

# U.S. Department of Labor

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



November 24, 2021

The Honorable Michael L. Parson  
Governor of Missouri  
Capitol Building Room 218  
Post Office Box 720  
Jefferson City, MO 65102

Dear Governor Parson:

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 September 15, 2021. This letter provides the Employment and Training Administration's (ETA) official response to your request and memorializes that Missouri will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Missouri 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 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).

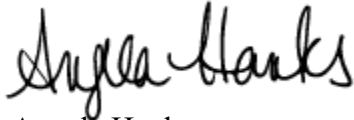
ETA Response: ETA approves for Program Year (PY) 2021, which includes the entire time period for which states are authorized to spend those funds, the State's request to waive the requirement that the State expend 75 percent of Governor's reserve youth funds on OSY. The State may lower the expenditure requirement of Governor's reserve 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 Missouri to implement its plan to improve the workforce development system.

In addition, ETA approves for PY 2021, which includes the entire time period for which states are authorized to spend PY 2021 funds, the State's request to waive the requirement that local areas expend 75 percent of local youth formula funds on OSY. Missouri may lower the local youth funds expenditure requirement to 50 percent for OSY. As a result of this waiver, ETA expects that the number of in-school youth served will increase, and performance accountability outcomes for overall WIOA Youth (including both in-school and out-of-school youth) will remain steady or increase for the majority of the WIOA Youth performance indicators.

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 black ink that reads "Angela Hanks". The signature is written in a cursive, flowing style.

Angela Hanks  
Acting Assistant Secretary

Enclosure

cc: Mardy L. Leathers, Director, Office of Workforce Development, Missouri Department of  
Higher Education & Workforce Development  
Rose Zibert, Chicago Acting Regional Administrator, Employment and  
Training Administration  
Lori Crockett Harris, Federal Project Officer, Employment and Training Administration



Mardy Leathers, DMgt, Director

Office of Workforce Development

September 15, 2021

Rose Zibert  
Acting Regional Administrator  
U.S. Department of Labor  
Employment and Training Administration  
Region V  
230 S. Dearborn Street, Suite 638  
Chicago, Illinois 60604

Dear Ms. Zibert:

The State of Missouri, through the Missouri Department of Higher Education & Workforce Development (DHEWD) seeks approval of the attached statutory waiver in accordance with the Workforce Innovation and Opportunity Act (WIOA) at Section 189(i)(3) and the WIOA Regulations at 20 Code of Federal Regulation 20 CFR 679.600 thru 679.640. This waiver request will assist Missouri to further develop its workforce system while continuing to focus on creating a demand-driven system.

Your review and consideration of the waiver request is appreciated. Please contact me with any questions at 573/751-3349.

Sincerely



Mardy Leathers, DMgt  
Director

ML/YW

Attachment

301 West High Street, Suite 870 | P.O. Box 1087 | Jefferson City, MO 65102-1087  
(573) 751-3999 | Fax (573) 751-8162

*The Missouri Department of Higher Education and Workforce Development is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Missouri Relay Services at 711.*

## Notification for Local Workforce Development Boards and Public Comment

In accordance with the Workforce Innovation and Opportunity Act (WIOA), Public Law 113-128 and its implementing regulations at 20 Code of Federal Regulations (CFR) 676.135, the State of Missouri is submitting a modification to its Unified State Workforce Development Plan, which is subject to the requirements outlined in 20 CFR 676.130(d) for public review and comment. Missouri's request for a waiver of implementing procedures is currently posted on its workforce development website: <http://jobs.mo.gov> for comments from the impacted parties and the general public from August 23, 2021 through September 9, 2021 with no comments received.

A copy of this waiver request was provided to all local workforce development boards and their professional development association, the Training and Employment Administrators of Missouri (TEAM).

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### Waiver Request

**1. The statutory and/or regulatory requirements the State would like to waive:**

WIOA Section 129(a)(4)(A) and 20 CFR 681.410; Missouri is requesting to waive the requirement that states and local areas expend 75 percent of all Governor's reserve and local formula youth funds on out-of-school youth based on school status. Missouri is requesting that this percentage be lowered to 50 percent for both local and statewide funded activities for PY'21 and PY'22 funds.

**2. Actions the State has undertaken to remove State or local barriers:**

There are currently no state or local statutory or regulatory barriers to implementing the requested waiver. The state of Missouri regulations, policy guidance and issuances are in compliance with federal law.

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

The State of Missouri is a lead state in the nation for its apprenticeship programs. Missouri supports the registered apprenticeship program and continues to expand the program with statewide funds and other grants. The Department of Higher Education and Workforce Development has pledged to support opportunities for students and workers in high growth industries in the state including the healthcare, information technology, and advanced manufacturing sectors.

The Office of Workforce Development (OWD) and the Missouri Department of Elementary and Secondary Education (DESE) are developing apprenticeship opportunities for youth and young adults aged sixteen and older. Both pre-apprenticeships and registered apprenticeships allow high school junior and seniors to simultaneously further education options and earn wages. Youth apprentices face a lower risk of dropping out of high school,

and are engaged in a transition to post-secondary education. The Missouri Research and Information Center (MERIC) has found that job openings that require education and skill level beyond high school are in high growth occupational fields and pay higher salaries.

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

This waiver request will continue to assist Missouri in establishing a talent pipeline that will address the labor market needs of local Missouri businesses and attract new business to the state supported by a skilled workforce.

One of the ways to do this is to increase the number of youth that are enrolled in WIOA services including work based learning, pre-apprenticeship, and registered apprenticeship, With the approval of this waiver, the State of Missouri and Local Workforce Development Boards will have the flexibility to utilize federal funding to increase the number of youth and young adults enrolled in WIOA services such as pre-apprenticeship and apprenticeship activities. Local Boards and youth staff will also have the ability to provide the comprehensive services needed and personal contact required to ensure student success. The United States Department of Labor and the state of Missouri have identified the apprenticeship model as a priority and a key mechanism to train a skilled workforce.

**GOALS**

- PY'19-PY'20 funding goal: Establish pre-apprenticeship with Missouri High Schools and Career and Technical Education (CTE) programs: Average 2 pre-apprenticeship programs per school year.

Outcome: We currently are working with the CTE's to establish pre-apprenticeships through the Missouri Apprentice Ready program which is funded with WIOA Statewide funds. The programs are being developed and enrollments are planned to start in the fall. Industries will include: welding, equipment operator (Associated General Contractors), etc.

Increase in measurable skills gains for the In-School (IS) students: Year 1-1%; Year 2-3%; Year 3 & Year 4-5%;

Measurable Skills Gains					
	PY19 Achieved*	PY '20 GOAL	PY '21 GOAL	PY '22 GOAL	PY '23 GOAL
Youth	36.42	38.5%	39.50%	41.5%	41.5%

\*Anticipated attainment numbers

Outcome: The goals that were initially set for this waiver included all youth participants. In PY'19 the actual achieved MSG was 46.85% for all youth; and 51.03% for IS only youth. The rate anticipated achievement for PY'20 is 58.33% for all youth; and 62.59 for IS only youth.

To align the goals with the population being served with this waiver below is the updated goals for Measurable Skills – in-School Only.

Measurable Skills Gains					
	PY19 Achieved	PY '20 Achieved*	PY '21 GOAL	PY '22 GOAL	PY '23 GOAL
IS Youth	51.03%	62.59%*	65.30%	70.50%	70.50%

\*Anticipated attainment numbers

Increase obtainment of industry recognized credentials for high school youth: year 1-1%; year 2-3%; year 3 & year 4-5%

Credential Attainment					
	PY19 Achieved*	PY '20 GOAL	PY '21 GOAL	PY '22 GOAL	PY '23 GOAL
Youth	51.83%	63.0%	66.0%	68.0%	68.0%

\*Anticipated attainment numbers

Outcome: The goals that were initially set for this waiver included all youth participants. In PY'19 the actual achieved Credential Rate was 51.89% for all youth; and 58.70% for IS only youth. The rate anticipated achievement for PY'20 is 58.22% for all youth; and 65.61 for IS only youth.

To align the goals with the population being served with this waiver below is the updated goals for Credential Attainment – In-School Only.

Credential Attainment					
	PY19 Achieved	PY '20 Achieved*	PY '21 GOAL	PY '22 GOAL	PY '23 GOAL
IS Youth	58.70%	65.61%	68.61%	70.61%	70.61%

\*Anticipated attainment numbers

Please note that the above are goals and not negotiated rates.

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

This waiver request will provide Local Workforce Development Boards (LWDBs) the flexibility to serve more youth and young adults in work-based learning and the

apprenticeship model regardless of school status. It will facilitate the provision of the necessary funding and the ease of current regulations essential to designing programs that will aid youth and youth adults in the preparation for long-term participation in the Missouri labor force. Economic growth in Missouri and its high-growth industries will be sustained with the infusion of skilled workers ready to fill current job openings and adequately trained for future openings.

Missouri students and eligible youth population, Missouri's employers and high-growth industries will benefit from this waiver.

**6. How the State plans to monitor waiver implementation, including collection of waiver outcome information:**

The Office of Workforce Development will monitor the implementation and outcomes of this waiver through a combination of reporting through the statewide case management system and through quarterly programmatic & financial monitoring.

In addition, once approved, OWD will issue guidance on the waiver which will include a mandatory reporting process for the regions that utilize this waiver.

**7. Assurance of state posting of the request for public comment (including the dates that the state made the draft request available for public comment) and notification to affected local workforce development boards.**

Missouri's request for a waiver of implementing procedures is currently posted on its workforce development website: <http://jobs.mo.gov> for comments from the impacted parties and the general public from August 23, 2021 through September 9, 2021 with no comments received.