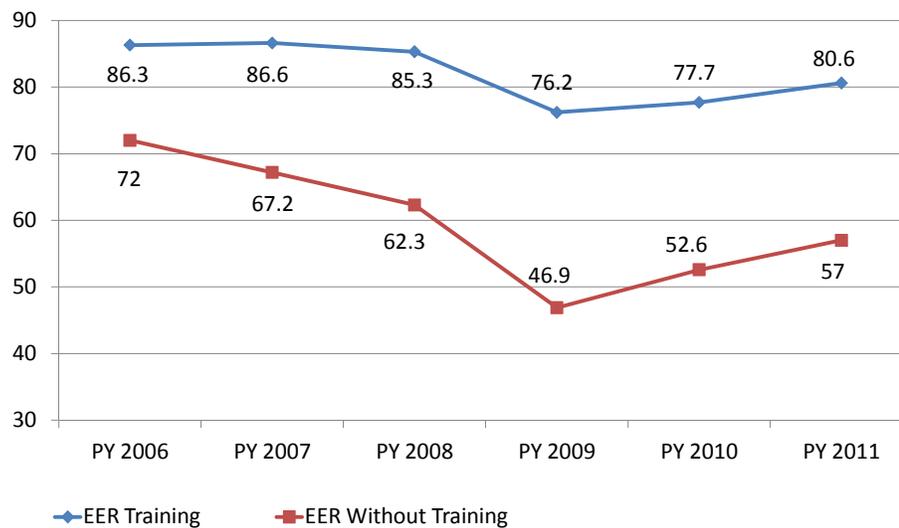


## Dislocated Worker Training National Emergency Grants

### Background

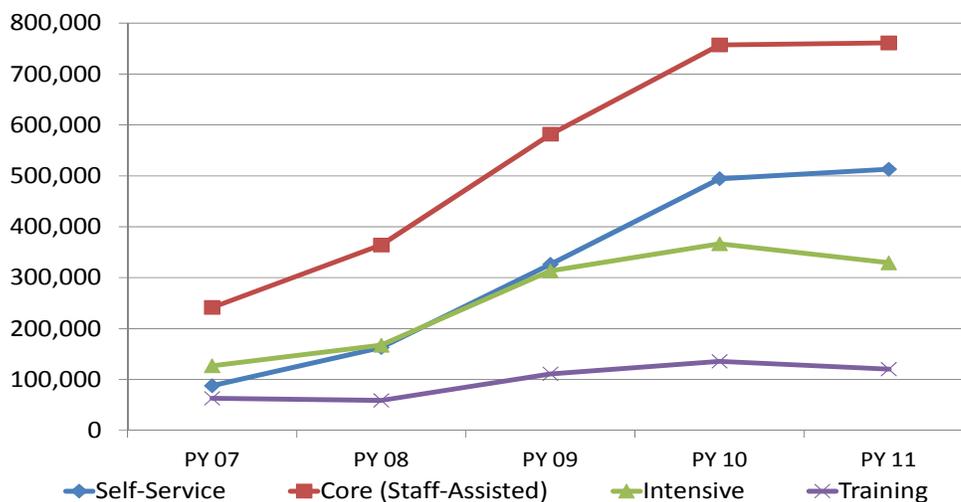
- The value of credentials to employers, workers, and society at large cannot be overstated.
  - For employers, credentials demonstrate and document skills, increasing their ability to fill skilled positions, build talent pipelines and compete.
  - For workers and job seekers, credentials improve their labor market experience through higher earnings, greater mobility, and enhanced job security.
- Analysis of recent outcome data also shows that training is associated with higher entered employment rates (EERs), especially since the onset of the recession.

### Training's Impact on Entering Employment



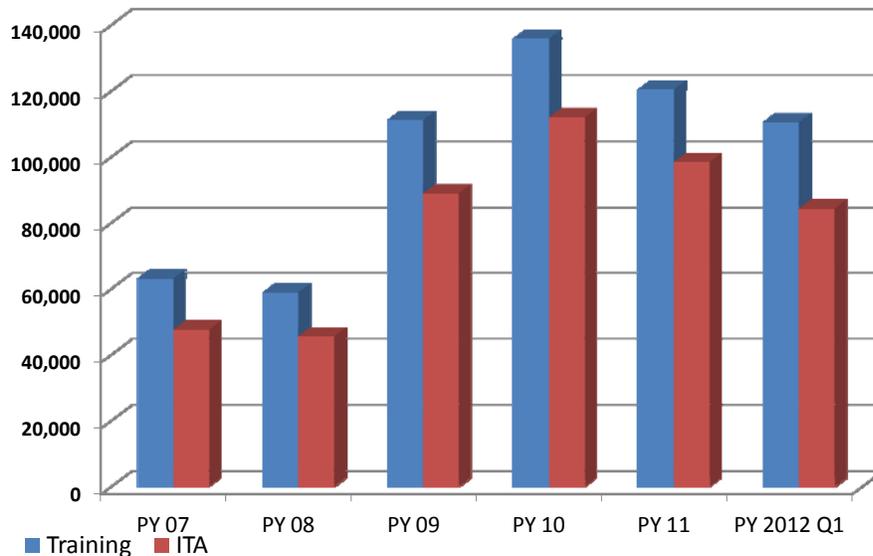
- Reflecting the President's call to have "the best educated, most competitive workforce in the world," the Department has identified increasing credential attainment by participants of the public workforce system among its high priority goals.
- While Dislocated Worker (DW) program participation, including the long-term unemployed, has increased over the past five years, the percentage of DW participants that have received training has remained relatively flat and is now beginning to trend downward.

## WIA DW Services Provided (Exiters)



- The decline in the provision of training services seems to be attributable to state and local areas having to focus their limited resources primarily on less costly core and intensive services to respond to the increased demand for DW assistance.
- The Employment and Training Administration (ETA) believes this downward trend will likely increase during Program Year (PY) 2012, since the influence of the American Recovery and Reinvestment Act funding will no longer be present in the cohort of program exiters used to report outcomes.
- ETA's concerns appear to be supported by data from the first quarter of the PY, per the below chart, which combines the first quarter of PY 2012 with the last three quarters of PY 2011 to provide a means of comparing participation in WIA DW training over the last 5 years.

## WIA DW Training Trends



- National Emergency Grants (NEGs) are discretionary grants awarded by the Secretary of Labor under section 173 of the Workforce Investment Act (WIA) that are intended to temporarily expand service capacity at the state and local levels by providing time-limited funding assistance in response to dislocation events.

### New NEG Offering

A new Dislocated Worker Training NEG (DWT NEG) to increase DW training participation and credential attainment, especially among the long-term unemployed.

### Parameters

- **Administrative Structure:** The administrative structure of these new NEGs will be based loosely on the On-the-Job Training NEGs (OJT NEGs).
  - Similar to the OJT NEGs, applicants would be limited to states.
    - Local areas would serve as project operators under these DWT NEGs.
- **Targeted Population:** Dislocated Workers, as defined in WIA, will be the targeted population. However, these NEGs will require that, to the greatest extent possible, preference be given to Dislocated Workers that are among the long-term unemployed, or have been profiled as likely to exhaust Unemployment Insurance (UI) benefits.
- **Veterans:** Veterans will receive Priority of Service for training made available under this proposal, as described in Training and Employment Guidance Letter (TEGL) 10-09. As clarified in TEGL 22-05, returning service members would generally be eligible

dislocated workers for these NEG. Additionally, the Department will strongly encourage that the DWT NEG be coordinated with the Veterans' Gold Card initiative.

- **Use of Funds:**

- Recognizing that work-based learning experience can bridge the divide between unemployment and employment for long-term unemployed individuals, up to 40 percent of funding may be used for OJT and/or apprenticeship.
  - OJT must be provided under a contract with an employer in the private-nonprofit or private sector.
  - Credential attainment is not required as a part of OJT, and OJT will be exempt from the Department's credential measure. However, ETA will strongly encourage DWT NEG recipients to prioritize OJT opportunities that also include a formal training component that leads to a credential.
  - ETA's current OJT guidance will remain applicable and will be specified in the funding availability announcement.
- Up to 10 percent of the award may be used for administrative funding.
- The balance of the funds must be directed towards training activities that lead to credentials in high demand-occupations, such activities may include:
  - Contracts for "class-size training" with an institution of higher education, or other eligible training providers if the state/local project operator determines that it would facilitate the training of multiple individuals in high-demand occupations and such contract does not limit customer choice.
  - Provision of remedial training necessary for and connected to the attainment of a more advanced credential—stand-alone remedial training, such as a GED only, is not allowable.
- Project Operators shall limit training providers to those listed in their Eligible Training Provider List.
- Proposed program models should have demonstrated success in serving the targeted population.
- Incumbent worker training is **not** an allowable use of these funds.
- ETA may arrange for and conduct an independent evaluation of the outcomes and benefits of the DWT NEG; by accepting a DWT NEG, the state would agree to participate in an evaluation if they are selected to receive an award.

- **Funding and Award Criteria:** Up to \$75 million would be made available for these NEG during a defined application period.

- Funding availability would be announced through a Training and Employment Notice, as was done with the OJT NEG.
- States will be asked to submit a simple application by a specified deadline that must include:
  - Identification of how eligible dislocated workers, especially those that are long-term unemployed, will be identified and referred to the program.
  - Description of how the proposed DWT NEG will be coordinated with complementary activities, including but not limited to, Reemployment

Eligibility Assessments/Reemployment Services (REA/RES) and the Veterans' Gold Card initiative

- Description of how the proposed training will lead to eligible credentials, with TEGL 15-10: Increasing Credential, Degree, and Certificate Attainment by Participants of the Public Workforce System) serving to define eligible credentials.
    - Identification of the high-demand industries and related credentials in which training will be provided, including how the credentials are accredited or endorsed (see [www.careerinfonet.org/certifications\\_new](http://www.careerinfonet.org/certifications_new) )
  - Identification of partnerships that will be used to support training, including, but not limited to, businesses or consortium of businesses, community-based organizations, and economic development agencies.
  - Proposals that include OJT must identify employers that are either relocating to the area, or expanding operations, and have expressed a commitment to providing OJTs, or that will be targeted by outreach.
  - A description of how administrative funding will be distributed across the state and local program operators.
- Applications will include:
    - A SF-424 Application Form
    - A SF-424A Budget Information Form
    - A Project Synopsis Form
    - A brief narrative that discusses the aforementioned items
    - A Planning Form
  - **Only states that have expended or drawdown 70 percent of more of their PY 2011 funds will be eligible to apply.**
  - All awards will be made by June 30, 2013.