



June 30, 2022

The Honorable David Y. Ige  
Governor of Hawaii  
Executive Chambers  
State Capitol  
Honolulu, HI 96813

Dear Governor Ige:

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 June 1, 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 Hawaii will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Hawaii 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).

Requested Waiver: Waiver of the requirements outlined in WIOA Section 107(b), to allow a state workforce development board to carry out the roles and responsibilities of a local board.

ETA Response: ETA approves the State's request for a waiver to allow the state board to carry out the role of the Kauai local workforce development board. ETA reviewed Hawaii's waiver request and plan and has determined that the requirements requested to be waived impede the ability of Hawaii to implement its plan to improve the workforce development system. Since Kauai's local elected officials prefer that the State assume responsibility for its local WIOA funds and other statutory responsibilities, ETA agrees that the state board is in a better position to ensure effective service delivery in the Kauai local workforce area. Under this waiver, the Governor may designate the state board to carry out the roles and responsibilities of the Kauai local board 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,

A handwritten signature in black ink, appearing to read "Brent Parton", with a stylized flourish extending to the right.

Brent Parton  
Acting Assistant Secretary

Enclosure

cc: Maricar Pilotin-Freitas, Administrator, Workforce Development Division, Hawaii  
Department of Labor & Industrial Relations  
Nicholas Lalpui, San Francisco Regional Administrator, ETA  
Marian Esver, Federal Project Officer, ETA

## Hawaii Waiver request excerpted from PY 2022 WIOA State Plan

As of September 2021, the State has resumed responsibility of Title I services to the local area of Kauai. The DLIR WDD has the capacity to operate Title I services as the current statewide operator for Title III/Wagner-Peyser Act employment services, Jobs for Veterans State Grant (JVSG), Senior Community Services Employment Program (SCSEP) and Trade Adjustment Assistance (TAA). The State will submit a waiver request to the U.S. DOL ETA outlining a plan and justification for the request.

### Attachment 1: WIOA Waiver Request Form

1. The statutory and/or regulatory requirements the state would like to waive;

The State of Hawaii Department of Labor and Industrial Relations (DLIR) Workforce Development Division (WDD) and Workforce Development Council (WDC) formally requests a waiver to 20 CFR §679.310 allowing the State to serve in place of the Kauai County Local Area Workforce Development Board as described in 20 CFR §679.240 subsection C. This structure is reflected in the modification to the State of Hawaii WIOA Unified State Plan for 2020-2023.

2. Actions the state has undertaken to remove state or local barriers;

The DLIR has taken all necessary steps to provide the local area of Kauai technical support and assistance to effectively carry out the functions of a local workforce development board. Unfortunately, the County of Kauai has informed the DLIR that it no longer wishes to operate as a local area workforce development board in delivering Title I services including Adult, Dislocated Worker and Youth. The Kauai local WDB is therefore requesting the State to assume this role in delivery of direct client services.

To ensure continuation of Title I services to the residents of the County of Kauai, the DLIR will leverage state-merit Wagner-Peyser staff to deliver all services and activities under WIOA Title I. Additionally, no State or local area regulatory policy limits the Governor's authority to require a regional plan or utilize the State Workforce Board in place of a local workforce board.

### 3. A description of the state's strategic goal(s);

The State of Hawaii's workforce development system strategic goals are as follows:

- To provide coordinated aligned services.
- To prioritize services to vulnerable populations with barriers to employment as described under WIOA, including veterans, unemployed workers, youth with disabilities, homeless individuals and Native Hawaiians, which are currently of critical concern to our state.
- To develop sector strategies and a career pathways system that will integrate education and training, and move skilled job seekers into growth industries.
- To augment a higher employment rate.
- To fully engage employers in the workforce development system to address the talent shortages.

The primary goal to be achieved through approval of this waiver is to ensure continuation and expand upon services for Kauai County and maximize available monies to be directed toward service delivery, particularly training and work-based learning opportunities. Overall, the DLIR expects to provide services to a greater number of participants across all Title I activities.

### 4. A discussion of how the waiver complements Department of Labor priorities (i.e. expansion of apprenticeship, improved employer engagement, etc.);

Provided this waiver, the DLIR will ensure continued employment and training services to Kauai County. In addition, the DLIR will provide comprehensive services to the community leveraging all existing workforce development resources among the WIOA core partners. This shall include expanded opportunities for employer engagement through the Hawaii Sector Partnerships initiative, outreach and recruitment for pre and registered apprenticeship programs, resume and other job-seeker workshops, and expanded availability of training through the eligible training provider list (ETPL).

Additionally, the Workforce Development Council continues to serve as the State board with membership from business representatives and partners

from government, education, labor, and community-based organizations. The WDC, through its eight committees, help to support employer engagement, work-based learning opportunities and facilitates collaboration between employers/businesses and training services.

5. Quantifiable projected programmatic outcomes resulting from implementation of the waiver;

The DLIR is committed to meeting or exceeding all negotiated WIOA performance indicators for Program Years 2022 and 2023. This represents a collective performance measurement of all WIOA activity including that of the Kauai local area.

The DLIR is working to increase staffing at the Kauai American Job Center Hawaii to support Title I activity. In the interim, State staff from other local areas including Oahu, will contribute to providing direct support and client services utilizing virtual capabilities via Microsoft Teams and Zoom.

Provided this waiver, the State anticipates a 50% increase over PY20 and PY21 participant enrollment totals across all Title I programs, Adult, Dislocated Worker and Youth for PY22.

6. Individuals, groups, or populations benefitting, or otherwise impacted by the waiver from the waiver;

County of Kauai residents and all individuals and employers involved with the local workforce development system will benefit from this waiver through uninterrupted Title I services provided by DLIR staff at the American Job Center Kauai.

Without this designation, Title I services including those servicing in-school and out-of-school youth and training opportunities provide through ETPL will not be available for eligible individuals seeking training.

7. How the state plans to monitor waiver implementation, including collection of measurable waiver outcome information;

Since initial implementation, operation of Title I activities by the State has reduced overhead and maximized the available monies directed toward employer engagement and program services, including training and work-based learning opportunities. In alignment with our WIOA goals, the State has emphasized spending of program funds toward those individuals most in need and who can benefit from intensive case management and training while also supporting businesses and employers.

This has also allowed for strengthened administrative oversight and accountability processes. Prior to this, administrative deficiencies resulted in less than desirable performance indicators and low participant enrollment. A strengthened administrative structure under this waiver will continue to minimize disallowed costs, redirect administration funding to direct clients services, increasing performance and enrollment across all programs.

The State will continue to conduct annual monitoring of both fiscal and programmatic activities across all Title I services. For the Kauai County Title I operations, the DLIR will contract with an external agency to conduct monitoring in accordance with U.S. DOL regulations and the ETA's Core Monitoring Guide.

This monitoring procedure will be similar to what is currently conducted for Title III – Wagner Peyser Act program services that are currently administered through the DLIR WDD.