
	NORTH CAROLINA DEPARTMENT OF COMMERCE DIVISION OF WORKFORCE SOLUTIONS
	DWS Operational Guidance Number: OG 04-2022, Change 2
	Date: September 27, 2023
	Subject: American Rescue Plan Act Grant Funding Available to Local Area Workforce Development Boards
	From:  <hr style="width: 30%; margin: auto;"/> Chet Mottershead Assistant Secretary for Workforce

Purpose: To update grant enrollment requirements, removing the requirement for American Rescue Plan Act (ARPA) Grant participants to be enrolled in Workforce Innovation and Opportunity Act (WIOA) Title I Adult. This Change also rescinds Operational Guidance 04-2022, Change 1.

This Operational Guidance and the procedures herein supersede all previous policies, procedures, and guidelines regarding ARPA Grant Funding Available to Local Area Workforce Development Boards.

Operational Guidance 04-2022 is still active and continuing.

Background: The American Rescue Plan Act (ARPA) was enacted on March 11, 2021, to provide relief to address the continued impact of COVID-19 on the economy, public health, state and local governments, individuals, and businesses. A component of ARPA is the State Fiscal Recovery Fund (SFRF), which provides \$5.4 billion to North Carolina to help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery.

The N.C. General Assembly appropriated SFRF in Session Law 2021-180. The N.C. Pandemic Recovery Office (NCPRO) is responsible for overseeing and monitoring the use of the SFRF, as well as reporting to the U.S. Treasury on behalf of state agencies.

The Division of Workforce Solutions (DWS) has been allocated ARPA funds to focus on three workforce development areas. DWS has designated \$2 million in funding to assist individuals with a Substance Use Disorder, \$2 million for expanding Reentry Jobseeker Services, and \$6 million of the \$10 million awarded to DWS for Work-Based Learning opportunities to assist small- and micro-businesses (i.e., businesses with twenty-five [25] or fewer employees), as well as expand funding for On-the-Job Training (OJT), Work Experience (WEX), and Incumbent Worker Training (IWT). These programs are in keeping with the spirit of both North Carolina's ["First in Talent" Plan](#) and Governor Cooper's [NC Job Ready initiative](#).

Each grant provides DWS an opportunity to engage with new partners or provide innovative and enhanced services that are not easily administered through current Workforce Innovation and Opportunity Act (WIOA) guidelines. The grants are to serve individuals and businesses during the period of October 24, 2022 to December 31, 2026.

NCWorks Substance Use Disorder Recovery Grant funding may be utilized to further implement and enhance programs to assist local communities impacted by the opioid epidemic and other substance use disorders (SUDs). The goal is to increase workforce participation and job retention of persons in recovery through an increase in education, knowledge, and workforce skills and by ensuring they are ready to work. These efforts may include training in soft skills required in the workplace, providing access to postsecondary educational opportunities for training specific to high-demand employment sectors, and offering support for job retention. Grant activities could also include direct support from case managers and wraparound services (e.g., transportation, childcare, food stabilization) to help remove barriers to employment.

NCWorks Reentry Support Grant funding may be used to provide comprehensive services to Justice-Involved (JI) individuals focusing on their specific challenges and job search needs post-release. Grant activities may include providing individuals with information about community resources for housing, clothing, and medical needs. Supportive services provided may include assistance with transportation needs. In addition to this funding opportunity, NCWorks Reentry staff will provide information on expungement clinics, vital records appropriation, certificates of relief, letters of explanation, and resume writing within correctional facilities.

Local Area WDB applications that include partnering with the Fierce Fellows Reentry training program and have an active Reentry program will be given special consideration.

NCWorks Small Business Work-Based Learning Grant funding may be used to establish work-based learning opportunities targeting small- and micro-businesses (i.e., businesses with twenty-five [25] or fewer employees) to bridge

the gap for business retention and expansion with funding for OJT, WEX, and IWT. Emphasis should be placed on historically underutilized businesses, industries significantly impacted by the pandemic, or businesses located in an economically distressed Tier 1 or Tier 2 county. This funding will also assist with marketing and technology expenses to develop and maintain the training platform and to market and promote the trainings.

Action: Local Area WDBs must adhere to the updated ARPA Grant guidelines as stated in this Change.

The WDB must consider the need for training, supplies, and support for customers. All participants served must be enrolled in Wagner-Peyser and registered in NCWorks.gov. Eligibility information for each training participant, including specific information identified for the grant initiative, must be entered in NCWorks.gov. Enrollment of participants in WIOA Title I Adult is optional. Local Area WDBs reserve the right to enroll participants in WIOA Title I Adult, if they choose to do so for their own Local Area performance.

Note: ARPA funding must be expended by December 31, 2026. WDBs are responsible for returning unexpended funds on the approved project.

Effective Date: Immediately

Expiration: December 31, 2026

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Attachment: ARPA Grant Guidelines