

FACT SHEET: COMMONWEALTH WORKFORCE TRANSFORMATION PROGRAM (CWTP)

Overview

- The federal Infrastructure Investment and Jobs Act (IIJA) of 2021 and Inflation Reduction Act (IRA) of 2022 provide funding for states to train and build strong workforces in critical industries related to energy efficiency, infrastructure, and economic development. These initiatives have the goals of growing the economy, enhancing our competitiveness, creating good jobs accessible to all communities, and making our economy more sustainable, resilient, and just.
- In Pennsylvania, the Commonwealth Workforce Transformation Program (CWTP) provides grants to employers that hire and train new workers on IRA and IIJA projects in critical industries. The CWTP is available for IRA and IIJA contracts or grant awards from the Commonwealth or the federal government. Projects funded pursuant to other laws or programs are not eligible for CWTP grants.
- The CWTP promotes workplace equity and economic development by encouraging new on-the-job training programs, supporting apprenticeship and other established programs, bolstering the workforce in IRA and IIJA industries, promoting hiring from underserved communities including the unemployed and underemployed, the formerly incarcerated, and new entrants into the workforce, and rewarding those who maintain the highest workplace standards.

CWTP Grants

CWTP provides grants of up to forty thousand dollars (\$40,000) for each New Employee hired and trained in Pennsylvania, up to a maximum of four hundred thousand dollars (\$400,000) per contract or award under the IRA and IIJA. The grants reimburse Eligible Organizations for the cost of wages and similar compensation, supportive services provided to New Employees with significant barriers to employment, payroll taxes, and/or training costs paid to or on behalf of New Employees.

Eligibility

- Effective date: grants are available for IRA and IIJA contracts and awards entered into on July 31, 2023 and thereafter.
- Eligible employers: any entity that received (1) a contract or grant (including their subcontractors or subgrantees) from a Commonwealth agency or the federal government under the IIJA or IRA for work occurring in Pennsylvania or (2) a tax credit from the U.S. Department of Treasury under the IRA for a project of greater than \$10,000,000 or more located in the Commonwealth of Pennsylvania.
- New Employees: must live in Pennsylvania, have been newly hired to work full-time, with full benefits, on an IRA or IIJA project for at least six straight months, and completed or been enrolled in the employer's approved on-the-job training program during that period of employment. New Employees must also meet at least one of the following: (1) have recently

graduated or received a certification from a high school, trade school, or community college; (2) have been enrolled in or completed an approved Apprenticeship or Pre-Apprenticeship Program; (3) be registered with PA CareerLink® at the time of hire; (4) be paroled or released from a correctional institution within the previous six (6) months of hire; (5) has been a recipient of benefits under the Supplemental Nutrition Assistance Program (SNAP), Special Supplemental Assistance Women Infants and Children (WIC) or other Pennsylvania cash assistance program within the previous six (6) months of hire.

- Covered on-the-job training programs: employers must offer New Employees enrollment in: (1) an approved Apprenticeship or Pre-Apprenticeship Program registered with the Commonwealth; (2) an on the job (OJT) program approved through a Local Workforce Development Board (WDB); (3) a program through the Department of Labor & Industry's Office of Vocational Rehabilitation (OVR); or (4) another CWTP-approved training program that effectively carries out the on-the-job training goals of the IJJA and IRA.
- Responsible contractors: employers must be in compliance with the Commonwealth's contractor integrity and contractor responsibility requirements, including but not limited to payment of all tax liabilities or other Commonwealth obligations and compliance with all applicable prevailing wage, wage payment, health and safety, equal opportunity, and other workplace laws.
- Compliance with other labor standards in multi-party agreements: the CWTP may waive strict compliance with eligibility requirements for and/or prioritize CWTP grant applications from employers that perform work under an IRA or IJJA project that is subject to a project labor agreement or community benefits agreement.

Additional Information

- Employers interested in applying for a CWTP grant should contact the CWTP once they receive a contract or award for an infrastructure project funded through the IJJA or IRA
- Employers must provide all requested documentation showing eligibility including but not limited to certified and other payroll records, substantiation of supportive services provided, proof of remittance of applicable payroll taxes, documentation of training programs and costs, contracts, subcontracts, grant agreements, subgrant agreements, documentation of tax credits, and other project documents.
- Program Guidelines on the CWTP are forthcoming. The Commonwealth reserves the right to alter the information above, including eligibility requirements and/or applicability of funding to specific programs, at its sole discretion.

CWTP Q&A

1. Q: What is the Commonwealth Workforce Transformation Program (CWTP)?

A: The CWTP is a workforce development program that provides funds to organizations which have received a contract, grant, or tax credit to carry out an IIJA or IRA project in Pennsylvania.

2. Q: What is the purpose of the CWTP?

A: To invest in the Commonwealth's workforce by providing on-the-job training to new employees, including from underserved communities, accelerating critical investments in roads, bridges, energy, water, sewer, and transformative economic development projects in Pennsylvania.

3. Q: What projects are eligible?

A: Any project in Pennsylvania awarded funds from the Commonwealth that were appropriated under the IIJA or IRA on or after July 31, 2023.

4. Q: What is an Eligible Organization?

A: Any entity that received a contract, subcontract, grant or subgrant from a Commonwealth agency or the federal government under the IIJA or IRA for work occurring in Pennsylvania. It also includes entities that receive federal tax credits worth \$10,000,000 or more for an IRA project in Pennsylvania.

5. Q: How much can an Eligible Organization apply for?

A: Up to \$40,000 per each New Employee, up to a total of \$400,000 in aggregate per project for all New Employees hired by the Eligible Organization.

Total grant available per new employee	Up to \$40,000
Total grant available per project	Up to \$400,000

6. Q: Is an organization still eligible for CWTP funds if workforce development was not part of its IIJA/IRA project award?

A: No.

7. Q: Are the CWTP funds in addition to the Eligible Organization's original IIJA or IRA project award?

A: Yes.

8. Q: Can CWTP funds be used for existing employees or only new employees?

A: Only new employees.

9. Q: Who is considered a new employee?

A: An individual who must live in Pennsylvania, have been newly hired to work full-time, with full benefits, on an IRA or IIJA project for at least six straight months, and completed or been enrolled in the employer's approved on-the-job training program for at least six months. New Employees must also meet at least one of the following: (1) have recently graduated or received a certification from a

high school, trade school, or community college; (2) have been enrolled in or completed an approved Apprenticeship or Pre-Apprenticeship Program; (3) be unemployed and registered with PA CareerLink® at the time of hire; (4) be paroled or released from a correctional institution within the previous six months of hire; (5) has been a recipient of benefits under the Supplemental Nutrition Assistance Program (SNAP), Special Supplemental Assistance Women Infants and Children (WIC) or other Pennsylvania cash assistance program within the previous six (6) months of hire.

10. Q: What costs are eligible for the new employee?

A: Any of the following costs associated with on-the-job training of the new employee: wages, supportive services, payroll taxes, pre-apprenticeship program costs, apprenticeship program costs, costs associated with establishing a training program, and costs incurred for the use of a training facility.

11. Q: For how long must the new employee be employed?

A: Six months.

12. Q: What labor laws must be adhered to by the Eligible Organization?

A: All Eligible Organizations must follow the Pennsylvania Prevailing Wage Act, Davis-Bacon Act or related acts, and any and all other wage statutes, employment laws, and/or regulations applicable.

13. Q: What documentation is/will be required to receive CWTP funds?

A: The CWTP has discretion to require documentation needed to show compliance with program requirements such as program eligibility, New Employee expenses, project documents, and information deemed relevant. Further information will be included in the program guidelines.