

# U.S. Department of Labor

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



October 24, 2022

The Honorable Roy Cooper  
Governor of North Carolina  
20301 Mail Service Center  
Raleigh, NC 27699

Dear Governor Cooper:

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 August 18, 2022. This letter provides the Employment and Training Administration's (ETA) official response to your request and memorializes that North Carolina will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by North Carolina 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) 2022 and PY 2023, 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. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of North Carolina to implement its plan to improve the workforce development system. North Carolina may lower the Governor's reserve youth funds expenditure requirement to 50 percent for OSY.

In addition, ETA approves for PY 2022 and PY 2023, which includes the entire time period for which states are authorized to spend those funds, the State's request to waive the requirement that local areas expend 75 percent of local youth formula funds on OSY. North Carolina 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 (ISY) served will increase, and performance accountability outcomes for overall WIOA Youth (including both ISY and OSY) 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, appearing to read 'B. Parton', with a horizontal line extending to the right.

Brent Parton  
Acting Assistant Secretary

Enclosure

cc: Chet Mottershead, Assistant Secretary, North Carolina Department of Commerce,  
Division of Workforce Solutions  
Renata Adjibodou, Acting Atlanta Regional Administrator, ETA  
Latanya Lowery, Federal Project Officer, ETA