

<b>EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> DWG-Demo Grants
	<b>CORRESPONDENCE SYMBOL</b> OWI-DWASWS
	<b>DATE</b> March 20, 2018

**ADVISORY:** TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 12-17

**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

**FROM:** ROSEMARY LAHASKY  
Deputy Assistant Secretary 

**SUBJECT:** National Health Emergency Dislocated Worker Demonstration Grants to Address the Opioid Crisis

- Purpose.** To announce the availability of up to \$21 million for National Health Emergency (NHE) demonstration grant projects for Program Year 2017. These grants will enable eligible applicants to serve or retrain workers in communities impacted by the health and economic effects of widespread opioid use, addiction, and overdose.

The Department of Labor (DOL) Employment and Training Administration (ETA) is launching a two-phase, multi-year approach, utilizing grant funds to combat the economic and workforce impacts associated with the opioid health crisis, as well as encourage more individuals to enter professions that could address the crisis. The first phase is the demonstration project being announced with this advisory. DOL plans to conduct a second phase in Program Year 2018, pending availability of funds.

**2. References.**

- Workforce Innovation and Opportunity Act (WIOA), sec. 169(c);
- Consolidated Appropriations Act, 2017 (Public Law 115-31);
- ETA Form 9130 (Office of Management and Budget (OMB) Control No. 1205-0461); and
- Training and Employment Guidance Letter (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).*

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> Continuing
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3. **Background.** The United States is facing an ongoing health crisis stemming from widespread abuse and addiction to opioid painkillers as well as illicit opioids. According to the Centers for Disease Control and Prevention, deaths from drug overdoses in the United States more than tripled from 1999 to 2015, and this increase has been driven by increased dependency and addiction to opioid painkillers,<sup>1</sup> which are often prescribed to individuals suffering from chronic pain.<sup>2</sup> For some, addiction to prescription opioids has led to abuse of heroin, an illegal opioid that in some circumstances can be cheaper and easier to obtain.<sup>3</sup> In 2016, around 2.5 million Americans had a substance-use disorder involving either prescription painkillers or heroin.<sup>4</sup> In addition to deaths, overdoses from both prescription and illicit drugs were responsible for increasing nonfatal emergency department and hospital admissions.<sup>5</sup> In all, researchers have found that this crisis has cost the United States more than \$1 trillion since 2001—and it could have a negative impact of \$500 billion more over the next three years if conditions do not change.<sup>6</sup>

The Administration has made addressing this crisis a high priority, making significant investments to support treatment and recovery services, target availability of overdose-reversing drugs, train first responders, and more. The Secretary of Health and Human Services, at the White House’s direction, declared a national public health emergency on October 26, 2017.<sup>7</sup> The public health emergency declaration was renewed on January 24, 2018. In a statement, the White House identified that this declaration meant that DOL could provide dislocated worker grant funds “to help workers who have been displaced from the workforce because of the opioid crisis[.]”

Accordingly, ETA now announces National Health Emergency (NHE) Dislocated Worker Demonstration Grants, a special demonstration project under the authority of section 169(c) of WIOA. The NHE grants are intended to be DOL’s first phase of funding opportunities meant to counter the employment impacts of the opioid crisis and encourage training opportunities for skilled professions positioned to impact the underlying causes of the crisis. This TEGL describes the goals and desired outcomes of NHE grants as well as their eligibility, application, and administration requirements.

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1 Centers for Disease Control and Prevention. Annual Surveillance Report of Drug-Related Risks and Outcomes — United States, 2017. Surveillance Special Report 1. Centers for Disease Control and Prevention, U.S. Department of Health and Human Services. Published August 31, 2017. Accessed February 1, 2018 from <https://www.cdc.gov/drugoverdose/pdf/pubs/2017-cdc-drug-surveillance-report.pdf>.

2 Katie Witkewitz and Kevin E. Vowles, Alcohol and Opioid Use, Co-Use, and Chronic Pain in the Context of the Opioid Epidemic: A Critical Review, available at <https://www.ncbi.nlm.nih.gov/pubmed/29314075>.

3 National Institute on Drug Abuse, How is heroin linked to prescription drug abuse?, <https://www.drugabuse.gov/publications/research-reports/heroin/how-heroin-linked-to-prescription-drug-abuse>.

4 American Society of Addiction Medicine, Opioid Addiction, 2016 Facts & Figures, <https://www.asam.org/docs/default-source/advocacy/opioid-addiction-disease-facts-figures.pdf>.

5 Centers for Disease Control and Prevention. Annual Surveillance Report of Drug-Related Risks and Outcomes — United States, 2017.

6 Altarum, Economic Toll Of Opioid Crisis In U.S. Exceeded \$1 Trillion Since 2001 (Feb. 13, 2018), <https://altarum.org/about/news-and-events/economic-toll-of-opioid-crisis-in-u-s-exceeded-1-trillion-since-2001>.

7 For more information on the HHS declaration, visit <https://www.hhs.gov/about/news/2017/10/26/hhs-acting-secretary-declares-public-health-emergency-address-national-opioid-crisis.html>.

Although DOL, compared to law enforcement and health agencies, may seem less able to attack opioid addiction head on, it has the workforce development capacity to impact some of the underlying and complicating factors contributing to this national crisis. First, the opioid crisis has created several negative employment-related trends, and DOL now takes action to impact this nationwide problem and its effects on the workforce with additional funding for services to reintegrate workers affected by this crisis. Opioid abuse impacts both employed and unemployed workers. Research has shown that the number of opioid prescriptions correlates in many areas with a reduction of labor force participation rates,<sup>8</sup> as well as an increase in unemployment rates coincident with increases in opioid-related hospitalizations, although it is unclear whether opioid addiction is a cause of unemployment or an effect of scarce employment opportunities. Additionally, lost workforce productivity in American businesses as a result of opioid abuse—as demonstrated through diminished job performance, absenteeism, incarceration, and even death—has approached \$20 billion annually.<sup>9</sup> Researchers have estimated lost wages due to overdose deaths at \$800,000 per person.<sup>10</sup>

Second, DOL, subject to available appropriations and their limitations, also has the capability to award grant funds to encourage local development of professions that could address or prevent opioid problems in communities. Recipients can use NHE grant funds toward worker upskilling and reskilling needed to increase availability of addiction treatment services, pain management and therapy services, and mental health treatment.

DOL will award grants to applicants meeting the requirements and qualifications below on a rolling basis. This funding opportunity closes July 31, 2018, or when the funds set aside for this demonstration project are depleted. Given the widespread nature of the opioid crisis and its complex array of underlying causes, these grants will require comprehensive partnerships across the spectrum of health, justice, and community organizations, among others, to align and coordinate the form and delivery of employment and related services that best meet the needs of impacted individuals and offer the best opportunities for reemployment.

- 4. Goals of the NHE Grants.** These NHE demonstration grants will be awarded to eligible applicants that propose innovative approaches for addressing the economic and workforce-related impacts on communities affected by the opioid epidemic. Recognizing the complexity of the crisis, partnerships between the workforce system and other agencies will be central to these projects.

The goals of these grants are to:

- Test innovative approaches to address the economic and workforce-related impacts of the opioid epidemic;
- Provide training and support activities to dislocated workers (including displaced homemakers), new entrants in the workforce, and incumbent workers, including individuals in these populations who are or have been impacted by the opioid crisis; and,

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8 Alan B. Krueger, Brookings, Where Have All the Workers Gone? An Inquiry into the Decline of the U.S. Labor Force Participation Rate (Sept. 7, 2017), [https://www.brookings.edu/wp-content/uploads/2017/09/1\\_krueger.pdf](https://www.brookings.edu/wp-content/uploads/2017/09/1_krueger.pdf).

9 Congressional Research Service: “The Opioid Epidemic and the Labor Force”, November 28, 2017, <https://www.everycrsreport.com/reports/IN10828.html>.

10 Altarum, Economic Toll of Opioid Crisis in U.S. Exceeded \$1 Trillion Since 2001 (Feb. 13, 2018), <https://altarum.org/about/news-and-events/economic-toll-of-opioid-crisis-in-u-s-exceeded-1-trillion-since-2001>.

- To provide training that builds the skilled workforce in professions that could impact the causes and treatment of the opioid crisis, including addiction and substance-abuse treatment, mental health, and pain management.

5. **Funds Availability.** The Department is making up to \$21 million available under this TEGL, for demonstration projects authorized by sec. 169(c) of WIOA. ETA anticipates awarding grants to 7 to 10 demonstration projects, with anticipated funding amounts between \$500,000 and \$5 million each. No award will exceed \$5 million. The final amount of each grant is dependent on the number of applicants and the availability of Federal funds.

6. **Eligibility.**

- a. **Eligible Applicants** – Eligible applicants for NHE grants are the same as those eligible for Disaster Recovery DWGs, under 20 C.F.R. 687.120:
- State workforce agencies;
  - Outlying areas; and,
  - Indian tribal governments as defined by the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(6)).
- b. **Eligible Participants** – NHE grants may serve one or both of the following populations of workers:

Workers Directly or Indirectly Affected by the Opioid Crisis

- Dislocated workers, new entrants in the workforce, or incumbent workers (currently employed or underemployed) with one of the following characteristics:
  - The individual voluntarily answers “Yes” to the following question:
    - *Do you, a friend, or any member of your family have a history of opioid use? Your answer to this question is voluntary.*
      - See Section 13 for more information on grant recipients’ legal obligations pertaining to the recipients’ nondiscrimination and medical information responsibilities under Federal law.
  - The individual works or resides in a community hard-hit by the opioid crisis or can otherwise demonstrate job loss as a result of the opioid crisis, regardless of any personal impact of the crisis on the individual.

Workers Seeking to Enter Professions that Could Help in Addressing the Opioid Crisis and Its Causes

- Dislocated workers, new entrants in the workforce, or incumbent workers (currently employed or underemployed) who seek to transition to professions that support individuals struggling with opioid addiction and/or could impact its underlying causes, and who need new or upgraded skills to better serve this population. These individuals are eligible for reskilling or upskilling training activities only in the following professional areas:

- Addiction and substance-abuse treatment and related services;
- Pain therapy and pain management services that could reduce or prevent dependence on prescription painkillers; and,
- Mental health care treatment services for disorders and issues that could lead to or exacerbate opioid abuse and addiction.

7. **Allowable Activities.** ETA recognizes that the workforce-related impacts of the opioid crisis may raise new challenges for workforce development agencies, and NHE grants are intended to allow states and local workforce areas to creatively align and deliver career, training, and supportive services to best serve the affected individuals. ETA encourages applicants to co-enroll grant participants in WIOA formula programs, where appropriate, to maximize the impact of these grant funds and ensure delivery of the full range of necessary services.

NHE grants should provide services aligned with and designed to support the goals of the region's economic development strategy, as well as the applicable WIOA Strategic Plan(s) for the area(s). Applicants should consider providing those services that will best ensure participants have the skills and competencies necessary to compete for jobs in emerging or targeted industry sectors. The types of activities and services that may be provided are listed below:

Career Services – Career services provide dislocated workers with a range of services, training, and job placement assistance they need to fill jobs in identified emerging or other high demand sectors. Allowable career services are described in detail in TEGL No. 19-16. Examples of allowable career services include:

- Soft skills such as punctuality, personal maintenance skills, and professional conduct;
- In-depth interviewing and evaluation to identify employment barriers and development of individual employment plans; and,
- Career planning (that includes a career pathway approach), job coaching, and job matching services.

Training and Work-Based Training Models – Some of these allowable training and work-based training approaches include:

- Traditional classroom training funded through Individual Training Accounts (ITAs) including apprenticeship programs on the state's Eligible Training Provider List; or,
- Connecting businesses and workers to on-the-job or customized training programs and apprenticeships before or after layoff to help facilitate reemployment.

Training and work-based training strategies included in an application should follow WIOA requirements as described in TEGL No. 19-16.

Supportive Services – Grant recipients' partner organizations may deliver the majority of supportive services provided to participants, particularly those services related to health and related services. However, as individuals are determined ready to participate in workforce development services as part of the overall service strategy laid out in the grant application, the NHE grant may provide necessary supportive services as described in TEGL No. 19-16. These services may include, but are not limited to:

- Health, mental health, addiction, or other forms of outpatient treatment that may impact opioid addiction and related, underlying, or complicating conditions;
- Drug testing for current use of illegal drugs prior to enrollment in career or training services or prior to employment;
- Linkages to community services, including services offered by partner organizations designed to support grant participants;
- Referrals to health care, including referrals to drug treatment and mental health services; and,
- Payments and fees for employment and training-related applications, tests, and certifications.

**NHE grants may not be used to pay the costs of in-patient drug treatment and rehabilitation programs.**

Grantees may not expend more than 10% of their total grant award on the provision of supportive services to participants.

## **8. Use of Funds.**

The following cost limitations apply:

- Administrative Costs: Up to 10 percent of the total award may be used for administrative costs associated with operating the grant.
- Supportive Services: Up to 10 percent of the total grant award may be used for the provision of supportive services to participants.
- The NHE grants are subject to the Uniform Guidance: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR Part 200 and OMB's approved exceptions for the Department at 2 CFR Part 2900.

ETA will execute grant awards on or before September 30, 2018, and grant funds will be available for expenditure during a two-year period of performance. The Department may provide period of performance extensions beyond the two-year timeframe, as it deems appropriate and necessary, to achieve the purposes of these awards.

## **9. Application Narrative and Requirements Necessary for Award.** The applicant must submit an Application Narrative, not longer than 15 double-spaced pages, describing the proposed grant activities and the manner in which these will be implemented. The narrative must be divided into three components, and the requirements for each are outlined below under the following headings: 1.) Impact / Need Statement; 2.) Project Description; and, 3.) Project Timeline.

- Impact/Need Statement** – An applicant demonstrates need for NHE funds by demonstrating (i) that its affected communities have faced a significant impact from the opioid epidemic *and* (ii) economic and employment conditions showing that additional Federal support is needed for employment and training activities in these areas.

i. Significant Impact on Community by Opioid-Related Problems

The narrative must set out statistics and other information that demonstrate that the applicant's community or communities have been significantly impacted by the opioid crisis.

Applicants can show significant impact by identifying the communities, regions, or local workforce areas that will be covered by the grant and showing an increase equal to or greater than the national increase in opioid-related problems, between 1999 and 2016, or the latest year for which data is available.<sup>11</sup> Information that could demonstrate this impact include:

- Rates of opioid abuse
- Rates of opioid overdose deaths
- Rate of non-fatal hospitalizations related to opioid abuse
- Arrests, convictions, or relevant law-enforcement statistics that reasonably show an increase in opioid use.<sup>12</sup>

For example, an applicant can demonstrate its eligibility for these funds by showing that its communities' number of drug-overdose deaths in 2016 was significantly higher than it was in 1999.

Another way an applicant could show significant impact is by demonstrating, through per-capita data and any other evidence, that these communities have been disproportionately affected for their size by opioid problems over the last 20 years, or the period of time for which enough data is available to reasonably infer a trend. ETA is not setting firm markers for this approach of showing significant impact, and applicants may rely on a wide variety of data sources for this approach, such as opioid-connected arrests or convictions and the number of participants or care recipients in any local efforts to stem opioid abuse and addiction.

ii. Economic and Employment Conditions Demonstrate Additional Federal Support Needed

An applicant can meet this requirement by showing the opioid crisis has caused, or is coincident to, economic and employment downturns in affected communities. This can be demonstrated by information including:

- Documentation of any layoff events, announced future layoffs, legacy industry decline, decreasing employment or labor market participation rates, economic impacts that may or may not be overtly related to the opioid epidemic;

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<sup>11</sup> Authorities such as CDC have frequently used this time frame to observe increases in opioid-related deaths.

<sup>12</sup> The most effective information would explicitly show increases in opioid-related arrests, contrasted with generalized drug-arrest figures or arrest or conviction statistics for drugs not classified as opioids.

- Documentation showing decreased economic activity related to, caused by, or contributing to the opioid epidemic. This documentation should include descriptions of how the community has been impacted, or will be impacted, by such symptoms of economic stagnation. Economic indicators, labor market analyses, public announcements, demographic, and industry data are strong sources of data to demonstrate these impacts;
- Rapid Response activities that have been or will be conducted, including demographic data gathered by company and/or worker surveys or through other methods;
- Data or documentation beyond anecdotal evidence showing that employers face challenges filling job vacancies due to lack of skilled workers able to pass a drug test; or
- Any additional relevant data or information on the region, economy, workforce, etc., to support the application.

Alternatively, an applicant can meet this requirement by showing a shortage of workers or services in the following professional areas:

- Addiction and substance-abuse treatment and related services;
- Pain therapy and pain management services that could reduce or prevent dependence on prescription painkillers; or
- Mental health care treatment services for disorders and issues that could lead to or exacerbate opioid abuse and addiction.

Applicants could show a shortage of workers in these three areas through information including, but not limited to:

- The distance between opioid-affected communities and facilities or professionals offering the services described above; or
- The maximum capacity of facilities or professionals to serve individuals in an affected community as compared to increases in opioid-related arrests, overdose deaths, or nonfatal overdose emergencies in the community.

Any sources for the data used to demonstrate need must be accessible to ETA as part of the review. Applicants should include footnotes or other citations providing access to these information sources, or include reports or other information as an attachment.

- b. **Project Description** – The Project Description section of the application narrative sets out the applicant’s proposed approach to addressing the economic and workforce impacts associated with the opioid crisis in the communities to be covered by the grant.

i. Service Delivery

Community Partnerships

Applicants must identify those partners that will ensure the goals of the project are met. A core tenet of the NHE grants is that career and training services are only one part of a comprehensive set of solutions that address the health and well-being of individuals who have been struggling with addiction issues. Therefore, a requirement of the NHE grant is to demonstrate that the appropriate partnerships and strategies are in place to ensure that career and training services are delivered to eligible individuals at a time and in a manner most likely to result in reemployment.

To ensure proper participant eligibility determinations as well as delivery of appropriate career, training, and supportive services, *at least one local Workforce Development Board (WDB) or American Job Center (AJC), located in the area(s) proposed to be covered by the grant, must be a partner in the grant.*

Applications that do not demonstrate commitment from at least one AJC will not be awarded grant funds.

Other partners will vary by community, based on the unique characteristics of each area. Applications must include letters of commitment from at least one local WDB or AJC, and at least one community organization working with individuals directly impacted by opioid addiction. Such partners may include, but are not limited to:

- Employers or industry organizations
- Community health providers or health-related organizations
- Justice or law enforcement organizations
- Faith- and community-based organizations
- Educational institutions

Applicants must describe roles of each partner and how the partnership network will support a comprehensive approach to serving participants. Applicants should further describe how resources will be aligned and decisions made with respect to the activities of the partnership.

Service Strategies

The central component of the NHE demonstration grant project is to provide valuable career, training, and supportive services to eligible individuals in communities adversely impacted by the opioid crisis.

The application narrative must address the applicant's proposed approach, including any innovative strategies that may be incorporated. Applicants must include at minimum the following elements, when developing their proposed approach:

1. What is the strategy for identifying and enrolling eligible dislocated workers, new entrants in the workforce, and incumbent workers as participants in the grant?  
 NHE grants are meant to assist dislocated workers (including displaced homemakers), new entrants in the workforce, and incumbent workers who are or have been impacted by the opioid crisis, as well as workers seeking to transition to professional fields that would impact the opioid crisis and its causes. Applicants must identify the population of dislocated workers, new entrants in the workforce, and incumbent workers to be enrolled in the grant, as follows:
    - For participants who answer that they, a friend, or a family member have a history of opioid use, how will the partnership work in concert to ensure that necessary career and training services will be delivered at a time that is most beneficial to the goal of employment?
    - The NHE demonstration grant allows grant funds to be used for incumbent worker training, as well as the training of non-opioid-affected dislocated workers and new entrants in the workforce, to provide upgraded or new skills in professional areas that could impact the opioid epidemic and its causes. This training is limited to addiction treatment and related services; pain therapy and pain management services that could reduce or prevent dependence on prescription painkillers; and mental health care treatment services for disorders and issues that could lead to or exacerbate opioid abuse and addiction. These activities must be carried out in alignment with the requirements of WIOA and TEGL 19-16. What plans, if any, does the applicant have for identifying, recruiting, and providing this training?
  2. What is the service design of the project?
    - What types of career services, consistent with WIOA and applicable state and local policies, will be provided?
    - What types of training or work-based training will be offered under the NHE grant project? How will these strategies meet the goals identified by the economic development planning process (where applicable)?
    - What supportive services will be provided by the grantee and which by grant partners (see Section 6 above)?
    - How will these demonstration funds be used to build or enhance existing community efforts to address the epidemic, with a particular focus on worker training and retraining?
  3. How will workforce services be aligned with services of other partners to ensure that services are delivered for the best possible outcome of participants?
  4. What work-based training will be utilized as part of the strategy to reemploy dislocated workers under the grant?
  5. What other strategies or approaches does the applicant hope to utilize under this grant, if any?
- c. **Project Timeline** – The applicant must submit a proposed Project Timeline, which includes a brief summary of planned grant activities and project milestones for each of the eight quarters of the grant.

**10. Application Procedures, Requirements, and Timeline.** In an effort to achieve greater efficiency and as part of ETA’s on-going effort to streamline the grant award process, grantees are required to submit the following items through Grants.gov at <https://www.grants.gov/>:

- 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 A for instructions on completing the budget narrative;
- An application narrative comprised of 3 sections: 1) Impact/Need Statement; 2) Project Description; and 3) Project Timeline. Each section must address the requirements laid out in Section 7 above. The application narrative statement should not exceed 15 double-spaced pages, not including attachments;
- A proposed project timeline, including identification of any expected milestones, for the initial period of performance for the grant; and,
- Letters of commitment from project partners, including at least one local WDB or AJC and at least one community organization working with individuals who are, or who have been, directly impacted by opioid use of.

An SF-424 electronically submitted through Grants.gov constitutes the official signed document and must reflect the total amount requested of no more than \$5 million in item #18, *Estimated Funding*. Item #11 must include the *Catalog of Federal Domestic Assistance Number*, 17.280.

To submit the required documents, applicants must follow the “Apply for Grants” link on [Grants.gov](https://www.grants.gov/), and download the links for the grant application package. For this grant opportunity, applicants should **not** follow the “Find Grants” link because this is not a competitive funding opportunity.

If applicants encounter a problem with [Grants.gov](https://www.grants.gov/) and do not find an answer in any of the other resources, call 1-800-518-4726 or 606-545-5035 to speak to a Customer Support Representative, or email [support@grants.gov](mailto:support@grants.gov).

Awards will be made to applications that meet the requirements of this TEGL on a rolling basis as long as funds remain available. However, the final date for accepting applications is **11:59PM EDT on July 31, 2018**. Pending funding availability, ETA plans to award these grants on or before September 30, 2018.

**11. Award Procedures.** ETA will award NHE grants on a rolling basis until all funds for this demonstration are depleted. Awards will be given to eligible applicants meeting the grant requirements as outlined in this TEGL. ETA will provide technical assistance, as needed, to assist applicants that fail to meet all the requirements necessary for ETA to provide funding; however, this technical assistance is not an indication or guarantee that ETA will award the

applicant a grant. An applicant will not receive a NHE grant if it fails to demonstrate all required components prior to ETA making awards of all \$21 million in demonstration funds.

ETA may elect to award a grant with or without discussions with the applicant. Should a grant be awarded without discussions, the award will be based on the applicant's signature on the SF-424, including electronic signature, which constitutes a binding offer by the applicant.

*NOTE: The Department will determine if the applicant had any restriction on spending for any ETA grant due to adverse monitoring findings within the past three years. Depending on the severity of the findings, the Grant Officer may elect to not provide the applicant a grant award or to impose conditions on the award.*

All applications chosen for funding by the Grant Officer will go through a risk-review process. Additionally, any applications for grants for \$500,000 or more will be subject to peer review, as required by WIOA Section 169(c). 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)). If ETA determines that an entity is responsible and an award will be made, special conditions that correspond to the degree of risk assessed may be applied to the award. Risk-related criteria evaluated include:

- i. Financial stability;
- ii. Quality of management systems and ability to meet the management standards prescribed in the Uniform Grant Guidance;
- iii. History of performance. 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 applicable reporting requirements, and if available, the extent to which any previously awarded amounts will be expended prior to future awards;
- iv. 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
- v. The applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on recipients.

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 may terminate the negotiations and decline to fund the application. The Department may not fund any application related to this TEGL.

**12. Reporting.** NHE Grant recipients must submit the following reports no later than 45 days after the end of each quarter:

- a. Participant Individual Record Layout (PIRL) – Recipients must report the characteristics, services received, and outcomes of participants served with WIOA funds, including the NHE Grants. Grantees must submit an individual record file quarterly on all participants and exiters. Performance accountability for these demonstration grants generally aligns with WIOA title I programs and WIOA sec. 116(b)(2)(A). The quarterly PIRL submission is the means for calculating individual participant performance outcomes, as well as performance for this funding opportunity. An amendment to the DOL-only PIRL (ETA 9172) was approved on January 17, 2018 (OMB Control No. 1205-0521) which may be found at this web site: <https://doleta.gov/performance/reporting/>.

NHE grantees should report using the Workforce Integrated Performance System (WIPS). Information on how to report are available on the WIPS Resource Page: <https://doleta.gov/performance/wips/>. All relevant data elements on the individual record layout must be completed.

#### **NHE PIRL Special Instructions**

In order to ensure that each NHE participant is appropriately recorded and tracked, the ETA-assigned grant number must be captured in PIRL data element 105. The full grant number may contain 13 or 14 alpha-numeric characters. The required entry for PIRL data element 105 is the **first seven** alpha-numeric digits of the grant number (without dashes). The ETA assigned grant number may be found in the grant award documentation.

- b. WIOA Joint Narrative Template – Quarterly project narrative reports are required using the WIOA Joint Narrative template (OMB Control No. 1205-0448). This report is an opportunity for grantees to share information on project success stories, upcoming grant activities, and promising approaches and processes. The final quarterly report must summarize the successes and/or challenges in delivering services to the target population, as well as address the topics of sustainability, replicability, and lessons learned.
- c. Quarterly Fiscal Reports – Recipients must submit the quarterly Basic ETA-9130 financial report until such time as all funds have been expended or the grant period has expired. Quarterly reports are due 45 days after the end of each calendar year quarter. Grant recipients must submit the ETA 9130 using the Department’s Online Electronic Reporting System. Specific instructions on how to use that system will be provided in the grant agreement after award.

#### **13. Notice About Disability and Medical Information Protections for NHE Grant Participants**

ETA intends NHE grants to help reintegrate individuals with a history of opioid use into the workforce. Accordingly, grant recipients should be aware of requirements pertaining to the

gathering and confidentiality of medical information and their obligations under Department civil rights regulations pertaining to protections for individuals with disabilities.

a. Confidentiality of Medical Information

Under applicable law, grant recipients must maintain the confidentiality of medical information obtained about an individual. Medical information must be kept confidential even if the individual volunteers the medical information without being asked. Information regarding an individual's disability is included in information that must be kept confidential, but *any* medical information obtained must be kept confidential (whether or not the individual has a disability).

Example 1: An applicant may disclose that she has previously taken opioids legally with a prescription from her doctor (which is medical information, but may or may not be disability-related), and the grant recipient must keep that information in a separate file and limit which staff have access to that information, under 29 C.F.R. 38.41(b)(3) (which explains how to keep such information separately and who may have access to it).

Example 2: An individual may self-disclose that he has diabetes (which is both medical information and disability-related information), and the grant recipient must keep that information in a separate file and limit which staff have access to that information, under 29 C.F.R. 38.41(b)(3) (which explains how to keep such information separately and who may have access to it).

b. Drug Use and Protections for Individuals with Disabilities

When making program decisions about individuals, grant recipients should remember that disability is among the statuses protected from discrimination for participants in and applicants for programs supported by NHE Grants. Services provided under these grants must comply with 29 C.F.R. 38.5, which sets out antidiscrimination protections for WIOA title I programs. For example, grant recipients will have to make reasonable accommodations for individuals with disabilities, according to 29 C.F.R. 38.14, and they cannot treat a participant or applicant for services less favorably on the basis of the individual's disability, according to 29 C.F.R. 38.12.

Due to the nature of this demonstration, some participants or applicants for participation will be individuals with disabilities based on their drug history and some will not. Disability status, and how it may affect the provision of services under a WIOA grant, is a case-by-case determination, and given the many causes and complicating factors surrounding the opioid crisis, the circumstances of an individual's history with opioids could differ significantly.

Disability status for drug addiction usually depends on whether the individual is currently engaging in the illegal use of drugs, including the illegal use of some prescription drugs.<sup>13</sup> A

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<sup>13</sup> "Illegal use of drugs" means the use of a drug that is unlawful to possess or distribute under the Controlled Substances Act (21 U.S.C. 801 et seq.). "Illegal use of drugs" does not include the use of a drug taken under supervision by a licensed health care professional or other uses authorized by the Controlled Substances Act or other

recovering addict not currently using drugs illegally may be legally protected as an individual with a disability. The question of “current use” of illegal drugs is made on a case-by-case basis. “Current” means that the illegal drug use occurred “recently enough” to justify the grant recipient’s reasonable belief that drug use is an ongoing problem. Grant recipients may treat an individual less favorably because of current illegal use of drugs but may not make adverse decisions on the basis of an individual’s disability (even if he or she is currently engaged in the illegal use of drugs).

A potential or enrolled participant in a NHE grant project may also have another disability—separate from his or her drug history — that entitles them to legal protections.

Example 1: A grant recipient discovers that a blind participant who uses a service dog is currently engaging in the illegal use of opioids. The grant recipient may terminate the individual’s participation in the program because of the current illegal use of drugs, but the grant recipient may not prohibit the individual from using his service dog because he is illegally using drugs.

Example 2: An individual is a recovering addict who is addicted to (but not currently using) opioids. The grant recipient must reasonably accommodate this disability by, for example, changing the program activity schedule to allow the participant to attend a Narcotics Anonymous meeting during the program day. However, if the grant recipient discovers that the individual has resumed using illegal drugs, the grant recipient may terminate the individual’s participation on the basis of that current illegal drug use.

**14. Technical Assistance and Project Evaluation.** As conditions of award, grantees must agree to the following elements:

- a. Technical Assistance – ETA may require participation in technical assistance or peer learning activities through the course of the NHE grant period of performance. Such activities will be designed to share promising practices among grantees. ETA may also use such promising practices or learnings and incorporate them into the design of any future NHE grant projects.
- b. DOL Evaluation – As a condition of grant award, grantees are required to participate in an evaluation if undertaken by DOL. The evaluation may include an implementation assessment across grantees, an impact and/or outcomes analysis of all or selected sites within or across grantees, and a benefit/cost analysis or assessment of return on investment. Conducting an impact analysis could involve random assignment (which involves random assignment of eligible participants into a treatment group that would receive program services or enhanced program services, or into control group(s) that would receive no program services or program services that are not enhanced). DOL may require applicants to collect data elements to aid the evaluation. As a part of the evaluation, as a condition of award, grantees must agree to: (1) make records available to the evaluation contractor on participants, employers, and funding; (2) provide access to program operating personnel, participants, and operational and financial records, and any

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provisions of Federal law.

other pertaining documents to calculate program costs and benefits; 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 contractor under the direction of DOL.

**15. OMB Information Collection.** The agency has determined this TEGl is not subject to Office of Management and Budget approval under the Paperwork Reduction Act, as responses from fewer than ten (10) respondents are anticipated. Send comments regarding this determination to the U.S. Department of Labor, Office of the Chief Information Officer, Attention: Departmental Clearance Officer, 200 Constitution Avenue, N.W., Room N-1301, Washington, DC 20210 or email [DOL\\_PRA\\_PUBLIC@dol.gov](mailto:DOL_PRA_PUBLIC@dol.gov). Note: PLEASE DO NOT RETURN THE COMPLETED APPLICATION TO THIS ADDRESS. SEND IT TO THE SPONSORING AGENCY AS SPECIFIED IN THIS ANNOUNCEMENT. Information collected through this TEGl will be used by DOL to ensure that Federal funds are provided to the applicants best suited to perform the functions of these awards. Submission of this information is required in order for the applicant to be considered for award.

**16. Inquiries.** Questions regarding this guidance should be directed to the appropriate ETA Regional Office.

**17. Attachment.**

- Instruction Sheet for Budget Narrative

ATTACHMENT

**General Instructions for the Completion of a Budget Information Narrative**  
**National Health Emergency Dislocated Worker Demonstration Grants**

The Budget Information Narrative provides an explanation of each line item on the SF-424A, including a breakout of the relevant component costs. The total of the breakout must equal the amount listed on the corresponding line item of the SF-424A. This narrative reflects projected costs incurred by the recipient, *with the exception of the Contractual line item*.

Please note that a separate breakout of the recipient's administrative costs must also be provided.

1. **Personnel:** List all staff positions by title. Indicate the annual salary of the position, the percentage of each position's time devoted to the project, the amount of each person's salary charged to the grant, and the total personnel cost for the period of performance.
2. **Fringe Benefits:** Provide the overall fringe benefit percentage which reflects the recipient's organizational fringe, and list the components included, such as health insurance, FICA, retirement, etc. Provide the fringe benefit calculation for each staff position listed under the Personnel line item, as well as the collective total charged to the grant.
3. **Travel:** Specify the type and purpose of the travel, the number of travelers, approximate mileage, per diem rates, estimated number of trips, and other associated travel costs.
4. **Equipment:** Identify each item of equipment to be purchased that has an estimated acquisition cost of \$5,000 or more per unit and a useful lifetime of more than one year. List the quantity and unit cost per item. Items with a unit cost of less than \$5,000 are supplies.
5. **Supplies:** Supplies include all tangible personal property other than "equipment." Identify supply categories (e.g. office supplies, cell phones, personal tools for disaster clean-up, etc.). List the cost associated with each category.
6. **Contractual:**
  - Identify each contracted entity, the funding allocation made to the organization, and the anticipated number of participants served by each.
  - Provide total projected costs (NOT for each contracted entity but as a lump sum) for each of the following categories: Administrative Costs, Career Services, Supportive Services, and Training.
7. **Construction:** Construction costs are not allowed and this line must be left as zero. Minor alterations to adjust an existing space for grant activities (such as a classroom alteration) may be allowable. DOL does not consider this as construction and the costs must be shown on other appropriate lines such as Contractual.
8. **Other:** List each item in sufficient detail for reviewers to determine whether the costs are reasonable or allowable. Costs included under "Other" should not fit into any other line item category.
9. **Indirect Charges:** If charging indirect costs to the grant, this line item must be populated. Include the current approved Negotiated Indirect Cost Rate Agreement, signed by the Federal cognizant agency, as an attachment to the grant application.