

## **Trade and Economic Transition National Dislocated Worker Grants Supplemental Justification**

### **Supplemental Supporting Statement A: Justification**

This request seeks OMB approval under the Paperwork Reduction Act for the unique information collection requirements in the “Trade and Economic Transition National Dislocated Worker Grant” solicitation. The Department will announce the availability of up to \$100 million, with individual awards of up to \$8 million. The purpose of the funding is to allow eligible applicants to implement innovative employment and training services to help address dislocations that can be traced to broader workforce needs or economic changes reaching across multiple sectors, including changes that are occurring due to shifts in trade policy.

Economic transformation has created new and exciting opportunities for American workers but has also resulted in worker dislocations. For example, increased automation and global economic pressures have threatened traditional jobs and careers. In many cases, mature workers in the middle or later stages of their careers have been disproportionately impacted by these changes. Trade and Economic Transition National Dislocated Worker Grants (DWGs) will allow grantees to take a holistic approach in addressing economic and workforce challenges that may not be limited to one employer, one industry, or one geographic area. Evidence shows that providing laid-off workers with intensive employment services can improve their re-attachment to the labor force, with positive outcomes in employment and earnings. Evidence further suggests that training is most effective when it is closely related to an identified job or occupation. Accordingly, a successful applicant for these grants will align with these findings by demonstrating that it has suffered significant worker dislocations stemming from a broader Economic Transition, and that it will deploy innovative career and training services that move dislocated workers into in-demand careers or professional areas that could improve the long-term economic or workforce health of the applicant’s selected geographic areas.

Trade and Economic Transition DWGs are authorized under Section 170(b) of the Workforce Innovation and Opportunity Act (WIOA). In awarding Economic Transition DWGs, the Employment and Training Administration will prioritize projects that respond to large-scale and largely unaddressed 21st Century economic and workforce challenges by helping move the workforce into 21st Century professions. To receive an Economic Transition DWG, applicants must document impact from an Economic Transition, as well as subsequent and significant worker dislocations. “Economic Transition” is a far-reaching economic or workforce trend or event, beyond the operating conditions of one employer or one industry, which has caused significant worker dislocations in a stated geographic area. Examples include job loss or employer/industrial reorganization due to trade or automation; or, the loss, significant decline, or major structural change/reorganization of a primary or legacy industry in a regional economy due to economic trends.

Grant funds will be awarded to the following eligible entities: 1.) states or outlying areas, or a consortium of states; 2.) Local Workforce Development Boards (WDBs), or a consortium of WDBs; 3.) an entity described in Section 166(c) of WIOA (relating to Indian and Native American programs); or 4.) other entities determined to be appropriate by the Governor of the state or outlying area involved.

Applications will include the following information collections:

- An electronically signed copy of a SF-424 - Application for Federal Assistance (OMB Control No. 4040-0004);
- An SF-424A - Budget Information – Non-Construction Programs (OMB Control No. 4040-0006);
- A 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;
- A completed Project Synopsis form (Attachment A) or written proposal;
- Documentation in support of the identified Economic Transition Event, which may include labor market analysis, academic studies, excerpts of media reports, trends in employment or industry growth, or other verifiable documentation;
- For applicants submitting an application under the eligibility designation of demonstrating to the Secretary the capability to respond effectively to circumstances relating to particular dislocations, the following documentation must be included as an attachment to the application:
  - expertise with systemic economic issues;
  - expertise with workforce development or training;
  - the geographic or administrative reach to handle large-scale workforce issues like Economic Transitions, as the term is defined in Section 3 above;
  - financial and administrative capability to administer a federal grant;
  - signoff to apply for an Economic Transition DWG from its State workforce agency and WDBs for the geographic area(s) in which it will serve; and
  - consented in its completed Project Synopsis Form (Attachment A) or written proposal that, prior to receiving any grant funds, it will arrange a method of reporting performance data.
- Letter(s) demonstrating established partnerships, support, or eligibility, per the table included in the TEG.

**Electronic availability:**

This grant solicitation will be available on the [www.grants.gov](http://www.grants.gov) Web site. Based on past DOL experience, the Department anticipates 100 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 solicitation implicates no special circumstances.

**Burden:**

Based on average response in previous years, ETA anticipates receiving about 50 applications. The public reporting burden for this collection of information is estimated to average 20 hours per response,

including time for reviewing instructions, searching existing data sources, gathering and maintaining needed data, and completing and reviewing the collection of information.

50 applications x 20 hours = 1,000 hours

The DOL has increased the average hourly earnings in the professional and business services industry to \$32.32 per hour to monetize this burden. See The Employment Situation—June 2018, DOL, Bureau of Labor Statistics, Page 33, <https://www.bls.gov/news.release/pdf/empst.pdf>

1,000 hours x \$32.32 = \$32,320

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 and performance reports to DOL. Those information collection requirements are cleared under a separate OMB control numbers - 1205-0461 and 1205-0521, respectively.

*Total burden: 50 respondents, 50 responses, 1,000 hours, \$0 other cost burden.*

**Supplemental Supporting Statement B: Statistical Methods**

This information collection does not employ statistical methods.