

U.S. Department of Labor

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



July 27, 2026

The Honorable Tate Reeves
Governor of Mississippi
P.O. Box 139
Jackson, MS 39205

Dear Governor Reeves:

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 requests were received on April 30, 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 Mississippi will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Mississippi 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: Waiver of the state workforce development board (SWDB) membership requirements at WIOA Section 101(b)(1) and (c) and the corresponding regulations at 20 CFR 679.110(b)-(c), and the local workforce development board (LWDB) membership requirements at WIOA Section 107(b)(2)(B) and the corresponding regulations at 20 CFR 679.320(c).

ETA Response: ETA approves, through June 30, 2028, the State's request to reduce the WIOA state and local board membership workforce requirements and to permit board members to satisfy multiple categories. The State affirms that this waiver will streamline board size, increase coordination between employers and state and local government, and improve board accountability. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of the State to implement its plan to improve the workforce development system. Before implementing this waiver, the State must describe to ETA which of the entities will represent multiple membership categories in response to the State's request to permit this arrangement. Please note that multiple-entity representation is permitted for local workforce boards, and this arrangement does not require a waiver.

Requested Waiver: Waiver of the requirement at WIOA Section 121(e)(1) and 20 CFR 678.300(c) to establish and maintain a comprehensive American Job Center (AJC) in each of the State's local workforce development areas.

ETA Response: ETA approves, through June 30, 2028, the State's request to waive the requirement that each local area maintain a comprehensive AJC. Under this waiver, Mississippi must ensure that job seekers and employer customers in local areas that implement this waiver can access the programs, services, and activities provided by all required one-stop partners.

Requested Waiver: Waiver of the requirements at WIOA Sections 128 and 133 and the associated regulations at 20 CFR 681 and 683 to allow consolidation of WIOA Title I funding as a block grant.

ETA Response: This request falls outside of the Secretary's waiver authority and, therefore, cannot be approved. WIOA 189(i)(3)(A)(i) prohibits the Secretary from waiving requirements that would be affected by this waiver, including the allocation of funds to local areas, the funding of infrastructure costs for One-Stop Centers, and other requirements related to the basic purposes of WIOA Title I.

Requested Waiver: Waiver of the requirements at 20 CFR 678.305–678.320 and 20 CFR 678.500–678.760 to allow the redefinition of the AJC service delivery structure and implement a statewide memorandum of understanding (MOU)/infrastructure funding agreement (IFA) model.

ETA Response: This request falls outside of the Secretary's waiver authority and, therefore, cannot be approved. WIOA 189(i)(3)(A)(i) prohibits the Secretary from waiving requirements related to the funding of infrastructure costs for one-stop centers, which would include requirements related to the infrastructure funding agreements that govern the sharing of infrastructure costs. However, the ETA is currently reviewing the State's WorkFlex plan and notes that certain exclusions to the Secretary's general waiver authority are not prohibited under WorkFlex.

Requested Waiver: Waiver of the requirements of WIOA Sections 133(a)(2) and 134(a)(2)(A) to allow flexibility to use up to 50 percent of funds reserved by the Governor to provide statewide rapid response activities under WIOA Section 134(a)(2)(A) to also provide statewide employment and training activities in the first year of funding availability.

ETA Response: ETA approves, for PYs 2026 and 2027, the State's request to waive the spending requirements of WIOA Sections 133(a)(2) and Section 134(a)(2)(A) to enable the State to use up to 50 percent of funds reserved by the Governor to provide statewide rapid response activities under WIOA Section 134(a)(2)(A) to also provide statewide employment and training activities in the first year of funding availability.

Requested Waiver: Waiver to allow flexibility in the use of funds reserved by the Governor to provide statewide rapid response activities under WIOA Section 134(a)(2)(A) to also provide statewide employment and training activities under WIOA Section 134(a)(2)(B) and WIOA Section 134(a)(3), including disaster-relief employment to affected areas.

ETA Response: ETA approves, through June 30, 2028, the State's request to waive the spending requirements of WIOA secs. 134(a)(1)(A) and 134(a)(1)(B)(i) to enable it to use statewide funds for disaster-relief employment, as described in WIOA Section 170(d) and 20 CFR 687.100(b).

Requested Waiver: Waiver associated with the requirement at WIOA Section 129(a)(4)(A) and 20 CFR 681.410 that the State and local areas expend 75 percent of Governor's reserve youth funds and local formula youth funds on out-of-school youth (OSY).

ETA Response: ETA approves, for PYs 2026 and 2027, which includes the entire time period for which states are authorized to spend each of those PY fund allotments, the State's request to waive the requirement that the State expend 75 percent of Governor's reserve youth funds on OSY. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of Mississippi to implement its plan to improve the workforce development system. The State may lower the expenditure requirement of Governor's reserve funds to 50 percent for OSY.

In addition, ETA approves, for PYs 2026 and 2027, which includes the entire time period for which states are authorized to spend each of those PY fund allotments, the State's request to waive the requirement that local areas expend 75 percent of local youth formula funds on OSY. The State may lower the local youth funds expenditure requirement to 50 percent for OSY.

Requested Waiver: Waiver of 20 CFR 681.550 to allow WIOA individual training accounts (ITAs) for in-school youth (ISY).

ETA Response: ETA approves, for PYs 2026 and 2027, which includes the entire time period for which states are authorized to spend each of those PY fund allotments, the State's request to waive the requirement limiting ITAs to only out-of-school youth (OSY), ages 16–24. In addition to these OSY, the State may use ITAs for ISY, ages 16–21.

Requested Waiver: Waiver of the requirements at WIOA Section 116(f) and the associated regulations at 20 CFR 677.190(d), 34 CFR 361.190(d), and 34 CFR 463.190(d) that establish the sanctions for state failure to meet state performance accountability measures.

ETA Response: ETA does not approve the State's request. As communicated in Training and Employment Guidance Letter No. 05-25: *Maximizing Opportunity in Workforce Innovation and Opportunity Act Programs*, ETA supports waiver requests that advance the administration's key priorities, and will not support waiver requests related to performance outcomes and accountability.

Requested Waiver: Waiver of the requirement that local youth programs make available each of the 14 youth programs elements required under WIOA Section 129(c)(2).

ETA Response: ETA approves, for PYs 2026 and 2027, the State's request to waive the requirement that local youth programs directly provide each of the 14 youth program elements listed in WIOA Section 129(c)(2) and 20 CFR 681.460. Under this approval, local areas are not required to make available all 14 program elements for the purpose of meeting and making improvements toward statewide employment, median earnings, credential attainment, and measurable skill gains goals for WIOA Youth program participants. ETA reviewed the State's request and plan and determined that requiring local programs to make available each element impedes the State's ability to implement its plan to improve youth workforce development service delivery.

Requested Waiver: Waiver associated with the requirement at WIOA Section 129(a)(1)(C)(iii) which establishes the low-income eligibility requirement for WIOA Youth ISY participants.

ETA Response: This request falls outside of the Secretary's waiver authority and, therefore, cannot be approved. WIOA 189(i)(3)(A)(i) prohibits the Secretary from waiving requirements related to participant eligibility.

The State withdrew the following requests on June 26, 2026:

- Waiver for WIOA Section 134(c)(3)(F)(i) and (G) and 20 CFR 680.320(a) to allow for all training services to be provided through training contracts.
- Waiver of WIOA 134(d)(4) and 20 CFR 680.800(a) to allow local areas to reserve more than 20 percent of Adult and Dislocated Worker funds for incumbent worker training (IWT).
- Waiver of WIOA Section 134(d)(3)(B) and 20 CFR 680.950(a)(2) that requires a dislocated worker who has ceased to qualify for unemployment compensation to be eligible to receive needs-related payments only if such worker is enrolled in training services.
- Waiver of WIOA Section 134(d)(2) and 20 CFR 680.910 to allow the use of supportive services for participants beyond 12 months post-exit for employment retention.
- 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 90 percent for businesses with 50 or fewer employees.

The State 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 State 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, appearing to read 'Marek Laco', with a stylized, flowing script.

Marek Laco
Acting Assistant Secretary

Enclosures

cc: Laura Ring, Chief Operations Officer, Mississippi Department of Employment Security
Robert DeYoung, Director, Office of Grant Management, Mississippi Department of
Employment Security
Renata Adjibodou, Atlanta Regional Administrator, ETA
Jeffrey Patton, Federal Project Officer, ETA