



June 7, 2022

The Honorable Mike Dunleavy
Governor of Alaska
State Capitol
P.O. Box 110001
Juneau, AK 99811

Dear Governor Dunleavy:

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 March 14, 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 Alaska will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Alaska 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 roles of the local workforce development boards in the State. ETA reviewed Alaska'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. Given the support for this waiver request by the local elected officials in the local area and the challenges the State and local areas have in mounting a fully compliant local-led board at this time, the Department agrees that the state board is in a better position to ensure effective service delivery in the local workforce areas in the State. Under this waiver, the Governor may designate the state board to carry out the roles and responsibilities of the local boards 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 large, stylized initial 'B'.

Brent Parton
Acting Assistant Secretary

Enclosure

cc: Dr. Tamika L. Ledbetter, Commissioner, Alaska Department of Labor and Workforce
Development
Nicholas Lalpui, Regional Administrator, ETA
Violet Jackson, Federal Project Officer, ETA

PY 2022 Alaska waiver request, excerpt from State Plan submission March 15, 2022 (Revised May 24, 2022)

The current waiver to allow the State Board to also carry out the functions of a Local Board expires June 30, 2022. Alaska is requesting a renewal of this waiver. The information below provides the plan and justification for this waiver request.

(1) Statutory or regulatory requirements and goals

Goals of this combined state plan and the waiver request are to continue improving the efficiency and performance of Alaska's workforce system. Allowing the Alaska Workforce Investment Board (AWIB) to also carry out the roles of a local board for the state will continue to streamline the governance structure at the state level by having one board overseeing the workforce investments across the state. In its current structure, the AWIB is housed under the Alaska Commissioner of Labor and works closely with all DOLWD programs to ensure inclusivity and diversity as it relates to the local areas.

The State of Alaska requests the continuance of its waiver, per application of WIOA Section 107(b), which allows the State Board to carry out the roles of the Local Board(s). Alaska has divided the state into two local areas, Anchorage/Mat-Su and Balance of State. This allows for more efficiency in planning and allocating resources. Anchorage/Mat-Su has the largest concentration of population and infrastructure in the state, while the Balance of State is more sparsely populated, with many small population areas and lack of infrastructure. Further, Alaska has a unique workforce. To ensure that the needs of both local areas are met, the AWIB continues to solicit feedback from local officials and employers in myriad ways, such as:

- Individual board member outreach to their local officials and employers.
- Opportunities for input at each meeting. The AWIB meets three times per year, usually at various locations across the state. The meetings focus on statewide strategies and linkage to the states regional economic and workforce development needs.
- Resident locations of the board members are varied throughout the state,
- Executive Director of the AWIB and staff travel statewide to attend local economic development gatherings and summits and meet with stakeholders and employers. Information, concerns, and successes are

relayed back to AWIB board members in monthly committee meetings and at the full board meetings.

- AWIB has established a sub-committee to reflect the geographic diversity of the state.
- There are two non-voting seats on the Board for mayors from each local area.

There is still strong support for a waiver, as it is widely recognized that it makes sense for Alaska to continue with the State Board carrying out the role of the local boards. Disruption of this waiver would be counter-productive to workforce development in Alaska, as multiple local boards would consume funds that are better used for workforce development and would be difficult to staff and maintain.

The support for the waiver is bolstered by the equitable distribution of funding. Funding is distributed fairly, as outlined in Policy 07-518.1, which describes the allocation of WIOA Title IB funds between the two areas. From the balance of WIOA Youth, Adult and Dislocated Worker allotments after the statewide distributions, the DETS Director or designee determines the amount or percent of funding to be distributed to the economic regions for each program. WIOA Youth allocations are distributed primarily through competitive grants. Adult and Dislocated Worker allocations will be distributed through the job centers for Individual Training Accounts (ITAs) and Supportive Services, and through competitive grants. The most recent labor market, employment, and unemployment data available from the Alaska Department of Labor and Workforce Development, Research and Analysis Section, are used for allocation formulas between the two local areas. These formulas are based on the relative distribution of unemployed individuals between the areas.

In 2016 AWIB was first authorized status as an alternate entity with the requirement to add local input to the board structure. At that time, two non-voting seats consisting of local officials were created. The waiver request for alternate entity was approved again in 2018, and in 2020. Link to official letters on the AWIB webpage <https://awib.alaska.gov/ppi.htm>:

- 2016
Letter: https://awib.alaska.gov/forms/AK_PY_2016_Waiver_Letter_June_2016.pdf
- 2018
Letter: https://awib.alaska.gov/forms/AK_PY_2018_Waiver_Letter_June_2018.pdf

- 2020

Letter: https://awib.alaska.gov/forms/AK_PY_2020_Waiver_Letter2_26_May_2020_signed.pdf

Currently, the AWIB is authorized by Alaska statute and comprised of members appointed by the governor. Several of the governor's cabinet members are seated on the AWIB, including the Lieutenant Governor, the Commissioners of Labor and Workforce Development, Health & Social Services, Education & Early Development, and Commerce, Community & Economic Development. Board membership also includes a representative from the University of Alaska system and representatives from postsecondary vocational education, secondary vocational education, Alaska Adult Education, and public education. Four members of the board represent business and industry, and four represent organized labor. Additional board members include one who has professional experience with individuals with developmental disabilities, a member who is a veteran, a member from an organization representing the employment and training needs of Alaska Natives, and additional members from the private sector. In addition, two chief local elected officials have been appointed to the board to ensure local input for our Alternate Entity State Board. The current AWIB roster is available on the AWIB website https://awib.alaska.gov/AWIB_roster.pdf.

(2) Actions to remove State or local statutory or regulatory barriers

The governor has designated Alaska as a statewide area and workforce region for WIOA purposes. There are no state or local barriers to implementation of this waiver.

(3) Goals and expected programmatic outcomes

The waiver will continue to streamline Alaska's governance structure and make it responsive to the uniqueness of the state's economy and geography, especially given current fiscal challenges.

The waiver will also streamline the process for awarding grants by eliminating multiple layers of administrative entities and processes. The AWIB, functioning as both the local and the state board, and housed under the Commissioner of Labor, will work closely with DOLWD in determining grant criteria, reviewing grant applications, and evaluating subrecipients.

The waiver will allow DOLWD to continue implementing consistent standards across the state, instead of having multiple boards with a variety of eligibility and performance standards in different parts of the state.

The waiver will result in improved accountability of workforce investment programs, as one board will oversee all workforce programs for consistency in the evaluation and oversight process. DOLWD will be able to continue to report as a single area.

(4) How the waiver will align with department priorities

- (A) supporting employer engagement;
- (B) connecting education and training strategies;
- (C) supporting work-based learning;
- (D) improving job and career results; and
- (E) other guidance issued by the Department.

Most AWIB members are representatives of business and the private sector. Board members come from a variety of industries throughout the state and are committed to bringing the voice of employers to the table and contacting others to engage them in the workforce system. In response to feedback from ETA, two chief local elected officials have been appointed to the board. The AWIB will continue to focus not only on employer engagement but on connecting education and training strategies through building career pathways, supporting work-based learning; and improving career results for all job seekers and employers alike.

(5) Individuals affected and impact on services

All WIOA-eligible participants, including disadvantaged populations and those with multiple barriers to employment, as well as employers, are positively impacted by this waiver. Participants and employers need not look to a different local area in the hopes of finding more resources, because the state functions and reports as a single statewide designation.

(6) Processes to

- (A) Monitor the progress in implementing the waiver;

(B) Provide notice to any local board affected by the waiver;

(C) Provide any local board affected by the waiver an opportunity to comment on the request;

(D) Ensure meaningful public comment, including comment by business and organized labor, on the waiver.

(E) Collect and report information about waiver outcomes in the State's WIOA Annual Report.

DOLWD solicited input on this waiver from local officials and employers across the state as a part of the plan development process. There were no local officials who requested designation as a local area, and DOLWD received no comments on the draft local area designation and waiver process.

The AWIB will continue to solicit feedback from local officials and employers by: 1) outreach by individual AWIB members to their local officials; and 2) opportunities for input at each meeting, which are held at various locations around the state. The AWIB will be focusing on statewide strategies and their linkage to the state's regional economic and workforce development needs.

The process by which a local area designation may be requested is described below and referenced in Section VI Program Specific requirements for Core Programs of the Alaska WIOA Combined Plan.

Policy and Procedure

The outline of the policy and procedure to request designation as a local area is:

Policies

The chief elected official and local governing board from any unit of general local government or combination of units may submit a request for designation as a workforce development area. The AWIB, in consultation with DOLWD staff, will review the request and recommend approval or denial to the governor.

Designation as a new local area will be based on the extent to which the proposed area demonstrates that it:

- Is consistent with local labor market areas; and
- Has a common economic development area; and
- Has the federal and non-federal resources, including appropriate education and training institutions, to administer activities under the Youth, Adult, and Dislocated Worker formula programs under WIOA Title I-B; and
- Has the fiscal, administrative, and reporting capacity and systems in place to report on participant outcomes as required by WIOA and the Alaska WIOA Combined Plan.

The governor may approve or deny the request for designation. In either case, DOLWD will notify the applicant in writing. If the request is denied, the written notification will include the reasons for the denial. If the request for local area designation is denied, the applicant may appeal. Appeals must be made to the AWIB and must address each issue cited in the denial notification. If a decision on the appeal is not made within 60 days or if the appeal to the AWIB does not result in designation of the local area, the applicant may request a review by the Secretary of Labor in accordance with 20 CFR Section 683.640 of the WIOA statute.

Procedures

A request for local area designation must be made on a form supplied by DOLWD. A completed and signed request must be submitted by 5:00 p.m. on May 1 of the year preceding the Program Year for which the request is being made.

Any local area wishing to appeal the decision by the governor must be made in accordance with the appeal procedures described in Policies Section above. Incomplete or unsigned requests will be returned; review of the application will be delayed.

The governor will monitor the progress of this waiver by reviewing information provided by DOLWD and the AWIB on costs, processes for awarding grants, eligibility standards, and performance on accountability measures. This information will also be used to report about the waiver outcomes in the state's annual WIOA reports.

(7) The Secretary may require that States provide the most recent data available about the outcomes of the existing waiver in cases where the State seeks renewal of a previously approved waiver.

The state understands that Secretary may require us to provide the most recent data available about the outcomes of the waiver.