

U.S. Department of Labor

Assistant Secretary for
Employment and Training
Washington, D.C. 20210



May 18, 2026

The Honorable Albert Bryan Jr.
Governor of the U.S. Virgin Islands
5047 (21-22) Kongens Gade
St. Thomas, VI 00802

Dear Governor Bryan:

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 on March 3, 2026, as part of your recent WIOA State Plan modification submission. This letter provides the Employment and Training Administration's (ETA) official response to your request and memorializes that U.S. Virgin Islands will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by U.S. Virgin Islands and ETA. This action is taken under the Secretary of Labor'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).

Requested Waiver: The Territory is requesting a waiver of WIOA Section 134(c)(3)(H)(i) and 20 CFR 680.720(b) in order to increase on-the-job training (OJT) employer reimbursement up to 95 percent for businesses with 50 or fewer employees and up to 80 percent for large employers.

ETA Response: ETA approves the Territory's waiver request through June 30, 2028, for the WIOA Title I Adult, Dislocated Worker, and Youth formula funds. ETA reviewed the Territory's waiver request and plan and has determined that the requirements requested to be waived impede the ability of the Territory to implement its plan to improve the workforce development system. Existing statutory authority permits the Territory to increase the reimbursement rate for OJT contracts up to 75 percent. The Territory may also reimburse up to 95 percent for OJT for businesses with 50 or fewer employees and 80 percent for larger employers. ETA expects the utilization of OJT to increase in the Territory as a result of this waiver.

The Territory is reminded that WIOA Title I waivers may not be used for any discriminatory purposes. All activities and waiver plan provisions must comply with Section 188 of WIOA, the implementing regulations at 29 CFR Part 38, and all applicable federal nondiscrimination laws.

The Territory must report its waiver outcomes and implementation of the approved waivers 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,

A handwritten signature in blue ink that reads "Henry Mack". The signature is written in a cursive style with a large initial "H" and a long, sweeping underline.

Henry Mack, Ed.D.
Assistant Secretary

Enclosures

cc: Sonia Boyce, Executive Director of Virgin Islands State Workforce Development Board
Danielle Worthen-Ramos, Regional Administrator, ETA
Phoebe Reeves, Federal Project Officer, ETA