Attachment 12A

Explanatory Note for Department of Labor (DOL) Report
November 5, 2010

Summary:

The Department of Labor reported 951ARRA projects and activities, including 2 withdrawn projects, as of September 30th. Of the total ARRA funded projects and activities, 822 do not require NEPA actions and 2 have been withdrawn. Where required, NEPA actions have been completed for DOL projects, as described below. Of the 127 projects where NEPA does apply, all have completed NEPA actions. Over ninety-nine percent of DOL's ARRA appropriated funds ($4.767 billion) have been obligated; this is an increase of 1% from the last report.

Department of Labor (DOL) projects/activities funded under Division A of the American Recovery and Reinvestment Act of 2009 (ARRA) include projects/activities administered by the Employment and Training Administration, the Office of Job Corps, the Employment Standards Administration, the Employee Benefits Security Administration, the Occupational Safety and Health Administration, and DOL Management activities.

The differences between budget amounts in the CEQ spreadsheet column, "Total ARRA Appropriation for Projects and Activities" and the amounts shown in the ARRA Appropriations language are the result of transfers for the 1 percent set aside totaling $44.7 million in ARRA Part A funds authorized for administering the ETA grants programs and the distribution of the $80 million appropriated to Departmental Management among five salaries and expenses accounts.

A description of the ARRA funded projects/activities reported on the DOL spreadsheet follows.

- The $2,914,702,690 obligated for adult, youth, and dislocated services (Rows 1-3 on Page 1 of the spreadsheet) are formula block grants and NEPA is not applicable. The dollar value of these grants is determined by a mandated formula for states and local governments to provide employment and training services.

- The $197,950,000 obligated for the dislocated worker national reserve (Row 4) includes $194,361,250 in National Emergency Grants. This program is not discretionary and NEPA does not apply.

- For the $49,500,000 obligated for YouthBuild activities (Row 5), funds were awarded in the form of 75 project grants to public or private nonprofit institutions and/or organizations.

- The $742,499,959 obligated for training and placement in High Growth Industries (Row 6) were awarded in the form of 251 grants. See below for additional information about the grants.

- The $118,800,000 obligated for Community Service Employment for Older Workers (Row 7) are formula grants and NEPA is not applicable. The dollar value of these grants is determined by a mandated formula for states and local governments and national sponsors to provide community service employment and training.

- The $396,000,000 obligated for unemployment insurance grants to states and re-employment services (Rows 8 and 9) are grant funds for payments through the workforce system that are not subject to NEPA analysis or documentation because there is no agency discretion as these grants are formula grants (unemployment insurance, trade adjustment assistance, workers' compensation programs, retirement programs, employee protection programs, and related employees benefit programs or activities involving the replacement or regulation of employee wages).

- Obligations for $ 250,000,000 were for Job Corps projects (Row 10 - see explanation below).

- Rows 11-15 on Page 1 of the spreadsheet are Salaries and Expense**s** accounts which include program and administrative funds for which breakouts are not available and therefore the entire amount of ARRA Division A appropriated funds is listed in column D. These include programs that administer inspections and investigations for administrative civil enforcement actions and therefore NEPA is not applicable (40 CFR 1508.18). The reason for changes in the Appropriations listed in column D since DOL's last report is a redistribution of funds approved by OMB and the Appropriations committees that resulted in the funds being re-apportioned.

<u>Training and Placement in High Growth Industries Solicitation for Grant Applications (SGAs) (Page 1, Row 6)</u>:

The Department obligated $742.5 million for training and placement in High Growth Industries. The $742.5 million is comprised of 6 competitions ($717.1 million), 4 awards for a virtual healthcare initiative ($14.7 million), 3 demonstration projects ($1.3 million), and technical assistance and research ($9.4 million). On June 24, 2009, DOL released five competitions to fund projects that prepare workers for green jobs in the energy efficiency and renewable energy industries. The competitions are titled as follows: 1) State Labor Market Information Improvement Grants; 2) Energy Training Partnership Grants; 3) Pathways Out of Poverty Grants; 4) State Energy Sector Partnerships and Training Grants; and 5) Green Capacity Building Grants. On July 22, 2009 the Department released a sixth SGA for training in Health Care, and Other High Growth and

Emerging Industries. Grant competitions were open to applicants between 45 and 120 days since August 2009.

The last competition closed on October 20, 2009. Technical review panels evaluate applications against selection criteria laid out in the SGAs before funding decisions are made. Funding announcements began in November 2009 and continued until early February 2010. In late February, the Department announced grant award winners for all grant competitions: 30 State Labor Market Information Improvement Grants; 62 Green Capacity Building Grants; 25 Energy Training Partnership Grants; 38 Pathways Out of Poverty Grants; 34 State Energy Sector Partnerships and Training Grants; and 55 Health Care and Other High Growth Industries.

In April, 2010, the Department announced the final competition with these funds, and on June 16, 2010, announced 4 awards totaling $14.7 million. The American Association of Community Colleges received an award for the Health Care Virtual Career Platform in the amount of $6.6 million that will enable it, working closely with its partners, to provide web-based services designed to explore health care careers and employment and training options in the health care sector. Goodwill Industries International, the International Association of Jewish Vocational Services and SER-Jobs for Progress National Inc each received a second type of award that will help the grantees ensure that appropriate computer technology equipment is available; establish adequate capacity and speed of Internet connections at all affiliate locations; provide all partners with necessary software tools for pre-training and training activities, including computer literacy, career exploration and career development; and implement training for career coaches and provide staffing resources at the local level.

With the remaining funds of approximately $1.3 million, ETA awarded three demonstration grants. DOL awarded grants to the California Employment Development Department and the Florida Agency for Workforce Innovation for $547,500 each to pilot activities to help train community health workers, in rural and urban areas in their states and to help place them in employment. DOL also awarded $250,000 to Eastern Arizona College and its affiliate, Gila Community College, to train underserved and under academically prepared adult learners, particularly economically disadvantaged older youth age 17-24, for healthcare careers in preparation for the opening of San Carlos Hospital, which will serve the San Carlos Reservation in Arizona. ETA is reporting an increase of three High Growth projects since the last quarter.

Job Corps Projects

The Office of Job Corps relocated several leased buildings at the Los Angeles Job Corps Center into one large leased building using Recovery Act funding. An Environmental Assessment was conducted in 2005. The Department concluded that the 2005 Environmental Assessment is sufficient and no updates are required.

A new Job Corps Center in Ottumwa, Iowa will be constructed using ARRA Funding. The Environmental Assessment for the Ottumwa Iowa Center has been completed and

the Finding of No Significant Impact (FONSI) was published in the Federal Register on April 10, 2008 (Page 19531).

The Office of Job Corps originally proposed nine renewable energy projects using ARRA funds and decided to prepare Environmental Assessments for all: eight horizontal wind turbine projects and one ground mounted solar project. The decision to conduct Environmental Assessments for the horizontal wind turbine projects was because of their potentially sensitive and prominent nature. Horizontal wind turbines require high towers and may generate noise, cause flickering shadows, and alter landscapes. These changes may differ from a community's standard expectations for a Job Corps Center. Therefore, horizontal wind turbine projects are considered to be in need of an Environmental Assessment. Similarly, a ground-mounted solar project is not typical for a Job Corps Center so an Environmental Assessment is considered to be needed. Each renewable energy project is shown as a separate row on the attached spreadsheet.

EAs have been completed for the original 8 horizontal wind turbine projects. Two of the original 8 wind turbine projects were withdrawn due to the potential risk to migratory birds (discussed below). DOL was able to redirect those funds. Some of the funding was shifted to address the increased scope of the North Texas and Hawaii/Maui Job Corps Centers Wind Turbine projects.

The Paul Simon and Cassadaga projects completed NEPA requirements as applicable, but could not move forward in an effective and timely manner as could other projects due to procurement issues. These projects are listed as "withdrawn" in page 2 o the Spreadsheet. The dollars allocated for Cassadaga ($290,000) and Paul Simon ($420,000) were then reclaimed and pooled for allocation to other ARRA-funded projects, as needed. (See final paragraph in this narrative section for additional information.)

Four of the other remaining ARRA wind turbine projects (Hawaii/Maui, Angell, North Texas, and Laredo) had a FONSI recommended and subsequently Job Corps published the required *Federal Register* Notice on September 1, 2009, and the public comment period ended October 1, 2009. The final FONSI was signed on October 15, 2009, and published on November 4, 2009, for three ARRA wind projects (Laredo, Angell, and Hawaii/Maui) and the Westover solar project. The preliminary FONSI for North Texas wind turbine was published on October 15th. Due to a change in the size of the wind turbine at that site, the final publication was delayed. No comments were received on the preliminary FONSI for North Texas. The final FONSI for North Texas was signed by the Director of Job Corps on April 21, 2010.

Regarding the final wind turbine project (Pine Ridge) the assessment raised a concern about potential impacts on wildlife. Job Corps management has examined the consolidated concerns from U.S. Fish and Wildlife Service, the Forest Service, and the Nebraska Parks, and determined during the previous reporting period that the project would proceed with a FONSI. The solar project (Westover) received its assessment and a FONSI was recommended. The preliminary FONSI for Pine Ridge was published in the Federal Register on April 5, 2010; the final FONSI was signed on May 25, 2010.

The Scopes of Work for the renewable energy projects were approved by environmental engineers in January 2010 and the contracts were awarded in May 2010. The projects are now in the design phase.

Job Corps' Recovery Act dollars were used to fund both renovations and operations. Although a large majority of Job Corps projects funded by the Recovery Act involve alteration, renovation, equipment replacement, or repair of existing Job Corps Centers, many of these actions will not result in substantial alterations to individual Job Corps Centers and are appropriate for classification as categorical exclusions. ARRA dollars allocated to operational activities include building and implementing "green" curricula in Job Corps career technical training programs provided by the United Auto Workers (UAW), International Union of Operating Engineers (IUOE), Home Builders Institute, and others. Such development/training and educational services that support center and national operations do not have significant environmental impacts. Consistent with the Department of Labor NEPA regulations these projects have been designated as categorical exclusions as reflected in rows 14-121 on page 2 of the accompanying spreadsheet.

Job Corps tracks allocations of ARRA funds to specific projects. Contractors report on those projects and expenditures as required under FederalReporting.Gov. Where ARRA funds have been withdrawn from planned projects due to unforeseen circumstances (for example, procurement timelines), those funds have been returned to the pool of ARRA dollars in order to be reallocated to the next available deficiency that was most sensible, based on ARRA requirements, priority, and inventory of needs.

An environmental assessment of the new Schenck Dining Hall was conducted for the Forest Service. This is one of the Civilian Conservation Centers [CCCs] operated by the USDA Forest Service. DOL procured the Environmental Assessment. The Record of Decision was signed by the Forest Service on September 16, 2010, and the Final Record of Decision was published on September 19, 2010 in the Asheville Citizen-Times.

NEPA Benefits:

DOL/Job Corps maintains strong partnerships within local communities where Centers are located. NEPA continues to provide opportunities for communities to provide input during the planning phases for new projects that may hold some potential for environmental impact. This helps to establish a proactive approach between Job Corps and communities with regard to new facilities.

A wind turbine for Treasure Lake Job Corps in Oklahoma was to be located in the Wichita Mountains Wildlife Refuge which is a habitat for Eagles and other soaring birds. Another wind turbine at Boxelder Job Corps, South Dakota was to be located in the Black Hills National Forest, which is also a habitat for soaring birds. Environmental Assessments were prepared for those projects. Based on the results of the Environmental Assessments, Job Corps management decided on September 1, 2009, that placement of

the turbines would not be appropriate at these locations because the risk of threatening migratory birds in the areas outweighed the advantages of these renewable energy projects.

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