

Funding Opportunity Announcement
ApprenticeshipUSA State Expansion Grants
Supplemental Justification
1225-0086

Supplemental Supporting Statement A: Justification

This request seeks OMB approval under the Paperwork Reduction Act for the unique information collection requirements in the “ApprenticeshipUSA State Expansion Grants,” Funding Opportunity Announcement (FOA). The Department will announce the availability of approximately 50.5 million in grant funds authorized under the Consolidated Appropriations Act, 2016, Pub. L. 114-113., Div. H, Title I; the National Apprenticeship Act, 29 U.S.C. §50; and 29 C.F.R. Part 29, for the Apprenticeship USA State Expansion Grants. Should Congress appropriate additional funds for this purpose in Fiscal Years (FY) 2017 and 2018, the Department may consider up to two additional rounds of continuation awards under this FOA to support ApprenticeshipUSA State Expansion efforts.

An estimated 33 successful applicants will receive awards of FY 2016 funding, which may range from \$700,000 to up to \$3,200,000, based on the current number of apprentices in the state and the state’s level of activities and commitment to innovate and expand Registered Apprenticeship. Continuation funding to grantees is subject to the discretion of the Department and contingent upon the availability of funds, satisfactory progress of the grantee’s project, and adequate stewardship of federal funds. This investment marks the first time that the Federal government will provide congressionally appropriated funding to support States in their efforts to expand and diversify Registered Apprenticeship to better respond to industry workforce demands. In many States, apprenticeship is a component of, but not fully integrated into, State economic, workforce, and education talent development systems. These ApprenticeshipUSA State Expansion Grants will provide States with an opportunity to further align resources to innovate and expand this proven workforce strategy.

As the economy continues to grow, businesses across all industries are expressing the need for a pipeline of skilled workers to help them remain competitive. Registered Apprenticeship is a global, tried and true workforce development strategy that offers apprentices opportunities to earn a salary while learning the skills employers demand in a variety of occupations across industries, such as an aircraft mechanic in Advanced Manufacturing, an electrician in the Building Trades, a nursing assistant in Healthcare, or a coder in Information Technology. For employers, Registered Apprenticeship serves as an opportunity to grow their own workforces and meet skill needs for the future.

The Department’s goal is to double and further diversify Registered Apprenticeships across the country. Currently, there are approximately 450,000 Registered Apprentices in the United States, and American and international employers are increasingly turning to Registered Apprenticeship as a workforce solution that provides workers with 21st century skills. Apprenticeships offer a solid return on investment for everyone involved, including the nation as a whole. A 2012 Mathematica evaluation of 10 States found that for every dollar invested in Apprenticeship, the tax returns were \$27; and total benefits were more than \$35. Nearly nine out of 10 apprentices are employed after completing their apprenticeships, with an average starting

wage of over \$50,000 per year. Workers who complete a Registered Apprenticeship are projected to make over \$240,000 more than their peers during their lifetimes.

For the purposes of this grant, eligible participants are all individuals who are 16 years of age or older. The Department's goals for ApprenticeshipUSA State Expansion Grant funding are threefold: 1) Help States advance Registered Apprenticeship as a workforce development strategy and post-secondary education career pathway that maintains the nation's strong, adaptable, and highly skilled workforce. 2) Support integrated, Statewide apprenticeship strategies and State capacity to engage industry and meet the demand for new programs in both traditional and non-traditional industries such as IT, Healthcare, Advanced Manufacturing, Building Trades, Cybersecurity, and Business Services. 3) Catalyze State innovations to significantly increase apprenticeship opportunities for all American workers, particularly low-income individuals and underrepresented populations in apprenticeship including opportunity youth, women, communities of color, Native Americans, and persons with disabilities, and taking steps to facilitate their successful completion of apprenticeship programs.

ApprenticeshipUSA State Expansion Grant funding will help States to develop and implement comprehensive strategies to support apprenticeship expansion; engage industry and workforce intermediaries, employers, and other partners to expand and market apprenticeship to new sectors and underserved populations; enhance State Capacity to conduct outreach and work with employers to start new programs; and expand and diversify participation in apprenticeship through State innovations, incentives, and system reforms. By launching the ApprenticeshipUSA State Expansion Grants initiative, the Department is helping States to bring together the right partners to strengthen their apprenticeship systems.

Eligible Applicants are States, as defined in 29 C.F.R. § 29.2. The period of performance for FY 2016 funding will be 18 months, with an anticipated start date of November 1, 2016. Continuation awards, based on the availability of funding in FYs 2017 and 2018, will result in a new 18-month period of performance for each award. States should identify the State agency that will be the grant recipient (e.g., State Workforce Agency, Economic Development Agency, or SAA). This entity will have the sole responsibility for administering the project and will serve as the grant's fiscal agent. For States with federally recognized State Apprenticeship Agencies, the SAA must be included as a key partner.

The Department encourages the use of leveraged funds to support this effort. States may identify State resources as well as other foundation, private, and Federal funding to support expansion activities. Grant funds must not supplant existing State funding streams currently supporting Registered Apprenticeship, including resources being allocated to SAAs and State-based apprenticeship initiatives (e.g., training funds, tax credits).

Applications will include the following information collections: 1) Form SF-424 "Application for Federal Assistance," separately cleared under OMB control number 4040-0004, 2) Project Budget, 3) Project Narrative, and 4) Attachments to the Project Narrative.

Electronic availability:

This grant solicitation is available on the grants.gov Web site. Based on past DOL experience, the Department anticipates 75 percent of responses will be submitted electronically.

Small Entities:

This information collection will not have a significant impact on a substantial number of small entities.

Assurances of confidentiality:

These grant solicitations do not offer applicants assurances of confidentiality.

Special circumstances:

This FOA implicates no special circumstances.

Burden:

Based on past experience, the DOL expects to receive approximately 54 applications from an equal number of respondents. The ETA estimates public reporting burden for the information collection to average 20 hours per response for reviewing instructions, searching existing data sources, gathering and maintaining needed data, and completing and reviewing the collection of information.

54 applications x 20 hours = 1,080 hours.

The DOL has increased the average hourly earnings in the professional and business services industry of \$30.56 per hour by 40 percent to monetize this burden (total \$42.78). See The Employment Situation—May 2016, DOL, Bureau of Labor Statistics, http://www.bls.gov/news.release/archives/empsit_06032016.pdf at page 33.

1,080 hours x \$42.78 = \$46,202.40.

The DOL associates no other burden costs with this information collection. In addition to the application, each grantee will be required to submit quarterly financial, performance, and narrative reports to the ETA. Those information collection requirements will be cleared under a separate control number.

Total burden: 54 respondents, 54 responses, 1080 hours, \$0 other cost burden.

Supplemental Supporting Statement B: Statistical Methods

This information collection does not employ statistical methods.