Q2	105.8%	94.8%	89.7%	96.8%	Employment Rate Q2	100.9%	87.9%	100.8%	96.5%
Employment Rate Q4	92.7%	108.3%	95.0%	98.7%	Employment Rate Q4	97.1%	83.5%	115.3%	98.6%
Median Earnings	118.5%	118.9%	118.3%	118.6%	Median Earnings	113.1%	198.9%	122.2%	144.7%
Credential Rate	113.4%	119.1%	98.2%	110.2%	Credential Rate	113.6%	128.7%	121.4%	121.2%
Measurable Skill Gains	115.1%	169.0%	97.8%	127.3%	Measurable Skill Gains	103.0%	122.0%	133.2%	119.4%
	109.1%	122.0%	99.8%			105.6%	124.2%	118.6%	

Upstate				Catawba					
Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score	Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score
Employment Rate Q2	97.1%	106.0%	100.4%	101.2%	Employment Rate Q2	102.7%	96.7%	113.4%	104.2%
Employment Rate Q4	99.2%	119.6%	123.6%	114.1%	Employment Rate Q4	92.8%	98.9%	102.4%	98.0%
Median Earnings	101.9%	151.0%	180.8%	144.6%	Median Earnings	123.5%	127.5%	141.2%	130.7%
Credential Rate	106.4%	110.2%	92.6%	103.1%	Credential Rate	136.8%	134.3%	73.7%	114.9%
Measurable Skill Gains	158.0%	163.5%	207.3%	176.3%	Measurable Skill Gains	81.8%	104.7%	116.3%	100.9%
	112.5%	130.1%	140.9%			107.5%	112.4%	109.4%	

Greenville				Santee-Lynches					
Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score	Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score
Employment Rate Q2	96.9%	110.2%	143.5%	116.9%	Employment Rate Q2	99.5%	88.1%	105.8%	97.8%
Employment Rate Q4	106.9%	126.2%	117.3%	116.8%	Employment Rate Q4	93.3%	113.4%	117.4%	108.0%
Median Earnings	149.4%	128.4%	140.9%	139.6%	Median Earnings	100.0%	102.1%	155.3%	119.1%
Credential Rate	98.4%	86.1%	82.6%	89.0%	Credential Rate	100.7%	97.1%	108.4%	102.1%
Measurable Skill Gains	136.5%	130.7%	110.4%	125.9%	Measurable Skill Gains	134.2%	164.9%	118.2%	139.1%
	117.6%	116.3%	119.0%			105.5%	113.1%	121.0%	

Midlands				Waccamaw					
Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score	Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score
Employment Rate Q2	96.9%	98.7%	117.0%	104.2%	Employment Rate Q2	97.8%	107.6%	114.8%	106.7%
Employment Rate Q4	100.8%	104.3%	95.5%	100.2%	Employment Rate Q4	110.3%	108.0%	119.3%	112.5%
Median Earnings	118.6%	100.2%	99.1%	106.0%	Median Earnings	139.0%	134.8%	165.1%	146.3%
Credential Rate	114.5%	97.0%	84.8%	98.8%	Credential Rate	93.2%	118.0%	98.0%	103.1%
Measurable Skill Gains	117.2%	110.7%	139.1%	122.3%	Measurable Skill Gains	111.9%	140.4%	130.6%	127.6%
	109.6%	102.2%	107.1%			110.4%	121.8%	125.5%	

Trident					Lowcountry					
Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score	Indicator/Program	Title I Adult % of Goal	Title I DW % of Goal	Title I Youth % of Goal	Overall Indicator Score	
Employment Rate Q2	89.1%	95.3%	104.4%	96.2%	Employment Rate Q2	101.1%	93.5%	97.9%	97.5%	
Employment Rate Q4	98.2%	99.5%	103.8%	100.5%	Employment Rate Q4	92.6%	98.1%	101.6%	97.4%	
Median Earnings	112.5%	105.9%	135.4%	117.9%	Median Earnings	120.3%	110.6%	109.5%	113.5%	
Credential Rate	105.3%	125.4%	73.9%	101.5%	Credential Rate	126.1%	129.8%	94.6%	116.8%	
Measurable Skill Gains	114.7%	82.5%	104.7%	100.6%	Measurable Skill Gains	147.1%	135.7%	144.9%	142.5%	
	103.9%	101.7%	104.4%			117.4%	113.6%	109.7%		

The assessment reflects performance across programs and negotiated indicators. To pass performance a Local Workforce Development Area (LWDA) must:

• Have an Overall Program Score (across all indicators) of at least 90 percent

• Have an Overall Indicator Score (across Adult, Dislocated Worker, and Youth programs) of at least 90 percent

• Have an individual indicator percentage of at least 50 percent

PASS

#### WIOA TITLE III

SC DEW negotiated Wagner-Peyser (WP) performance goals with the Department of Labor. Since DEW is responsible for operating the WP program, all local areas were expected to achieve the state goals for Program Years 2020 and 2021 – and were successful.

	Program Year 2020			Program Year 2021			
	Employment Q2	Employment Q4	Median Earnings	Employment Q2	Employment Q4	Median Earnings	
Negotiated Goal	68.0%	67.5%	\$4,700	68.5%	68.0%	\$4,750	
Percent of Goal — State	92.6%	95.6%	107.8%	93.7%	96.2%	126.1%	
Percent of Goal — WorkLink	93.1%	97.8%	118.7%	88.3%	94.0%	126.0%	
Percent of Goal — Upper Savannah	93.7%	97.8%	103.7%	94.2%	95.7%	117.3%	
Percent of Goal — Upstate	96.6%	104.1%	121.9%	101.5%	100.6%	142.1%	
Percent of Goal — Greenville	96.0%	101.5%	131.8%	92.8%	100.0%	150.1%	
Percent of Goal — Midlands	93.8%	95.3%	98.5%	93.1%	94.7%	112.8%	
Percent of Goal — Trident	81.9%	84.1%	129.4%	89.3%	89.9%	155.6%	
Percent of Goal — Pee Dee	94.9%	96.9%	102.7%	93.7%	98.4%	120.0%	
Percent of Goal — Lower Savannah	95.4%	95.0%	107.2%	96.2%	99.6%	119.4%	
Percent of Goal — Catawba	89.3%	93.3%	120.2%	96.1%	99.3%	139.6%	
Percent of Goal — Santee-Lynches	91.8%	96.0%	91.4%	94.7%	96.9%	110.8%	
Percent of Goal — Waccamaw	94.9%	94.4%	96.6%	94.6%	96.0%	119.3%	
Percent of Goal — Lowcountry	87.9%	88.0%	93.7%	86.7%	86.6%	104.0%	

#### STATE SPECIFIC PERFORMANCE MEASURES AND OUTCOMES

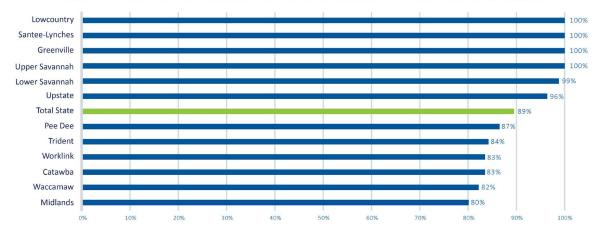
South Carolina has three specific financial performance measures to ensure and promote fiscal responsibility: Obligation Rate, Fund Utilization Rate, and Participant Cost Rate.

#### **Obligation Rate**

State Instruction Letter 21-07 requires that each Local Workforce Development Area obligate at least 80 percent of the program portion of its current PY/FY allocation for each of the Title I funding streams – Adult, Dislocated Worker, and Youth, by June 30 of each program year. There were no LWDAs below the required rate for PY'21.

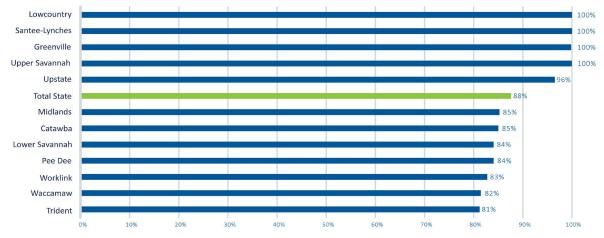
- Adult Obligation Rate: Six areas exceeded the 89 percent state average and four areas obligated 100 percent of their Adult PY'21/ FY'22 allocation during the program year.
- Dislocated Worker Obligation Rate: Five areas were above the 88 percent state average and four areas obligated 100 percent of their DW PY'21/FY'22 allocation during the program year.
- Youth Obligation Rate: Six areas exceeded the state average of 92 percent and four areas obligated 100 percent of their Youth PY'21/ FY'22 allocation during the program year.

The charts on the next page represent local workforce development area obligation rates for PY'21.

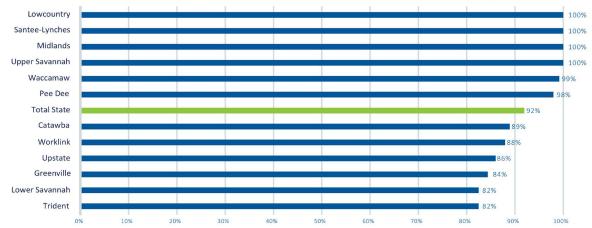


#### LWDA PY'21 ADULT PROGRAM FUND OBLIGATION RATE THRU 6/30/22

LWDA PY'21 DW PROGRAM FUND OBLIGATION RATE THRU 6/30/22





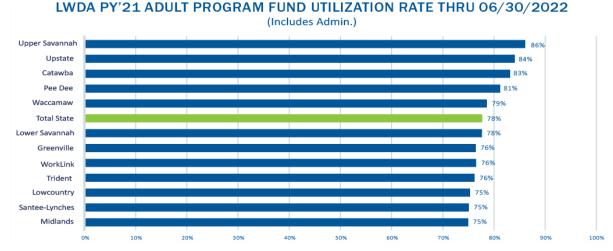


#### Fund Utilization Rate (FUR)

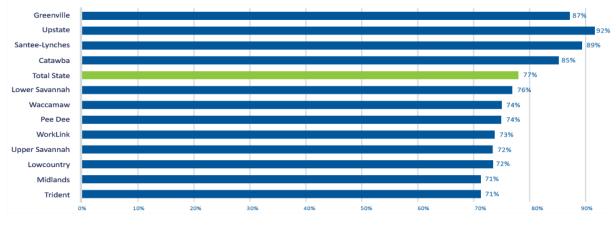
The State Workforce Development Board issued State Instruction Letter 17-05, Change 1, in response to WIOA Public Law 113-128, Section 116(b)(2)(B), requiring a minimum FUR of 70 percent for WIOA Title I programs. FUR is calculated by dividing total expenditures by total available funds. Total available funds include unexpended carry-in plus the current annual allocation. Both program and administration cost category funds are included in calculating the fund utilization rate.

- Adult Fund Utilization Rate: All 12 local areas met the Adult FUR, and five areas were above the 78 percent state average.
- Dislocated Worker Fund Utilization Rate: All 12 local areas met the DW FUR and four areas exceeded the 77 percent state average.
- Youth Fund Utilization Rate: Ten areas met the Youth FUR and seven areas exceeded the 76 percent state average. Two areas did not meet the Youth FUR.

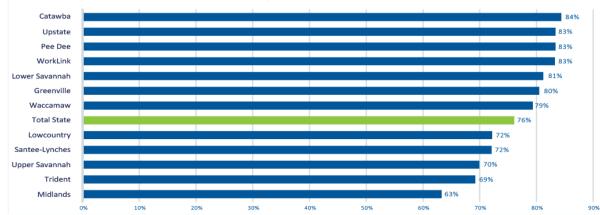
The charts below reflect local workforce development area Adult, DW, and Youth FUR for PY'21:



LWDA PY'21 DW PROGRAM FUND UTILIZATION RATE THRU 06/30/2022 (Includes Admin.)



LWDA PY'21 YOUTH PROGRAM FUND UTILIZATION RATE THRU 06/30/2022 (Includes Admin.)



#### Participant Cost Rate (PCR)

State Instruction Letter 17-04, Change 2, requires each local workforce development board to ensure that WIOA Adult and Dislocated Worker expenditures, including Rapid Response for additional assistance funds, meet a minimum participant cost rate of 30 percent. The participant cost rate is evaluated annually and is based on program expenditures of both carry-in and new funds. Three areas did not meet the PCR, nine areas met the PCR, and six areas exceeded the 32.71 percent state average.



PCR AS OF JUNE 30, 2022

#### **DATA VALIDATION**

South Carolina integrates data validation and data integrity efforts across the oversight, performance, and monitoring functions of each workforce program:

- Program managers conduct ongoing and scheduled data integrity procedures and reviews to maintain the integrity of the data submitted to USDOL.
- The performance and reporting team provides oversight of performance metrics and conducts training on various data elements and activity codes to ensure consistency and reliability of data.
- The monitoring team conducts reviews of sub-recipient reporting frameworks and cross-references the workforce programmatic data submitted.

South Carolina utilizes the Geographic Solutions Virtual One-Stop system (SC Works Online Services or SCWOS) for case management and labor exchange services. DEW works closely with the vendor to ensure that changes made by USDOL to the Participant Individual Record Layout (PIRL) are implemented to accurately track and assess program performance. Staff also monitor and implement data changes and edit checks issued by the Workforce Integrated Performance System (WIPS) team. State staff have been able to provide local workforce development areas and state program managers with numerator and denominator information prior to quarterly and annual performance report submission for all four quarters of PY'21. This quality check ensures that accurate data is submitted to DOL.

#### **COMMON EXIT POLICY**

The state's common exit policy includes the following programs: Wagner-Peyser; Adult, Dislocated Worker, and Youth; Trade Adjustment Assistance; and National Dislocated Worker Grants. If an individual is co-enrolled in two or more of these programs, the individual will not exit from either program until after a 90-day period of no activity in both programs.

### ACTIVITIES PROVIDED BY STATE FUNDS

Activities provided with the funds reserved by the governor, which can be up to 15 percent of the state's allotment. In this section of the narrative, states may describe activities undertaken in whole or in part their Governor's Reserve and how those activities have directly or indirectly impacted performance.

#### **SECRET SHOPPER**

As part of the State's effort to assess and improve the SC Works customer experience, the SWDB invested \$100,000 in a comprehensive evaluation of the SC Works system using a secret shopper approach. The project is expected to last 12 months, concluding in 2023. Results of the evaluation will identify promising practices to be scaled across the state, inform resource investments, and highlight the need for staff training and professional development.

#### SWDB RESILIENCY GRANT

LWDAs were invited to submit requests for discretionary funding through the SWDB Resiliency Grant for activities and initiatives that align with one or more of the SWDB priorities including increasing labor participation, program outreach, rural development, innovation, and continuous improvement. All 12 local workforce development areas applied and were awarded a total of \$4,664,993 to support local activities for an 18 month grant period from December 1, 2021 – May 31, 2023.

### LAYOFF AVERSION, RAPID RESPONSE ACTIVITIES, AND DISLOCATED WORKER GRANTS

Rapid response activities and layoff aversion, which may include: data on number of companies served and number of individuals served, discussion of strategies for linking Rapid Response recipients to American Job Centers and processes for intake or co-enrollment in the Trade Adjustment Assistance and the Dislocated Worker programs, discussion of layoff aversion strategies, including any metrics/outcomes developed and/or tracked by the state with respect to layoff aversion, such as return on investment or measures showing the economic benefits of Rapid Response and layoff aversion, discussion of how Rapid Response and layoff aversion activities are aligned with business engagement, sector strategy, and career pathway efforts, which may include a discussion of any systems, tools, networks or approaches designed to identify companies in distress and strategies to deliver necessary solutions as early as possible, as well as outcomes of the use of such systems or tools, and discussion of specific types of services or workshops provided to both companies and affected workers.

#### LAYOFF AVERSION

The state's layoff aversion strategy includes a number of activities, including early identification of at-risk businesses, assessment of need(s), and delivery of services to address risk factors.

#### Early Identification and Assessment of Need

Early identification of at-risk businesses is accomplished through regular engagement by DEW and partner agency business consultants. Business engagement occurs at the local level, through the coordinated efforts of Integrated Business Services Teams (IBSTs). Representation on these teams varies by local area, but generally includes workforce, economic development, human services and education partners. Several methods are used to assess the needs of a business or industry, which may include cold calling, participating in business roundtable events or industry partnership activities, participating in a company visit or tour, or conducting a formal competitiveness review of the business.

Competitiveness reviews are more commonly performed by the SC Manufacturing Extension Partnership (SCMEP) and are required in order for a business to receive Rapid Response funded Incumbent Worker Training. More recently, the state issued guidance expanding the entities that may perform a competitiveness review to include:

- Economic development agencies or organizations
- Chambers of commerce
- Industry or trade associations

#### Service Delivery to Avert a Layoff or Closure

There are a number of resources and services that may be available to an at-risk business through Title I, Title III and partner programs, such as:

- Employee training,
- Connecting the business to short-term compensation programs, and loan programs,
- Linking the business to economic development activities,
- Conducting a supplier analysis,
- · Assisting with the development of in-state business connections and networking, and
- Removing barriers that may be preventing efficient operations or stifling growth.

#### **Employee Training**

The state reserves a portion of the Title I Dislocated Worker allotment to support Rapid Response activities, including Rapid Response Incumbent Worker Training (IWT). Rapid response IWT is limited to training that will avert a layoff or closure. In PY'21, \$110,933 was awarded to five at-risk businesses to provide training to approximately 84 workers. Areas of training vary widely, depending on the needs of the business, from quality systems and lean principles to strategic planning, sales and marketing, and leadership.

#### PROMISING PRACTICE: LAYOFF AVERSION TRAINING PROGRAM - TEMPORARY LAYOFF TRAINING MODEL

The chip shortage caused several South Carolina automobile manufacturers to temporarily pause operations and lay-off workers in 2021. In response to a major layoff announcement, the state worked with the employer, LWDA, and technical colleges to develop a temporary layoff training model. Workers had the option of remaining on payroll and participating in training, or collecting Unemployment Insurance benefits, if eligible. The model used a combination of WIOA Rapid Response funds and CARES Act funds to provide industry-relevant training to affected workers. Of the more than 100 affected workers, 62 received training and remained employed for the duration of their training. The layoff training model was presented in a webinar and outlined in a memo to LWDAs. See Temporary Layoff Training Memo.

#### **Rapid Response Activities**

In the instances where a layoff or closure is inevitable, the focus shifts from averting the layoff to reducing the length of unemployment for affected workers. The state Rapid Response team works closely with local staff to coordinate and facilitate management meetings and group information sessions and assists with reemployment services. During group information sessions, state and local staff provide information about reemployment services and Unemployment Insurance. It is through these sessions that affected workers are connected to the SC Works system. If a layoff is trade-impacted, Trade Adjustment Assistance staff are involved in the coordination and facilitation of Rapid Response activities.

### **WAGNER-PEYSER ACT**

Activities provided under the Wagner-Peyser Act Employment Service section 7(b) (e.g., services to groups with special needs or extra costs of exemplary models for delivering services).

#### ACCESS TO EMPLOYMENT SERVICES

#### **Career Coach**

The SC Career Coach is a mobile extension of our SC Works centers. The mobile unit is equipped with ten workstations for job seeker activities, on-site assistance, Wi-Fi and printer capabilities, and is wheelchair accessible. The SC Career Coach responds to natural disasters and Rapid Response events, provides access to employment and training resources in rural communities that have limited access to the internet, and attends local workforce and community events. During PY'21, the Coach appeared at 91 events across the state, and provided services, including job search and application assistance, résumé writing, SC Works and UI registration, and filing for UI benefits.

#### **Hiring Events**

South Carolina continued its use of a virtual events platform to facilitate virtual career fairs and hiring events. The platform allows employers and SC Works staff to engage with job seekers in a convenient environment, saving time and money, while removing geographic and other barriers. Within virtual platforms, job seekers can discover and apply for opportunities, chat with employers, and visit employer and informational booths. Advance features provide expanded metrics of invitee-to-attendance rates, participant wait times, and interview counts. During the reporting period, the state hosted 166 virtual events.

#### **EMPLOYMENT PREPARATION**

#### **Second Chance**

DEW has utilized Title III Governor's Reserve funds since 2014 to support the Second Chance initiative, which helps returning citizens learn a skill and understand how to successfully search for a job. DEW provides a full-time employee coaching, and materials to assist returning citizens in work-skills training. Ninety days prior to release, counselors teach employment and soft skills in class for one hour each day. During the last 30 days, participants work directly with a DEW counselor to register in the SC Works system, create a resume, and apply for jobs online once released.

Services resumed during the program year and DEW enrolled 239 new participants. Of the participants enrolled, 227 completed the program. Since program inception in November 2014 through September 30, 2022, Manning Correctional has enrolled 2,444 participants with 1,921 of those having completed the program, and from May 2017 through September 30, 2022, Camille Griffin Graham Correctional has enrolled 641 with 586 of those having completed the program.

#### **Back to Work**

In 2015, the agency began piloting the Back to Work program in Columbia, SC to help homeless individuals enter the workforce through an intensive six-week employment boot camp. This program provides assistance with transitioning to housing, as well as the necessary career guidance and soft skills training to maintain gainful employment and independence, creating a comprehensive approach for longterm success. The department works with multiple community and faith-based organizations across the state to help individuals prepare for and find employment. This program has been successful in helping individuals who were formerly homeless, drug-addicted or had other significant barriers to employment, gain self-sufficiency. In PY'21, the Back to Work program took place in all 12 workforce areas in partnership with a local non-profit. Fifty-four individuals graduated from the program.

#### **REEMPLOYMENT EFFORTS**

#### Weekly Job Match

DEW uses the claimant database to conduct weekly job matching. We match company-posted job requirements with claimant experience. After matching, DEW sends messages to claimants in the geographical area with the right skill set suggesting that they apply with these employers. The state has sent 6,537,147 million messages to claimants providing relevant job matches.

#### **Enhanced Referral**

DEW launched an Enhanced Referral Program in April 2021 to facilitate employment and assist employers with hiring efforts. The state implements the program in partnership with employers. The agency gives claimants a list of employers with open jobs that align with their individual skills and experience. Claimants forfeit eligibility for UI benefits if they do not apply, interview, or accept an offer of employment for one of the jobs.

#### **Individual Employer Plans**

The agency works with individual employers to develop a hiring plan. The employer team works with the employer to determine the best plan for recruiting and identifying appropriate employees for the jobs. These plans include the job match program, virtual job fairs, recall assistance, and enhanced referrals.

### **DISLOCATED WORKER GRANTS**

Any National Dislocated Worker Grants (DWGs) awarded to or within the state and how those funds are coordinated with state rapid response activities and dislocated worker programs, as well as how the DWGs fit in with state co-enrollment policies and disaster/ emergency management activities, as applicable.

South Carolina continued implementation of its COVID-19 DWG through June 30, 2022. The grant served 74 participants through a combination of employment and training services and disaster relief employment.

The Upper Savannah LWDA formed a consortium with five other workforce development areas to apply for a CAREER DWG. The goals were to develop strategies to find individuals who were long term unemployed particularly those with barriers to employment. Grant funds were sought to create a video which could be shown at dislocation events such as plant closures and to launch a direct mail campaign. Workforce areas wanted to restart in-person business visits to obtain On-the-Job Training contracts. Sub-grants were awarded August 2021 and all sub-grantees were active by April 2022. The CAREER DWG award totaled \$2,836,669 and will train 360 South Carolina residents.

### **TECHNICAL ASSISTANCE**

#### Any technical assistance needs of the state workforce system.

South Carolina regularly participates in regional and national forums (e.g. National Governors Association (NGA), National Association of State Workforce Agencies (NASWA), National Skills Coalition (NSC)) to stay abreast of critical workforce issues and learn promising practices from other states. State staff participate in monthly technical assistance discussions with the Region 3 Project Officer. These meetings offer an opportunity to share state-specific highlights and obtain customized technical assistance. Due to these ongoing outlets for technical assistance, South Carolina does not have any current requests to include in its WIOA Annual Report.

### **PROMISING PRACTICES AND SUCCESS STORIES**

Promising practices, lessons learned, and success stories that focus on serving employers, communities, and individuals with barriers to employment, including information based on the state's evaluation and related research projects. The discussion should cover a broad range of at-risk and priority populations served, including out-of-school youth, low-income adults, dislocated workers, individuals with disabilities, veterans, the long-term unemployed, and any other individuals with barriers to employment, or other populations the state may wish to discuss.

#### SC WORKS SUCCESS

The SC Works Success web page launched in February 2022, located on the SCWorks.org website to recognize the achievements and innovation of SC Works professionals and services across the state. Individuals can use the embedded forms on the web page to submit success stories or promising practices for staff review. The success stories may be featured on the web page, social media, or during SC Workforce Development Board meetings for acknowledgment and awareness.

#### REGIONALISM

South Carolina is making a concerted effort to expand its utilization of regional service models. The state hosted a Regionalism Forum in March 2022 to provide examples of cost-sharing strategies in the Greenville and Upstate LWDAs and to provide technical assistance to LWDAs interested in exploring similar strategies. USDOL Region 3 staff participated in the webinar. Following the webinar, DEW's Executive Director met with the Directors of South Carolina's ten Councils of Governments and presented to the SWDB on the cost savings realized through regionalism strategies. As of June 2022, LWDAs reported a cost savings of roughly \$675,000 from implementation of regionalism strategies and new strategies are in development.



### WORKFORCE SYSTEM CHALLENGES

Any challenges the state workforce system faces, which may include policy, implementation, or other relevant challenge.

#### LABOR FORCE PARTICIPATION

Labor force participation continues to be a major challenge in South Carolina. While August 2022 preliminary unemployment figures reflect an unemployment rate of 3.1 percent, well below the national average, the number of workers moving out of the labor force continues to increase. Generational changes are also affecting the labor pool – the Baby Boomer (1946 to 1964) generation has decreased from 51 percent of the workforce in 1992, to 18 percent of the workforce in 2022. Generations following the Baby Boomers are smaller in general, adding to the already heightening labor shortage. The Census Bureau projects that the millennial population will peak at 75 million nationwide, requiring an 88 percent labor participation rate to equal the number of Boomer jobs at its peak. DEW convened a Task Force to research and develop strategies to increase the participation rate. The Task Force is discussed at length in the Sector Strategies and Career Pathways section of this report.

#### Low Program Enrollment

**Participants Served** 2017 2019 2020 2021 2018 Adult 5,261 5,696 4,647 3,909 3,866 **Dislocated Worker** 1,301 1,293 921 1,150 574 Youth 2,882 3,132 2,464 1,927 1,671

WIOA Title I program enrollments have decreased significantly since 2017. The table below shows a decrease of 26.5 percent for the Adult program, 55.9 percent for the Dislocated Worker program, and 42.0 percent for the Youth program.

Low program enrollments have a potentially negative impact on an area's ability to meet fiscal and program performance outcomes. LWDAs consistently explore new and innovative ways to conduct program outreach. They also and recognize the need to implement a "boots-on-ground" approach where the workforce system takes its programs and services into targeted communities using mobile or pop-up centers or partnering with local entities to crease access points.

#### **RURAL DEVELOPMENT**

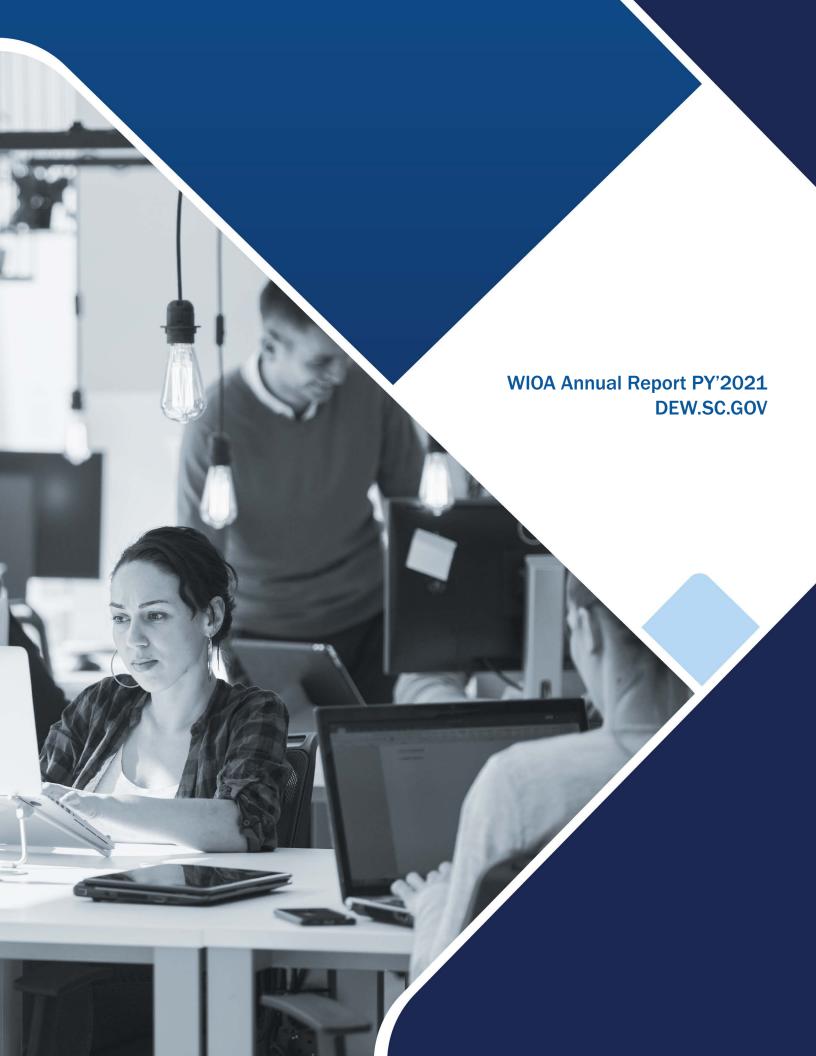
The SC Department of Revenue has classified a majority of South Carolina counties as Tier III or Tier IV. Tier rankings are based on levels of unemployment and per capita income of the county. Counties ranked as Tier I generally have the highest per capita income and lowest unemployment, compared to Tier IV counties, which have the lowest per capita income and highest unemployment. Rural counties are typically classified as Tier III or Tier IV. While South Carolina's economy has mostly recovered from the COVID-19 pandemic, recovery has been uneven across the state, with rural areas lagging behind more urban areas. It is well known that rural areas face multiple barriers, including difficulty accessing resources and services intended to improve the economic stability of families and the community overall. Additionally, individuals living in rural areas are more likely to experience a longer period of unemployment than similarly situated workers in urban areas. Because of these factors, rural development presents an ongoing challenge for South Carolina that will require collaboration among public and private partners to identify and implement solutions.

South Carolina is interested in learning how other states are addressing these challenges.

### **PAY-FOR-PERFORMANCE**

#### Any strategies/policies relating to Pay-for-Performance contracting, which may include examples from local areas.

South Carolina does not have a policy for Pay-for-Performance contracting and is not currently implementing Pay-for-Performance strategies.



#### SC WORKS BRINGING EMPLOYERS AND JOB SEEKERS TOGETHER

### THE IMPACT OF RURAL RESIDENCY ON THE LIKELIHOOD OF LONG-TERM UNEMPLOYMENT IN SOUTH CAROLINA





Uଙ୍ଗ Darla Moore SC. School of Business

#### SC WORKS BRINGING EMPLOYERS AND JOB SEEKERS TOGETHER



Developed by: Division of Research Moore School of Business University of South Carolina September 2022

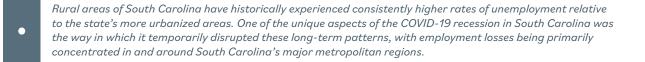
# **Executive Summary**

The onset of the COVID-19 pandemic in the United States in early 2020 led to a national economic recession in which approximately 308,000 jobs in South Carolina – or fourteen percent of the state's total workforce – were lost in the span of just sixty days between February 2020 and April 2020. Yet despite the rapid economic recovery that took place in the following months, the speed with which laid-off workers returned to the workforce varied significantly across the state. Moreover, approximately 15 percent of South Carolinians who were laid-off and began receiving unemployment insurance (UI) benefits in the spring of 2020 were still unemployed and receiving benefits in June 2021 – more than one year later.

The purpose of this study is to conduct an analysis using data from the South Carolina Department of Employment and Workforce (SCDEW) to identify the characteristics of workers who remained unemployed the longest after being laid-off as a result of the COVID-19 recession. A better understanding of characteristics associated with those at highest risk for long-term unemployment can help better inform future reemployment initiatives.

#### The key findings of this report are as follows:

0



Following a rapid economic recovery in 2020 and 2021, the more traditional rural-based unemployment distribution pattern was restored as the metropolitan areas of the state rebounded to pre-pandemic employment levels.

Through a detailed analysis of workers who were laid-off as result of the pandemic-induced recession, this study finds that laid-off workers living in rural areas of South Carolina were more likely to still be unemployed one year later than those living in more urbanized regions.

This increased likelihood of "long-term unemployment" holds even when accounting for differences in race, gender, age, income and education levels, prior industry of employment, and occupation. This implies that residing in a rural location should be considered a risk factor for long-term unemployment alongside these other worker characteristics.

South Carolina's rural workforce continues to face significant challenges, including higher unemployment compared to the state average. It is important to prioritize these communities in order to both improve employment opportunities for individuals and to increase long-run rates of economic growth across all of South Carolina's 46 counties.

# Introduction

In South Carolina, as in much of the United States, rural areas are often more economically distressed and experience lower rates of long-run economic growth when compared to their more urban counterparts. For example, among the 12 counties that the S.C. Department of Revenue (DOR) currently identifies as being most economically distressed<sup>1</sup>, none have a total population of more than 100,000. These economically distressed counties are specifically defined by the DOR as having a combination of the lowest per capita income levels along with the highest unemployment rates in the state. Many of these counties are located along the I-95 corridor, a region of South Carolina that has historically experienced consistently high unemployment, population stagnation or decline, and slower economic growth.

In addition to these trends, South Carolina's rural areas were also among those that were the most negatively impacted by the COVID-19 pandemic over the long-run. *Through a detailed analysis of workers who were laid-off as result of the pandemic-induced recession, this study finds that laid-off workers living in rural areas of South Carolina were more likely to experience long-term unemployment than those living in more urbanized regions. This result holds even when accounting for differences in worker demographics, income levels, prior industry of employment, and occupation.* 

Because of the focus on the intense losses and subsequent recoveries of the state's major industries throughout 2020 and 2021, these findings on the long-run effects of the COVID-19 recession on the rural workforce have largely been underreported. However, despite a broad-based labor market recovery that has now resulted in a statewide unemployment rate of 3.2 percent (as of July 2022), South Carolina's rural workforce continues to face significant challenges including higher unemployment compared to the state average.<sup>2</sup> It will be increasingly important to prioritize these communities in order to both improve employment opportunities for individuals and to increase long-run rates of economic growth across all of South Carolina's 46 counties.

The remainder of this report provides a brief overview of the statewide impacts of the COVID-19 recession, highlights and specifically defines the rural areas of South Carolina, and then examines the extent to which living in rural locations impacted the probability of being unemployed long-term following layoffs during the COVID-19 recession.

<sup>1</sup> The South Carolina DOR annually ranks and designates the state's 46 counties into four tiers based on their unemployment rates and per capita income levels. Tier designation directly impacts the number of Job Tax Credits that businesses in each tier can receive and are, as such, used as incentives to increase job creation in various regions.

 $^2$  The unemployment rate in Tier 4 counties as of July 2022 was 6.5 percent compared to just 3.7 percent for Tier 1 counties. Note that unemployment rates are not generally available at the zip code level from the U.S. Bureau of Labor Statistics. However, using the American Community Survey (ACS) 5-Year 2020 estimates of zip code level unemployment, the rural areas, as defined in this study, had an average unemployment rate of 6.2 percent while the urban areas had an average unemployment of 5.3 percent. As of July 2022, the counties designated as rural by the U.S. Department of Agriculture had an average unemployment rate of 3.9 percent compared to 3.0 percent for counties designated as urban.

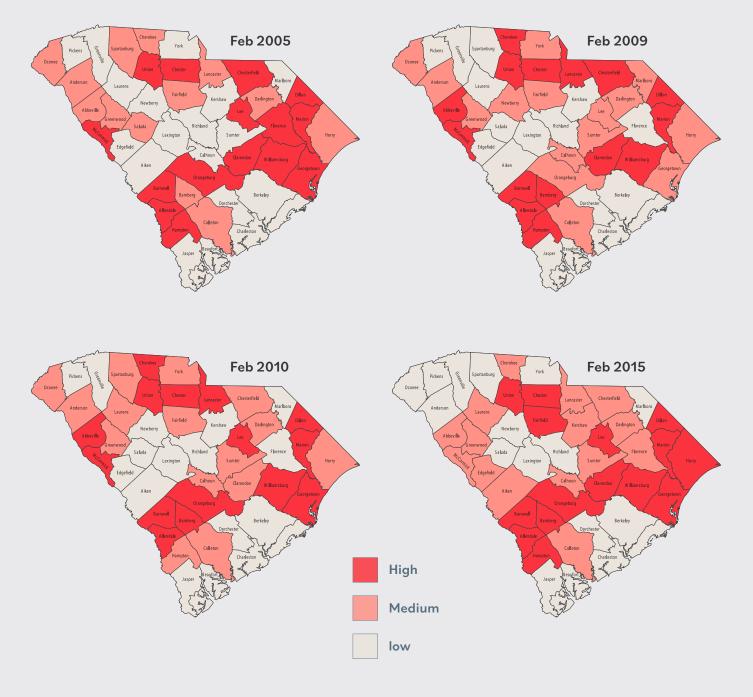
## Statewide Labor Market Impacts of the COVID-19 Recession

While the primary goal of this analysis is to determine whether workers in rural South Carolina who were laidoff during the COVID-19 recession were more likely to experience long-term unemployment than their urban (or suburban) counterparts, it is important to first note that certain areas of South Carolina have experienced consistently higher rates of unemployment historically. **Figure 1** illustrates this consistency by showing countylevel unemployment rates over time from February 2005 to February 2020. Notice that the distribution of unemployment across South Carolina is relatively stable, including throughout 2009 and 2010, which represents the depth of the Great Recession and its aftermath.

One of the unique aspects of the COVID-19 recession in South Carolina was the way in which it temporarily disrupted many of these long-term patterns due to the severity of the job losses that occurred. Between February 2020 and April 2020, approximately 308,000 jobs were lost statewide, which represents roughly 14 percent of South Carolina's employment base. **Figure 1** also displays the distribution of county-level unemployment rates during the COVID-19 pandemic itself. Examining unemployment rates in April 2020 reveals how these sizable employment losses extended across all of South Carolina and were especially concentrated in and around the metropolitan areas of Greenville, Spartanburg, Charleston, and Myrtle Beach – illustrating a major break in long-run unemployment patterns. The bulk of these employment losses were contained within the Manufacturing and Leisure & Hospitality industry sectors. These losses, in turn, were followed by an economic recovery in which the more traditional unemployment distribution was restored by July 2022.

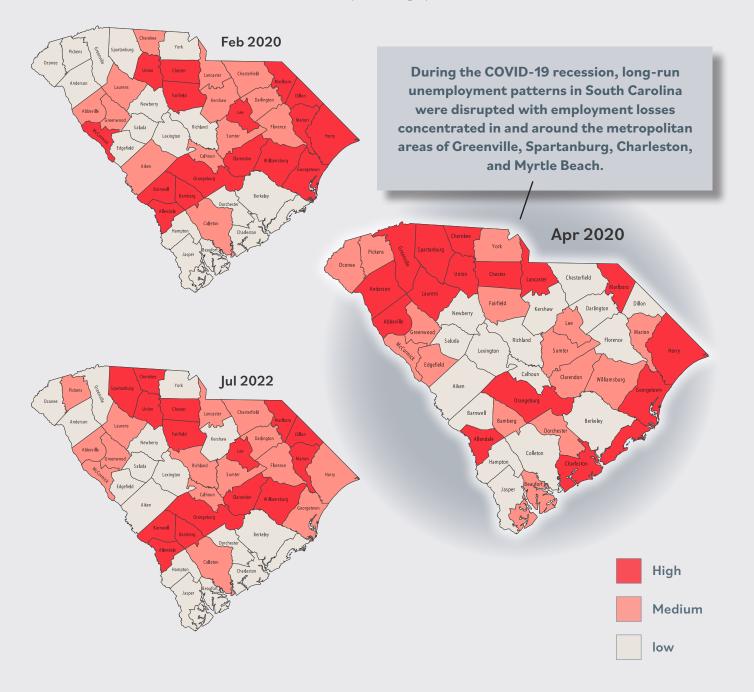


February 2005 – July 2022



#### Figure 1: South Carolina Unemployment Rates by County

February 2005 - July 2022



More specifically, by July 2022 South Carolina had recovered all of the employment losses incurred during the pandemic-induced recession, with total employment approximately 1.5 percent higher than it was in February 2020. This economic recovery stands in stark contrast to most other economic recoveries South Carolina has experienced because of its speed. For example, in contrast to this roughly two-year recovery period from April 2020 to July 2022, it took more than six years for South Carolina's economy to recover from the Great Recession that took place between 2007 and 2009. **Figure 2** illustrates South Carolina's job losses along with the subsequent statewide employment recovery following both the Great Recession and the COVID-19 recession, revealing a V-shaped recovery pattern for the latter.

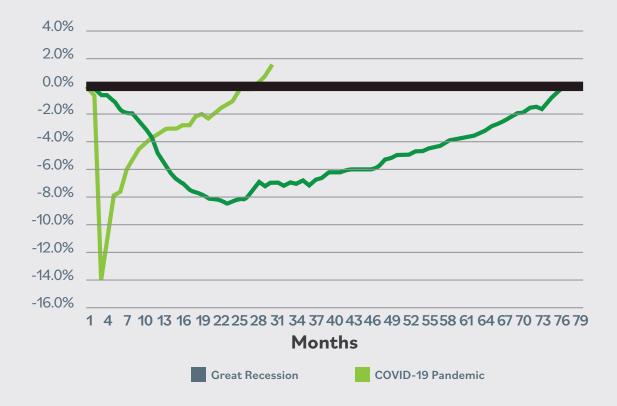


Figure 2: South Carolina Employment as Pct. of Pre-Recession High Source: U.S. Bureau of Labor Statistics, CES, SA

8

# Were Rural Workers More Likely to Experience Long-Term Unemployment?

#### **Background and Data**

The fact that South Carolina's county-level long-term unemployment distribution was disrupted in 2020 and then restored by 2022 does not reveal much about the average duration of unemployment for the rural South Carolinians who were laid-off during the COVID-19 recession. In order to assess whether these rural South Carolinians were more likely to experience long-term unemployment, an analysis of unemployment insurance (UI) claimant data is required.<sup>3</sup>

To complete this analysis, data from the South Carolina Department of Employment and Workforce (SCDEW) were obtained for all initial UI claimants for the ten-week period from March 15, 2020 until May 31, 2020. Initial UI claimants are defined as those individuals who apply for unemployment insurance benefits for the first time following a layoff. The ten-week period identified reflects the peak layoff period of the COVID-19 recession and thus captures most of the layoffs that can be tied directly to the recession. In sum, there were 399,130 total initial claimants identified.<sup>4</sup>

<sup>3</sup> See Appendix A for additional information on claimants and other characteristics of long-term filers.

<sup>4</sup> Individuals who filed an initial UI claim during this time period but never received any payments were excluded because they cannot be tracked in subsequent weeks.

Next, these initial claimants were matched to data on continued unemployment insurance claims over the following year (through the summer of 2021). A continued UI claimant is defined as any individual who files for unemployment insurance in any week following their initial claim. This matching exercise allows for a determination of how many of the 399,130 initial claimants remained unemployed over time. Continued claims data were obtained from SCDEW for each of the following five periods: weeks ending June 6, 2020; July 25, 2020; October 17, 2020; January 30, 2021; June 26, 2021.<sup>5</sup> Any initial claimant who was found to also be a continued claimant during each of these five periods was, for the purposes of this study, considered to be a long-term filer or long-term unemployed. By contrast, those that did not show up in all of these subsequent five periods were considered to be short-term filers. Short-term filers who did not claim UI benefits through the summer of 2021 were assumed to either have returned to work or dropped out of the labor force.

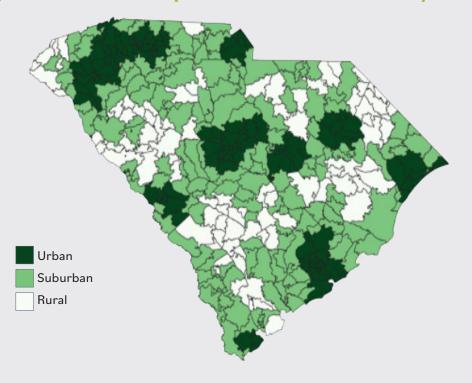
Of the 399,130 initial claimants identified during the spring of 2020, 60,229 (15.1%) filed in all five time periods and thus were considered long-term filers – or long-term unemployed. It is this 15.1 percent of UI claimants that this study focuses on to determine their unique characteristics, including the extent to which these claimants were more (or less) likely to be from rural areas of South Carolina.

.....

<sup>5</sup> The week of June 26, 2021 was chosen as the final week of analysis because this was the final week in which individuals could receive federal UI benefits that extended beyond the standard 20-week period for state UI benefits.

#### **Defining South Carolina Regions: Rural vs. Urban**

In South Carolina there is no single, official definition of what constitutes a rural area. For example, the definition of rural could prioritize any or all of the following: population thresholds, population densities, land use, distance from an urban center, accessibility of services, or geographic features. Moreover, the U.S. government relies on at least three different measures of rural as defined by the U.S. Census Bureau, the U.S. Department of Agriculture (USDA), and the U.S. Office of Management and Budget (US-OMB). This study utilizes the definition of rural developed by the USDA, which is primarily based on population density and commuting patterns.<sup>6</sup> Among these three measures, the USDA definition estimates that approximately 17 percent of the U.S. population lives in a rural area. This compares to 15 percent and 19 percent using the US-OMB and U.S. Census definitions, respectively. Rural areas were identified at the zip code level and are displayed in **Figure 3**. Note that in this analysis urban and suburban regions are combined in order to be explicitly compared to rural regions.



#### Figure 3: South Carolina Zip Codes Defined as Rural or Urban/Suburban

<sup>6</sup> Rural-Urban Commuting Area (RUCA) codes 1-4 were classified as urban/suburban, while codes 5-10 were considered rural. Using this definition, 94 South Carolina zip codes were considered rural out of a total of 477.

#### **Primary Results**

Initial UI claims were filed across all regions of South Carolina during the COVID-19 recession. However, these claims were most concentrated in and around the Greenville, Spartanburg, Charleston, and Myrtle Beach metropolitan regions – as many manufacturing facilities were temporarily shut down and tourism activity plummeted. **Figure 4** highlights this concentration by displaying initial claims per capita by zip code during the ten-week period of March 15, 2020 through May 31, 2020. Note how the distribution of initial UI claims also reflects the distribution of unemployment rates from April 2020 as previously displayed in **Figure 1**.

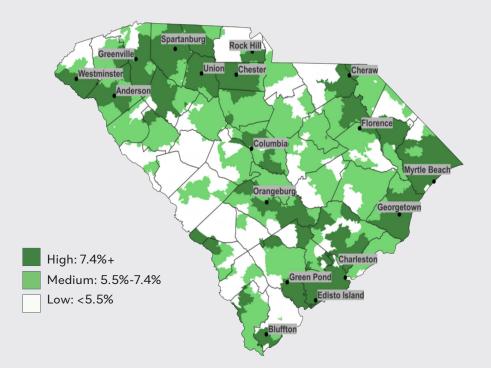


Figure 4: Initial Claims per Capita by Zip Code, Spring 2020

As the state's labor market recovered throughout the latter half of 2020 and into 2021, it is important to note that the 15.1 percent of initial UI claimants previously identified as long-term filers were not concentrated in the areas that were "hardest hit" in the spring of 2020. For example, while the Greenville and Spartanburg metropolitan regions experienced intense layoff activity in the spring of 2020 (previously shown in **Figure 4**), they also maintained among the lowest rates of long-term unemployment in the state (as shown in **Figure 5**). This same trend emerged in many of the coastal regions of South Carolina. The statewide unemployment pattern shown in **Figure 5** is also consistent with the state's historic county-level unemployment trends displayed in **Figure 1**.

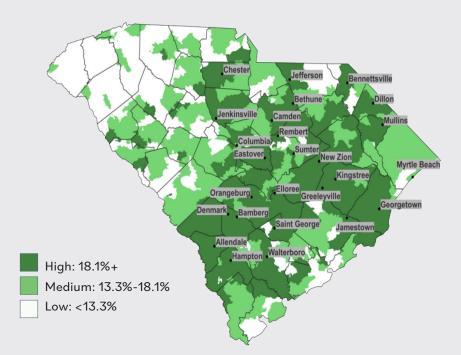


Figure 5: Percentage of Long-Term Unemployed by Zip Code

While just 6 percent of all zip codes in South Carolina were classified as rural, 45 percent of all zip codes with the highest concentrations of long-term filers were rural. Thus, it is clear that long-term unemployment is correlated with location of residence. Overall, 19.3 percent of residents living in South Carolina's rural zip codes were determined to be long term filers compared with just 14.9 percent of residents living in urban zip codes.

Given this finding, it is important to next determine whether this relationship continues to hold even when accounting for other characteristics, such as worker demographics, income levels, prior industry of employment, and occupation. For example, it could potentially be the case that older workers were more concentrated in rural geographic areas and were also more reluctant to return to the workforce due to health concerns associated with COVID-19. In such a case, rural residents would be more likely to be at high risk for long-term unemployment because of their age – not because they live in a rural region.

## Methodology

In order to assess the unique characteristics of the long-term unemployed, this study applies a statistical modeling technique known as a logistic regression to the UI claimant data provided by SCDEW. A logistic regression is designed to estimate the probability that an event will occur given a set of known facts. For example, a logistic regression could be used to estimate the probability that the daily high temperature in a specific city would exceed 90 degrees Fahrenheit given that both the month of the year and the region of the world in which the city is located were known. In the case of UI claimants, a logistic regression can be estimated to determine the probability of long-term unemployment following the COVID-19 recession given a series of known facts about an individual's characteristics. While the primary focus of this analysis is to determine the extent to which long-term UI claimants are more (or less) likely to live in rural areas of South Carolina, the extent to which other characteristics matter are examined as well. These include claimant demographics, income levels, prior industry of employment, and occupation. Data on each of these elements were available from SCDEW for the individual claimants previously identified. Detailed statistical results of this analysis are shown in **Table C1** located in Appendix C.

Even after accounting for demographics, industry, occupation, education, Local Workforce Development Area (LWDA) of residence, weekly benefit amount (WBA), disability status, and veteran status, residing in a rural zip code is still associated with a higher likelihood of long-term unemployment. More specifically, the probability that a UI claimant living in a rural region experienced long-term unemployment after being laid off during the COVID-19 recession was 16.8 percent, compared to 15.1 percent for non-rural residents. This implies that there was a 1.7 percentage point difference between the probability of long-term unemployment for rural and non-rural UI claimants, even when accounting for all other claimant characteristics previously described. And while this difference of 1.7 percentage points may be considered relatively small, it is nevertheless statistically significant. As such, this implies that geography, especially residing in a rural location, should be considered a risk factor for long-term unemployment alongside other worker characteristics such as race, gender, age, and education level.

Selected claimant characteristics and their associated predicted probabilities are presented in **Table 1**. For characteristics with more than two categories, the highest and lowest probabilities are presented. For example, **Table 1** reveals that the probability that a UI claimant without a high school diploma experiences long-term unemployment is 16.5 percent. This contrasts with a probability of 13.1 percent for a UI claimant with a bachelor's degree or higher. This represents a 3.4 percentage point difference between the two levels of educational attainment.

#### Table 1: Predicted Probability of Long-Term Unemployment by Selected Characteristics

Note: All probabilities shown are statistically significant. For all characteristics with more than two categories, only the two categories with the highest and lowest probabilities are shown.

CHARACTERISTIC	CATEGORY	PREDICTED PROB.	DIFFERENCE
Gender	Male	14.4%	1.4 Pct. Points
Gender	Female	15.8%	1.4 Pct. Points
Race	White	11.9%	7.3 Pct. Points
Касе	Non-White	19.2%	7.3 Pct. Points
Education	Less than HS	16.5%	7 4 Dat Dainta
Education	Bachelor's Degree or Higher	13.1%	3.4 Pct. Points
la du atau i	Manufacturing	9.7%	12.1 Dat Dainta
Industry	Finance and Insurance	21.8%	12.1 Pct. Points
Original	Personal Care & Service	8.5%	11 O Data Datata
Occupation	Farming, Fishing, & Forestry	20.3%	11.8 Pct. Points
Weekly Benefit	\$100-\$149	21.0%	11.8 Pct. Points
Amount (WBA)	\$300-\$326	9.2%	11.8 PCt. Points
Casarahu	Rural	16.8%	17 Det Deinte
Geography	Urban	15.1%	1.7 Pct. Points
A	20	11.9%	8.2 Pct. Points
Age	70	20.1%	0.2 PCL POINTS

# Conclusion

The purpose of this study has been to examine the characteristics of South Carolina workers who remained unemployed the longest after being laid-off as a result of the COVID-19 recession, with a specific focus on the rural-urban divide. Or put another way, this study focused primarily on the question of whether laid-off workers living in rural areas were more likely to experience a period of longer unemployment relative to their more urban counterparts following the COVID-19 recession. Because of the intense and widespread employment losses and subsequent recoveries across all of South Carolina throughout 2020 and 2021, the long-run effects of the COVID-19 recession on the rural workforce have largely been underreported.

Through an analysis of UI claimant data provided by SCDEW that revealed detailed information on various individual characteristics of workers who were laid-off as result of the pandemic-induced recession, this study finds that residing in a rural location should be considered a risk factor for long-term unemployment alongside other worker characteristics.

South Carolina's rural workforce continues to face significant challenges and higher rates of unemployment in 2022 compared to their urban counterparts despite a broad-based labor market recovery over the past two years. As such, reemployment initiatives directed towards rural areas of South Carolina will be a crucial component of any economic development strategy to help improve long-run economic growth.



16

## Appendix A Additional Analysis of COVID-19 Unemployment Insurance Claimants

## **Initial Claims Spring 2020**

According to data provided by the South Carolina Department of Employment and Workforce (SCDEW) there were approximately 399,130 initial claims for unemployment benefits between March 15th and May 31st 2020 that ultimately received at least one payment from the agency. This was a uniquely high number of claims filed and paid in such a short period. Total initial claims filed during this period surpassed even the levels experienced throughout the Great Recession, although the duration of high claim levels was significantly shorter.

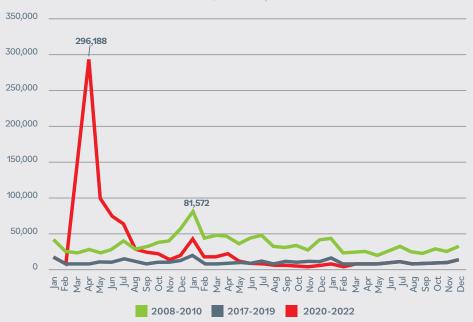


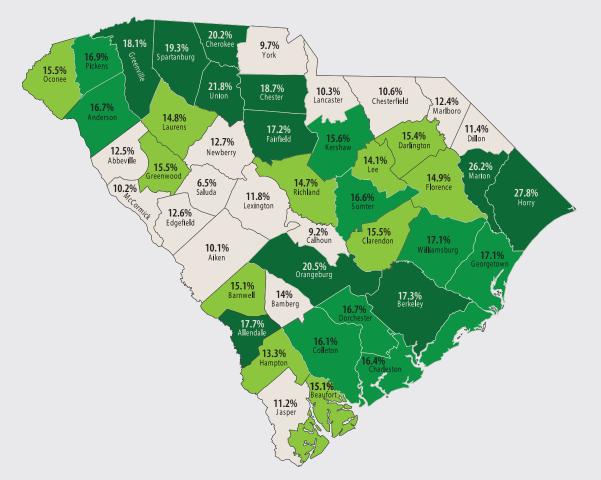
Figure A1: Monthly Initial Unemployment Insurance Claims, S.C. Source: USDOL, Monthly Initial Claims Appendix B, **Table B1** provides a detailed profile of the individuals who became unemployed during the height of the COVID-19 pandemic (March 15th-May 31st, 2020) and received at least one payment in any benefit program. Claimants during this period were significantly more likely to be:

- Female
- White
- Non-Hispanic
- High School Graduates
- Not Disabled
- Non-Veterans
- Aged 25-34
- Working in manufacturing or accommodation and food service industries
- Working in food preparation and serving, office and administrative support, or production occupations

While South Carolina's more rural counties tend to generally experience the highest levels of unemployment during "normal" times, during the COVID-19 pandemic, a higher level of claim activity was observed in such areas as Greenville, Spartanburg, Charleston, and Myrtle Beach. **Figure A2** compares the number of initial claims filed between March 15th and May 31st that received at least one payment as a percentage of the county's labor force in February 2020.

By far, the largest negative impacts from COVID-19 related layoffs occurred in the tourism-heavy Waccamaw region (Horry, Georgetown, and Williamsburg counties). Over 25 percent of the region's labor force filed for unemployment benefits during this period. This was followed by the manufacturing-heavy Upstate (Spartanburg, Cherokee, and Union counties) and Greenville regions, which experienced nearly 20 percent and over 18 percent of their labor forces filing for benefits, respectively.

Accurately assessing the true impact in border counties and border regions of South Carolina is more difficult because individuals who live in South Carolina may work for companies located in North Carolina or Georgia. They would likely have filed claims for unemployment in those states, so the percentages for regions like Catawba, Lower Savannah, Upper Savannah, and Lowcountry may be understated.



#### Figure A2: UI Claims as a Percent of February 2020 Labor Force

Source: SCDEW UI Claims Data and LAUS, NSA Labor Force

## **COVID-19 and the Long-Term Unemployed**

In total, there were 60,229 individuals out of the 399,130 total initial claimants previously cited who filed in all five of the time periods and were considered to be long-term unemployed or long-term filers. The remaining 338,901 filers did not file in each of these periods. A detailed profile of the Long-Term Unemployed is provided in Appendix B, **Table B2**.

Note that the vast majority of individuals who filed initial claims for benefits in Spring 2020 were not considered long-term unemployed. Only 15.1 percent of the original 399,130 individuals claimed benefits in each of the five periods, through June 26, 2021. Thus, the vast majority of claimants likely returned to work. This is consistent with the "V-shaped recovery" pattern experienced in the aftermath of the 2020 recession as employment quickly rebounded as the state's economy reopened, shown in **Figure A3**.



Figure A3: South Carolina Non-Farm Employment, 2020-July 2022

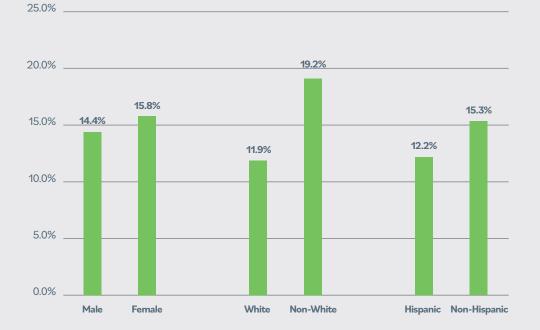
By June 2021, employment levels were at approximately 97.3 percent of their February 2020, pre-pandemic levels.

### **Logistic Regression Results**

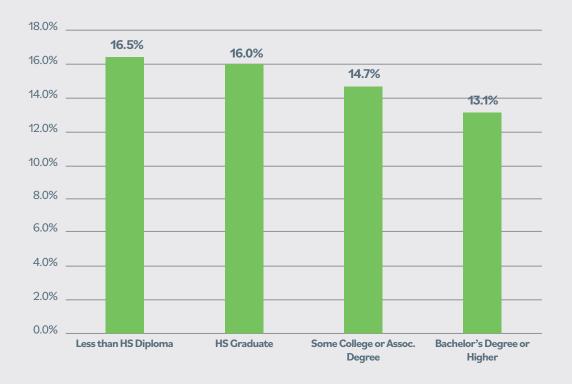
Using a logistic regression, it is possible to distinguish whether specific characteristics of a claimant statistical impact their likelihood of long-term unemployment. The full results of the logistic regression are presented in Appendix C in **Table C1**.

## **Demographic Characteristics**

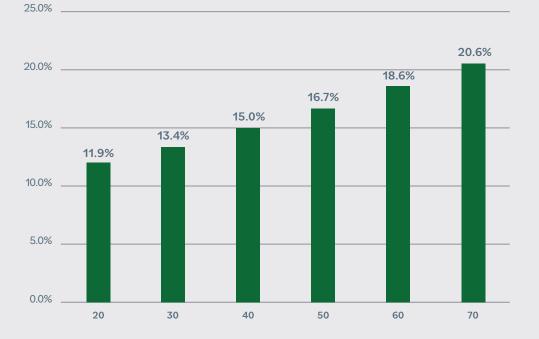
Several demographic characteristics were found to be statistically significant when predicting the probability of long-term unemployment. The following tables and figures provide predicted probabilities of long-term unemployment based on the claimant's demographic characteristics holding all other information about the claimant constant.



#### Figure A4: Probability of Long-Term Unemployment, by Demographic Characteristic

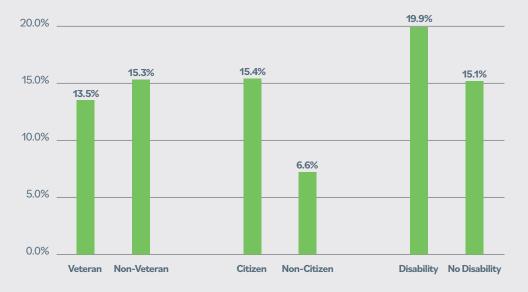


#### Figure A5: Probability of Long-Term Unemployment, by Educational Attainment



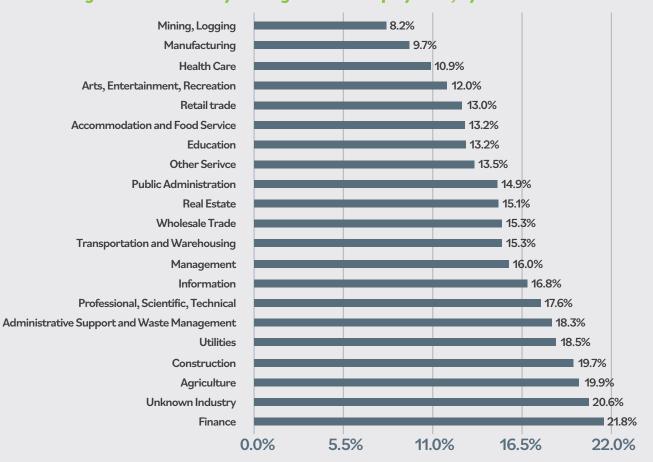
#### Figure A6: Probability of Long-Term Unemployment, by Age





## **Prior Work and Financial Characteristics**

### Industry

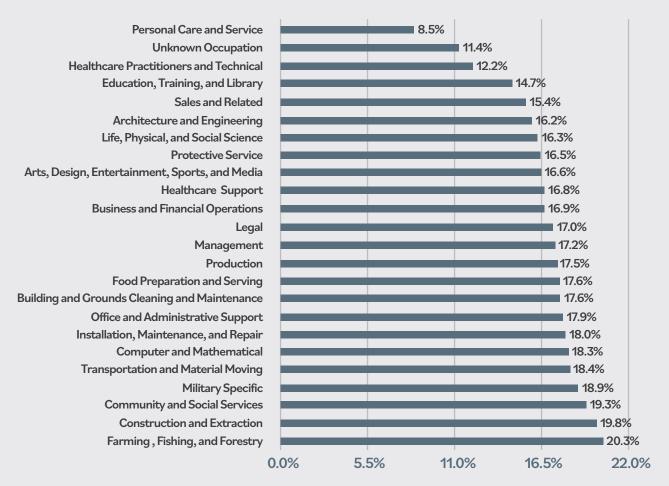


#### Figure A8: Probability of Long-Term Unemployment, by NAICS<sup>7</sup> Code

<sup>7</sup>North American Industry Classification System presented at the two-digit level

## Occupation

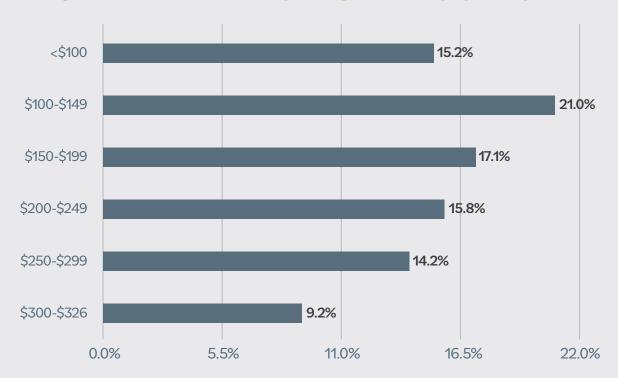
#### Figure A9: Predicted Probability of Long-Term Unemployment, by SOC<sup>8</sup> Code



.....

<sup>8</sup>Standard Occupational Classification system presented at the two-digit level

## Financial

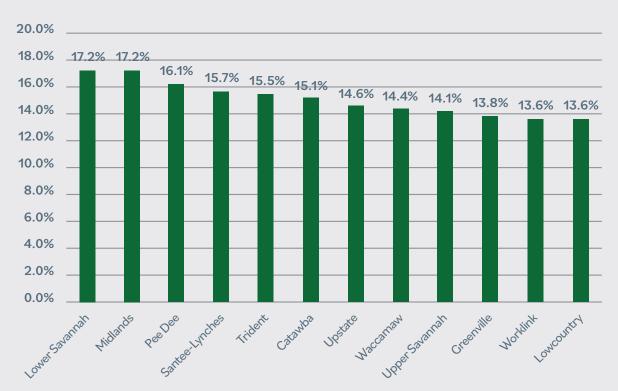


#### Figure A10: Predicted Probability of Long-Term Unemployment by WBA<sup>9</sup>

.....

<sup>9</sup>Weekly benefit amount was chosen rather than base period wages due to missing base period wages for a sizable percentage of the sample.

## Geographic



#### Figure A11: Predicted Probability of Long-Term Unemployment by LWDA

## Appendix B Profile of South Carolina Unemployment Insurance Claimants

**Table B-1** provides a profile of UI claimants who filed an initial claim between March 15 and May 31, 2020 who received at least one payment. Filers during this "early pandemic" period are not necessarily representative of those filing claims during other periods of time including both pre-pandemic and today.

City Oralo 1000 Contect		econavi	rus
	nt Benefits	CRISIC	10
removed Unemployme Application Personal	on Form		4
Personal Given Name	Middle Tes State		1
Surname City Mailing Addres City	Str	143 aconome talou	1
Mailing	Duration (yrs)		

Characteristic	Count	Percent Overall	Percent of Known
DEMOGRAF	PHICS		
SEX			
Male	176,925	44.3%	
Female	219,792	55.1%	
No Answer/Other	2,413	0.6%	
RACE			
Black/African-American	140,868	35.3%	
White	224,121	56.2%	
Other Race	13,709	3.4%	
No Answer	20,432	5.1%	
ETHNICI	TY		
Hispanic	16,113	4.0%	
Not Hispanic	351,982	88.2%	
No Answer	31,035	7.8%	
EDUCATION	LEVEL		
Less than High School	40,332	10.1%	
High School or GED	159,950	40.1%	
Some College or Associate's	133,846	33.5%	
Bachelor's or Higher	65,002	16.3%	
DISABILITY S	TATUS		
Disabled	5,067	1.3%	
Not Disabled	371,042	93.0%	
No Answer	23,021	5.8%	
CITIZENSHIP	STATUS		
Citizen	390,326	97.8%	
Not Citizen	8,804	2.2%	
No Answer	0	0.0%	
VETERAN ST			
Veteran	17,880	4.5%	
Not Veteran	362,467	90.8%	
No Answer	18,783	4.7%	

#### Table B1: Characteristics of Initial UI Claim Filers, March 15-May 31, 2020

Characteristic	Count	Percent Overall	Percent of Known
	DEMOGRAPHICS		
	AGE		
<25	59,191	14.8%	
25-34	104,657	26.2%	
35-44	83,761	21.0%	
45-54	72,800	18.2%	
55-64	56,441	14.1%	
65-74	19,182	4.8%	
75+	3,085	0.8%	
Unknown Age	13	0.0%	
Median Age	39.0		
Mean Age	40.9		
	PREVIOUS WORK		
	INDUSTRY		
Agriculture	460	0.1%	0.1%
Mining and Logging	132	0.0%	0.0%
Utilities	353	0.1%	0.1%
Construction	8,590	2.2%	2.7%
Manufacturing	64,378	16.1%	20.0%
Wholesale	8,159	2.0%	2.5%
Retail	30,279	7.6%	9.4%
Transportation	9,894	2.5%	3.1%
Information	2,167	0.5%	0.7%
Finance	2,293	0.6%	0.7%
Real Estate	4,774	1.2%	1.5%
Prof, Sci, Technical	9,860	2.5%	3.1%
Management	1,549	0.4%	0.5%
Admin Support	34,362	8.6%	10.7%
Education	8,047	2.0%	2.5%
Health Care	38,305	9.6%	11.9%
Arts, Entertainment	8,971	2.2%	2.8
Accommodation and Food	72,240	18.1%	22.5%
Other Services	14,119	3.5%	4.4%
Public Administration	2,198	0.6%	0.7%
Missing/Unknown	78,000	19.5%	

Characteristic	Count	Percent Overall	Percent of Known
PREVIOUS WOF	RK		
OCCUPATION			
Management	23,269	5.8%	7.6%
Business and Financial Operations	6,535	1.6%	2.1%
Computer and Mathematical	2,494	0.6%	0.8%
Architecture and Engineering	8,447	2.1%	2.8%
Life, Physical, and Social Science	3,057	0.8%	1.0%
Community and Social Services	1,617	0.4%	0.5%
Legal	816	0.2%	0.3%
Education, Training, and Library	9,017	2.3%	2.9%
Arts, Design, Entertainment, Sports, and Media	5,582	1.4%	1.8%
Healthcare Practitioners and Technical	12,300	3.1%	4.0%
Healthcare Support	11,054	2.8%	3.6%
Protective Service	1,784	0.4%	0.6%
Food Preparation and Serving Related	49,497	12.4%	16.1%
Building and Grounds Cleaning and Maintenance	10,131	2.5%	3.3%
Personal Care and Service	20,746	5.2%	6.8%
Sales and Related	30,205	7.6%	9.8%
Office and Administrative Support	35,863	9.0%	11.7%
Farming, Fishing, and Forestry	608	0.2%	0.2%
Construction and Extraction	8,896	2.2%	2.9%
Installation, Maintenance, and Repair	10,634	2.7%	3.5%
Production	31,642	7.9%	10.3%
Transportation and Material Moving	22,330	5.6%	7.3%
Military Specific	285	0.1%	0.1%
BASE PERIOD WA	GES		
<\$15,000 <sup>5</sup>	108,584	27.2%	42.2%
\$15,000-\$19,999	34,107	8.5%	8.8%
\$20,000-\$24,999	31,472	7.9%	8.1%
\$25,000-\$29,999	29,126	7.3%	7.5%
\$30,000-\$34,999	25,564	6.4%	6.6%
\$35,000-\$39,999	21,182	5.3%	5.5%
\$40,000-\$44,999	16,476	4.1%	4.3%
\$45,000-\$49,999	13,200	3.3%	3.4%
\$50,000-\$74,999	37,058	9.3%	9.6%
\$75,000-\$99,999	10,019	2.5%	2.6%
\$100,000-\$149,999	4,072	1.0%	1.1%
\$150,000+	1,601	0.4%	0.4%
Unknown/Missing	66,719	16.7%	
Median Base Period Wages	\$23,726		
Mean Base Period Wages	\$29,528		

Characteristic	Count	Percent Overall	Percent of Known
CLAIM INFORMAT	ION		
FILING METHO	C		
Filed by Claimant	370,097	92.7%	
Filed by Employer	29,033	7.3%	
WEEKLY BENEFIT AM	IOUNT		
WBA <\$100	12,244	3.1%	
\$100-\$149	125,528	31.5%	
\$150-\$199	32,194	8.1%	
\$200-\$249	32,781	8.2%	
\$250-\$299	32,159	8.1%	
\$300-\$326	164,224	41.1%	
Unknown/Missing	50	0.0%	
Percent at Maximum WBA	148,322	37.2%	
Median WBA	\$253		
Mean WBA	\$235		

Characteristic	Count	Percent Overall	Percent of Known
GEOGRAPHY	(		
In-State	375,855	94.2%	
Abbeville	1,225	17.9%	
Aiken	7,547	2.0%	
Allendale	451	0.1%	
Anderson	14,848	4.0%	
Bamberg	674	0.2%	
Barnwell	1,168	0.3%	
Beaufort	11,368	3.0%	
Berkeley	18,257	4.9%	
Calhoun	587	0.2%	
Charleston	33,973	9.0%	
Cherokee	4,946	1.3%	
Chester	2,415	0.6%	
Chesterfield	2,253	0.6%	
Clarendon	1,917	0.5%	
Colleton	2,644	0.7%	
Darlington	4,545	1.2%	
Dillon	1,446	0.4%	
Dorchester	12,777	3.4%	
Edgefield	1,322	0.4%	
Fairfield	1,576	0.4%	
Florence	9,707	2.6%	
Georgetown	4,283	1.1%	
Greenville	45,656	12.1%	
Greenwood	4,769	1.3%	
Hampton	1,061	0.3%	
Horry	39,313	10.5	
Jasper	1,454	0.4%	
Kershaw	4,540	1.2%	
Lancaster	4,340	1.2%	
Laurens	4,325	1.2%	
Lee	920	0.2%	
Lexington	17,562	4.7%	
Marion	2,254	0.6%	
Marlboro	1,555	0.4%	
McCormick	333	0.1%	
Newberry	2,386	0.6%	
Oconee	5,286	1.4%	
Orangeburg	6,925	1.8%	

Characteristic	Count	Percent Overall	Percent of Known
GEOGRAPHY			
Pickens	9,479	2.5%	
Richland	28,467	7.6%	
Saluda	550	0.1%	
Spartanburg	29,504	7.8%	
Sumter	7,053	1.9%	
Union	2,416	0.6%	
Williamsburg	1,931	0.5%	
York	13,781	3.7%	
In-State Unknown	66	0.0%	
Out-of-State	15,435	3.9%	
Florida	667	0.2%	
Georgia	3,036	0.8%	
North Carolina	8,147	2.0%	
Other Out-of-State	3,585	0.9%	
Unknown	7,840	2.0%	

**Table B2** provides statistics on those claimants who were shown to still be filing a UI claim as of week endingJune 26, 2021, more than one year after filing their initial claim. These individuals were classified as long-termfilers and showed evidence of filing continuously throughout the period spring 2020 through end of June 2021.The concentration of long-term unemployed is also shown by county in **Figure B1**.

## Table B2: Characteristics of Long-Term UI Claim Filers

Characteristic	Count	Percent Overall	Percent of Known
DEMOGRAPHI	CS		
SEX			
Male	24,958	41.4%	
Female	35,057	58.2%	
No Answer/Other	214	0.4%	
RACE			
Black/African-American	30,892	51.3%	53.4%
White	25,832	42.9%	44.6%
Other Race	1,166	1.9%	2.0%
No Answer	2,339	3.9%	
ETHNICITY			
Hispanic	1,639	2.7%	2.9%
Not Hispanic	54,423	90.4%	97.1%
No Answer	4,167	6.9%	
EDUCATION LE	VEL		
Less than High School	6,903	11.5%	
High School or GED	27,071	44.9%	
Some College or Associate's	18,481	30.7%	
Bachelor's or Higher	7,774	12.9%	
DISABILITY STA	TUS		
Disabled	1,309	2.2%	2.3%
Not Disabled	54,765	90.9%	97.7%
No Answer	4,155	6.9%	
CITIZENSHIP STA	ATUS		
Citizen	59,653	99.0%	
Not Citizen	576	1.0%	
No Answer	0	0.0%	
VETERAN STAT	US		
Veteran	2,425	4.0%	4.2%
Not Veteran	54,717	90.8%	95.8%
No Answer	3,087	5.1%	
AGE			
<25	5,866	14.8%	
25-34	15,720	26.2%	
35-44	14,342	21.0%	
45-54	10,932	18.2%	
55-64	8,443	14.1%	
65-74	4,169	4.8%	

Characteristic	Count	Percent Overall	Percent of Known
	DEMOGRAPHICS		
	AGE		
<25	5,866	14.8%	
25-34	15,720	26.2%	
35-44	14,342	21.0%	
45-54	10,932	18.2%	
55-64	8,443	14.1%	
65-74	4,169	4.8%	
75+	757	0.8%	
Unknown Age	0	0.0%	
Median Age	40.5		
Mean Age	42.7		
F	PREVIOUS WORK		
	INDUSTRY		
Agriculture	115	0.2%	0.3%
Mining and Logging	10	0.0%	0.0%
Utilities	53	0.1%	0.1%
Construction	1,693	2.8%	4.0%
Manufacturing	4,535	7.5%	10.8%
Wholesale	1,099	1.8%	2.6%
Retail	3,814	6.3%	9.1%
Transportation	1,677	2.8%	4.0%
Information	332	0.6%	0.8%
Finance	530	0.9%	1.3%
Real Estate	798	1.3%	1.9%
Prof, Sci, Technical	1,674	2.8%	4.0%
Management	214	0.4%	0.5%
Admin Support	7,688	12.8%	18.3%
Education	1,181	2.0%	2.8%
Health Care	3,445	5.7%	8.2%
Arts, Entertainment	971	1.6%	2.3%
Accommodation and Food	10,177	16.9%	24.2%
Other Services	1,645	2.7%	3.9%
Public Administration	374	0.6%	0.9%
Missing/Unknown	18,204	30.2%	

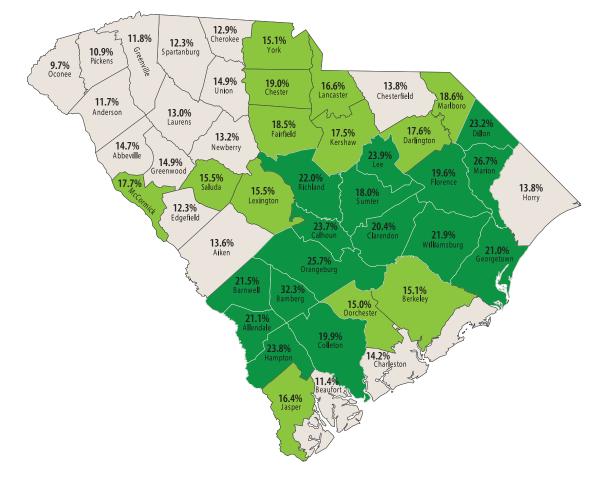
Characteristic	Count	Percent Overall	Percent of Known
PREVIOUS W	ORK		
OCCUPATIO	NC		
Management	3,199	5.3%	6.5%
Business and Financial Operations	1,014	1.7%	2.1%
Computer and Mathematical	378	0.6%	0.8%
Architecture and Engineering	939	1.6%	1.9%
Life, Physical, and Social Science	395	0.7%	0.8%
Community and Social Services	333	0.6%	0.7%
Legal	154	0.3%	0.3%
Education, Training, and Library	1,552	2.6%	3.2%
Arts, Design, Entertainment, Sports, and Media	995	1.7%	2.0%
Healthcare Practitioners and Technical	870	1.4%	1.8%
Healthcare Support	1,503	2.5%	3.1%
Protective Service	342	0.6%	0.7%
Food Preparation and Serving Related	7,661	12.7%	15.6%
Building and Grounds Cleaning and Maintenance	2,585	4.3%	5.3%
Personal Care and Service	2,552	4.2%	5.2%
Sales and Related	5,102	8.5%	10.4%
Office and Administrative Support	6,535	10.9%	13.3%
Farming, Fishing, and Forestry	146	0.2%	0.3%
Construction and Extraction	2,129	3.5%	4.3%
Installation, Maintenance, and Repair	1,600	2.7%	3.3%
Production	4,628	7.7%	9.4%
Transportation and Material Moving	4,453	7.4%	9.1%
Military Specific	45	0.1%	0.1%
BASE PERIOD V	VAGES		
<\$15,000⁵	22,127	36.7%	51.3%
\$15,000-\$19,999	5,496	9.1%	12.7%
\$20,000-\$24,999	4,388	7.3%	10.2%
\$25,000-\$29,999	3,348	5.6%	7.8%
\$30,000-\$34,999	2,348	3.9%	5.4%
\$35,000-\$39,999	1,556	2.6%	3.6%
\$40,000-\$44,999	1,059	1.8%	2.5%
\$45,000-\$49,999	749	1.2%	1.7%
\$50,000-\$74,999	1,434	2.4%	3.3%
\$75,000-\$99,999	356	0.6%	0.8%
\$100,000-\$149,999	205	0.3%	0.5%
\$150,000+	65	0.1%	0.2%
Unknown/Missing	17,098	28.4%	
Median Base Period Wages	\$14,550		
Mean Base Period Wages	\$18,840		

Characteristic	Count	Percent Overall	Percent of Known			
CLAIM INFORMAT	CLAIM INFORMATION					
FILING METHO	D					
Filed by Claimant	59,428	98.7%				
Filed by Employer	801	1.3%				
WEEKLY BENEFIT AM	IOUNT					
WBA <\$100	1,849	3.1%				
\$100-\$149	29,573	49.1%				
\$150-\$199	5,820	9.7%				
\$200-\$249	5,391	9.0%				
\$250-\$299	4,609	7.7%				
\$300-\$326	12,987	21.6%				
Unknown/Missing	0	0.0%				
Percent at Maximum WBA		18.2%				
Median WBA	\$152					
Mean WBA	\$198					

Characteristic	Count	Percent Overall	Percent of Known
GEOGRAPHY	•		
In-State	56,900	94.5%	
Abbeville	180	0.3%	
Aiken	1,024	1.7%	
Allendale	95	0.2%	
Anderson	1,732	2.9%	
Bamberg	218	0.4%	
Barnwell	251	0.4%	
Beaufort	1,298	2.2%	
Berkeley	2,758	4.6%	
Calhoun	139	0.2%	
Charleston	4,810	8.0%	
Cherokee	639	1.1%	
Chester	460	0.8%	
Chesterfield	311	0.5%	
Clarendon	391	0.6%	
Colleton	526	0.9%	
Darlington	801	1.3%	
Dillon	335	0.6%	
Dorchester	1,913	3.2%	
Edgefield	162	0.3%	
Fairfield	292	0.5%	
Florence	1,905	3.2%	
Georgetown	900	1.5%	
Greenville	5,409	9.0%	
Greenwood	709	1.2%	
Hampton	253	0.4%	
Horry	5,427	9.0%	
Jasper	239	0.4%	
Kershaw	794	1.3%	
Lancaster	719	1.2%	
Laurens	564	0.9%	
Lee	220	0.4%	
Lexington	2,715	4.5%	
Marion	601	1.0%	
Marlboro	289	0.5%	
McCormick	59	0.1%	
Newberry	314	0.5%	
Oconee	514	0.9%	
Orangeburg	1,777	3.0%	

Characteristic	Count	Percent Overall	Percent of Known
GEOGRAPHY			
Pickens	1,032	1.7%	
Richland	6,265	10.4%	
Saluda	85	0.1%	
Spartanburg	3,641	6.0%	
Sumter	1,271	2.1%	
Union	361	0.6%	
Williamsburg	423	0.7%	
York	2,079	3.5%	
In-State Unknown	12	0.0%	
Out-of-State	1,948	2.3%	
Florida	147	3.2%	
Georgia	351	0.2%	
North Carolina	872	0.6%	
Other Out-of-State	578	1.4%	
Unknown	1,369	1.0%	

Figure B1: Percent of Claimants Long-Term Filers, by County



## **Appendix C** Logistic Regression Results

Note that "odds ratios" are used to compare the relative odds of the occurrence of the outcome of interest (long-term unemployment). An odds ratio of 1 means that the variable does not affect the odds of long-term unemployment. An odds ratio of less than 1 means the variable is associated with lower odds of long-term unemployment. An odds ratio of greater than 1 means the variable is associated with higher odds of long-term unemployment.

Rather than focusing on the numerical value of the odds ratio, one can focus on whether the odds ratio is greater than, less than, or equal to 1 as well as its statistical significance, as denoted with the asterisks in **Table C1**.

VARIABLE	ODDS RATIO	STD. ERR.	Z	P> Z
Male	0.891***	0.009	-10.86	0.000
White	0.546***	0.006	-59.44	0.000
Hispanic	0.757***	0.022	-9.73	0.000
Less than High School	1.336***	0.027	14.30	0.000
High School Graduate or GED	1.287***	0.020	16.04	0.000
Some College or Associate's Degree	1.157***	0.018	9.22	0.000
Age	1.014***	0.000	42.68	0.000
Agriculture	1.686***	0.199	4.42	0.000
Mining, logging	0.578	0.195	-1.63	0.103
Utilities	1.508	0.248	2.50	0.012
Construction	1.670***	0.060	14.17	0.000
Manufacturing	0.698***	0.017	-14.45	0.000
Wholesale trade	1.203***	0.046	4.84	0.000
Retail trade	1.004	0.025	0.15	0.879
Transportation and warehousing	1.198***	0.041	5.28	0.000
Information	1.354***	0.090	4.57	0.000
Finance	1.910***	0.106	11.64	0.000
Real Estate	1.185***	0.052	3.84	0.000
Professional, scientific, technical	1.441***	0.048	10.97	0.000
Management	1.274***	0.103	3.00	0.003
Administrative support and waste management	1.531***	0.033	19.72	0.000
Education	0.981	0.038	-0.50	0.617
Health care	0.797***	0.022	-8.28	0.000
Arts, entertainment, recreation	0.895***	0.034	-2.88	0.004
Other service	1.034	0.033	1.02	0.308
Public administration	1.159**	0.072	2.37	0.018
Unknown industry	1.768***	0.034	29.44	0.000

VARIABLE	ODDS RATIO	STD. ERR.	Z	P> Z
Management	0.972	0.026	-1.08	0.281
Business and Financial Operations	0.943	0.039	-1.42	0.155
Computer and Mathematical	1.063	0.068	0.96	0.339
Architecture and Engineering	0.899**	0.038	-2.53	0.011
Life, Physical, and Social Science	0.928	0.057	-1.23	0.218
Community and Social Services	1.134*	0.078	1.82	0.069
Legal	0.954	0.093	-0.48	0.629
Education, Training, and Library	0.791***	0.029	-6.36	0.000
Arts, Design, Entertainment, Sports, and Media	0.920**	0.038	-1.98	0.047
Healthcare Practitioners and Technical	0.629***	0.027	-10.66	0.000
Healthcare Support	0.944	0.035	-1.54	0.123
Protective Service	0.907	0.060	-1.46	0.143
Building and Grounds Cleaning and Maintenance	1.001	0.029	0.03	0.978
Personal Care and Service	0.408***	0.012	-30.26	0.000
Sales and Related	0.842***	0.021	-7.03	0.000
Office and Administrative Support	1.023	0.024	0.98	0.326
Farming, Fishing, and Forestry	1.213*	0.127	1.85	0.064
Construction and Extraction	1.176***	0.041	4.63	0.000
Installation, Maintenance, and Repair	1.028	0.036	0.79	0.430
Production	0.993	0.026	-0.27	0.786
Transportation and Material Moving	1.057**	0.028	2.08	0.038
Military Specific	1.097	0.189	0.54	0.591
Unknown Occupation	0.580***	0.012	-25.40	0.000
Veteran	0.853***	0.021	-6.36	0.000
Citizen	2.730***	0.021	21.38	0.000
Disabled	1.435***	0.051	10.19	0.000
WBA <\$100	1.806***	0.052	20.47	0.000
WBA \$100-\$149	2.738***	0.039	70.17	0.000
WBA \$150-\$199	2.099***	0.040	39.08	0.000
WBA \$200-\$249	1.899***	0.036	33.75	0.000
WBA \$250-\$299	1.669***	0.033	26.15	0.000
Pandemic Unemployment Assistance	1.316***	0.027	13.53	0.000

VARIABLE	ODDS RATIO	STD. ERR.	Z	P> Z
Trident	1.160***	0.022	7.80	0.000
Lowcountry	0.984	0.027	-0.58	0.562
Midlands	1.327***	0.026	14.54	0.000
Upstate	1.075***	0.024	3.24	0.001
Catawba	1.127***	0.028	4.81	0.000
Santee-Lynches	1.180***	0.032	6.06	0.000
Waccamaw	1.058***	0.022	2.72	0.007
Upper Savannah	1.032	0.030	1.06	0.289
Lower Savannah	1.336***	0.034	11.41	0.000
Pee Dee	1.222***	0.030	8.22	0.000
Worklink	0.987	0.024	-0.54	0.592
Out-of-State/Unknown	1.265***	0.045	6.54	0.000
Urban	0.872***	0.017	-7.06	0.000
Constant	0.025***	0.001	-62.34	0.000

While broadly consistent, there are notable differences between LWDAs. Full regression results for each LWDA similar to **Table C1** are available upon request.



www.SCWorks.com

P.O. Box 995 1550 Gadsden Street Columbia, SC 29202 dew.sc.gov



Henry McMaster Governor

G. Daniel Ellzey Executive Director

WED Area Directors WED Regional Managers Local Area Administrators SC Works Operators

From:

To:

Michelle Paczynski, Assistant Executive Director – Workforce
 Development
 Grey Parks, Assistant Executive Director – Employment Services

Y2 Kevin Cummings, Assistant Executive Director – Technical Services, Policies, and Reporting

Subject: Temporary Layoff Assistance – Training Model Memo

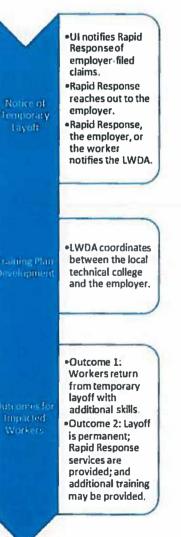
Date:

December 17, 2021

The workforce system, SC Works, and the local technical colleges can be an asset during temporary layoffs by exploring training needs and coordinating training resources, offering businesses the opportunity to upskill their workforce during this period of slowed production. Upskilling will not only advance the skill set of their workers but also allow them to retain their workforce, preventing a full layoff.

While the skill and certification requirements are unique to each business, there are industry standards that suggest certain trainings may be of benefit across industries, such as lean principles, information technology, and project management. The technical college system is an essential provider of shortterm occupational training in SC, offering courses that retool workers quickly in today's high-demand skills.

Coordinating short-term occupational training for a worker group facing a temporary layoff will require coordination between the employer and the local technical college. The local workforce development area (LWDA) will be the lead entity in coordinating training options with an employer facing temporary layoffs and the local technical college. Notification of a temporary layoff occurs either through an employer filing



Temporary Layoff Assistance – Training Model Memo December 17, 2021 Page 2 of 3

for Unemployment Insurance (UI) benefits for its workers or through notifying a member of the business services team of the temporary pause in production. Either way, notification of a temporary layoff is an opportunity to promote short-term training for the impacted workers by the LWDA in partnership with the technical college.

The LWDA's efforts to partner with the local technical college, and available funding within the technical college system, are essential to the success of short-term training options as a layoff assistance tool.

**Possible Training Scenarios** 

Likely scenarios in which short-term training may result in favorable outcomes for employers and workers include the following:

- 1. Production pauses and employees participate in short-term training while remaining on the payroll (job attached).
- Production pauses and employees are laid off temporarily (payroll has paused) with a return date (job attached).
- Employees are temporarily laid off (payroll paused) without a known return to work date, but the employer seeks training for the workers so they have improved skills and can possibly transition to new employment with the employer when recalled.

The partnership with technical colleges is largely the means for providing short-term training during temporary layoffs; however, depending upon business circumstances, other public training resources may be available.

#### Short-Term Training and Eligibility for Unemployment Insurance

It is important that companies understand the direct correlation between short-term training and eligibility for UI benefits, even for business-filed claims.

- An employer continues to pay the hourly wages and requires workers to participate in training.
  - Workers who continue to receive full pay will not need to file for UI and would receive no benefits while receiving full pay.
  - Workers who continue to receive pay at a reduced rate may file a claim for UI benefits; however, UI claimants must report their gross wages received each week that they certify a claim for UI benefits. Under SC's law, wages or subsidized payments will reduce or eliminate the benefits the claimant can receive that week. Alternatively, severance pay is not wages under our law and, therefore, would not reduce or eliminate the benefits the claimant can receive each week.

Temporary Layoff Assistance – Training Model Memo December 17, 2021 Page 3 of 3

NOTE: A claim must be filed during the week of reduced pay in order to become eligible for UI benefits beginning that week. Delay in filing will cause a worker to be ineligible for UI benefits that could have been received in weeks prior to filing a UI claim.

- An employer does not pay hourly wages, but offers training during the short-term separation.
  - Claimants receive their full weekly benefit amount because claimants would be completely unemployed for any week in which they perform no services, earning no wages.
  - Waiting Week—Before any UI benefits can be paid, an unpaid waiting period equivalent to one full week of unemployment benefits must be served.
    - o Exception: claimants with an active benefit claim who had the waiting week waived due to the pandemic state of emergency (prior to June 18, 2021) will not serve a waiting week when filing for benefits due to the temporary layoff.
    - o If a claimant establishes a new claim, the claimant must serve the waiting week before receiving payment, reducing the amount of UI benefits the claimant could receive before returning to work.
  - Weekly Work Search Requirement—In order for a UI claimant to continue to collect unemployment benefits while attending training, the claimant must be available for and seeking full-time work. A claimant who is not available and not seeking work due to enrollment in training may have those requirements waived if the training is considered approved for the UI program.
    - o If an employer files on behalf of the workers, claimants will be automatically waived from the weekly work search requirement.
    - o If an employer does not file on behalf of its workers, the weekly work search can be waived for the workers who participate in training. The employer or the individual claimant must notify DEW of the worker's participation in training in order to receive training approval and have the work search requirement waived.

Questions may be directed to PolnPro@dew.sc.gov.