


## Policy for Rendering Training Services through Incumbent Adult and Displaced Workers Program

### I. INTRODUCTION

The Local Area of Labor Development Mayagüez-Las Marías establishes the Public Policy that will govern the activity of Incumbent Workers in our Local Area. This activity provides employers with an average retention of employees aimed to avoid closures and layoffs. At the same time, it provides a mechanism for updating skills to improve the competitiveness and productivity of companies established in Puerto Rico.



Up to **20 per cent** of the total allocation of the combined funds of the Adult and Displaced Workers Program may be set aside to pay for the financial share of the costs aimed at providing training to incumbent workers.

### II. LEGAL BASIS

Section 134 (d) (4) Workforce Opportunity and Innovation Act (WIOA)  
Sections 680.770; 680.780; 680.790; 680. 800 and 680,810 of the Workforce Innovation and Opportunity Act (WIOA) regulation.

TEGL 3-15 granted by the Employment and Training Program attached to the Federal Department of Labor on July 1, 2015.

### III. INCUMBENT WORKER

The characteristics of incumbent workers, for the purposes of determining eligibility are as follows:

- Employed in the private sector, for profit or non-for-profit purposes.
- There is a contractual relationship with a bonafide employer, who complies with the Labor Standards Law.
- Has a work history with the employer who submits the proposal, of six (6) months or more.

This last criterion may be exempted in those cases in which the training is provided to a group of employees and some of the workers do not meet the criterion of six (6) months. The majority of the group must meet the above criteria.

The incumbent worker does not have to meet the eligibility requirements for career and training services from the Adult and Displaced Worker Programs, unless they are registered as participants in such programs.



### IV. EMPLOYERS ELIGIBLE TO RECEIVE FUNDS

To determine which employers are eligible to receive these funds, the following criteria will be considered:

- Employer of the private sector for profit or non-for-profit purposes.
- The characteristics of the participants to receive the training.
- The relationship of the training in relation to the skills to be acquired by the participant. The same guidelines are aimed at increasing the competitiveness of the worker and the employer.
- The number of participants participating in the activity.
- The salary and benefits of the workers before the training compare with the salary and benefits, they will receive upon completion of it.


- Other trainings offered by the employer and opportunities for promotion in the organization.
- The occupations to be trained in are in demand in the Labor Market.

#### **V. TRAINING FOR INCUMBENT WORKERS**

The training shall be designed to meet the needs of an employer or a group of employers for the purpose of employing skilled workers, or to avoid displacement by helping workers to obtain the skills needed for employment continuation. The employer shall commit to retain the trained workers.

#### **VI. EMPLOYER'S CONTRIBUTION**

The employer shall contribute the non-federal funds related to the cost of the training offered to incumbent workers. The contribution shall not be less than:

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- 10% of the cost of training for employers whose staff does not exceed fifty (50) employees.
  - 25% of the cost of training for employers whose workforce is fifty-one (51) to one hundred (100) employees; and
  - 50% of the cost of training for employers whose workforce is greater than one hundred (100) employees.

The employer's contribution will include the wages paid to the employee while he is training. The contribution can be in cash or in kind.

The employer's contribution will be reported in the corresponding reports, as established by the Labor Development Program (PDL).


#### **VII. CONTRIBUTION TITLE I- B OF WIOA**


With the funds of Title 1-B, reserved for Incumbent Workers, the following training elements will be subsidized: curriculum, tuition, instructors (they can not be employees who function as instructors in the company), materials, and other related items. The federal contribution shall be as follows:

- 90% of the cost of training for employers whose workforce does not exceed fifty (50) employees.
- 75% of the cost of training for employers whose workforce is fifty-one (51) to one hundred (100) employees; and
- 50% of the cost of training for employers whose workforce is greater than one hundred (100) employees.

#### VIII. APPROVAL AND VALIDITY

This public policy will take effect immediately after its approval. Is the responsibility of the Executive Director to inform the staff, within five (5) days of its approval.

  
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DATE