



NEW YORK STATE WORKFORCE DEVELOPMENT SYSTEM TECHNICAL ADVISORY

Workforce Development System Technical Advisory #07-8.3

TO: Workforce Development Community

DATE: July 1, 2010

SUBJECT: REVISED - Procedure for Requesting Discretionary WIA Dislocated Worker Funds for the Provision of Services to Dislocated Workers due to Substantial Layoffs or Plant Closings.

Purpose:

To communicate New York State Department of Labor (NYSDOL) revised procedure for requesting Discretionary Dislocated Worker funds for the provision of services to dislocated workers due to substantial layoffs or plant closings.

To rescind and replace TA # 07-8.2, REVISED - Procedure for Requesting Discretionary WIA Dislocated Worker Funds for the Provision of Services to Dislocated Workers due to Substantial Layoffs or Plant Closings, dated February 11, 2009.

Background:

The Workforce Investment Act (WIA) of 1998 authorizes the provision of additional assistance to local areas that experience disasters, mass layoffs or plant closings, or other events that precipitate substantial increases in the number of unemployed individuals.

Policy:

- Funds can be requested and expended only for the cost of training and supportive service payments to the workers affected by the specific plant closing or substantial layoff event. Due to the limited availability of State-Level Rapid Response funds, staff wages, fringe benefits and operational costs will no longer be considered for funding with Discretionary Dislocated Worker funds.
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- The LWIA must demonstrate that a Trade Adjustment Act (TAA) petition has been filed for the workers affected by the plant closing or substantial layoff.
- A local spending plan must be submitted for NYSDOL review detailing how WIA IB formula funds have been budgeted for the program years included in the request, including but not limited to salaries, fringe, other operating costs, rental cost, contracted services, training opportunities, etc.

Action:

Local Workforce Investment Areas (LWIAs), on behalf of the Chief Local Elected Official and the Local Workforce Investment Board, may request Discretionary Dislocated Worker funds from NYSDOL to address service provision needs to affected dislocated workers that are the result of plant closings or substantial layoffs. These funds may be requested to address plant closings or substantial layoffs that exceed the resources available through the local area's formula allocations. The grant period is generally up to 12 months. Availability of these funds will become effective July 1, 2010, and will continue dependent upon the availability of State-Level Rapid Response funds.

Please note that if a LWIA receives a distribution of WIA Discretionary Dislocated Worker funds, then these funds are not eligible for any transfer to the Adult program or for use for other eligible dislocated workers.

A TAA petition should be filed in all instances of a plant closing or substantial layoff. Discretionary Dislocated Worker funds may be used for affected workers prior to receipt of the TAA funds, or to pay that portion of the total costs not covered by any TAA funds that may subsequently become available.

Definitions:

Plant closing is the permanent shutdown of a single site of employment affecting 25 or more workers.

Substantial layoff is the reduction in force which is not the result of a plant closing and which results in an employment loss at a single site of employment during any 30-day period for:

- (a)(i) at least 33% of the full-time employees; and
- (ii) at least 25 full-time employees; or,
- (b) at least 250 full-time employees.

Full-time Employees are those that regularly work 20 or more hours per week.

Requests for Supplemental Dislocated Worker Funds:

To receive consideration for State Discretionary Dislocated Worker funds to serve workers dislocated as a result of plant closings or substantial layoffs, a LWIA must submit a Service Plan to their assigned NYSDOL Division of Employment and Workforce Solutions (DEWS) field staff representatives. The plan must demonstrate the need for these funds and include the following elements:

- A description of the need, including the specific event that resulted in the plant closing or substantial layoffs. Provide documentation for the event which must include: why available WIA formula fund resources are insufficient to address the need, and current and projected service and expenditure levels for the LWIA's formula Dislocated Worker funds and supplemental Dislocated Worker funds.
- A local spending plan for NYSDOL review detailing how WIA IB formula funds have been budgeted for the program years included in the request, including but not limited to salaries, fringe, other operating costs, rental cost, contracted services, training opportunities, etc.
- A profile of the workers affected by the event, the number of workers to be served, educational and skill levels of the affected workers, the types of services to be provided and proposed outcomes. For the affected workers who may seek services, the profile should identify who and how many will be offered severance packages, transfer opportunities, retirement, etc.
- Demonstration that a Trade Adjustment Act (TAA) petition has been filed for the workers affected by the plant closing or substantial layoff.
- Identification of how services will be coordinated with any available Trade Adjustment Act (TAA) training funds.
- Identification and description of the coordination of other resources and/or funding to assist in serving the affected workers, including the provision of rapid response services to be provided by the public workforce system partners.
- Provision of a proposed quarterly budget and participant plan for enrollments, service levels, program outcomes and accrued expenditures for the requested State Discretionary Dislocated Worker funding in the format provided below. The plan must also include anticipated separation date(s).

Planned Budget for the Project:

Please include a budget narrative for each of the totals below.

1st Quarter 2nd Quarter 3rd Quarter 4th Quarter

Training Costs

**Participant
Support Costs**

**Total Planned Budget
for the Project**

Allowable Costs:

The LWIA must track these discretionary funds separately from their formula funds. Funds can be requested and expended only for the cost of training and supportive service payments to the workers affected by the specific plant closing or substantial layoff event. Due to the limited availability of State-Level Rapid Response funds, staff wages, fringe benefits and operational costs will no longer be considered for funding with Discretionary Dislocated Worker funds. Any unexpended funds at the end of the award period will be returned to NYSDOL. Note that NYSDOL's expectation is that pre-layoff core and intensive services will be provided by the joint State/Local Rapid Response teams.

Once the Service Plan is submitted, DEWS field staff will review all the elements of the submitted plan including the LWIA's planned expenditures, participant levels and service levels to ensure that they are in line with the needs statement. If the local area is approved for a WIA Discretionary Dislocated Worker funds distribution, the local area will be notified of the approval. At that time, the LWIA may submit documentation to their DEWS field staff for eligible training and participant support costs that have been incurred during the first quarter of the approved funding period. Once the documentation has been received and reviewed by NYSDOL, if approved, funds will be obligated on a case by case basis (similar to how funds are requested for individual training plan funds under TAA).

Funding approvals for subsequent quarters will be dependent on the result of a review of the circumstances with the affected company; what actual services were provided in the previous quarter; the actual outcomes of the services rendered; the coordination of other funding and/or resources; and the current availability of state-level funds.

Should a request for Discretionary Dislocated Worker funding not be approved, the LWIA will be provided with written notification of the reason for such determination.

Further, should State-Level Rapid Response funds be unavailable, DEWS staff will provide assistance in the possible development of a National Emergency Grant (NEG) proposal for funding consideration by USDOL ETA.

References:

Workforce Investment Act, Section 134(a)(2)(A)(ii)