EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210

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WIOA National Dislocated Worker
Grants
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July 1, 2015

ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER WIOA NO. 2-15

OPERATING GUIDANCE for the WORKFORCE INNOVATION AND OPPORTUNITY ACT (referred to as WIOA or the Opportunity Act)

TO: STATE AND LOCAL STAKEHOLDERS IN THE WORKFORCE

INNOVATION AND OPPORTUNITY ACT

STATE WORKFORCE AGENCIES

STATE AND LOCAL WORKFORCE BOARDS AND CHAIRS INDIAN AND NATIVE AMERICAN PROGRAM GRANTEES

FROM: PORTIA WU /s/

Assistant Secretary

SUBJECT: Operational Guidance for National Dislocated Worker Grants, pursuant to the

Workforce Innovation and Opportunity Act (WIOA or Opportunity Act)

1. <u>Purpose</u>. To provide guidance to the workforce investment system on the policies and priorities that govern the award and use of the Secretary's discretionary National Dislocated Worker Grants (DWG), under the WIOA, Title I, Section 170, which becomes effective July 1, 2015. The new program is preceded by National Emergency Grants (NEG) under Title I of the Workforce Investment Act of 1998 (WIA), and National Reserve Account grants under the Job Training Partnership Act Title III.

DWGs are discretionary grants awarded by the Secretary of Labor, under Section 170 of WIOA. DWGs provide resources to states and other eligible applicants to respond to large, unexpected layoff events causing significant job losses. This funding is intended to temporarily expand capacity to serve dislocated workers, including military service members, and meet the increased demand for WIOA employment and training services, with a purpose to reemploy laid off workers and enhance their employability and earnings. Disaster DWGs provide funding to create temporary employment opportunities to assist with clean-up and recovery efforts, when an area impacted by disaster is declared eligible for public assistance

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from the Federal Emergency Management Agency (FEMA) or otherwise recognized by a Federal agency with authority or jurisdiction over Federal response to the emergency or disaster.

WIOA was signed into law on July 22, 2014. WIOA is designed to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy. WIOA supersedes Titles I and II of the Workforce Investment Act of 1998 and amends the Wagner-Peyser Act and the Rehabilitation Act of 1973. In general, the Act takes effect on July 1, 2015, the first full program year after enactment, unless otherwise noted.

The Departments of Labor and Education published a set of regulations for implementing WIOA through the posting of five Notice of Proposed Rulemaking (NPRMs) documents. These NPRMs were open for public comment until June 15, 2015, and several hundred comments were received by both Departments. The Federal agencies will review, analyze and consider the comments received. The Final WIOA rules will be issued in 2016.

In order to continue implementation prior to the final rule, a series of WIOA Operating Guidance documents are being issued in the form of Training and Employment Guidance Letters (TEGLs). These Operating Guidance documents on WIOA will inform the workforce system on how to begin the important planning and organizational work necessary to comply with the WIOA statutory requirements. The Operating Guidance TEGLs will provide a framework for program activities until the regulations are finalized. This TEGL is one in a series of WIOA Operating Guidance.

- **2. References.** See Attachment I.
- **3.** <u>Background.</u> In 2004, the Employment and Training Administration (ETA) issued Training and Employment Guidance Letter 16-03, "National Emergency Grant (NEG) Policy Guidance" and published in the Federal Register, "Workforce Investment Act: National Emergency Grants Application Procedures". This Guidance replaces the 2004 Guidance, provides updates to DWG policy, and implements new provisions of WIOA.
- **4.** Operating Guidance. New Operating Guidance for the DWG program is found in Attachment II of this TEGL.
- **5.** <u>Significant Changes.</u> WIOA establishes DWGs, including grants for employment and training assistance and grants for disaster relief employment assistance, to supersede regular and disaster NEGs authorized under WIA. The new Operating Guidance updates a number of relevant NEG policies as they relate to the administration of DWGs, and provides guidance on new provisions under WIOA. Significant changes under WIOA include:
 - Authorizes DWGs to provide assistance to areas with a higher than average demand for employment and training services from dislocated members of the Armed Forces and military spouses.

- For disaster relief employment DWGs, WIOA:
 - O Allows Federal agency emergency or disaster declarations, in addition to those made by the Federal Emergency Management Agency, to trigger an opportunity for eligible entities to apply for assistance. The newly eligible situations must fit the definition of emergency or disaster situations of national significance that could result in a potentially large loss of employment, as declared or otherwise recognized by the chief official of a Federal agency with authority for the federal response to the emergency.
 - Allows circumstances where a substantial number of individuals from a disaster area relocate to another area to trigger an opportunity for eligible entities in the relocation area to apply for assistance.
 - Affirms eligibility for the grant program for self-employed individuals who become unemployed or significantly underemployed as a result of the emergency or disaster.
 - o Increases the temporary employment duration from six months (under WIA) to 12 months. The Secretary of Labor may extend the duration of disaster relief employment for up to an additional 12 months.
- 6. Transition of Participants. Most of the programmatic provisions of WIOA are effective July 1, 2015. Consistent with the transition provisions described in TEGL 38-14, all WIA NEG participants enrolled at that time must be grandfathered into the DWG program under WIOA. Grantees are not to complete eligibility redetermination for participants already determined eligible and enrolled under WIA. Grandfathered participants must be allowed to complete the WIA services, either with WIA PY 13 and 14 carry-in funds that become WIOA funds or with WIOA funds. The services authorized under WIOA become available July 1, 2015 to new and existing participants. On or after July 1, 2015, grantees must make eligibility determinations for new DWG participants under the WIOA framework. All active NEG guidance not specifically rescinded by this TEGL continues to apply to DWGs, except where that guidance is inconsistent with the new Operating Guidance in Attachment II.
- 7. <u>Submission Requirements</u>. ETA will accept DWG applications on a continual basis. The current process for submitting draft applications for review by Regional Offices, followed by a formal application submission, is outlined in TEN 32-10, "Revised National Emergency Grant Application Submission and Review Process". As WIOA is implemented and ETA updates the application submission process, additional information will be provided.
- **8. Inquiries.** Questions may be directed to the appropriate ETA Regional Office.
- 9. Attachment I: References
 Attachment II: National Dislocated Worker Grant Program Guidance