Employment and Training Administration 200 Constitution Avenue, N.W. Washington, D.C. 20210



June 7, 2022

The Honorable Brad Little Governor of Idaho 700 West Jefferson Street 2<sup>nd</sup> Floor Boise, ID 8370

Dear Governor Little:

Thank you for your waiver request submission to the U.S. Department of Labor (Department) regarding certain statutory and regulatory provisions of the Workforce Innovation and Opportunity Act (WIOA) and the accompanying plan to improve the statewide workforce development system (enclosed). The waiver request was received March 15, 2022, as part of your recent WIOA State Plan modification. This letter provides the Employment and Training Administration's (ETA) official response to your request and memorializes that Idaho will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Idaho and ETA. This action is taken under the Secretary's authority to waive certain requirements of WIOA Title I, Subtitles A, B, and E, and Sections 8–10 of the Wagner-Peyser Act in WIOA Section 189(i).

<u>Requested Waiver</u>: Waiver of the requirements outlined in WIOA Section 107, to allow a state workforce development board to carry out the roles and responsibilities of a local board.

<u>ETA Response</u>: ETA approves the State's request for a waiver to allow the state board to carry out the roles of the local workforce development boards in the State. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of Idaho to implement its plan to improve the workforce development system. Given the support for this waiver request by the local elected officials in the local area, the Department agrees that the state board is in a better position to ensure effective service delivery in the local workforce areas in the State. Under this waiver, the Governor may designate the state board to carry out the roles and responsibilities of the local boards in the state. In implementing this waiver, the State must:

- Continue to include local input into its activities; and
- Allocate funding to the local area for which the state board is carrying out local board functions.

The State must report its waiver outcomes and implementation of the approved waiver in the WIOA Annual Report. ETA will use this information to assess continued waiver approval and to identify promising practices that may be adopted more widely. ETA is available to provide

technical assistance to you in support of your goals. If you have questions, feel free to contact my office at (202) 693-2772.

Sincerely,

Brent Parton Acting Assistant Secretary

Enclosure

cc: Jani Revier, Director, Idaho Department of Labor Nicholas Lalpuis, Regional Administrator, ETA Patricia A. O'Sullivan, Federal Project Officer, ETA

## PY 2022 Idaho waiver requests, excerpt from State Plan submission March 15, 2022

Waiver Request –

Allow the State Board to carry out the roles of a Local Board (WIOA Section 107(b))

(1) Identifies the statutory or regulatory requirements for which a waiver is requested and the goals that the State or local area, as appropriate, intends to achieve as a result of the waiver and how those goals relate to the Unified or Combined State Plan;

The State of Idaho is formally seeking a waiver to permit a state board to carry out the functions of a local board. This waiver request is for a renewal of a waiver previously applied to 20 CFR 679.310(f) which states that a state board must carry out the roles of a local board when the State Plan indicates that the State will be treated as a local area under WIOA. The Workforce Innovation and Opportunity Act Sections 106(d)(2) and 107(c)(4) also direct a state board for a single state local area to carry out the functions of the local board. The Workforce Development Council has acted as both the state and local board under WIA since 2005, under WIOA since 2014, and the current structure is reflected in the Combined State Plan.

(2) Describes the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers;

No state or local policies limit the Governor's authority to require a regional plan or utilize the Workforce Development Council as the local workforce board for the state.

(3) Describes the goals of the waiver and the expected programmatic outcomes if the request is granted;

The primary goal to be achieved by this waiver is to reduce annual overhead and maximize the available money directed to program services, especially training and work-based learning, and services to business. The programmatic outcome is to serve a larger number of participants than would otherwise be served due to added administrative costs. To maximize resources available for service delivery, the state continues to use the Workforce Development Council as the local workforce board throughout the state. When initially implemented, this saved the WIA program in the state approximately \$1.5 million dollars by removing the administrative overhead of maintaining six regions throughout the state. Since then, these former administrative funds have been utilized as WIOA program funds, allowing for more participants to be served.

As evidenced since its initial implementation, Idaho's single statewide planning structure has continued to reduce annual overhead, and maximizes the available funding directed to training and services to business and job seekers.

This statewide structure enhances efforts to transform the system into a demand driven system. The nine Idaho Department of Labor offices serve as the state's American Job Centers offering the full range of workforce development services, and dozens of mobile locations across the state expand access into rural areas to connect citizens far from the AJCs to workforce services. This recognizes the importance of sharing data and information about new and expanding businesses to build the economy across regions.

## (4) Describes how the waiver will align with the Department's policy priorities, such as:

(A) supporting employer engagement; (B) connecting education and training strategies; (C) supporting work–based learning; (D) improving job and career results, and (E) other guidance issued by the Department.

The Workforce Development Council structure has been in place since the Jobs Training Partnership Act. Its current membership aligns with the prescribed composition under WIOA, including a majority of business representatives, along with partners from government, labor, community-based and educational entities. State education policy is thoroughly aligned with the state's workforce development goals.

(5) Describes the individuals affected by the waiver, including how the waiver will impact services for disadvantaged populations or individuals with multiple barriers to employment;

This waiver allowing a single statewide regional planning structure has allowed for an average annual increase in training opportunities for more adults, dislocated workers and at-risk youth, and has helped the state to maintain service levels despite funding cuts over the years.

## (6) Describes the processes used to:

(A) Monitor the progress in implementing the waiver; B) Provide notice to any local board affected by the waiver; (C) Provide any local board affected by the waiver an opportunity to comment on the request; (D) Ensure meaningful public comment, including comment by business and organized labor, on the waiver. (E) Collect and report information about waiver outcomes in the State's WIOA Annual Report.

As evidenced since its initial implementation, the single statewide planning structure has reduced annual overhead, maximizing the available money directed towards program services, including training/work-based learning, and services to business and job seekers. In the spirit of WIOA's intent, the State has emphasized spending program funds towards those individuals most in need and who can benefit from intensive staff intervention, and direct training and support of businesses and participants, all of which positively impact the achievement of performance goals.

The single statewide structure has strengthened administrative oversight and accountability processes. Prior to this change, administrative deficiencies resulted in substantial disallowed costs for Idaho's largest Workforce Investment Area. The strengthened administrative structure under the waiver has assisted Idaho to minimize disallowed costs, further enabling the redirection of funds from service provider and administration to direct participant training and support.

E1) As noted earlier in this section of Idaho's Combined State Plan, Idaho is comprised of two local areas – the Balance of State and eastern Idaho – a structure established since 2005. Under this waiver, the state Workforce Development Council serves as a statewide local board for both local areas, functioning as the planning structure outlined earlier. Prior to submission of this plan modification and previous versions, the state and the council reached out to the East Central Idaho Elected Official Consortium and its WIOA representatives, East Central Idaho Planning and Development Association (ECIPDA) to discuss any potential changes to this structure and/or affirm the existing relationship. Since the structure's establishment, ECIPDA and those it represents have unanimously supported this waiver and its objectives. Attached is the MOU (updated on February 27, 2020) between ECIPDA and the Workforce Development Council outlining the roles each

have in the statewide and local governance of Idaho's workforce development system.

In addition, the Workforce Development Council itself includes several elected officials as part of its membership. Two serve as local elected officials, and two others are state representatives – one representing state House and the other the state Senate. Each member represents a different area of the state and bring a local perspective to the issues affecting workforce matters across the state. Currently, the local elected official representing cities is from the eastern Idaho local area.

E2) Funds to the local areas are distributed based on the state's <u>WIOA Local</u> <u>Board Funding Distribution Policy</u> (link), which outlines how the state allots funds to each local area.

Idaho's waiver request was posted on the Idaho Workforce Development Council's website for comment and review by required parties and the general public. An invitation was personally extended to two influential organizations in the state – the Idaho Association of Cities and Idaho Association of Counties to provide them the opportunity to review not only this waiver, but the entire Combined State plan. No local boards are affected by the waiver. A copy of this waiver request was be provided to all members of the state Workforce Development Council, along with the PY2022-2023 Modified Combined State Plan. The State Workforce Development Council reviewed the request for submission of a waiver and the state plan during its March 16, 2022 meeting. The meeting was announced and opened to the public via a variety of means across the state.

E3) Despite the opportunities presented, no public comments were received regarding this waiver. If the state had received any, they would have been forwarded to the USDOL and included as a modification to Idaho's Combined State Plan. The impact of this waiver on the state's performance will be addressed in the state's WIOA Annual Report.

(7) The Secretary may require that States provide the most recent data available about the outcomes of the existing waiver in cases where the State seeks renewal of a previously approved waiver.

Not applicable.