

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION WIOA-DWG
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ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 15-25

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE ADMINISTRATORS
STATE WORKFORCE LIAISONS
STATE AND LOCAL WORKFORCE BOARDS AND CHAIRS
STATE LABOR COMMISSIONERS
INDIAN AND NATIVE AMERICAN PROGRAM GRANTEEES
COMMUNITY COLLEGES AND TRIBAL COLLEGES STATE
STATE EDUCATIONAL AGENCIES
STATE CTE DIRECTORS
STATE EDUCATION COMMISSIONERS

FROM: HENRY MACK, ED.D. /s/
ASSISTANT SECRETARY

SUBJECT: Rapid Reskill Employment Recovery National Dislocated Worker Grants
(Reskill DWGs)

1. **Purpose.** To announce the availability of approximately \$50 million for Reskill DWGs, with award amounts ranging from \$2,000,000 to \$8,000,000. This grant opportunity emphasizes dual objectives: 1) support innovative models for the rapid reskilling and reemployment of dislocated workers and 2) fill critical talent gaps in domestic manufacturing, aerospace, energy production, construction, and other occupations necessary for the reindustrialization agenda of the Trump Administration. These grants support Executive Order 14278, [Preparing Americans for High-Paying Skilled Trade Jobs of the Future](#), and [America's AI Action Plan](#).
2. **Action Requested.** Eligible applicants should submit applications by August 3, 2026, and according to the instructions below. Please share this opportunity with all parties who administer Workforce Innovation and Opportunity Act (WIOA) Adult, Dislocated Worker, and Wagner-Peyser programs, National Dislocated Worker Grants (DWGs), the Reemployment Services and Eligibility Assessment (RESEA) program, and other interested entities and potential partners to develop quality applications.
3. **Summary and Background.**
 - a. Summary – Reskill DWGs will enable successful applicants to implement projects that rapidly connect workers affected by layoffs to employment and training services leading to high-wage, in-demand occupations that are projected to grow as the Trump

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Administration continues to strengthen domestic manufacturing, semiconductor production, defense supply chains, and advanced industries. Funded projects will deliver employment and training services to quickly assess participants' prior experience and existing skillsets and chart a course to an in-demand occupation or industry, with the clear objective of rapidly placing the worker in employment, or paid work-based training, within the target occupation or sector identified by the state based on labor market data.

- b. Background –The Trump Administration is advancing a bold economic strategy to reindustrialize America, reclaim control over the levers of national prosperity, ensure America leads the world in artificial intelligence (AI), and ensure that American workers and their families are the primary beneficiaries of that leadership. As part of that approach, in [America's AI Action Plan](#) and [America's Talent Strategy: Building the Workforce for the Golden Age](#), the U.S. Department of Labor (Department or DOL) committed to developing new approaches to support workers during the economic transformation occurring with the rise of AI, including rapid reskilling for displaced workers.

The Trump Administration is committed to ensuring that displaced workers have access to the skills and pathways to succeed. Simultaneously, the Trump Administration is committed to pursuing reindustrialization initiatives to strengthen domestic employment and worker mobility. These efforts require workers with skills in areas such as AI-augmented manufacturing and robotics, mechatronics and smart systems, supply chain analytics, precision machining, and more.

The Reskill DWGs are designed to prioritize rapid engagement and placement, leverage workers' prior experience and existing skills, and deliver training tied directly to employer demand within the target industries, all with the goal of connecting displaced workers to employment or paid work-based training within six months of enrollment. By minimizing time out of the workforce and leveraging proven work-based training approaches, including Registered Apprenticeships, dislocated workers will be back to earning a paycheck faster as they continue to develop the skills and experience to advance in their new career. Reskill DWG grantees will be required to document and share what they learn so that the most effective models can be identified, scaled across the broader workforce system, and used to inform future workforce policy and investment.

DWGs are discretionary grants awarded by the Secretary of Labor under Section 170 of WIOA to provide employment-related services to dislocated workers and other eligible individuals. Under 20 C.F.R. 687.110(a)(5), the Secretary of Labor may determine events that qualify for Employment Recovery DWG funds, such as the economic transformation and reindustrialization occurring in the economy and the corresponding changes to workers' jobs, needed vocational skills, and to business and industry workforce needs.

4. Reskill DWG Funding Opportunity.

- a. *Goal of Reskill DWGs.* These grants will support innovative models for 1) the rapid reskilling and reemployment of dislocated workers and 2) preparing and placing workers into high-growth and emerging industries critical to American competitiveness and reindustrialization. Consistent with the general requirements for Employment Recovery DWGs described in [Training and Employment Guidance Letter \(TEGL\) No. 09-24, Change 1, Updated National Dislocated Worker Grant Program Guidance and Application Information](#), and the required core elements listed in section 4e below, Reskill DWG awards will achieve the following project goals:
- i. Rapidly reskill and re-employ participants with the objective of placement in employment or paid work-based training within six months of enrollment.
 - ii. Leverage prior experience and existing skills of grant participants to identify target occupations and accelerate pathways to reemployment.
 - iii. Prepare participants with foundational and industry-specific knowledge, skills and abilities necessary to succeed in careers supporting America’s reindustrialization efforts, as identified by the state using labor market data.
 - iv. Develop and share innovations in program models and service strategies that quickly and effectively drive rapid reskilling and reemployment that can be scaled and replicated across the broader workforce system.
- b. *Qualifying Event.* ETA issues this guidance under 20 C.F.R. 687.110(a)(5), which authorizes the Secretary of Labor to determine events that qualify for Employment Recovery DWG funds. Unlike typical Employment Recovery DWG applications, these DWG applicants do not need to document a qualifying event in their application, as the qualifying event for this DWG is the broad and accelerating economic transformation driven by AI and the immediate needs related to America’s economic resurgence. This transformation is affecting workers across the entire United States, including all Outlying Areas, and is expected to continue at an increasing pace. Applicants must identify the geographic area they intend to serve, how economic transformation and reindustrialization is impacting that area, and their proposed program model; see section 4.d. below for information on required application elements. In order to manage the funds available in the Dislocated Worker National Reserve, the Department does not intend to consider DWG applications under this qualifying event submitted after August 3, 2026, unless formally communicated in a subsequent change to this TEGL.
- c. *Applicant Eligibility.* The following entities are eligible for Reskill DWGs (20 CFR 687.120(a)):
- i. States or outlying areas, or a consortium of states¹;

¹ For states applying as a consortium, only one state may serve as the lead applicant for purposes of application submission through Grants.gov. The lead applicant must conduct all fiscal and performance reporting and serve as the fiscal agent for the grant.

- ii. Local workforce development boards (WDBs) or a consortium of WDBs²;
- iii. Entities eligible for funding through the WIOA Section 166(c) Indian and Native American (INA) program;
- iv. Entities determined to be appropriate by the Governor of the state or outlying area involved; or
- v. Entities that demonstrate to the Secretary of Labor their capability to effectively respond to circumstances related to particular dislocations, like those described in this TEGL.

Applicants under category iv. must demonstrate that a Governor has determined the appropriateness of an entity to serve as a grantee under this TEGL. Such an applicant must attach a signed letter from the Governor, on official letterhead, identifying the organization and indicating why the Governor has determined its appropriateness. The entity must attest in its application that it will arrange a method for reporting performance and financial data prior to the receipt of any grant funds.

For applicants under category v., where the applicant is not the state agency that administers WIOA Dislocated Worker formula funds, the applicant is strongly encouraged to work collaboratively with the appropriate state workforce agency and/or appropriate local WDBs in each of the geographic areas the grant will operate, to ensure that the applicant coordinates with Rapid Response efforts or otherwise coordinates with early intervention activities as required in 20 CFR 687.140. Such an applicant must submit documentation that verifies that the applicant has:

- expertise in workforce development or training;
- strong employer partnerships and familiarity with work-based learning models, including Registered Apprenticeships;
- the geographic or administrative reach to handle large-scale workforce issues like unemployment;
- the financial and administrative capability to administer a federal grant;
- a commitment and strategy to work collaboratively with appropriate State workforce agency(ies) and/or WDBs for the geographic area(s) which the proposed grant will serve; and
- consented in its completed Suggested Application (Attachment I) that, prior to receiving any grant funds, it will arrange a method for reporting performance data as required by [TEGL No. 14-18](#), Attachment 6.

DOL expects grant recipients that are not already partners with relevant state workforce agencies and local workforce development boards to develop such collaboration within three months of grant award date. Reskill DWG applicants may concurrently be subrecipients in another Reskill DWG application. Multiple eligible entities from within the same state may submit applications for Reskill DWGs. However, the Department is

² For WDBs applying as a consortium, only one WDB may serve as the lead applicant for purposes of application submission through Grants.gov. The lead applicant must conduct all fiscal and performance reporting and serve as the fiscal agent for the grant.

unlikely to fund multiple, separate applications that duplicate activities for the same geographic territory and propose to serve the same populations and may instead award a Reskill DWG to a single entity to serve the service delivery area. The Department strongly encourages coordination among states, local workforce development boards, and other entities eligible to apply for DWG funds, to avoid duplication.

- d. *Participant Eligibility.* The following individuals may receive participant services in the Reskill DWG. See [20 CFR 687.170\(a\)](#) for details regarding individuals eligible for grant program services.
- i. Dislocated workers as defined in [WIOA](#) Section 3(15).
 - ii. Other members of the Armed Forces.³
 - iii. An individual who is employed in a non-managerial position with a Department of Defense contractor, who is determined by the Secretary of Defense to be at risk of termination from employment as a result of reductions in defense expenditures, and whose employer is converting operations from defense to nondefense applications to prevent worker layoffs.

Grant recipient policies should include a protocol for verifying participant eligibility, and collecting and validating participant data in alignment with Section 4 of [TEGL No. 23-19, Change 3, Guidance for Validating Required Performance Data Submitted by Grant Recipients of U.S. Department of Labor \(DOL\) Workforce Programs.](#)

Note that WIOA does not mandate that participants served under an Employment Recovery DWG be laid off from a specific qualifying event; WIOA only requires that participants meet dislocated worker eligibility requirements. While Reskill DWGs are strategically focused on helping displaced workers navigate the emerging AI economy and reindustrialization, all workers who meet the dislocated worker eligibility requirements may participate. Note except for eligible participants under ii and iii above, incumbent workers are not eligible participants.

DWGs, including Reskill DWGs, are subject to the provisions of 38 U.S.C. 4215, which provides priority of service to veterans and eligible spouses in all Department of Labor-funded job training programs. Grantees must ensure that veterans and eligible spouses who meet DWG eligibility requirements will receive priority of service for training made available under DWGs, as described in [TEGL No. 10-09, Implementing Priority of Service for Veterans and Eligible Spouses in all Qualified Job Training Programs Funded in whole or in part by the U.S. Department of Labor \(DOL\).](#)

- e. *Grant Activities.* Reskill DWG activities include required Core Elements, Encouraged Innovation, and Other Allowable Activities in alignment with Employment Recovery DWG activities identified at [20 CFR 687.180](#) and further described in [TEGLs No. 09-24](#)

³ A member of the Armed Forces who was on active duty or full-time National Guard duty (as defined in 10 U.S.C. 1141) and is involuntarily separated, or is separated under the special separation benefits program at 10 U.S.C. 1174(a) or the voluntary separation incentive program at 10 U.S.C. 1175; is not entitled to retired or retained pay incident to the separation; and applies for employment and training assistance within 180 days of separation, is eligible to receive services under an Employment Recovery DWG.

[Change 1 and No. 19-16, Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act \(WIOA\) and the Wagner-Peyser Act Employment Service \(ES\), as amended by title III of WIOA, and for Implementation of the WIOA Final Rules.](#)

The Department believes that displaced workers deserve support that prioritizes speed, innovation, and labor market outcomes. Rather than prescribing a single program model, the Department has identified core elements that reflect its current best understanding of what drives rapid, successful reemployment in a changing economy. Applicants are strongly encouraged to align their proposed program models with the required elements listed below. However, the Department is also open to funding models that diverge from one or more of these elements, including the outlined timelines for service delivery (e.g. within six months of enrollment), provided the applicant offers a compelling rationale for how the proposed approach will drive strong employment outcomes and advance new models of innovation in worker transition support.

Required Core Elements

- i. **Rapid engagement and enrollment.** Projects should be designed to quickly identify dislocated workers upon their termination or notification of layoff and streamline eligibility and enrollment determinations, including through coordination with state Rapid Response units and Unemployment Insurance/Reemployment Services and Eligibility Assessment grant programs. The objective is to initiate services within **30 days** of a dislocated worker's loss of employment or notification of termination or layoff, with dislocated workers informed of the project's model and opting into participation. (ETA recognizes that this timeline might not be feasible for individuals who lost their jobs before the grant began and will account for that in data collection.)
- ii. **Individualized re-employment plans.** Projects should incorporate strategies to develop individualized re-employment plans for each participant that map backgrounds (such as work history, experience, skills, or interests) to in-demand, high-wage occupations projected to have strong growth in the rapidly evolving economy and connected to the Trump Administration's reindustrialization agenda, including domestic manufacturing, semiconductor production, defense supply chains, and advanced industries. These strategies should be used to identify the target industries or occupations for reemployment in the local area or region.
- iii. **Short-term, intensive training.** Projects should be designed to enroll participants in short-term, intensive training programs (pre-apprenticeship programs, sector-based models, occupation-specific training, etc.) that lead to industry-recognized credentials when determined necessary for a participant to enter the target occupation or industry, including to enter paid work-based learning in the occupation (i.e. Registered Apprenticeship). Projects should leverage high-quality, short-term workforce programs eligible for Workforce Pell Grants, as applicable, to support the training costs of participants. While not every dislocated worker served by a grantee will

require training to secure employment, the objective is to begin training for the participants that do within **30 days** of initiating services.

- iv. **Rapid placement in employment and/or paid work-based learning.** Projects should be designed to place dislocated workers into paid work (whether full-time unsubsidized employment, a Registered Apprenticeship, or other paid, structured on-the-job training) in their target occupation or industry within **six months** of a participant's enrollment. Projects will support employers providing work-based training to participants, with funding to offset training costs, such as, but not limited to, on-the-job training, as a way to incentivize hiring.

Encouraged Innovation Activities: Applicants are encouraged to consider incorporating one or more innovative elements into their program design for delivering rapid reskilling and reemployment services. The example activities below are illustrative and are not intended to be exhaustive of all the possible innovation activities that could be a strong fit:

- i. **Relocation support** – Projects may wish to consider providing relocation support for workers whose prior experience match well with in-demand occupations in other locations.
- ii. **Employer contributions** -- Projects may wish to consider models for soliciting employer contributions towards training, coaching and placement costs, either from employers within the targeted occupations or from employers laying off workers (a way for them to support the transition of their former employees).
- iii. **Employer commitments** -- Projects may wish to consider models that go beyond informal collaboration with employers to those that secure formal commitments from employers, such as guaranteed hiring, guaranteed interviews, or other preferential hiring process commitments for participants who successfully complete a training pathway, to create an even more direct pathway to employment.
- iv. **Career coaching and supportive services that drive placement and retention** – Projects may wish to consider innovative ways to provide dislocated workers with career coaching and connections to supportive services, including models that extend coaching and support for a period after the participant has secured full-time employment in order to drive retention outcomes. In particular, projects may wish to encourage the development/deployment of learning and employment records (LERs) as a mechanism to capture, validate, and transmit skills.
- v. **Needs-related payments and incentive payments** – Projects may wish to consider needs-related payments that can help provide the financial stability for workers to complete intensive training that leads to full-time, high-wage employment, while paying careful attention to avoid perverse incentives that delay employment. State applicants that plan to offer needs-related payments to individuals outside the time periods described in 20 CFR 680.950 should submit a waiver request and specify whether its intended use will apply to the DWG. Applicants that wish to use incentive

payments may do so if they can demonstrate existing policies are in place; policies must be consistent across programs and cannot be created solely to use incentives in this grant.

- vi. **AI skills development, aligned to target industry or occupation.** All projects may wish to consider providing participants AI skills development that is, to the extent possible, aligned to their identified industry or occupation, which should focus on foundational AI literacy concepts (which may be mapped to DOL's [AI Literacy Framework](#)), including exposure to specific AI tools and use cases they are likely to encounter in the industry or occupation.
- vii. **Novel uses of AI and other technologies in service delivery** – Projects may wish to consider how AI, virtual reality, or other emerging technologies can be used in innovative ways in the service delivery model to support displaced workers. For instance, applicants are encouraged to utilize innovative software and technology tools, including those integrated with AI, to help develop re-employment plans and provide career services.
- viii. **Other innovation activities** – Applicants may propose other innovations and are not limited to the activities listed above. Should the proposed services not be permitted under WIOA, ETA will notify the grantee and advise the necessary corrective action. Merely proposing activities that ultimately cannot be funded under the grant does not disqualify the grant application from consideration.

Other Allowable Activities: While all Reskill DWG projects must include the required activities listed above as core elements, and are encouraged to include innovative activities listed above, each participant will require a blend of services that meets their unique needs. Therefore, projects may introduce other allowable activities that the grantee deems the most appropriate service strategy to achieve the outcomes. The following are among the allowable activities that may also be offered to achieve the goals of the grants described in section 4a.

- i. **Career services.** Career services are activities designed to help support dislocated workers in making informed decisions for the purpose of achieving rapid re-employment and skill attainment goals including:
 - Targeted outreach and recruitment efforts to identify and enroll eligible participants as quickly as possible after layoff notification/dislocation.
 - Comprehensive skills assessments, including obtaining or developing high-accuracy skill assessments, skill transferability tools, developing or obtaining tools that recommend training and certifications for jobseekers, relevant job matching services, and changes to user interfaces to more efficiently deliver customized, participant-centered career services. Applicants may utilize resources from the preceding list powered by AI, virtual reality, and other emerging technologies as relevant and available. ETA encourages applicants to incorporate investment in the off-the-shelf or development of customized skill assessment

tools with capability to accurately identify participants' transferable skills if existing tools would benefit from upgrades.

- Career planning and job coaching delivered online or in-person by skilled career counselors.

ii. **Training Services.** Training services enable participants to gain new skills and credentials necessary for reentry into the workforce. Reskill DWGs are intended to rapidly place participants in training, when training is needed for reemployment. Allowable training services include:

- Short-term classroom or online training offered in conjunction with work-based learning or employment, or training that results in industry-recognized credentials for jobs in growing or high-demand industries and jobs with self-sustaining wages.
- Work-based learning such as Registered Apprenticeship and on-the-job training.
- AI skills training aligned with participants' identified industries and occupations.

Depending on the needs of the participant and employer customers, applicants can deploy a wide array of training types to achieve the best outcomes, including cohort training financed through a contract with an institution of higher education to provide classroom-based occupational training for a group of eligible individuals, on-the-job training for individuals or a group of eligible individuals, and use of individual training accounts (ITAs) to access WIOA eligible training providers. If applicants' proposed training strategies could benefit from a waiver of WIOA requirements to enable more work-based training or training contracts for a cohort of participants, the applicant should describe in its application the waiver flexibility needed to enable successful implementation of their grant. If awarded a Reskill DWG, the grantee should work with its State Workforce Agency to request a waiver for use with its Reskill grant. For further information on waivers, see [TEGL No. 8-18](#), *Workforce Innovation and Opportunity Act (WIOA) Title I and Wagner-Peyser Act Waiver Requirements and Request Process* and [TEGL No 5-25](#), *Maximizing Innovation in Workforce Innovation and Opportunity Act Programs*.

iii. **Supportive services.** Supportive services enable individuals to successfully participate in employment and training activities. Reskill DWG supportive services must align with the state, local area, or WIOA Section 166 Indian and Native American program grantee's supportive service policy and must follow the requirements for WIOA Dislocated Worker formula program supportive services per [20 CFR part 680](#) and [TEGL No. 19-16](#). Supportive services must follow the requirements, and where applicable time limits, of WIOA regulations at [20 CFR Part 680](#). Applicants that intend to offer these services after participant exit should include a discussion of these services in their application and, after award, work with the State Workforce Agency to request a waiver for use with its Reskill DWG. (See also discussion of waivers in Section 4.e.) Reskill DWG supportive services can include, but are not limited to:

- assistance with transportation;
- assistance with child care and dependent care;

- linkages to community services;
- assistance with housing and relocation; and
- needs-related payments, a.k.a. stipends, to provide financial assistance for workers to complete intensive training that leads to full-time high-wage employment, while paying careful attention to avoid perverse incentives that delay employment. Unlike other supportive services, to qualify for needs-related payments a participant must be enrolled in training.⁴ Participants may receive needs-related payments 30 days prior to training; however, States may grant local areas the authority to extend eligibility for exceptional circumstances. Applicants should ensure needs-related payments are made in a manner consistent with 20 CFR Part 680 Subpart G (relating to needs related payments, and 20 CFR 687.180(a)(2) (relating to timing restrictions on needs-related payments for DWGs.)
- Career coaching after participant re-employment, with an emphasis on identifying individual supportive service needs and connecting workers to local programs providing needed services or providing for services directly, when appropriate.

iv. **Employer and business engagement activities, including:**

- Outreach to determine hiring needs;
- Connecting with businesses that are hiring grant program participants;
- Partnering with businesses to identify training pathways to in-demand jobs and to develop plans for relevant and rapid participant reskilling, meaningful work experiences, work-based training, or other activities to prepare participants for new occupations and careers that meet employer needs.
- Partnering with employers and employer organizations to receive input on training program's curriculum, including AI training programs, and developing or modifying curriculum as needed.

f. *Application Requirements.*

i. Unique Entity ID (UEI) and Sam.gov Registration.

- Before applying, applicants must register with the System for Award Management (SAM) and obtain a Unique Entity Identifier (UEI). Submission requirements stipulate that all applicants for Federal grant and funding opportunities must supply their UEI number on the SF-424, *Application for Federal Assistance*.
- Instructions for registering with SAM are available online (<https://sam.gov/content/entity-registration>). All applicants and recipients of

⁴ To be eligible for needs related payments, a Dislocated Worker must:

- a. be unemployed, and
 - i) have ceased to qualify for unemployment compensation or trade readjustment under TAA; and
 - ii) be enrolled in a program of training services under WIOA sec. 134(c)(3) by the end of the 13th week after the most recent layoff that resulted in a determination of the worker's eligibility as a dislocated worker, or, if later, by the end of the 8th week after the worker is informed that a short-term layoff will exceed 6 months; or
- b. be unemployed and do not qualify for unemployment compensation or readjustment assistance under TAA and be enrolled in a program of training services under WIOA sec. 134(c)(3).

federal financial assistance must maintain an active SAM registration with current information at all times during which it has an active Federal award or an application under consideration. To remain registered in the SAM database after the initial registration, entities must review and update the registration at least every 12 months from the date of initial registration. Failure to register with SAM and maintain an active account will result in Grants.gov rejecting your submission.

- Applicant information provided on the SF-424 must match with the SAM registration, including the applicant’s legal name, address, nine-digit zip code, employer identification number (EIN), and UEI.
- ii. Application Components. If an applicant fails to provide in its application any of the documents described below, the application will be deemed non-responsive and will not be considered for funding.
- An electronically signed copy of an SF-424 - Application for Federal Assistance (OMB Control No. 4040-0004);
 - An electronically submitted SF-424 through [Grants.gov](https://www.grants.gov) constitutes the official signed document and must reflect the total amount requested in item #18, Estimated Funding. Item #11 must include the Catalog of Federal Domestic Assistance Number, 17.277.
 - An SF-424A - Budget Information – Non-Construction Programs (OMB Control No. 4040-0006);
 - Budget Narrative to explain the projected costs reflected in each line item of the SF-424A, demonstrating how grant funds will be used. See Attachment B for instructions on completing the budget narrative;
 - Letter(s) or other documentation demonstrating required partnerships for eligibility (see section 4c and 4i of this TEG);
 - Information included in the Reskill Suggested Grant Application (Attachment I). The Reskill Suggested Grant Application includes instructions for each of the required sections.
- g. *Use of Funds*
- i. Performance Period. The period of performance is 36 months from the start date established in the initial award of the grant agreement.
- ii. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). All proposed project costs must be necessary, reasonable, and in accordance with Federal guidelines. ETA will determine allowable costs in accordance with the Cost Principles, found in the Office of Management and Budget’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), codified at 2 CFR part 200 and ETA’s regulations at 2 CFR part 2900. Disallowed costs are those charges to a grant that ETA or its representative determines unallowable in accordance with the Uniform Guidance or other conditions contained in the grant. Although DOL is not setting upfront spending limits on any of the strategies named within this guidance, ETA expects budgets to reflect reasonable and allocable costs and reserves the right

to require applicants to modify their budget as part of the award negotiations or after award.

- iii. Indirect Costs. As specified in the Uniform Guidance, indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective. See [TEGL No. 9-24, Change 1, Section 4.E.](#) for grant recipient options for claiming reimbursement of indirect costs.
- iv. Administrative Costs. ETA applies administrative cost limitations to Reskill DWGs as follows.
 - Total administrative costs, including the administrative costs for the grant recipient and any subrecipients must not exceed 10 percent of the total grant award. The grant recipient may determine the distribution of total administrative costs across the grant recipient and any subrecipients.
 - WIOA title I functions and activities that constitute administrative costs are identified at [20 CFR 683.215](#). Administrative costs may include both direct and indirect costs.

v. Grants.gov Submission Process.

Grant recipients and applicants must submit applications for funding through Grants.gov (<https://www.grants.gov>). ETA will accept applications for Reskill DWGs through 11:59 am EST, August 3, 2026. Applications must meet the requirements outlined in Section 170 of WIOA and its implementing regulations at 20 CFR part 687, and this grant guidance, as well as respond to any additional information requested by the Grant Officer. For detailed instructions on applying for a Reskill DWG, see Attachment I of this TEGL and the Grants.gov Submission Process in [TEGL No. 09-24, Change 1 Attachment I.](#)

ETA plans to award all Reskill DWGs by September 30, 2026.

To submit the required application components, entities must:

- Select the SEARCH GRANTS tab on the Grants.gov homepage.
- Under the section, BASIC SEARCH CRITERIA, entities enter the Funding Opportunity Number “ETA-TEGL-15-25”).
- Select the link to the applicable Opportunity Number provided in the search results.
- Select the PACKAGE tab.
- Under the ACTIONS column, select APPLY.

The Department encourages eligible applicants to initiate the submission process as soon as possible, in order to ensure technical access and timely submission. Entities needing to register with Grants.gov may do so here:

<https://www.grants.gov/register>. Registration is a one-time process, and entities that already have a Grants.gov account do not need to register again.

- vi. Performance Reporting Requirements. [TEGL 14-18](#), “*Performance Accountability Guidance Relating to Reporting Performance and Aligning Performance Definitions*”

and Policies Across Workforce Employment and Training Programs Administered by the U.S. Department of Labor” describes performance accountability requirements for all DWGs, which will apply to Reskill DWGs. Additional information about DWG performance reporting is available at <https://www.dol.gov/agencies/eta/dislocated-workers/performance>.

Reskill DWG applicants must have the internal capacity and/or documented partnerships and data sharing agreements necessary to submit required performance data, including Quarterly Performance Reports and Quarterly Narrative Reports. Reskill DWGs must set goals for participant employment rates, median earnings, and credential attainment as described in WIOA Section 116, and earnings change (described below).

For Reskill DWG recipients that are states or outlying areas, negotiated state performance goals for the WIOA title I Dislocated Worker Program, for employment rates, median earnings, and credential attainment, serve as a basis for each DWG. Reskill DWG recipients that are local WDBs use goals that the local WDB negotiated with the state for the WIOA title I Dislocated Worker program as a basis for each DWG. Entities in the WIOA section 166(c) Native American Program use goals established for that program as a basis for DWG performance targets. For these and other eligible entities, goals approved in the DWG application serve as final performance targets. Applicants that do not intend to use the state or local negotiated goals for the above measures must explain what goals they will use and why those goals will be used in lieu of the negotiated goals.

In addition, Reskill DWG recipients must set a goal for earnings change, comparing earnings prior to dislocation with earnings in the fourth quarter after Reskill DWG program exit. ETA will use data that grantees already report to calculate this earnings change. Grantees should be aware that ETA is reviewing options for capturing additional data on Reskill DWGs to build evidence about rapid reskilling in economic changes. These additional data include Rapid Placement (percent in employment or paid work-based learning in the target industry within six months of enrollment) and Retention (of the Rapid Placement positive outcomes, the percent that are retained within the industry or occupation related to their training during second and fourth quarters after placement). ETA is not asking grantees to set targets for the Rapid Placement and Retention measures and will provide grantees instructions on any other data that grantees may need to report as a condition of accepting these Reskill DWG funds.

DWG grantees must submit performance data using the WIPS system. Information on this system is available on the WIPS Resource Page: <https://www.dol.gov/agencies/eta/performance/wips/>.

Reskill DWG recipients must also submit a Project Findings Update as part of the Quarterly Narrative Report. The findings generated across grantees represent a significant public investment in knowledge that should inform future workforce

policy and practice. ETA will provide grantees with a standard reporting template and guidance on reporting and timelines; such reporting is as a condition of the grant agreement. ETA plans to synthesize findings across grantees to identify scalable models and strategies for supporting displaced workers and connect them with high-wage opportunities in critical industries.

- vii. **DOL Evaluation.** As a condition of grant award, as per 2 CFR Part 200.301, grantees are required to participate in an evaluation, if undertaken by DOL. Participating in an evaluation may require an investment of time and/or resources from grantees, and costs related to data and evaluation are allowable, as defined in 2 CFR 200.455(c). As a part of the evaluation, as a condition of award, grantees must agree to: (1) make records available to DOL's evaluation team on participants, employers, or other grant partners, and funding; (2) provide access to program operating personnel, participants, and operational and financial records, and any other relevant documents; and (3) in the case of an impact analysis, facilitate the assignment by lottery of participants to program services, including the possible increased recruitment of potential participants; and (4) follow evaluation procedures as specified by the evaluation team under the direction of DOL. DOL's evaluation team may include Federal staff as well as contractors with specific technical skills that are engaged to conduct evaluations, analyses, and other assessments of DOL programs and investments.
- viii. **Financial Reporting Requirements.** DWG grantees must submit financial reports using the ETA-9130 (G) Financial Report. Guidance and instructions are available at the following link: https://www.doleta.gov/grants/financial_reporting.cfm. ETA expects applicants to have the appropriate systems or partnerships in place to submit required performance data as described in this section. An applicant must commit to submitting the required performance data to receive a grant award under this TEGL.
- h. *Availability of Funds, Application Review and Award.* Awards are based on the availability of Federal funding and are made at DOL's discretion, as discussed in [TEGL 9-24, Change 1](#). This section discusses application criteria and the review/selection process. ETA will award funds to responsive, high quality applications pending funding availability. Available funds for this grant could be depleted by other, unforeseen DWG funding needs, such as natural disasters and national emergencies. If there are more responsive applications than available funds, ETA will fund applications based on application quality and relative needs described, until available funds are depleted. In this event, ETA will implement procedures for assessing the technical merit of applications to provide for an objective review of applications. A technical merit review panel will carefully evaluate applications against the selection criteria listed below to determine the merit of applications. These criteria are based on the policy goals, priorities, and emphases set forth in this TEGL. The review panel will assess each criterion using a color scale: red (responsive but would require Conditions of Award), yellow (fully responsive but minor clarifications needed), green (fully responsive). If responsive applications exceed available funds, the applications receiving

the greatest number of criterion with a rating of green/fully responsive will be the primary basis for award selection.

Responsive applicants must provide the information required in the Suggested Application (Attachment I) and Budget Narrative (Attachment II), meet the requirements of this TEGL, and:

- i. Demonstrate a clear need for upskilling dislocated workers to retool, upskill, and re-engage in high-growth sectors of the economy, with an emphasis on sector strategies and targeted industries that are critical to reindustrialization.
 - ii. Demonstrate established partnerships with employers to ensure participant services, such as outreach, recruitment, and training services, are aligned with the needs of employers. Describe any prior outreach to employers to determine hiring needs, connections with businesses that are hiring, or partnerships with businesses to identify training pathways to in-demand jobs.
 - iii. Describe the program design that includes the required Core Elements outlined in section 4.e, and addresses the demonstrated needs and employment opportunities in the proposed service delivery area, and discusses how the program design will achieve the goals of Reskill DWGs described in section 4a, above;
 - iv. For applicants eligible under section c. i-iii of this TEGL, demonstrate that existing formula WIOA Dislocated Worker Program funds are insufficient to meet current needs by providing expenditure rates for Program Year 2023-2025 dislocated worker program funds. State applicants should also provide the percentage of funds remaining in their WIOA Governor's reserve.
 - v. Detail applicant's internal capacity and/or documented partnerships and data sharing agreements necessary for submitting required performance information as described in section 4.g. of this TEGL, including any prior experience in performance reporting for similar sized federal grants.
 - vi. Document internal capacity and/or documented partnerships to fulfill financial reporting requirements described in section 4.g. of this TEGL including any prior experience in fulfilling financial reporting requirements for similar sized federal grants.
 - vii. For applicants eligible under section c. iv-v of this TEGL, document the required partnerships with State workforce agencies and local workforce development boards as described in 4.c. and 4.i. of this TEGL and/or attest and describe strategies to develop relevant partnerships within three months of grant award date.
- i. *Other Award Considerations.* At its discretion, ETA intends to fund eligible applicants according to the application requirements set out in the Reskill DWG Application (Attachment I). ETA may elect to award a grant with or without discussions with the applicant. For grants awarded without discussion, the applicant's signature on the SF-424, including an electronic signature, constitutes a binding offer by the applicant.
- ETA will check records to determine if the applicant had any restriction on spending for any ETA grant within the past three years as a result of adverse monitoring findings. Depending on the severity of the findings, the Grant Officer

may elect not to issue an award to the applicant or to impose conditions on the award.

- Title I of WIOA authorizes and funds DWGs, and therefore, recipients are considered required one-stop partners in the local AJC network.⁵ Partnership in the one-stop system provides an array of benefits to the partner organization and participants being served by the DWG, including: access to a wide array of services and resources, outreach and recruitment, connections to businesses, access to economic or labor market information, and participation in a regional economic partnership. DWG grant recipients that are currently one-stop partners would not be required to update or modify the existing Memoranda of Understanding (MOUs) or Infrastructure Funding Agreements (IFAs). However, DWGs awarded to grant recipients that are not already one-stop partners must engage with the local workforce development board to become a partner in the AJC network and be included in the local MOUs and IFA.⁶ DWG recipients must become one-stop partners and recognized in the MOU and IFA no later than six months from the grant award date. For more information on MOUs and IFAs, a technical assistance resource called the Sample MOU and IFA Toolkit may be found on www.workforcegps.org. DWG applications require an applicant to indicate that they are, or commit to becoming, a one-stop partner. Tools and resources to support an applicant's efforts to become a partner may be found on ETA's How to Apply website (<https://www.dol.gov/agencies/eta/grants/apply>). The Grant Agreement will provide more information on this requirement.
- All applications deemed complete and responsive by the Grant Officer will undergo a risk review process. Before making an award, ETA will review information available through any OMB-designated repository of government-wide eligibility qualification or federal integrity information, such as the Federal Awardee Performance and Integrity Information System (FAPIIS), Dun and Bradstreet, and "Do Not Pay." Additionally, ETA will comply with the requirements of 2 CFR Part 180 (Government-wide Debarment and Suspension (Non-Procurement)). This risk evaluation may incorporate results of the evaluation of the applicant's eligibility (application screening) or the quality of its application (technical review). If ETA determines that an entity is responsible and an award will be made, special conditions corresponding to the degree of risk assessed may be applied to the award. Risk-related criteria evaluated include:
 - Financial stability;
 - Quality of management systems and ability to meet the management standards prescribed in the Uniform Grant Guidance;
 - History of performance regarding the applicant's record in managing awards, cooperative agreements, or procurement awards, if it is a prior recipient of such Federal awards, including timeliness of compliance with

⁵ Guidance on required WIOA partners, MOUs, and IFAs can be found in [TEGL No. 16-16](#) and [TEGL No. 17-16](#).

⁶ As required one-stop partners, Native American programs (described in WIOA Section 166) are encouraged to contribute to infrastructure costs, but they are not required to make such contributions under WIOA. Any agreement regarding the contribution or non-contribution to infrastructure costs by Native American programs must be documented in the MOU (WIOA Section 121(h)(2)(D)(iv); see also 81 FR 55911-55912 of the preamble to the Joint WIOA Final Rule). See TEGL 17-16 for more information on infrastructure costs.

- applicable reporting requirements, and if available, the extent to which any previously awarded amounts will be expended before future awards;
- Reports and findings from audits performed under Subpart F – Audit Requirements of the Uniform Grant Guidance (2 CFR sections 200.500 – 200.520) or the reports and findings of any other available audits and monitoring reports containing finds, issues of non-compliance, or questioned costs; and
- The applicant’s ability to effectively implement statutory, regulatory, or other requirements imposed on recipients.

The selection of an organization as a recipient does not constitute approval of the grant application as submitted. Before the actual grant is awarded, the Department may enter into negotiations about such items as program components, staffing and funding levels, and administrative systems in place to support grant implementation. If the negotiations do not result in a mutually acceptable submission, the Grant Officer reserves the right to terminate the negotiations and decline to fund the application. The Department reserves the right not to fund any application related to this TEGL.

- j. *Paperwork Reduction Act Statement.* The OMB Information Collection No 1225-0086, expires June 30, 2028.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. Public reporting burden for this collection of information is estimated to average 50 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Application information described in this TEGL is being collected for the purpose of awarding a grant. ETA will use the information collected through this solicitation to ensure that grant awards are provided to the applicants best suited to perform the functions of the grant. This information is required to be considered for this grant.

- 5. **Inquiries.** Please direct inquiries to the appropriate Regional Office or to DOL-ETA-DWG@dol.gov with Reskill DWG in the subject line.

6. **References.**

- Workforce Innovation and Opportunity Act (WIOA), sec. 170, Pub. L. No. 113-128, 128 STAT. 1425, 1573-1576 (July 22, 2014);
- Consolidated Appropriations Act, 2026, Pub. L. 119-75;
- Employment and Training Administration, Workforce Innovation and Opportunity Act Final Rule (WIOA DOL Final Rule) published at 81 FR 56071 (August 19, 2016), specifically 20 C.F.R. [parts 680](#) and [687](#);
- [America’s Talent Strategy](#), published August 2025;
- [America’s AI Action Plan](#), published July 2025;

- [Training and Employment Notice 07-25](#) – The U.S. Department of Labor’s Artificial Intelligence Literacy Framework
- [Training and Employment Guidance Letter \(TEGL\) No. 09-24, Change 1](#)– Updated National Dislocated Worker Grant Program Guidance (May 7, 2026);
- [TEGL No. 23-19 Change 3](#), Guidance for Validating Required Performance Data Submitted by Grant Recipients of U.S. Department of Labor (DOL) Workforce Programs, issued December 1, 2025,
- [TEGL No. 14-18](#)– Aligning Performance Accountability Reporting, Definitions, and Policies Across Workforce Employment and Training Programs Administered by the U.S. Department of Labor (DOL) (March 25, 2019);
- [TEGL No. 08-18](#)– Workforce Innovation and Opportunity Act (WIOA) Title I and Wagner-Peyser Act Waiver Requirements and Request Process (December 19, 2018);
- [TEGL No. 05-25](#)– Maximizing Innovation in Workforce Innovation and Opportunity Act Programs (November 25, 2025);
- [TEGL No. 19-16](#) – Guidance on Services Provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyser Act Employment Service (ES), as amended by title III of WIOA, and for the implementation of the WIOA Final Rules (March 1, 2017);
- [TEGL 16-16 Change 1](#)– Change 1 to Training and Employment Guidance Letter (TEGL) 16-16 One-Stop Operations Guidance for the American Job Center Network (June 16, 2017);
- [TEGL 17-16](#)– Infrastructure Funding of the One-Stop Delivery System (January 18, 2017); and
- [TEGL No. 10-09](#)– Implementing Priority of Service for Veterans and Eligible Spouses in All Qualified Job Training Programs Funded in Whole or in Part by the U.S. Department of Labor (DOL), (November 10, 2009).

7. **Attachment(s).**

- Attachment I: Reskill Suggested Grant Application
- Attachment II: Budget Narrative Instructions