Policy Report: Increasing Use of Dislocated Worker Funds
By Susie Suafai and Jack Mills

Introduction

Dislocated Worker funding could provide a significant resource for grantees of the Bay Area Workforce Funding Collaborative (BAWFC, or Workforce Collaborative) and other sector initiatives. In 2004, the Workforce Collaborative and the State of California’s Employment Development Department (EDD) made $1 million of State Dislocated Worker funds available to Workforce Collaborative grantees. However, grantees were unable to use hundreds of thousands of Dislocated Worker funds. Rather than benefiting Bay Area employers and workers, the unused funds went back to the State.

To better understand the problem and potential solutions, BAWFC contracted with the National Economic Development and Law Center (NEDLC) to investigate Dislocated Worker funding. Our report begins with a brief description of federal funding for dislocated worker services. We then review the ways in which California uses the Dislocated Worker funding it controls. Next, we focus on the challenges and opportunities, including new opportunities related to the use of Dislocated Worker “formula” funding provided directly to local Workforce Investment Boards (WIBs).

Regarding the challenges of using Dislocated Worker funds, we found that four played a significant role for Workforce Collaborative grantees:

- Restrictions of the use of “formula” Dislocated Worker funds that local WIBs receive, and limitations of the percentage allowed for transfer to more flexible Adult Worker funds have made these funds hard to use.
- It takes so long to get approval for a project to use a significant type of discretionary Dislocated Worker funds – Additional Assistance – that workers who would be eligible for services no longer want them.
- Some organizations incorrectly believe that they are not allowed to apply for Additional Assistance funds and that only local WIBs can apply for these funds.
- Organizations other than local WIBs have to build significant capacity in order to conduct Dislocated Worker eligibility certification. Local WIBs can do it for them, but this approach complicates the process of recruiting program participants.

We explore these and other challenges, and end with recommendations on how to increase the use of Dislocated Worker funds. In brief, we recommend ways the Workforce Collaborative can:

- Encourage Bay Area WIBs to pursue a new opportunity, available until April 30, 2007, to transfer up to 50% of Dislocated Worker funds to Adult Worker funds, based on new waiver authority California has received.
- Encourage increased application for Additional Assistance funding, a relatively large and flexible type of Dislocated Worker funding for which both local WIBs and other entities can apply.
What federal funding resources does California use to assist dislocated workers?

California uses state-controlled Workforce Investment Act (WIA) funding to assist dislocated workers.¹

California’s Workforce Investment Act Funding

California uses two types of WIA funding to provide services to dislocated workers: Adult Worker funds and Dislocated Worker funds.

- **Adult Worker Funds**: WIA requires states to allocate 85% of the Adult Worker funds they receive to local Workforce Investment Boards (WIBs). The remaining 15% is reserved for state administrative costs and other statewide activities, which can include activities to assist dislocated workers. While WIA requires job seekers and workers with low incomes to have priority for the services these funds provide, they can be used for all workers, including dislocated workers. Local WIBs use most of these funds to provide employment services to job seekers through One-Stop Career Centers. They also can be used for training vouchers, on-the-job training, customized training, and other employment-related activities.

- **Dislocated Worker Funds**: WIA requires states to allocate 60% of the Dislocated Worker funds they receive to local workforce investment areas, 15% for statewide activities and 25% for discretionary dislocated worker funding. California uses its discretionary dislocated worker funding – referred to as “25% funds” – to support the State’s Rapid Response System, including Rapid Response activities and Additional Assistance to dislocated workers in the local areas.

¹ Additionally, the State seeks funding to assist dislocated workers from other two sources of funding that the federal government makes available – National Emergency Grants and Trade Act funding.

**National Emergency Grant** (NEG) funds are federally-controlled WIA funds that the U. S. Department of Labor’s Employment and Training Administration may award to support dislocated workers services in response to a State application. They temporarily expand service capacity at the state and local levels through time-limited funding assistance in response to significant dislocation events, such as a particular national emergency or a company-specific situation. A state makes the decision on whether to apply for NEG funding. States may request NEG funds if state-controlled WIA funds are insufficient to provide training and other employment-related services to dislocated workers. The State of California has successfully applied and received NEG funds. A few examples of statewide projects funded with NEG funds includes the Base Realignment and Closure Commission, a statewide program to deal with Transportation and Technology industry layoffs and Hurricane Katrina assistance.

**The Trade Act program** includes federally-controlled Trade Adjustment Assistance (TAA) and Alternative Trade Adjustment Assistance (ATAA). The U.S. Department of Labor’s Employment and Training Administration controls TAA and ATAA funds (as well as NEG funds). Funds from these programs assist individuals who have become unemployed as a result of increased imports from, or shifts in production to, foreign countries. The goal of these programs is to help trade-affected workers return to suitable employment as quickly as possible. ATAA also supports older worker programs and provides alternative to services provided under the TAA. Several local WIBs have worked with partners and the State to obtain Trade Act funds through the Trade Adjustment Assistance program.
How Do California’s Local Workforce Investment Areas use their Directly Allocated (“Formula”) Dislocated Worker Funds?

Local WIBs determine the use of the Dislocated Worker funds that go to local workforce investment areas, and they use most of the Dislocated Worker funds they receive to support One-Stop Career Centers, as is the case with the directly allocated (“formula”) Adult Worker funds they receive. However, some local WIBs have found it advantageous to transfer some Dislocated Worker funds to the Adult Worker fund category because it is more flexible. Until this year, local WIBs have been allowed to transfer a maximum of 30 percent of either their Dislocated Worker or Adult Worker funds to the other category. However, California recently received a federal waiver — now local WIBs can ask for approval to transfer up to 50 percent of their Dislocated Worker funds to be Adult Worker funds (or vice versa).

How Does California Use 25 Percent Funds?

The purpose of 25% funds is to support the state’s economy and local economies by:
- Assisting workers to quickly return to productive positions in the labor force;
- Assisting employers to explore alternatives to layoffs through human resource solutions;
- Reducing the economic and social burdens that unemployment adds to employers, workers, and the community; and
- Providing local communities, workforce investment partners, employers, and workers with timely and pertinent information to anticipate and profit from economic development opportunities.\(^2\)

\(^2\) Policies established by the California Workforce Investment Board (CWIB) guide the use of 25% funds. The CWIB adopted California’s Dislocated Worker 25 Percent funding policy in May 2004 and updated it in June 2006. The current policy has the following purposes:
- To ensure that every local Workforce Investment Area (LWIA) has at least a minimum level of capacity to support Rapid Response.
- To implement a more accurate method, based on more timely information, of allocating resources so that funding follows changing needs.
- To allow more flexibility— with responsibility for implementation and accountability for results—at the local level for blended approaches to Rapid Response, and to remove administrative barriers that create unnecessary separations between “required” and “allowable” activities and use of funds.
- To improve the timeliness of resource allocations to local areas by allocating the maximum percentage of resources at the beginning of the year.
- To continue to maintain “Additional Assistance” funding for layoffs occurring during the year that require additional resources.
- To ensure the funding of projects that supports the State’s priorities.
25% funds provide state support for the Rapid Response System. They are evenly divided between Rapid Response activities and Additional Assistance to local areas.

Half of the 25% funds go to Rapid Response activities (including formula grants and competitive grants). Local Workforce Investment Areas (LWIAs) use these funds to provide activities aimed at engaging employers and employees prior to and during “dislocation events” such as plant closings.

The other half (12.5 percent of the State’s Dislocated Worker funding) goes to Additional Assistance to local areas. Additional Assistance funds are used to provide the training and other direct services needed by dislocated workers when these needs cannot be met through the Dislocated Worker funds that are allocated by formula to a local WIB.

The U. S. Department of Labor provides the states with WIA dislocated worker funds in two allotments – the first in July (7/1 – 6/30) and the second in October (10/1 – 6/30). Because of the federal allocation schedule, California makes these funds available to local programs beginning July 1st and October 1st of each year. The funds must be used in one year, unless the State provides an extension.

- **Rapid Response Formula Grants** are generally one year in duration but may be extended if there is justification for the extension, such as the State’s annual budget hasn’t been signed.
- **Rapid Response Competitive grants** are generally one year in duration and may also be extended up to two years, if necessary. The time period for the competitive grant is specified in the competitive grant directive issued annually by the state.
- **Additional Assistance grants** are generally one year grants and may be extended up to two years.

**Follow the Money**

25% of California’s Dislocated Worker funding provides state support for the Rapid Response System. **Half of that amount** goes to Additional Assistance grants.

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**What are Rapid Response funds and how are they distributed?**

California provides Rapid Response formula and competitive grants to local Workforce Investment Areas (LWIs) only. The State distributes the majority of these funds through formula grants.³

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³ The State allocates Rapid Response formula funds as follows:

- **Baseline funding** constitutes 30% of these funds and is allocated equally to the 50 LWIs to ensure that there is some basic local capacity to coordinate and conduct Rapid Response activities. LWIs that cover more than one county receive an additional allocation of $50,000 for each additional county.
- Another 45% is reserved for **Layoff-Based funding** to local WIBs that serve regions where significant numbers of ‘dislocation events’ occur. Funds are allocated to local WIBs in proportion to the number of workers receiving Rapid Response services in response to layoffs reported to the State.
- **(footnote 3 continued) Hold-Harmless funding** is used to minimize funding losses from year to year, and to ensure that no local WIA receives less than 75% of their prior year share of statewide funds.
A relatively small amount of the state’s Rapid Response set-aside funds supports **Rapid Response competitive grants**. These funds are awarded through a yearly Competitive Solicitation for Rapid Response Allowable Activities special projects. Local WIBs can submit applications based upon Competitive Priorities recommended by the California Workforce Investment Board (CWIB) and adopted by the Governor. *Each local WIA may only receive one Rapid Response Allowable Activities special project grant annually, and the grant amount cannot exceed $225,000.*

Although the amount of Rapid Response Allowable Activities funding is small, the Competitive Priorities that drive its use align to a large extent with the Workforce Collaborative’s investment objectives.⁴

The Competitive Priorities for Allowable Activities grants are:
- **Lay-off aversion**—Funding to develop plans to identify and assist employers at risk of layoffs due to competitive factors.
- **Local Workforce Investment Areas** identify partnerships with private organizations that provide job training, including employers and/or private training providers, in order to leverage training opportunities for clients and minimize duplication of training efforts.
- **Local areas** establish partnerships with private organizations, such as employers, economic development organizations and Chambers of Commerce, to gather information on changing workforce needs due to changes in the economy to ensure that the WIA funded training is current and relevant.
- **Innovation**—Projects funded under this category are intended to support innovative efforts to expand or redesign local rapid response systems to become more responsive to local businesses-large and small.
- **Small Business Services**—As the majority of California’s workforce is employed by small businesses, it is not feasible to provide on-site service to all California businesses.

**What are Additional Assistance funds and how are they distributed?**

Additional Assistance funds are a much larger source of funds than Rapid Response Allowable Activities competitive grants. **Additional Assistance funding awards can be over $1 million.**

The California Workforce Investment Board (CWIB) and the Governor have identified three priority areas for use of Additional Assistance funding:

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⁴ The Competitive Priorities for awarding 25% Rapid Response Allowable Activities grants were adopted by the Governor for Program Year (PY) 2004-05 and subsequent years, based on recommendations from the California Workforce Investment Board (CWIB).
• Growth Industries – High Wage, High Skill Job Training – Prepare dislocated workers for high wage, high skill jobs that help California businesses succeed and expand.
• Removing Barriers for Special Needs Populations – Provide customized services to help dislocated workers prepare for and gain employment, often in jobs that businesses may otherwise be unable to fill.
• Industries with Statewide Need – Provide opportunities for dislocated workers to fill specific industry occupations where significant shortages exist or where such shortages can be projected based on labor market and economic development forecasts.

The State requires local/regional partners to provide a coordinated approach to service delivery and to reduce the potential for duplication of effort. If a local WIB submits an Additional Assistance funding application, there must be support for it from the local Memoranda of Understanding negotiated as part of its WIA job training plan. The Memorandum of Understanding must include identification of and agreement on roles, responsibilities and areas of accountability. Alternately, if other entities submit funding applications, administrators of the affected LWIB must provide a letter of support.

According to application guidelines for Additional Assistance funding, the State anticipates that most projects this funding supports will be in response to “dislocation events.” Additionally, if unusual situations create a demand for dislocated worker services, local workforce investment areas can apply for Additional Assistance to address them.5

Requests for Additional Assistance funding in response to dislocation events should be preceded by a planning process that has been activated through Rapid Response and, as appropriate, an early intervention assistance process that may include local WIA formula funds to initiate dislocated worker services.

Applications for Additional Assistance funding to address dislocation events are strengthened if they are funded from multiple sources, and Additional Assistance funds are used to serve more dislocated workers and to achieve a higher quality of services and outcomes.

5 Additional Assistance application guidelines define “dislocation events” as specific employer layoffs or disasters that change the local economic conditions, increasing unemployment above the levels used to calculate the formula dislocated worker allocations, creating a demand for services that exceeds the capacity of existing resources. Additional Assistance funds should supplement and expand the local capability to respond effectively to dislocation events. Funds may be used to augment programs and activities being operated by LWIB grantees under Title I of WIA where employment conditions have sufficiently changed to warrant an increase in the area’s funding.

The State also recognizes that, in some circumstances, the dislocated worker allocation formula may not adequately reflect unusual situations that create a demand for services. Local areas can apply for Additional Assistance funds to address these “formula insufficiency” situations. The applicant must be able to document the reasons why and the degree to which the allocation formula has not captured the actual demand for services relative to other areas of the State.
Additional Assistance funds align well with the Workforce Collaborative’s investment objectives. If BAWFC funds projects that respond to major dislocation events, Additional Assistance can potentially provide a significant, and flexible, source of additional funding.

Flexibility!

*Use of Additional Assistance funds does not affect a local WIB’s performance appraisal* (unlike the WIA Title I Adult and Dislocated Worker “formula” funding WIA requires states to allocate to local Workforce Investment Areas) because these funds are provided for special events and they are seen as one-time funding. The outcomes are not used to measure the local WIBs’ overall effectiveness or to assess project-specific outcomes.

**What are the challenges to using Dislocated Worker Funds?**

The Bay Areas Workforce Funding Collaborative grantees returned hundreds of thousands of Dislocated Worker funding to the State of California in their first round of collaborative funding. NEDLC interviewed a combination of current and potential grantees and identified key issues or challenges to utilizing Dislocated Worker funds. In summary, the interviews highlighted the following:

Regarding Dislocated Worker “formula” funds received directly by local WIBs;
- the allocation formula for dislocated worker funds, and
- restrictions on the use and transfer of dislocated worker funds.

Regarding Additional Assistance funds;
- lengthy Additional Assistance grant approval process, and
- confusion on eligibility of organizations other than local WIBs to apply for Additional Assistance grants.

Regarding all Dislocated Worker funds;
- the definition of dislocated workers and the eligibility certification process,

Additionally, grantees noted the difficulty posed by private and public reporting requirements.

**The Allocation Formula for Dislocated Worker “Formula” Funds Received Directly by Local WIBs**
The local WIB representatives we interviewed felt that the method used to determine the amount of funds allocated to each local Workforce Investment Area undercounted the need in regions that experience greater ‘dislocation events’, and therefore under-funds them. Some of them also indicated that they had too little dislocated worker funding.

**How has the method of allocating funds affected BAWFC grantees, and what’s new?**

The allocation method has used Unemployment Insurance (UI) data to determine the unemployment rate for each LWIA region. This data did not take into account those individuals who have exhausted their UI benefits or those who are not eligible for UI benefits and looking for work. Also, we were told that the data does not take into account ‘churning’- losing and gaining the same amount of jobs in a region in the same period. Recently, a new allocation method has gone into effect in response to a change in Federal Bureau of Labor Statistics methodology that removed agricultural and governmental labor force data from calculation of Mass Layoff Statistics (a factor that had been used in the allocation formula). It will be important to assess whether the new method addresses Bay Area concerns.

**Restrictions on Use and Transfer of Dislocated Worker Funding Received Directly by Local WIBs**

Representatives of some local WIBs noted that regulations related to Dislocated Worker funds limit the ability to serve workers displaced by a ‘dislocation event’, while flexibility in the regulations related to Adult Worker funding makes it easier to use this funding to meet these workers’ needs. However, WIA regulations restrict the amount they can transfer from the Dislocated Worker category to the Adult Worker category.

**How have regulations restricting transfer of Dislocated Worker funding affected BAWFC grantees, and what’s new?**

Transfer between dislocated and adult worker funds was limited to 30 percent of the total for each funding stream. Past practice indicates that more dislocated worker funds had been transferred to the adult program. Recently, California received a waiver allowing transfer up to 50 percent between dislocated and adult worker funds (see the EDD Directive on “Implementation of Statewide Waivers,” attached). The waiver’s purpose is to provide local WIBs with greater flexibility to respond to changes in their local labor markets, to better meet the needs of their customers, and to allow greater responsiveness to worker dislocations.

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### Major Change in Funding Transfer Rules

Local WIBs now may apply to transfer of up to 50% of Dislocated Worker funds to Adult Worker funds.

**Applications must be made by April 30, 2007!**

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6 California has been granted a waiver of the funds transfer limitation at WIA 133(b) (4). As such, in accordance with WIAD05-12 (http://www.edd.ca.gov/wiarep/wiad05-12.pdf), Transfer of Funds for Adult and Dislocated Worker Programs, through April 30, 2007, the State will accept and review local area requests to transfer up to 50 percent of allocations between the WIA Adult and Dislocated Worker formula funding streams. This waiver will apply to PY 2005-06 Adult and Dislocated Worker funds carried over into the current year, and any PY 2006-07 Adult and Dislocated Worker formula funds. Transfer requests for any
**Lengthy Additional Assistance Grant Approval Process**

This issue primarily affects local WIBs’ and community based organizations’ ability to plan and implement projects that provide timely responses to immediate unmet needs. These organizations submit applications for real time ‘dislocation events’ but the grant approval process isn’t as rapid as it needs to be. All five local WIBs we interviewed said this was a major problem for them. They indicated that it takes, on average, six to eight months to get grant applications approved for grant requests larger than $1 million because they must be approved by the State Labor and Workforce Development Agency. Although grant applications requesting less than $1 million can be approved by the EDD Director, it takes approximately 3 months for them to be approved. Those we interviewed all suggest a more efficient grant approval process that is limited to 45 days.

**How does the lengthy approval process affect BAWFC grantees?** The receipt of grant approval and funding dictates when the program starts, unless the recipient organization uses its own funding to begin the project. In many instances, workers affected by a business closure or layoff are no longer available due to the late start of a program. A local WIB shared an example of a program that started late due to the lengthy grant application approval process. The WIB could not find enough dislocated workers to utilize the program. The State allowed the WIB an extension in case another ‘dislocation event’ occurred in the same area. The local WIB returned the unused funds to EDD at the end of the extension period. Another local WIB pointed to a project serving Katrina evacuees in their community. The application process took so long that by the time it was approved the WIB could not recruit enough dislocated Katrina evacuees to use the training funds. It ended up returning the unused money to the State. Still another local WIB indicated that it had to use their existing funds to start their dislocated worker project while waiting (for six months) for state approval of their grant application. If the WIB had waited for the completion of the state approval process it would not have been able to assist the dislocated workers that were laid off due to a company downsizing in a timely manner. This is also true for local WIBs located in areas with high numbers of ‘dislocation events’. While they may not return unused funds, they do experience difficulty in recruiting dislocated workers for their programs and the state has extended their grants to provide the local WIB with additional time to expend these funds.

PY 2005-06 funds will be processed on a case-by-case basis to ensure all previous amounts transferred have been factored into the 50-percent limitation.

7 EDD’s Workforce Investment Division (WID) reviews dislocated worker services applications. The WID submits funding recommendations to the Director of EDD for approval. As appropriate, the Director recommends them to the Secretary of the Labor and Workforce Development Agency (LWDA) for approval on behalf of the Governor. The EDD Director approves Additional Assistance requests up to $1 million when there is an urgent need to provide services in response to a large layoff or natural disaster. Urgent requests above $1 million will be submitted to the Labor and Workforce Development Agency (LWDA) for consideration and approval. The LWDA Secretary will approve Additional Assistance requests when funds are to address potential layoffs forecasted to occur at some future point or when funds are to be used for general dislocated worker services to augment insufficient formula allocations.
Confusion on Eligibility to Apply for Additional Assistance Grants
This challenge affects community based organizations’ and other organizations’ ability to directly access Additional Assistance grants. Based on our interviews, there is confusion about whether organizations other than local WIBs can apply for funding.

How does potential applicants’ confusion affect BAWFC grantees? Several interviewees indicated that they had been able to apply directly for these funds in the past, but they believed that they could no longer do so. In reality, the State now requires that applications must be submitted by a local WIB or be submitted with a letter of support from the affected local WIB. Some groups have interpreted the latter requirement to mean that only local WIBs can submit applications for these funds, and therefore they no longer submit applications for these funds. However, organizations other than local WIBs can apply for and receive Additional Assistance funds if they have a letter of support from the area’s local WIB (see the WIA Dislocated Workers Additional Assistance Project Application Guidelines, attached, regarding this provision and others regarding Additional Assistance applications).

The WIA Dislocated Worker Definition and Eligibility Certification Process
EDD provides a multi-faceted definition of dislocated workers that both local WIBs and community based organizations must adhere to when certifying an individual as a dislocated worker and therefore making that person eligible for WIA training under the 25% Dislocated Worker Program. Local WIBs did not have problems with the definition, but some community based organizations did.

How does the definition affect grantees? Local WIBs felt that the definition offers many options for certifying an individual as a dislocated worker (see Dislocated Worker Criteria/Definition and Illustrations of Local Policy, attached). On the other hand, some community based organizations had difficulty with the definitions because there are so many options on how to determine eligibility. Additionally, when the local WIB certified one community based organization’s clients, the community based organization found that this added to the difficulty, since they had to obtain the documents needed by their clients for certification and they were not sure which documents were appropriate given the dislocated worker definition. This large organization learned the certification process and they now certify dislocated worker in-house, making life easier for them and their clients.

Private and Public Reporting Requirements

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Both representatives of a local WIB and community based organizations funded by the Workforce Collaborative indicated that the reporting requirements were extremely challenging. While this concern did not apply specifically to Dislocated Worker funding, we note it in this report because interviewees identified it. They noted that each funding source – EDD, BAWFC and other funders - has different reporting needs that they have not been able to meet with one comprehensive report.

**How do current reporting requirements affect grantees?** A CBO grantee indicated that the multiple funding sources and different reporting elements required it to incorporate State reporting requirements into their database so they could produce the required report, while continuing to prepare separate reports for private funders. Staff sees it as added work and hope that this can be simplified. In comparison, local WIBs were comfortable with the State’s reporting requirements because their systems are already set up to provide these reports, and as one local WIB grantee stated, “that is all the reporting we do.” However, this particular WIB also produced separate reports for the BAWFC and other funders.

**Recommendations**

**Exploration of Opportunities, Education and Peer Learning**

1. Immediately engage with local WIBs to assure that they are aware of the opportunity to transfer up to 50 percent of their Dislocated Worker funds to Adult Worker funds, and that they must request approval for the transfer by April 30. Provide them with the EDD Directive on “Implementation of Statewide Waivers.” Information from this report could be adapted for this purpose.

2. Explore with local WIBs in the Bay Area the potential for them to invest into the BAWFC a portion of the funds that they have transferred to the Adult Worker category.

3. Provide grantees and other Bay Area healthcare and biotech sector initiatives with the WIA Dislocated Worker Additional Assistance Project Application Guidelines, inform them that they can apply for Additional Assistance funds with a letter of support from the affected local WIB, or alternately have the local WIB make the application, and educate local WIBs about the value of providing letters of support for other organizations’ applications for Additional Assistance funding. Information from this report could be adapted for this purpose.

4. Educate potential applicants for Additional Assistance funding to apply for less than $1 million, to take advantage of the relatively short (three month) approval process.

5. Provide grantees and other Bay Area healthcare and biotech sector initiatives with Dislocated Worker Criteria/Definition and Illustrations of Local Policy to educate them on eligibility criteria for dislocated worker funding.
6. Sponsor a convening of local WIB representatives, interested grantees, and other sector initiatives for three purposes.
   - First, to consider the need/benefit of incorporating interested grantees and other sector initiatives into local WIB job training plan Memoranda of Understanding.
   - Second, to identify grantees and other sector initiatives that might be supported by Additional Assistance funding and to generate joint work on developing applications.
   - Third, to educate organizations that have received dislocated worker funding and those that are interested in applying about the best ways to conduct dislocated worker eligibility determination.

7. Develop a learning group of funders, BAWFC evaluators, and grantees to consider ways to simplify reporting requirements and whether they could be redesigned to reflect BAWFC goals such as family economic self-sufficiency. Consider inviting EDD representatives to participate in order to explore whether data reported to EDD addresses BAWFC reporting needs, to learn ways in which EDD reporting requirements may be changing, and to determine whether there’s a possibility of encouraging change.

**BAWFC Grant Making**

1. Offer grants to support development of partnerships between grantees that have developed the capacity to certify dislocated workers and other organizations that would like to learn how to do so in order to more easily use dislocated worker funding.

2. Consider offering loans to grantees who apply for Additional Assistance funds in order to make it possible for them to provide timely services rather than having to wait for approval of Additional Assistance grants. Determine whether it would be possible to establish criteria that limit eligibility for loans to grantees that are sure to receive Additional Assistance grants, perhaps by requiring repayment.

**Policy**

1. Advocate for EDD to shorten the approval process for Additional Assistance funding to 45 days, at least for grants under $1 million.