

decontamination procedures. Hand delivered proposals will be received at the above address.

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION: The announcement consists of four parts:

- Part I provides background information on the H-1B grant program, the principles of H-1B Technical Skills Training Grants, and DOL's policies and emphases.
- Part II describes specific program, administrative and reporting requirements that will apply to all grant awards.
- Part III describes the application process.
- Part IV describes the review process and rating criteria that will be used to evaluate applications for funding.

Part I—Background, DOL Policies and Emphases

A. Background

This section provides a summary overview of the intent and nature of the solicitation for grant award. Elements mentioned in this background summary may be covered in greater detail later in the document.

Authorizing Legislation: In response to demands from industries that were experiencing skill shortages in areas such as information technology, Congress amended the Immigration and Nationality Act and created the H-1B visa category. The H-1B visa enables employers to hire non-immigrants in high skill or specialty occupations for work in the United States. An annual limit of 65,000 was established on the number of H-1B visas granted. In a subsequent effort to help employers access skilled foreign workers and compete internationally, Congress enacted the American Competitiveness and Workforce Improvement Act of 1998 (ACWIA 1998) Public Law 105-277 in October 1998. The provisions of ACWIA 1998 created technical skills training grants under the Department of Labor's Employment and Training Administration.

ACWIA 1998 increased the annual limit on H-1B visas temporarily to 115,000 in fiscal years 1999 and 2000, and to 107,500 in 2001. In addition, a \$500 user fee was imposed on employers for each H-1B application. ACWIA 1998 authorized the use of

56.3% of the fee to finance the H-1B Technical Skills Training Grant Program. Grants funded under ACWIA 1998 had the long-term goal of raising the technical skill levels of American workers in order to fill specialty occupations presently being filled by temporary workers admitted to the United States under the provisions of the H-1B visa. Eligible grant applicants were local Private Industry Councils (PICs) and Workforce Investment Boards (local boards) established under Section 117 of the Workforce Investment Act (WIA) or a consortium of local boards.

ACWIA 1998 was amended by the American Competitiveness in the Twenty-first Century Act of 2000 (ACWIA 2000) Public Law 106-313, enacted on October 17, 2000. This law increased the temporary cap of H-1B visas to 195,000 annually until the end of fiscal year 2003. Separate legislation raised the employer H-1B application fee from \$500 to \$1,000. ACWIA 2000 authorized the use of 55% of the funds generated by H-1B visa fees to continue the Department of Labor's H-1B Technical Skills Training Grant Program through September 30, 2003. ACWIA 2000 H-1B Technical Skills Training Grant Program statutory provisions are codified at 29 U.S.C. 2916 a.

Nature of Funding: ACWIA 2000 also created a two-part eligibility and funding criteria for the H-1B program. Local boards are eligible to receive 75% of total funds awarded. These grants provide funds to partnerships consisting of one or more local boards, at least one business or business related non-profit (such as a trade association) and one community-based organization (which may be faith-based), higher education institution or labor union. The remaining 25% of funds, the subject of this solicitation, are made available through grants to eligible partnerships that consist of at least two businesses or a business-related nonprofit organization that represents more than one business. Partnerships may include any educational, labor, community and faith-based organization, or local board, but funds may be used only to carry out a strategy that would otherwise not be eligible for funds under the 75% clause due to barriers in meeting partnership eligibility criteria. The scope of the business partnerships, for example, may be national or multi-state, making the partnership ineligible for the 75% funding stream.

Applications submitted by Business-Led partnerships require a 100 percent match in cash or in kind. Partners cooperating in the proposed project may divide the responsibility for the match among themselves in any way they

choose to do so, provided that at least 50 percent of the match comes from the business partners (see Part II, section E, Matching Funds). ACWIA 2000 also specified that consideration be given to applicants that provide a specific commitment from other public or private sources, or both, to demonstrate the long-term sustainability of the training program or project after the grant expires.

Targeted Occupations: At least eighty percent of the grants are to be awarded to projects that train workers in high technology, information technology, and biotechnology skills. For example, this includes 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, and innovation services. No more than 20 percent may be awarded to projects that train for skills related to any single specialty occupation. Specialty occupations require a theoretical and practical application of a body of highly specialized knowledge and sometimes may even require full state licensure to practice in the occupation. These occupations require at least a bachelor's degree or higher and/or experience in the specific specialty. They also may require recognition of expertise in the specialty through progressively responsible positions relative to the specialty occupation.

The technical skills training portion of ACWIA 2000 (Section 111) is designed to help both employed and unemployed American workers acquire the requisite technical capabilities in high skill occupations that have shortages. Training generally is aimed at occupations at the H-1B skill levels, which are defined as a bachelor's degree or comparable experience. Under ACWIA 2000, training is not limited to skill levels commensurate with 4-year undergraduate degrees, but can include the preparation of workers for a broad range of positions along a career ladder leading to an H-1B skill level job.

Occupational Skill Levels: To meet the legislative intent of training American workers to replace foreign workers under the H-1B visa program, technical skills training grants under this SGA must focus on a high level of training and on selected occupations. As shown on Table 1, foreign workers coming to the United States under the H-1B visa program are exceptionally well-educated; 50 percent possess a Bachelor's degree, 30 percent have a Master's degree, and 17 percent have a