

Washington State WorkSource System Policy

Policy Number: 1039

Policy Title: Employer Incentives Under the Apprenticeship Building America Grant

Effective Date: July 1, 2022

1. **Purpose:**

To establish formal policies and procedures for awarding one-time employer incentive funds under the Apprenticeship Building America (ABA) Grant. This policy ensures compliance with federal regulations and supports the development and expansion of Registered Apprenticeship Programs (RAPs) in targeted industries.

2. **Background:**

The Employment Security Department (ESD), in partnership with Career Connect Washington (CCW), was awarded a category 4 Apprenticeship Building America (ABA) grant from the U.S. Department of Labor (USDOL).

The ABA grant is one-time funding for July 2022 through June 2026. It will expand registered apprenticeship and recognized pre-apprenticeship programs in these high-demand industries: advanced manufacturing and aerospace, agriculture, clean technology and energy, construction, education, finance, healthcare, information technology and cybersecurity, life sciences, and maritime.

Grant funds will support and help ABA Program Builders and employers design, develop, and deliver programs in Washington's new and fast-growing industries and occupations. ESD will use the CCW coalition and its system of Sector Leaders, Regional Networks, Career Connected Learning Coordinators and Program Builders to:

- Engage employers in co-creating and implementing sector strategies that expand apprenticeships and recognized pre-apprenticeships in high-demand or new industry sectors.
- Help increase access and opportunities for underrepresented communities.

3. **Policy:**

The ABA Grant permits grantees to use up to 10% of grant funds to provide one-time incentive payments to new employers, joint labor-management organizations, industry associations, or other partners included in a multi-employer partnership to directly fund new or expand existing RAPs. Federal regulations at 2 CFR 200.303(a) and Government Accountability Office (GAO) Green Book standards require grantees to maintain effective internal controls and written policies governing the identification, distribution, and management of these funds.

a. Recipient Eligibility & Allowable Uses

- i. Incentive funds may be awarded to:
 - New employers launching RAPs;
 - Joint labor-management organizations; or
 - Industry associations or multiemployer partnerships.
- ii. Recipients of incentive funds must:
 - Demonstrate commitment to RAP development; and
 - Enter into a formal agreement with the ESD subrecipient outlining recipient commitments, responsibilities, and allowable uses.
- iii. Allowable uses of incentive funding must support RAP development, launch, and sustainability, and may include recipients' costs associated with:
 - Registration of RAPs with the Washington State Apprenticeship Training Council;
 - Design and start-up of RAPs;
 - Classroom education or online training for apprentices;
 - Train-the-trainer costs or activities;
 - Training supplies for apprentices; and/or
 - Curriculum development.

b. Procedures for the Award, Distribution, and Management of Employer Incentives

ESD issues competitive grants to subrecipients that create new, or expand existing, registered apprenticeship and recognized pre-apprenticeship programs. Competitive grants are issued through Career Connect Washington ABA Request for Proposals. To issue employer incentives a subrecipient is required to:

1. Submit an application to Career Connect Washington ABA Request for Proposals in which the application describes employer incentive payments, recipients, and payment amounts;
2. Receive the ESD subaward and comply with this policy as well as the federal award terms concerning employer incentives included therein;
3. Enter into an agreement with each recipient;
4. Pay employer incentives to eligible employers; and
5. Report payments and request reimbursement from ESD.

Subrecipients must obtain and retain documentation of disbursements and itemized costs (when feasible). Internal controls must ensure fund use complies with federal guidelines. Subrecipients must monitor employer progress. Subrecipients must retain records for a minimum of three years post-grant closeout.

ESD must conduct quarterly reviews and ensure corrective action if commitments are unmet.

c. Subrecipient Reporting Requirements

Subrecipients must provide ESD with quarterly narrative reports that include:

- Lists of incentive recipients;
- Status of related activities;

- Itemized costs (when feasible); and
- Summaries of outcomes.

4. **Definitions:**

Recipient: A new employer launching RAPs, joint labor-management organizations, industry association, or multiemployer partnership that receives an employer incentive payment from an ESD subrecipient.

Subrecipient: For the purposes of this policy, a subrecipient is an entity that has received an ABA Program Builder grant from ESD that authorizes the entity to issue employer incentives in compliance with federal guidelines.

5. **References:**

- [2 CFR 200.303\(a\)](#)
- GAO Green Book Sections [10.03](#) and [12.03](#)
- [Apprenticeship Building America FOA-ETA-22_06](#)
- [Apprenticeship Building America \(ABA\)](#)
- [ApprenticeshipUSA](#)
- [Career Connect WA ABA RFP announcement](#)

6. **Supersedes:**

WorkSource Information Notice (WIN) 0137 - Employer incentive payments under the Apprenticeship Building America grant

7. **Website:**

[Workforce Professionals Center](#)

8. **Action:**

Career Connect Washington system actors, Local Workforce Development Boards, subrecipients, and contractors must distribute this policy broadly throughout the system to ensure that WorkSource System staff are familiar with its content and requirements.

9. **Attachments:**

None

Direct Policy Inquiries To:

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