Treasury and Labor Departments Award Funding for the First Social Impact Partnership Project

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WASHINGTON -- Today, the U.S. Department of the Treasury and the U.S. Department of Labor are awarding the New York State Energy Research and Development Authority (NYSERDA) with up to $8.2 million for its project to provide clean energy job training to unemployed and low-wage workers, increase participants’ wages, and to evaluate the training’s effectiveness. This marks the first time that the Treasury Department has awarded funding through the Social Impact Partnership to Pay for Results Act (SIPPRA) program.

“America is facing profound economic and climate crises. We’re still down nearly 10 million jobs from our pre-pandemic peak, and in addition, we’re living in a narrow window in which we can still avoid the most catastrophic effects of climate change,” said Treasury Secretary Janet L. Yellen. “The President has called on us to ‘seize the opportunity that climate change presents,’ and that’s what this grant does: it shows we can help workers and transition to a net-zero economy at the same time.”

The SIPPRA program makes funding available to State and local governments for pay-for-results social impact partnership projects. SIPPRA projects may seek to improve a variety of social problems, including increasing employment, wages, and financial stability for low-income families; improving family health and housing; and reducing recidivism.

NYSERDA will train individuals who are long-term unemployed, low-wage workers, and youth ages 16-24 for energy efficiency occupations. The Authority will receive up to $7.1 million if its clean energy jobs training program increases the participants’ wages. NYSERDA will receive an additional $1.1 million to pay for the costs of independently evaluating the project. A key component of SIPPRA is that projects must produce measurable outcomes before the federal government is required to make an award payment. Similar sector-based training approaches have been shown to improve employment, earnings, and wage rates over a two-year period.

Acting President and CEO of NYSERDA Doreen M. Harris said, “NYSERDA is thrilled to partner with the U.S. Treasury Department, the U.S. Department of Labor, and Social Finance on the
first pay for success model in the country that directly supports essential clean energy workforce training. As New York State works to achieve its ambitious clean energy goals, we are diligently working to eliminate barriers to accessing quality jobs within the clean energy sector, especially within disadvantaged communities, and this new approach will drive the necessary scale-up of New York’s clean energy workforce as we transition to a green economy.”

SIPPRA funding is awarded through a competitive process. The Treasury Department selected NYSERDA’s project based on the strength of its application, input from the Commission on Social Impact Partnerships, and in consultation with the Federal Interagency Council on Social Impact Partnerships.

More information about SIPPRA

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