



CONNECTING OKLAHOMANS TO JOBS

February 2023

The workforce landscape in Oklahoma is disconnected; many agencies have a hand in workforce development, but there is no ownership. Identifying and connecting untapped labor pools will give Oklahoma businesses fresh talent to pull from.

Labor Force Participation

Labor force participation rate (LFPR) answers the question how many people are actively participating in the workforce. LFPR is the total number of people looking for work or are employed and of the working age over the total number of working aged people.

LFPR indicates how healthy an economy is. The higher the rate, the healthier the economy. Much like unemployment rates, it can be affected by economic down turns and social changes, like women working outside the home.

The current labor force participation rate is 60.4%. (As of, Dec. 2022, [Senate Employment Report](#)).

Within the labor force participation rate are individuals who are underemployed. Underemployment occurs when a worker takes a job below their skill level, is part time or does not provide enough work. Individuals who are underemployed may seek to do so intentionally for social benefit programs, or unintentionally. This could be because the economy is bad, they are in the wrong location for the work, etc.

While there is no official tracking of underemployment, [some surveys](#) show 46% of people answered that they are underemployed.

Some workers maintain underemployment on purpose, because they participate in a social benefits program with an income threshold and if they are paid more, they lose the benefit. This is called a benefits cliff.

Benefit Cliff

A [benefit cliff](#) occurs when a worker receives a wage or hours increase that pushed them above the wage range for a social benefit. Typically, when this occurs the worker is still in need of the social benefit since the wage or hour increase does not cover the cost of the lost benefit. Individuals are making the choice to be underemployed to keep benefits.

Underemployment can occur when a worker is employed but in a job that is below his or her skill level, is part time or does not provide enough work. Underemployment is difficult to measure, but [some surveys](#) show 46% of respondents say they are underemployed.

Everyone loses when an employee turns down hours or wages because of a benefit cliff and maintain underemployment. Taxpayers must continue to pay for the benefit. The employee misses and opportunity that may serve them better in the long run. Employers miss out on the talent of that employee in the offered opportunity.

Oklahoma's Social Benefits Programs

Hard times and economic down turns can cause workers to lean on state and federal social programs for support. These programs offer in-kind or cash benefits to recipients. The programs can be for a length of time or for short duration. Eligibility to be a recipient depends on income and is set federally.

Various Federal and State Social Benefits Programs			
Program	Description	Eligibility	Work Requirement
Medicaid	Provides low-income Oklahomans with health insurance coverage.	Wage requirements Individual: \$17,796 Family of four: \$36,588	None, unless a waiver is granted by the federal government.
Supplemental Nutrition Assistance Program (SNAP)	Provides low-income families with electronic benefit cards to purchase nutritious food.	Wage Requirements Individual: \$17,676 Family of four: \$36,084	Adults must work at least 20 hour per week for more than months to receive SNAP. OK SNAP Works is offered in Oklahoma, McIntosh and Tulsa counties. It connects recipients to job training, adult basic education and career skills classes.
Temporary Assistance for Needy Families (TANF)	Provides cash payments to eligible families for no longer than 60 months.	Families must have less than \$2,250 in resources. Must have children.	If work eligible, must do 30 hours per week of work activities includes training, education and structured employment search.
Unemployment	Provides weekly cash benefits for individuals who lost employment at no fault of their own for up to 26 weeks.	Must have held employment Must have lost employment to no fault of their own	Must apply for three similar jobs per week to the one lost. Cannot turn down work.

It is a common misconception that recipients are not working. A 2019 study found 63% of Medicaid expansion adults are working, while SNAP requires beneficiaries to be working or in training.

Work Requirements

States are strengthening the work requirements already in place. [South Carolina](#), for example, connects unemployed individual's social security number to their job search account to ensure work search and interview requirements are being met.

Florida strengthens the SNAP requirements by requiring [able body adults ages 18 to 49](#) to work to receive the full gamut of benefits. For all benefit programs, Floridians must comply with the set-out work requirements, if not, they will lose benefits.

Information Dissemination

States are attempting to protect against underemployment and ease benefit cliffs by providing information on training opportunities and other programs which ensure success in the future. Ideally, after completion of these programs the recipient's pay will increase enough after the training to cover the costs of the lost benefit. Montana, Louisiana and Maine created programs that inform benefit recipients of training programs.

In Montana, HELP Link was created in 2016 when Montana opened Medicaid enrollment to the expanded adult population. It connects recipients to career coaches, financial literacy classes, employment and skills assessments, free training and job placement opportunities.

The 2018 pilot program in Montana was apportioned \$1.8 million, 53% of which went directly to participant's programming and 32% to case management. After the pilot program ended in 2019, Montana reauthorized the program with \$3.8 million to create a more workforce programs and support those existing. ([KFF](#))

Maine created Higher Opportunity for Pathways to Employment (HOPE) program for SNAP, TANF and Medicaid expansion population. HOPE covers training and education costs. HOPE Program further requires recipients to be a parent or caregiver of a minor.

Louisiana's program reaches Medicaid Expansion population for [specific types of training](#). Beginning in 2019, Medicaid Expansion recipients may participate in certified nursing assistant, commercial vehicle operation, environmental services technician, forklift operator, or mortgage document specialist training programs offered on two community college campuses.

These states have seen success with their programs. [HELP Link](#) has connected 25,244 with career services and 3,000 Montanans received job training with 70% job placement rate and 51% who were employed saw an increase in wages. Since 2020, HOPE Program has seen [205 graduates](#).

Solutions for Oklahoma

The business community needs to support solutions to increase the labor force participation rate. This can be accomplished through targeting information to benefit program recipients about upskilling, retraining, or finding employment.

