



Policy Memorandum Letter #21

TO: All Mid-Carolina Workforce Development Board Members, Staff, and Participants

FROM: Matthew Fowler, Executive Director

SUBJECT: Transparency and Integrity (Hatch Act)

PURPOSE:

This communication serves to articulate and reinforce expectations regarding integrity and transparency in decision-making by state and local workforce investment boards and officials, with a focus on addressing conflict of interest, as outlined in the Training and Employment Guidance Letter (TEGL 35-10).

BACKGROUND:

The responsible stewardship and oversight of public funding for federally funded workforce programs are essential elements that demand unwavering integrity, accountability, and transparency. This commitment is crucial for preserving the public trust in the devolved public workforce system, where federal, state, and local entities share the responsibility for this stewardship and oversight.

Under the Workforce Innovation and Opportunity Act (WIOA), workforce development boards (WDBs), composed of individuals from diverse sectors such as the business community, educational institutions, government agencies, organized labor, legislators, and community service organizations, play a pivotal role in governing workforce programs. This includes making procurement decisions, selecting One-Stop Career Center operators, youth service providers, and developing budgets to fulfill the duties of the local WDB. Given the substantial impact of these decisions on service providers and participants, it is imperative that such determinations are made with utmost transparency and ethical consideration.

Members of state and local WDBs are expected to be well-versed in the federal, state, and local laws and regulations that govern their conduct while serving on the WDB. Notably, the Hatch Act and its regulations (5 CFR 151) impose restrictions on the political activity of individuals primarily employed by state or local executive agencies involved in programs financed, wholly or partially, by federal loans or grants.

The Hatch Act prohibits covered state and local employees from, among other things, using their official authority or influence to interfere with or affect the results of an election or nomination. Additionally, they are prohibited from directly or indirectly coercing, attempting to coerce, commanding, or advising a state or local officer or employee to contribute anything of value to a political party, committee, organization, agency, or person for political purposes.

For detailed information on how the Hatch Act applies to state and local officials, please refer to http://www.osc.gov/documents/hatchact/ha_sta.pdf.



ACTION:

The Employment and Training Administration (ETA) strongly encourages state and local boards to regularly review and stay informed about the pertinent federal, state, and local rules guiding procurement decisions and other board responsibilities. As part of their monitoring of local areas, states should assess local adherence to the requirements outlined in this guidance (refer to Policy Letter #10). ETA requests that states discuss this information with local boards, and all boards should consider incorporating this guidance into orientations for new board members.

Attachment A: Hatch Act Form

Creation Date:

December 2023



THE HATCH ACT IN FEDERALLY GRANT-AIDED PROGRAMS

Participant Name: _____

The Hatch Act applies to all individuals whose employment is in a federally grant-aided program.

YOU MAY NOT:

- 1) Use your official authority or influence for the purpose of interfering with or affecting the result of an election or a nomination for office;
- 2) Directly or indirectly coerce, attempt to coerce, command, or advise a state or local office or employee to pay, lend, or contribute anything of value to a party, committee, organization, agency, or person for political purposes or
- 3) Be a candidate for partisan elective office.

The Hatch Act and its regulations, for individuals paid with federal funds (5 CFR 151).

The Hatch Act restricts the political activity of individuals principally employed by state or local executive agencies and who work in connection with programs financed in whole or in part by federal loans or grants.

For purposes of administering the **HATCH ACT**, a partisan election has been defined as one in which any of the candidates represents a political party that had a presidential candidate running in the last (preceding) Presidential Election.

Participant Signature

Date