Approximately \$20 billion a year goes to States for highway construction and repair, creating over 270,000 jobs with State Highway Agencies and 500,000+ jobs with contractors. The Federal Highway Administration (FHWA), in conjunction with the Department of Labor and the Women's Bureau, has been seeking ways to increase minority and women participation. State Highway Agencies now have the option to use up to 1/2 per cent of their Federal highway funds for On-the Job Training (OJT) and supportive services to expand employment opportunities for minorities and women, similar to programs such as Youth Build. In addition, the FHWA has developed and presented a training course, Women in Highway Construction, nationally to over 700 Federal and State Highway Agency personnel and highway contractors on strategies to increase participation of women on highway construction projects.

Because of the aging worker population, there is a serious shortage of qualified workers in highway construction and maintenance in many parts of the country. The shortages will become more critical as the population ages further. Consequently, unions are now taking advantage of opportunities to recruit women and minorities into non-traditional highway construction and maintenance jobs.

Applicants seeking further information about the efforts being undertaken by the FHWA, such as its training efforts and the OJT supportive services program, should contact the appropriate FHWA Regional Civil Rights Director. (See Attachment K.)

3. Machine Tool Industry. Another area from which OCS would welcome applications for creation of nontraditional employment opportunities is the machine tool industry. This industry is one into which it has traditionally been difficult for minority, women and low-income workers to gain entry. One possibility might be a strategy of small, high quality "micro-enterprise" machine shops organized in cooperative sub-contracting arrangements with existing industries or businesses.

The requirement for creation of new, full-time permanent jobs applies to all applications. OCS has determined that creation of non-traditional job opportunities for women and minorities in highway construction and maintenance and in the machine tool industry, which previously have been closed to these populations, meets the employment opportunity creation requirements of the JOLI legislation. OCS continues to require JOLI applications to propose the creation of

jobs through the expansion of existing businesses, the development of new businesses, or the creation of employment opportunities through self-employment/microenterprise development. All applications for JOLI grantees must submit a signed written agreement with the State IV-A agency which administers the JOBS program and the appropriate local partners participating in the project. (See Part IV, Criterion VI).

The agreements should describe the cooperative partnerships and include the specific activities to be performed by each partner over the course of the grant period. For example, the agreement should include a description of the training to be provided the eligible participants and local hiring practices, apprenticeships arrangements, and relationship with local unions where applicable.

In the case of proposals for creating self-employment micro-business opportunities for eligible participants, the applicant must detail how it will provide training and support services to potential entrepreneurs. The assistance to be provided to potential entrepreneurs must include, at a minimum, technical assistance in basic business planning and management concepts, and assistance in preparing a business plan (See Part IV, Criterion III for requirements) and loan application.

Any funds that are used for training participants who are AFDC recipients and therefore eligible for JOBS support must be limited to providing specific job-related training to such eligible participants who have been selected for employment (expansion of an existing business, new business venture or nontraditional employment) and/or self-employment business opportunities. Where participants are not receiving AFDC and are therefore not eligible for JOBS support, project funds may be used to provide basic skills training and other support services.

In the review process, favorable consideration will be given to applicants with a demonstrated record of achievement in promoting job and enterprise opportunities for low-income people. Favorable consideration also will be given to those applicants who show the lowest cost-per-job created for low-income individuals. For this program, OCS views \$15,000 in OCS funds as the maximum amount for the creation of a job and, unless there are extenuating circumstances, will not fund projects where the cost-per-job in OCS funds exceeds this amount. Only those jobs created and filled by lowincome people will be counted in the

cost-per-job formula. (See Part IV, Criterion IV.)

Technical assistance should be specifically addressed to the needs of the private employer in creating new jobs to be filled by eligible individuals and/or to the individuals themselves such as skills training, job preparation, self-esteem building, etc. Financial assistance may be provided to the private employer as well as the individual.

If the technical and/or financial assistance is to be provided to preidentified businesses that will be expanded or franchised, written commitments from the businesses to create the planned jobs must be included with the application.

The creation of a revolving loan fund with funds received under this program is an allowable activity. However, OCS encourages the use of funds from other sources for this purpose. Points will be awarded in the review process to those applicants who leverage funds from other sources. (See Part IV, Criterion VI.) Loans made to eligible beneficiaries for business development activities must be at or below market rate.

Note: Interest accrued on revolving loan funds may be used to continue or expand the activities of the approved project.

Grant funds received under this program may not be used for construction.

A formal, cooperative relationship between the applicant and the agency responsible for administering the Job Opportunities and Basic Skills Training (JOBS) program (as provided for under title IV-A of the Social Security Act) in the area served by the project is a requirement for funding. The application must include a signed, written agreement between the applicant and the local State IV-A (public welfare) agency administering the JOBS program, or a letter of commitment to such an agreement within 6 months of a grant award (contingent only on receipt of OCS funds). The agreement must describe the cooperative relationship, including specific activities and/or actions each of these entities propose to carry out over the course of the grant period in support of the project.

The agreement, at a minimum, must cover activities that will be provided to the target population and which are related to one or more of the mandatory or optional components offered by the appropriate State's JOBS program. The mandatory activities offered by the States' JOBS programs consist of the following components and services: Basic educational activities (below