U.S. Department of Labor

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

July 20, 2026

The Honorable Tony Evers
Governor of Wisconsin
115 East State Capitol
Madison, WI 53707

Dear Governor Evers:

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 Wisconsin will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Wisconsin 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 associated with the requirement at WIOA Section 129(a)(4)(A) and 20 CFR 681.410 that local areas expend 75 percent of local formula youth funds on out-of-school youth (OSY).

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

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, the State's request to waive the requirement limiting ITAs to only 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 WIOA Section 134(c)(3)(F)(i) and (G) and 20 CFR 680.320(a) and 680.340(a) to allow for all training services to be provided through training contracts.

ETA Response: ETA approves, through June 30, 2028, the State's request to allow contract for services to be used instead of ITAs. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of Wisconsin to implement its plan to improve the workforce development system.

Requested Waiver: Waiver from WIOA Section 129(a)(3)(A)(ii) and 20 CFR 681.250(c), which allows up to five percent of WIOA Youth participants to not meet low-income requirements, of those who ordinarily would need to be low-income for eligibility.

ETA Response: ETA does not approve this waiver, as this request falls outside of the Secretary's waiver authority. WIOA 189(i)(3)(A)(i) prohibits the Secretary from waiving requirements related to participant eligibility.

Requested Waiver: Waiver of the five percent limitation on eligibility of in-school youth based on the "requires additional assistance to enter or complete an education program or to secure and hold employment" barrier under WIOA Title I at WIOA Section 129(a)(3)(A)(ii).

ETA Response: ETA does not approve this waiver, as it falls outside the Secretary's waiver authority. WIOA 189(i)(3)(A)(i) prohibits the Secretary from waiving requirements related to participant eligibility. However, please note that a youth who lives in a high-poverty area automatically meets the low-income eligibility requirement under WIOA Section 129(a)(2), as does a youth who qualifies to receive free or reduced lunch under the Richard B. Russell National School Lunch Act as per 20 CFR 681.250(d). Therefore, the five percent exception does not apply to either of these subgroups of youth.

Requested Waiver: Waiver of WIOA Section 121(e) and 20 CFR 678.300(c), which require each local workforce development area to establish and maintain at least one comprehensive American Job Center (AJC).

ETA Response: ETA approves, for PYs 2026 and 2027, the State's request to waive the requirement that each local area maintain a comprehensive AJC. 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 provide ETA with the following information:

- Specify which local areas will have a comprehensive center; and
- Explain the reasoning and benefits behind using alternative models in comparison to the current approach.

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,

Henry Mack

Henry Mack, Ed.D.
Assistant Secretary

Enclosures

cc: Amy Pechacek, Secretary, Wisconsin Department of Workforce Development
Pam Gerassimides, ETA Regional Administrator
Arlene Charbonneau, ETA Federal Project Officer

WISCONSIN ALL WAIVERS

WAIVER REQUEST #1: OUT-OF-SCHOOL-YOUTH EXPENDITURE REQUIREMENT

1. Statutory or Regulatory Requirement(s) for which a Waiver is Requested

Wisconsin is seeking to renew a waiver from WIOA Section 129(a)(4)(A) and 20 CFR Part 681.410, which require not less than 75% of funds available to local areas under subsection (c) shall be used to provide youth workforce investment activities for out-of-school youth (OSY). Wisconsin is requesting to lower the minimum OSY expenditure requirement for local formula funding to 50%.

2. Actions Undertaken to Remove State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the requested waiver. Wisconsin regulations and policy statements follow current federal law and regulations.

3. Waiver Goals and Expected Programmatic Outcomes

This waiver supports Wisconsin's goal to strengthen career pathways and career exploration opportunities while students are in K-12 and provide all students with the opportunity to participate in dual enrollment, earn a certificate/credential, or participate in work-based learning prior to high school graduation.

The previously approved waiver during PY 2024 led to an increase in the number of in-school-youth (ISY) participants served, rising from 21% in PY 2020 to 36% in PY 2024. In PY 2024, approximately 11% of local formula funds were spent on ISY. As a result of this waiver, Wisconsin expects the number of in-school-youth (ISY) served will continue to increase or remain
steady. Additionally, Wisconsin anticipates that performance accountability outcomes for overall WIOA Youth will remain steady or improve for the majority of the WIOA Youth Performance Indicators.

4. Alignment with U.S. Department of Labor (USDOL) Policy Priorities

This waiver aligns with USDOL priority of supporting career pathways and serving youth that encounter barriers during their education. By serving youth and young adults earlier and during their education, Wisconsin's workforce system can support their engagement in education prior to disengagement, better positioning these future job seekers before they join the workforce.

5. Individuals Affected by the Waiver

Both the education and workforce system will be able to provide the benefits of this waiver to Wisconsin's youth with challenges. In particular, due to the differences in eligibility requirements for OSY and ISY, increased enrollments of ISY would increase the number of low-income youth served.

6. Processes Used to:

1. **Monitor Waiver Implementation Progress**
2. **Provide Notice to Local Boards**
3. **Provide Local Boards Comment Opportunity**
4. **Ensure Meaningful Public Comment**
5. **Collecting and Report Waiver Outcome Information in Annual Report**

If renewed, DWD's Bureau of Workforce Training in the Division of Employment and Training (DET) will continue to take the responsibility of monitoring the waiver's implementation through quarterly desk reviews and during annual monitoring. Annual waiver outcome information will be collected from each affected local Workforce Development Board (WDB) within 60 days of the conclusion of each program year.

In accordance with WIOA Section 102(c)(3) and the WIOA regulations at 20 CFR 676.135, the Wisconsin Department of Workforce Development is submitting this waiver request as part of its PY 2026 – PY 2028 WIOA Combined State Plan modification, which is subject to the requirements outlined in the WIOA regulations at 20 CFR 676.130(d) regarding public review and comment. As such, these waiver requests were posted on DWD's website for review and comment by required parties and system stakeholders, including all local Workforce Development Boards and their association, the Wisconsin Workforce Development Association, business, organized labor, and the general public, from March 3, 2026, through April 17, 2026.

WAIVER REQUEST #2: IN-SCHOOL-YOUTH USE OF INDIVIDUAL TRAINING ACCOUNTS

1. Statutory or Regulatory Requirement(s) for which a Waiver is Requested

Wisconsin is seeking to renew a waiver from WIOA regulation 20 CFR Part 681.550, which only allows Individual Training Accounts (ITAs) funded by WIOA youth funds to be used by out-of-school youth ages 16 to 24. Wisconsin is requesting that it be allowed to use WIOA youth funds for ITAs for in-school youth ages 16 to 21.

2. Actions Undertaken to Remove State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the requested waiver. Wisconsin regulations and policy statements follow current federal law and regulations.

3. Waiver Goals and Expected Programmatic Outcomes

This waiver supports Wisconsin's goal to strengthen career pathways and career exploration opportunities while students are in K-12 and provide all students with the opportunity to participate in dual enrollment, earn a certificate/credential, or participate in work-based learning prior to high school graduation.

During PY 2024, the previously approved waiver supported strong overall outcomes for in-school youth and the broader Youth Program. ISY participation in employment opportunities increased by 47%, reflecting expanded access to work-based learning and career-connected experiences. The Youth Program also exceeded its performance targets, achieving 110% of its Measurable Skill Gains goal and 105% of its Credential Attainment goal.

While the number of ISY participants with an established ITA decreased from 43 in PY 2023 to 28 in PY 2024, the waiver enabled local areas to strategically align training investments with employment and credential outcomes. Building on these results, Wisconsin anticipates that ISY participation will increase or remain steady, and that overall WIOA Youth performance will continue to meet or exceed targets across the majority of performance indicators.

4. Alignment with U.S. Department of Labor (USDOL) Policy Priorities

This waiver aligns with U.S. Department of Labor priority of supporting career pathways and serving youth that encounter challenges during secondary education. By providing flexibility and greater consumer choice for ISY interested in training, more Youth Program participants can receive training for in-demand occupations, becoming better prepared to join the workforce upon completion of their schooling.

5. Individuals Affected by the Waiver

Wisconsin's in-school-youth who are low income and experience challenges would benefit from this waiver, which would provide greater training opportunities during their educations.

6. Processes Used to:

1. **Monitor Waiver Implementation Progress**
2. **Provide Notice to Local Boards**

3. **Provide Local Boards Comment Opportunity**
4. **Ensure Meaningful Public Comment**
5. **Collecting and Report Waiver Outcome Information in Annual Report**

If renewed, DWD's Bureau of Workforce Training in the Division of Employment and Training (DET) will continue to take the responsibility of monitoring the waiver's implementation through quarterly desk reviews and during annual monitoring. Annual waiver outcome information will be collected from each affected local Workforce Development Board (WDB) within 60 days of the conclusion of each program year.

In accordance with WIOA Section 102(c)(3) and the WIOA regulations at 20 CFR 676.135, the Wisconsin Department of Workforce Development is submitting this waiver request as part of PY 2026 – PY 2028 WIOA Combined State Plan modification, which is subject to the requirements outlined in the WIOA regulations at 20 CFR 676.130(d) regarding public review and comment. As such, these waiver requests were posted on DWD's website for review and comment by required parties and system stakeholders, including all local Workforce Development Boards and their association, the Wisconsin Workforce Development Association, business, organized labor, and the general public, from March 3, 2026, through April 17, 2026.

WAIVER REQUEST #3: ALLOW ALL TRAINING SERVICES TO BE PROVIDED THROUGH TRAINING CONTRACTS

1. Statutory or Regulatory Requirement(s) for which a Waiver is Requested

Wisconsin is seeking a waiver from WIOA Section 134(c)(3)(F)(i) and (G) and 20 CFR 680.320(a) and 680.340(a) to allow for all training services to be provided through training contracts.

2. Actions Undertaken to Remove State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the requested waiver. Wisconsin regulations and policy statements follow current federal law and regulations.

3. Waiver Goals and Expected Programmatic Outcomes

This waiver would allow the Wisconsin DWD to use training contracts for individuals when contracts better meet employer needs and improve participant outcomes, rather than relying solely on Individual Training Accounts (ITAs) to fund training services.

Wisconsin will use this waiver to shift training investments toward employer-driven and work-based strategies that directly connect participants to employment. This waiver supports Wisconsin's goal to strengthen career pathways and career opportunities by:

- Stronger alignment between training provided and in-demand jobs
- Responding more quickly to employer hiring needs
- Expanding cohort, sector-based, and work-based training models
- Reducing the time it takes for participants to start and complete training
- Increasing employment, wages, and credential attainment
- Improving access for individuals with barriers to employment
- Increasing Registered Apprenticeship opportunities

Using training contracts for both individuals and cohorts will allow Wisconsin to design training around real job openings. Wisconsin expects to increase training opportunities for participants, training completion rates, employment and earnings, and credential attainment.

4. Alignment with U.S. Department of Labor (USDOL) Policy Priorities

This waiver aligns and supports the Administration's Strategic Pillar I: Industry-Driven Strategies.

By allowing training services to be delivered primarily through contracts, Wisconsin will be able to design training directly with employers and providers, align curriculum to specific job openings, and quickly start individual training programs tied to hiring commitments. This flexibility will result in more efficient use of funds and better outcomes for both participants and employers.

5. Individuals Affected by the Waiver

Individuals that will benefit from this waiver include:

- Individuals with barriers to employment who may need more structured training
- Rural residents with limited training options
- Dislocated workers who need rapid reskilling
- Older workers and individuals changing careers
- Employers that need trained workers quickly

Wisconsin believes this waiver will increase flexibility, reduce administrative burden, and allow the workforce system to respond more effectively to employer demand while improving outcomes for participants. Participant outcomes are expected to include increased training completion rates, employment in the second quarter after exit, median earnings for training participants, and credential attainment.

Wisconsin will track these outcomes quarterly using WIOA performance data, contract monitoring, and employer engagement metrics. Results will be reviewed with Local Workforce Development Boards and used to adjust training investments toward the highest-performing, employer-connected strategies.

6. Processes Used to:

1. **Monitor Waiver Implementation Progress**
2. **Provide Notice to Local Boards**
3. **Provide Local Boards Comment Opportunity**
4. **Ensure Meaningful Public Comment**
5. **Collecting and Report Waiver Outcome Information in Annual Report**

If approved, DWD's Bureau of Workforce Training in the Division of Employment and Training (DET) will take the responsibility of monitoring the waiver's implementation through quarterly desk reviews and during annual monitoring. Annual waiver outcome information will be collected from each affected local Workforce Development Board (WDB) within 60 days of the conclusion of each program year.

In accordance with WIOA Section 102(c)(3) and the WIOA regulations at 20 CFR 676.135, the Wisconsin Department of Workforce Development is submitting this waiver request as part of its PY 2026 – PY 2028 WIOA Combined State Plan modification, which is subject to the requirements outlined in the WIOA regulations at 20 CFR 676.130(d) regarding public review and comment. As such, these waiver requests were posted on DWD's website for review and comment by required parties and system stakeholders, including all local Workforce Development Boards and their association, the Wisconsin Workforce Development Association, business, organized labor, and the general public, from March 3, 2026, through April 17, 2026.

WAIVER REQUEST #4: YOUTH PROGRAM LOW-INCOME LIMITATION

1. Statutory or Regulatory Requirement(s) for which a Waiver is Requested

Wisconsin is seeking a waiver from WIOA Section 129(a)(3)(A)(ii) and 20 CFR 681.250(c), which limits local areas to serving only 5% of WIOA Youth who are otherwise required to be low income, but are not low income. Wisconsin is requesting to raise the limit of WIOA Youth participants who do not have to be low-income to 20%.

2. Actions Undertaken to Remove State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory impediments to implementing the requested waiver. Wisconsin regulations and policy statements follow current federal law and regulations.

3. Waiver Goals and Expected Programmatic Outcomes

Wisconsin's intent in seeking this waiver is to increase flexibility for local boards to serve WIOA Youth who might otherwise be eligible for the program due to their identified challenges to education and/or employment, but are unable to be served due to their individual and/or family income. This waiver supports Wisconsin's goal to strengthen career pathways and career exploration opportunities while students are in K-12 education and provide all eligible students with the opportunity to participate in dual enrollment, earn a certificate/credential, enter pre-apprenticeship and Registered Apprenticeship opportunities, or participate in work-based learning prior to high school graduation.

As a result of this waiver, Wisconsin expects an increase in the number of WIOA Youth enrolled. Additionally, approval of this waiver will alleviate the administrative burden associated with enforcing the current 5% cap on WIOA Youth participants who are not low income. This burden arises when local programs must delay enrolling otherwise eligible WIOA Youth participants to ensure the 5% threshold is met by first enrolling a high number of WIOA Youth who are required to be low income and are low income. According to DWD-DET estimates, approximately 30,700 youth have a qualifying barrier but are not considered low-income based on the current Federal Poverty Level (FPL) and/or Lower Living Standard Income Level (LLSIL), representing 36% of Wisconsin's qualifying youth population. Increasing the cap to 20% would provide much-needed flexibility to Wisconsin's local Workforce Development Boards to operate the Youth Program and serve a greater number of youth participants.

4. Alignment with U.S. Department of Labor (USDOL) Policy Priorities

This waiver aligns with U.S. Department of Labor's priority of advancing opportunity by ensuring youth have appropriate access to services and supports to achieve positive outcomes in high quality education and training. By serving more WIOA Youth who have eligibility barriers but are not low income, Wisconsin's local boards can provide greater accessibility to those youth in their local areas.

5. Individuals Affected by the Waiver

In-school youth who are not low income but who have any of the eight barriers required for eligibility (basic skills deficient; English Language Learner; offender or ex-offender; homeless/runaway; foster care; pregnant or parenting; has a disability; and requires additional assistance) would benefit from this waiver. Additionally, out-of-school youth who have a secondary school diploma or equivalent and are basic skills deficient or English language learners, and out-of-school youth who require additional assistance, and are not low-income would benefit from this waiver.

6. Processes Used to:

1. **Monitor Waiver Implementation Progress**
2. **Provide Notice to Local Boards**
3. **Provide Local Boards Comment Opportunity**
4. **Ensure Meaningful Public Comment**
5. **Collecting and Report Waiver Outcome Information in Annual Report**

If approved, DWD's Bureau of Workforce Training in the Division of Employment and Training (DET) will take the responsibility of monitoring the waiver's implementation through quarterly desk reviews and during annual monitoring. Annual waiver outcome information will be collected from each affected local Workforce Development Board (WDB) within 60 days of the conclusion of each program year.

In accordance with WIOA Section 102(c)(3) and the WIOA regulations at 20 CFR 676.135, the Wisconsin Department of Workforce Development is submitting this waiver request as part of its PY 2026 – PY 2028 WIOA Combined State Plan modification, which is subject to the requirements outlined in the WIOA regulations at 20 CFR 676.130(d) regarding public review and comment. As such, these waiver requests were posted on DWD's website for review and comment by required parties and system stakeholders, including all local Workforce Development Boards and their association, the Wisconsin Workforce Development Association, business, organized labor, and the general public, from March 3, 2026, through April 17, 2026.

WAIVER REQUEST #5: IN-SCHOOL-YOUTH ENROLLMENT RESTRICTION

1. Statutory or Regulatory Requirement(s) for which a Waiver is Requested

Wisconsin is seeking a waiver of 20 CFR 681.310(b), which limits local areas to serving no more than 5% of newly enrolled in-school youth (ISY) in a given program year under the "requires additional assistance to complete an educational program, or to secure and hold employment" eligibility criterion (see 20 CFR 681.220(d)(8)). Wisconsin is requesting to increase the cap on newly enrolled ISY using the additional assistance criterion to 20% to expand local flexibility where eligibility is determined solely under "requires additional assistance."

2. Actions Undertaken to Remove State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory impediments to implementing the requested waiver. Wisconsin regulations and policy statements follow current federal law and regulations.

Even so, Wisconsin has implemented several proactive, mitigating controls to ensure uniform and compliant use of the "requires additional assistance" criterion, including:

- Local plan requirements to specify whether the criterion will be used and, if so, to include ISY/OSY definitions in the Local Plan.
- State standards requiring local definitions to be reasonable, quantifiable, and evidence-based.
- State tracking, oversight, and fiscal accountability to enforce compliance with ISY restriction.
- Documentation tools to support case-file sufficiency.

3. Waiver Goals and Expected Programmatic Outcomes

This waiver will increase flexibility for local areas in serving ISY whose barriers to education and employment are clearly articulated, documented, and objectively supported under locally defined "requires additional assistance" standards. Wisconsin's intent is to capture youth who are otherwise eligible but delayed, deflected, or denied enrollment due to the 5% cap on newly enrolled ISY using the additional assistance criterion in any given program year. This waiver supports Wisconsin's goal of strengthening early, education-connected career pathways and engagement for barriered youth.

Wisconsin recognizes and supports the underlying policy purpose of 20 CFR 681.310(b): to ensure the "requires additional assistance" criterion is used sparingly and does not become a default pathway for ISY enrollment in place of more specific eligibility barriers. However, in Wisconsin's on-the-ground context and implementation, the restriction functions less as a system-wide safeguard and more as a binding local constraint that effectively caps the number of ISY who can be enrolled under this criterion in less-populated rural and suburban Workforce Development Areas (WDAs). This dynamic drives administrative burden and compliance-avoidance decisions that suppress enrollment of otherwise-eligible ISY whose barriers are appropriately captured under the "requires additional assistance" criterion—an outcome that conflicts with WIOA's emphasis on early, preventative service to barriered youth and disproportionately limits their access based on geography.

As a result of this waiver, Wisconsin expects an increase in the number of in-school-youth (ISY) enrolled. Additionally, approval of this waiver will alleviate the administrative burden associated with enforcing the current 5% cap on ISY participants using this criterion. This burden arises when local programs must delay enrolling otherwise eligible ISY participants to ensure the 5% threshold is met by first enrolling other participants. Increasing the cap to 20% would provide much-needed flexibility to Wisconsin's local Workforce Development Boards to operate the Youth program and serve a greater number of youth participants.

4. Alignment with U.S. Department of Labor (USDOL) Policy Priorities

This waiver aligns with the Administration's Strategic Pillar V: Flexibility and Innovation, and advances Pillar II: Skills and Career Pathways.

This waiver supports USDOL's priorities of expanding access to workforce services and strengthening education-connected career pathways for youth by reducing compliance-driven enrollment suppression in small-denominator local areas. The waiver preserves program integrity by requiring locally defined, evidence-based eligibility standards and consistent documentation for use of the "requires additional assistance" criterion.

5. Individuals Affected by the Waiver

This waiver will primarily benefit in-school youth whose eligibility is determined solely under locally defined "requires additional assistance" standards—particularly in WDAs with small or volatile annual enrollment cohorts where the current 5% cap is a functional constraint. The waiver is expected to increase access for ISY with documented barriers who are currently most likely to face the effects of compliance-driven enrollment decisions that arise from administrative burden.

6. Processes Used to:

1. **Monitor Waiver Implementation Progress**
2. **Provide Notice to Local Boards**
3. **Provide Local Boards Comment Opportunity**

4. **Ensure Meaningful Public Comment**
5. **Collecting and Report Waiver Outcome Information in Annual Report**

If approved, DWD's Bureau of Workforce Training in the Division of Employment and Training (DET) will continue to require local areas to maintain written definitions in the Local Plan and document eligibility determinations in the participant's case file using standardized documentation tools.

DWD-DET will monitor the waiver's implementation through quarterly desk reviews and during annual on-site monitoring, including review of local tracking mechanisms, case-file sufficiency, and adherence to the adjusted 20% cap on ISY enrollment under this waiver. Annual waiver outcome information will be collected from each affected local Workforce Development Board (WDB) within 60 days of the conclusion of each program year.

In accordance with WIOA Section 102(c)(3) and the WIOA regulations at 20 CFR 676.135, the Wisconsin Department of Workforce Development is submitting this waiver request as part of its PY 26 – PY 28 WIOA Combined State Plan, which is subject to the requirements outlined in the WIOA regulations at 20 CFR 676.130(d) regarding public review and comment. As such, these waiver requests were posted on DWD's website for review and comment by required parties and system stakeholders, including all local Workforce Development Boards and their association, the Wisconsin Workforce Development Association, business, organized labor, and the general public, from March 3, 2026, through April 17, 2026.

WAIVER REQUEST #6:COMPREHENSIVE AMERICAN JOB CENTER (AJC) IN EACH LOCAL WORKFORCE DEVELOPMENT AREA REQUIREMENT

1. Statutory or Regulatory Requirement(s) for which a Waiver is Requested

Wisconsin is seeking a waiver of WIOA Section 121(e)(1) and 20 CFR 678.300(c). This waiver would permit local Workforce Development Boards (WDBs), in coordination with chief elected officials and required partners, to provide required one-stop services through flexible, locally responsive access models, while ensuring full and equitable availability of all required partner services.

Alternative access models may include affiliate and specialized centers, itinerant staffing, virtual and hybrid services, mobile outreach, and community-based access points.

These models will supplement, rather than replace, Wisconsin's integrated one-stop delivery system and will be implemented based on documented local needs, geography, and service utilization patterns.

Findings from the June 2025 DWD/IRP Feasibility Study indicate declining in-person traffic, uneven implementation, and structural fragmentation across regions. This waiver enables Wisconsin to modernize infrastructure in response to these documented conditions.

2. Actions Undertaken to Remove State or Local Statutory or Regulatory Barriers

Wisconsin has implemented coordinated strategies to reduce geographic, transportation, and digital access barriers, including:

- Expansion of virtual and hybrid case management.
- Itinerant and rotating partner staffing.
- Deployment of Mobile Career Labs.
- Community-based access points, including library partnerships.
- Investment in broadband access and digital literacy.
- Strengthened cross-program referrals and data sharing.

These initiatives provide on-site technology and staff support where permanent facilities are impractical, complement comprehensive and affiliate centers, and expand system reach into underserved and rural communities, thereby reducing geographic, transportation, and digital access barriers.

3. Waiver Goals and Expected Programmatic Outcomes

This waiver aligns with Wisconsin's 2024–2027 Combined State Plan priorities to expand access to workforce services, strengthen employer and partner engagement, promote efficient use of public resources, and support economic resilience through innovation and technology.

The waiver supports improved access across urban, rural, and remote communities; enhanced alignment among workforce partners and community resources; increased workforce participation; and reinvestment of resources into direct services.

By permitting local areas to incorporate community partnerships, mobile services, and virtual delivery alongside traditional job centers, Wisconsin promotes system modernization while maintaining programmatic accountability and performance standards. The waiver does not require adoption of any specific alternative service model, but allows for locally responsive implementation under state oversight.

Implementation of this waiver is expected to increase job seeker engagement, improve customer satisfaction, expand geographic service coverage, strengthen partner coordination, and promote more efficient use of workforce system resources while sustaining or improving performance outcomes.

Wisconsin projects the following measurable results:

- A 15% increase in virtual and community-based service utilization
- A 10% increase in participation in rural and underserved areas
- A 10 to 20% reduction in facility-related costs
- Increased reinvestment of savings into direct participant services
- Sustained or improved WIOA primary performance indicators

Outcome targets will be refined annually based on baseline data and system performance.

The Feasibility Study noted that current performance measures do not always reflect local realities, particularly in rural and high-barrier communities. Evaluation under this waiver will include qualitative and access-focused indicators to supplement federal metrics. Annual reviews will assess effectiveness and guide continuous improvements.

4. Alignment with U.S. Department of Labor (USDOL) Policy Priorities

As described in USDOL Training and Employment Guidance Letter (TEGL) 05-25, this waiver would support innovation in alignment with the five strategic pillars for workforce investment. Specifically, this waiver aligns with the Administration's Strategic Pillar V: Flexibility and Innovation by allowing state and local communities more control to tailor solutions to their regional economies without being constrained by program rules or processes.

5. Individuals Affected by the Waiver

This waiver will benefit job seekers, particularly those in rural and geographically isolated communities, individuals with multiple barriers to employment, and populations that face challenges accessing centralized service locations.

Benefitting populations include youth, veterans, older workers, displaced workers, individuals with disabilities, individuals with limited English proficiency, individuals with limited digital skills, and individuals affected by housing instability, justice system involvement, or mental health conditions.

Employers will benefit from more accessible and streamlined recruitment, training, and workforce support services, while local Workforce Development Boards and one-stop partners will benefit from increased operational flexibility and improved system integration.

Consistent with findings from the Feasibility Study, which documented overlapping structural barriers and access challenges, Wisconsin will place special emphasis on ensuring adequate access for individuals with disabilities, limited English proficiency, and transportation limitations.

Existing investments in mobile, virtual, and community-based service delivery demonstrate Wisconsin's commitment to ensuring statewide access and will support expanded reach to underserved populations under this waiver.

6. Processes Used to:

6. **Monitor Waiver Implementation Progress**
7. **Provide Notice to Local Boards**
8. **Provide Local Boards Comment Opportunity**
9. **Ensure Meaningful Public Comment**
10. **Collecting and Report Waiver Outcome Information in Annual Report**

If approved, the Wisconsin Department of Workforce Development (DWD) will evaluate the impact of this waiver using WIOA primary indicators of performance, customer satisfaction and feedback, service utilization and co-enrollment data, geographic and demographic access measures, and partner participation indicators.

Consistent with findings from the Feasibility Study, which noted that traditional performance measures may not fully reflect local conditions in rural and high-barrier communities, evaluation will incorporate qualitative and access-focused measures to supplement federal metrics.

DWD will monitor implementation through review of Individualized Service Delivery Plans, One-Stop Delivery System Certification, Memoranda of Understanding, Infrastructure Funding Agreements, and regular program and fiscal monitoring activities.

Annual reports will assess service access, partner participation, performance outcomes, and fiscal compliance, and will guide continuous improvement, technical assistance, and policy adjustments.

Wisconsin affirms that all required partner services will remain fully accessible under approved alternative delivery models. Partner contributions will continue to be documented through MOUs and IFAs, and all cost-sharing arrangements will comply with federal requirements.

Consistent with the Feasibility Study's findings regarding the complexity of WIOA funding streams, Wisconsin will maintain strong fiscal oversight and accountability. Implementation of this waiver will not weaken financial controls or compromise service quality.

The Wisconsin Department of Workforce Development (DWD) engaged state and local Workforce Development Boards, one-stop operators, required partners, community-based organizations, employers, and customers in the development of this waiver request.

Consistent with the June 2025 Feasibility Study, which reflected extensive engagement across all 11 Workforce Development Areas, stakeholder input regarding geographic access barriers, declining funding, and administrative burden informed both the design of this waiver and its implementation framework. Additional feedback was gathered through advisory committees and ongoing partner consultations.

DWD will post the proposed waiver for public comment for a minimum of 30 days prior to submission. The draft waiver will be made available through the DWD website, local WDB communication channels, and stakeholder distribution lists.

Public Comment Period:
Draft Posted: March 3, 2026
Comment Period Close: April 17, 2026

All public comments will be reviewed and considered prior to final submission to the U.S. Department of Labor.