

H-IB Technical Skills Training Grant Program Fact Sheet for Business



A \$200 Million Federal Investment Employers Can Access Through Competitive Application

The United States Department of Labor, Employment and Training Administration, has made \$200 million available for businesses to train America's workers for high skilled, high technology occupations. This opportunity is called the H-IB Technical Skills Training Grant Program. Due to the shortage of domestic workers with the necessary skills for certain high technology jobs, many U.S. employers temporarily import foreign workers using H-IB visas. Under the H-IB Technical Skills Training Grant Program, a portion of the fees paid by businesses for H-IB visas is returned in the form of competitive grants to train U.S. workers in targeted high technology occupations. Approximately \$50 million will be awarded directly to Business-Led Partnerships for this purpose, and an additional \$150 million is available to Local Workforce Investment Boards partnering with business.

Why Was This Program Created?

In response to industry concerns about a skills gap among U.S. technology workers, Congress enacted legislation in 1998 and 2000 that raised the number of foreign skilled workers that companies could bring into the country under the H-IB visa. With the accelerated pace of technological change, U.S. industry wants workers who stay current with the latest technologies through continual retraining. The H-IB training grants are designed to help train U.S. workers in the high technology skills that industry needs now and to reduce the need to import workers from abroad. These training grants help to solve the skills gap problem through a long-term, sensible solution that is a win-win opportunity for both workers and businesses.

How Can My Company Use This Money?

Businesses have used H-IB grants to increase the productivity of their current workers; retrain workers in new skills; improve employee morale and decrease turnover by advancing employee careers; and, ultimately, save money.

The majority of H-IB grants are awarded to projects that train workers in skills needed for software and communications services, telecommunications, systems installation and integration, computers and communications hardware, advanced manufacturing, health care technology, biotechnology, and biomedical research and manufacturing.

As one employer recently told us:

"The H-IB grant has enabled us to provide technical training to our employees and other local residents that would not have been otherwise available. This training is one of the factors that has reduced our software engineering attrition rate to near zero, and has allowed us to begin to increase our employment."

How Does The Grant Program Work?

Grants are awarded competitively for up to a maximum of \$3 million over a three-year period. Applications must incorporate the following components:

- A market-driven strategy that trains workers in skills at least at the Bachelor's level or equivalent in occupations now being filled by H-1B visa workers.
- Substantial business involvement in project planning, design, and implementation.
- Project outcomes that:
 - Create job opportunities for unemployed trainees, and/or
 - Increase the wage/salary level of incumbent workers, and/or
 - Result in trainee attainment of industry-recognized certification or licensing.
- A sustainability strategy that emphasizes the continuation of the high skills training and/or partnerships beyond the period of federal funding support.

The table below highlights two ways for businesses to apply for H-1B Technical Skills Training Grants:

Partnership Type	Eligible Applicants and Proposal Submission Deadlines	Matching Fund Requirement
WIB/Business Partnerships \$150 million or 75% of the total funds designated is available to support these partnerships.	Local Workforce Investment Boards (WIBs) which represent a public/private partnership that is comprised of at least one local WIB, one business or a business-related nonprofit organization such as a trade association, and one community/faith-based organization or higher education institution or labor union. <i>The solicitation for WIB/Business Partnerships is ongoing.</i>	Grantees must provide non-federal resources equal to at least 50% of the grant award as a match. The cash/in-kind matching requirement may be shared among project partners. At least 50% of the matching amount must be contributed by business or business-related nonprofit organizations.
Business-Led Partnerships \$50 million or 25% of the total funds designated is available to support these partnerships.	Partnerships that consist of at least two businesses, or a business-related nonprofit organization that represents more than one business. Partnerships may also include any local Workforce Investment Board(s), or educational, labor, or community/faith-based organizations. Grant proposals must include an explanation of the factors, such as geographic considerations, that make it impractical to apply for training funds as part of a local WIB/Business Partnership. As an example, the Business-Led Partnership may be on a national, multi-state, regional, or rural area basis. <i>The deadline to submit Business-Led Partnership proposals is September 22, 2003.</i>	Applicants must demonstrate the ability to provide non-federal resources equal to 100% of the grant award as a match. The cash/in-kind matching requirement may be shared among project partners. At least 50% of the match must be contributed by business or business-related nonprofit organizations.

Where Can I Find More Information on Applying for These Grants?

For more information on how existing projects are helping local businesses, and guidelines for developing a grant proposal, visit the U.S. Department of Labor, Employment and Training Administration, H-1B Web site at <http://www.doleta.gov/h-1b>.