THE MANPOWER DEVELOPMENT AND TRAINING ACT (MDTA), as amended, is designed to deal with the problems of workers facing job displacement, the special problems of the hardcore unemployed, other unemployed and underemployed, and the emergence of skill shortage in certain occupations. The Act is jointly administered by the Secretary of Health, Education, and Welfare, and the Secretary of Labor. These two agencies and the State Employment Security Agencies, State Education Agencies, and the State Apprenticeship Training Agencies all have distinct program responsibilities.

Education and training programs authorized under the MDTA include activities such as projects to improve techniques and methods, brief refresher and reorientation courses for unemployed professional workers, programs for training and education in correctional institutions, and national programs through agreements or direct contracts to provide any education or training program needed to carry out the Act.

This bulletin provides information on MDTA program guidelines, development and approval of training project, program limitations, MDTA reports, and national training programs. Sources are listed for information on eligibility to enter MDTA programs, provision of institutional training, on-the-job training, experimental and developmental projects, refresher and reorientation training, and national programs.

The legal basis for these programs is P.L. 87-415 (March 15, 1962); P.L. 88-214 (December 19, 1963); P.L. 89-15 (April 26, 1965); and P.L. 89-792 (November 7, 1966). (HC)
Program Purposes

The Manpower Development and Training Act, as amended, is designed to deal with the problems of workers facing job displacement, the special problems of the hard-core unemployed, other unemployed and underemployed, and the emergence of skill shortages in certain occupations.

Program Objective

To provide needed training, retraining, and basic education, for persons referred for training by the local offices of the State employment security, or other agencies representing the Secretary of Labor.

Program Responsibility

The Manpower Development and Training Act is jointly administered by the Secretary of Health, Education, and Welfare and the Secretary of Labor.

1. Department of Labor

The Secretary of Labor is responsible for identifying the need for training and for recruiting, selecting, and referring persons to training; determining eligibility for the payment of allowances and other trainee benefits; and, for job placement upon completion of training. The Secretary of Labor is also responsible for manpower evaluation, information, and research, job development programs, labor mobility demonstration projects and on-the-job training.

2. Department of Health, Education, and Welfare

The Secretary of Health, Education, and Welfare provides training through State education agencies (usually vocational education) or through other arrangement for the training of persons referred by the Secretary of Labor. The Secretary of Health, Education, and Welfare is responsible for arranging for institution training in experimental and demonstration projects, for supplemental classroom instruction for on-the-job training, for supplementary training for redeveloped area residents, and for experimental and demonstration education and training programs in correctional institutions. He is also responsible for an annual evaluation report to the Congress. The Secretary of Health, Education, and Welfare has delegated all of these responsibilities to the U.S. Office of Education. The Division of Manpower Development and Training, Bureau of Adult and Vocational Education, is responsible for administering the MDTA, as amended.

3. State Employment Security Agencies

State employment security agencies or their local offices prepare a Form MT-1, Notification for Need of Training, which specifies the occupation for which training is to be provided. These agencies also select and refer persons to Manpower training projects, pay allowances, and assist in job placement.
4. State Education Agencies

Appropriate State education agencies (usually the vocational education agencies select public or private education or training institutions to provide basic education, prevocational, and vocational training.

5. State Apprenticeship Training Agencies

In conjunction with the U.S. Bureau of Apprenticeship and Training, State apprenticeship agencies provide programs of on-the-job training. They issue a Form OJT-1 to initiate proposal development.

Program Scope

A. A variety of education and training programs are authorized under the MDTA, as amended.

1. Experimental, developmental, demonstration, and pilot projects to improve techniques and methods. (Title I, Section 102-6)

2. Special testing, counselling, selection, and referral programs for youth 16 years of age or older and for persons 45 years of age or older. (Title II, Section 202 b, c)

3. Basic education, communications, and work attitudes for persons who will pursue occupational training to qualify for employment. (Title II, Section 202, j)

4. Brief refresher and reorientation courses for unemployed professional workers. (Title I, Section 101)

5. Experimental part-time training for persons, including employed persons, to meet skill shortages. (Title II, Section 202 l)

6. Training for persons referred under Section 202 through agreements with State education agencies or any other necessary arrangement. (Title II, Section 231)

7. On-the-job training and on-the-job training with supplemental classroom instruction referred to as "coupled OJT." (Title II, Section 204)

8. Supplementary training programs for unemployed and underemployed persons in redevelopment areas in consultation with the Secretary of Commerce. (Title II, Section 241)

9. Experimental and demonstration programs for training and education in correctional institutions. (Title II, Part D)

10. National programs through agreements or direct contracts to provide any education or training program needed to carry out the Act. (Title III, Section 306)

B. MDT Program Guidelines

1. The training must be in accordance with an approved State Employment Development Plan, or comparable national goals.
2. Institutional training given under Section 231 of the Act requires State and/or local matching in cash or in-kind contribution of 10 percent of the training cost. Under certain circumstances, the Commissioner of Education may waive the matching requirement for MDT programs in private schools or those given in connection with experimental projects under Title I, Section 102.6. Matching is not required for training programs under other Sections of the Act.

3. Five basic types of training projects are provided: single occupation project; multiple occupations projects that may include basic education and job orientation; on-the-job training, including coupled OJT; and individual referral projects. Brief refresher training for unemployed professionals is authorized.

4. Persons receive allowance benefits for 104 weeks of training. Full-time training is usually for 40 hours per week with certain exceptions allowed.

5. Standards for institutional training are specified in the Office of Education regulations. (C.F.R. Title 45, Part 160)

6. Allowable project costs are for instructional salaries, equipment, supplies, supervision, rental of space and equipment remodeling, utilities, and custodial services. Equipment cannot be purchased if any MDT or government surplus or excess equipment is available in the State or nearby region. MDTA equipment is also transferred between local public training agencies in a State. Regular tuition, books and supplies are allowable costs in private schools.

7. State education agencies select the training facility and State employment security agencies select the persons to be trained.

8. MDTA is not a "grant in aid" program but rather seeks to utilize services available in both public or private agencies. Each project requires Federal approval and funding, except that institutional projects costing $50,000 or less may be approved under certain circumstances at the State level.

Developing and Approving a Training Project

1. The employment service prepares a form MT-1 to indicate a need for training or the apprenticeship training agency develops a form OJT-1 showing an employer's interest in providing on-the-job training.

2. The State education agency reviews the MT-1 or the OJT-1 and selects the facility that meets Manpower training standards and one which can accomplish the needed training quickly, economically and effectively.

3. The training facility prepares a training plan (OE-4014) and budget (OE-4000) with backup description of cost items.

4. The above State agencies review the MT-1 (or OJT-1), training plan (OE-4014) and budget (OE-4000). When ready for approval, a form MT-2 is prepared which summarizes project cost data. This constitutes a training project proposal.

5. At a Federal-State review session, representatives of the employment service, education, and apprenticeship training, approve or disapprove project proposals. Signatures by field representatives of the Federal agencies constitute final approval and funding of projects as long as funds are available in the MDT allocation for the State.
6. Where a State has no allocated funds, Federal representatives may designate "Funding Deferred" on a proposal and submit it to Washington, D.C. for possible funding with reallocated monies.

Program Limitations

1. MDT funds cannot be used for construction or major remodeling or for financing the cost of a new school.

2. Classroom furniture cannot be purchased for skill training.

3. MDT is not a program of academic education, high school diplomas, or higher education degrees--its ultimate objective is employment.

4. Initial training for professional occupations is not authorized.

5. Books and hand tools remain with the training facility for future MDT programs and do not belong to the trainees.

6. MDT equipment must be used for MDT programs, present and future, even if this means moving the equipment from one locality to another.

7. Obligations cannot be made until the training facility is officially notified of project funding.

MDT Reports

1. OE-4014 - A topical outline of the training plan
2. OE-4000 - The training budget
3. MT-1 - Notification for need of training
4. OJT-1 - Employers declared interest in training
5. MT-101 - Employment service report of trainee's characteristic
6. MT-102 - Facility's report of trainee termination
7. OE-4020 - Office of Education report of project approval
8. OE-4021 - Facility's report that course has started

National Training Programs

National programs are provided through agreement or direct contract whenever a State does not provide needed training, or when in the judgment of the Secretary of Health Education, and Welfare and the Secretary of Labor, the training objective could be achieved through a national contract.

The Office of Education will enter into contracts with agencies contracting with the Department of Labor for experimental and demonstration or on-the-job training projects where classroom or shop instruction is needed.

MDT Information Sources

1. Information of Eligibility to Enter MDT Programs
   - State Employment Security Agencies
   - Bureau of Employment Security, Department of Labor, Washington, D.C.
2. **Information on Providing Institutional Training**
   - State Department of Education (usually Director of Vocational Education)

3. **Information on On-The-Job Training**
   - State Apprenticeship Training Agency
   - Bureau of Apprenticeship and Training, Washington, D.C.

4. **Information on E&D Projects**
   - Director, Office of Manpower Policy, Evaluation, and Research, Department of Labor, Washington, D.C.
   - Division of Manpower Development and Training, Office of Education, Washington, D.C.

5. **Information on RAR Training**
   - Bureau of Employment Security, Department of Labor, Washington, D.C.
   - Division of Manpower Development and Training, Office of Education, Washington, D.C.

6. **Information on National Programs**
   - Division of Manpower Development and Training, Office of Education, Washington, D.C.

**Legal Basis**

- P.L. 87-415 (March 15, 1962)
- P.L. 88-214 (December 19, 1963)
- P.L. 89-15 (April 26, 1965)
- P.L. 89-792 (November 7, 1966)

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