



January 5, 2022

Cash Assistance Manual Transmittal Letter No. 176

TO: All Cash Assistance Manual Holders
FROM: Matt Damschroder, Director
SUBJECT: **Five Year Rule Review: The Prevention, Retention, and Contingency Employer Subsidy.**

In accordance with section 106.03 of the Ohio Revised Code (ORC), each state agency is required to review each of its rules in the Ohio Administrative Code a minimum of once every five years. The intent of the review is to ensure that Administrative Code rules are clearly written and that program requirements are accurate, up-to-date, and clearly expressed. To the extent possible, unnecessary paperwork will be eliminated, local agencies will be given increased flexibility, and any adverse impact on businesses will be eliminated or reduced. As a result of the review, the agency may amend the rule; rescind the rule; or continue the rule without amendment.

The Office of Family Assistance (OFA) has completed a review of the following rule and the rule has been subject to a review by the Joint Committee on Agency Rule Review (JCARR). The rule will become effective on 02/01/2022.

Chapter 2000

5101:1-3-16 "The Prevention, Retention, and Contingency Employer Subsidy."

This rule describes the prevention, retention, and contingency employer subsidy program. This rule is being amended due to the Common Sense Initiative (CSI) office's evaluation of rules to identify key words using outdated terminology or in-person interaction in an effort to modernize rule language and a five-year rule review. OFA amended this rule. Changes to the rule include minor language updates to paragraph (A) for clarity.

5101:1-3-16

The prevention, retention, and contingency employer subsidy.

(A) What is the prevention, retention, and contingency (PRC) employer subsidy program?

Chapter 5108. of the Revised Code establishes the PRC program under which a county agency may establish an employer subsidy program.

- (1) The purpose of the PRC employer subsidy programs is to provide eligible individuals an opportunity to obtain employment and provide employers an incentive to hire participants who are in need of benefits and services to overcome barriers to employment.
- (2) Public, ~~private non-profit~~, and private ~~for-profit~~ sector employers are eligible to participate in the PRC employer subsidy programs.
- (3) Employers participating in PRC employer subsidy programs shall receive a subsidy for a specific period of time to assist in the cost of hiring and providing training to the participant.
- (4) The subsidized job position may be full or part time. "Full time" and "part time" is defined by the employer.
- (5) Participants in a PRC employer subsidy program shall be considered regular, permanent employees of the employer. They shall be paid the same rate as other employees doing similar work and shall be entitled to the same employment benefits and opportunities for the advancement and affiliations with employee organizations that are available to other regular employees of the employer.
- (6) The county agency or contract program provider and the participant shall enter into a written contract with the employer.
 - (a) The contract shall be ~~written~~ effective with the first day of employment.
 - (b) The contract shall specify the number of hours of employment and the number of months of employer subsidy.
 - (c) The contract shall specify the amount of the monthly subsidy the employer will be receiving. It is recommended that this amount not exceed fifty per cent of the wages paid by the employer.
- (7) The PRC subsidy program shall include the expectation of continuing employment with the participating employer after the subsidy expires or a placement component that leads to employment with another employer after the subsidy expires. The expectation of employment may be contingent upon

the participant's successful completion of any probationary or training period specified in the contract and abiding by the employer's rules and regulations.

(B) What are the county agency requirements?

- (1) The county agency shall work with the employer to determine the requirements for the subsidized job and screen participants for placement with the employer.
- (2) The county agency shall track the subsidy payments to the employer and monitor the participant's progress in employment during the subsidy period.
- (3) Subject to the availability of funds, the county agency shall provide support services the county agency determines to be necessary to assist the participant in obtaining or maintaining employment with the employer.
- (4) The county agency should encourage employers to build career ladders to enable participants to move into higher skilled and higher paying positions that will lead them toward self sufficiency.

(C) Who may participate in a PRC employer subsidy program?

- (1) Ohio works first (OWF) assistance groups who are participating in the subsidized employment program pursuant to rule 5101:1-3-12.2 of the Administrative Code and subsequently become ineligible for OWF may potentially continue to be eligible to participate in a PRC employer subsidy program provided that:
 - (a) The county agency has designated the employer subsidy as a PRC program under the county's PRC plan and the individual is otherwise eligible in accordance with the requirements of Chapter 5108. of the Revised Code; and
 - (b) The individual is still working for the employer and the terms of the original contract are met.
- (2) An individual who is not in receipt of OWF may potentially be eligible to participate in the employer subsidy program provided that the county agency has designated the employer subsidy as a PRC program under the county's PRC plan and the individual is otherwise eligible in accordance with the requirements of Chapter 5108. of the Revised Code.

Effective: 2/1/2022

Five Year Review (FYR) Dates: 10/19/2021 and 02/01/2027

CERTIFIED ELECTRONICALLY

Certification

01/04/2022

Date

Promulgated Under: 119.03
Statutory Authority: 5107.05.
Rule Amplifies: 5107.05, 5108.01 to 5108.12.
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