

U.S. Department of Labor

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



May 18, 2026

The Honorable Greg Abbott
Governor of Texas
P.O. Box 12428
Austin, TX 78711

Dear Governor Abbott:

Thank you for your waiver request submission to the U.S. Department of Labor (Department) regarding a certain statutory and regulatory provision 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 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 March 3, 2026, request and memorializes that Texas will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Texas 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 20 CFR 681.550 to allow WIOA individual training accounts (ITAs) for in-school youth (ISY).

ETA Response: ETA approves, for Program Year (PY) 2026 and 2027, 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. 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.

Requested Waiver: Waiver of the performance requirements at WIOA Section 116(c) to allow the State to modify the performance measures used to negotiate local workforce development board performance targets.

ETA Response: The State requested this waiver on March 4, 2024. ETA approved this waiver on May 30, 2024, and the waiver remains in effect until June 30, 2028.

Requested Waiver: Waiver of the reallocation provisions at WIOA Sections 128(c)(3) and 133(c)(3) to allow the state workforce development board to develop different criteria than required by statute for the reallocation of recaptured funds among local workforce areas.

ETA Response: The State requested this waiver on March 4, 2024. ETA approved this waiver on May 30, 2024, and the waiver remains in effect until June 30, 2028.

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 that reads "Henry Mack". The signature is written in a cursive style.

Henry Mack, Ed.D.
Assistant Secretary

Enclosures

cc: Steve Pier, Executive Director, Texas Workforce Commission
Mary York, Workforce Development Division Director, Texas Workforce Commission
M. Frank Stluka, Acting Regional Administrator, ETA
Eva Mejia, Federal Project Officer, ETA