



July 7, 2021

The Honorable Henry McMaster
Governor of South Carolina
1205 Pendleton Street
Columbia, SC 29201

Dear Governor McMaster:

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 April 16, 2021. This letter provides the Department's Employment and Training Administration's (ETA) official response to your request. 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 obligation of eligible training providers (ETP) to report performance data on all students in a training program at WIOA Sections 116(d)(4)(A) and 122 and 20 CFR 677.230(a)(4) and (5) and 20 CFR 680.

ETA Response: ETA does not approve this waiver. As communicated in the previous approval for this waiver, dated June 9, 2020, and Training and Employment Guidance Letter (TEGL) No. 08-19, *Workforce Innovation and Opportunity Act (WIOA) Title I Training Provider Eligibility and State List of Eligible Training Providers (ETPs) and Programs*,¹ ETA is discontinuing state use of this waiver effective June 30, 2021. ETA acknowledges that collecting and reporting data on all students creates additional reporting responsibilities for training providers; however, public workforce system customers deserve quality training that has proven success of positive outcomes. The information WIOA requires is one of the few mechanisms available to identify which training provider programs truly make a difference. The State must report all student performance information in the Program Year (PY) 2021 report, which is due to ETA on October 1, 2022.

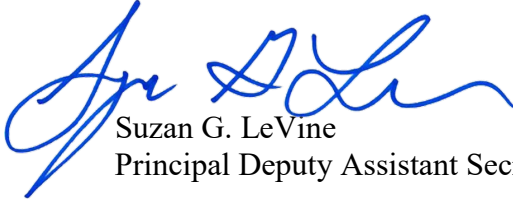
ETA staff will continue to work with South Carolina to provide technical assistance to help overcome any data collection and reporting challenges, with the end goal of ensuring that the State has systems in place to report on all required data elements. ETA guidance issued in TEGL No. 08-19, and TEGL No. 03-18, *Eligible Training Provider (ETP) Guidance under the*

¹ Employment and Training Administration. TEGL No. 08-19: Workforce Innovation and Opportunity Act (WIOA) Title I Training Provider Eligibility and State List of Eligible Training Providers (ETPs) and Programs. https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5389. Published January 2, 2020.

Workforce Innovation and Opportunity Act,² provides implementation suggestions for building a quality ETP list and recommendations for reporting.

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,



Suzan G. LeVine
Principal Deputy Assistant Secretary

Enclosure

cc: Daniel Ellzey, Director, South Carolina Department of Employment and Workforce
Lenita Jacobs-Simmons, Atlanta Regional Administrator, ETA
Jeremy Dondlinger, Federal Project Officer, ETA

² Employment and Training Administration. TEGL No. 03-18, *Eligible Training Provider (ETP) Guidance under the Workforce Innovation and Opportunity Act*. https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=3527.
Published August 31, 2018.

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Henry McMaster
Governor

G. Daniel Ellzey
Executive Director

April 16, 2021

Lenita Jacobs-Simmons, Regional Administrator
U.S. Department of Labor
Employment and Training Administration - Atlanta
61 Forsyth Street, S.W. - Room 6M12
Atlanta, Georgia 30303

Dear Ms. Jacobs-Simmons:

Enclosed is South Carolina's waiver request from the requirements outlined in the Workforce Innovation and Opportunity Act (WIOA) at Sections 116 and 122, and at 20 CFR 677.230 and 20 CFR 680.400 thru 680.530, which require the collection and reporting of performance related data on all students participating in training programs listed on the state's Eligible Training Provider List (ETPL) for Program Years 2021 and 2022.

South Carolina solicited public input in accordance with WIOA Section 189(i)(3)(B), 20 CFR 679.620 and Training and Employment Guidance Letter No. 8-18, for the period of April 6, 2021, through April 14, 2021. A copy of this waiver request was provided to all local workforce development boards and their association for review, and was made available for public review. In all, South Carolina received six comments. Comments were compiled and provided in Attachment I.

There is universal agreement in both the need for the requested waiver and South Carolina's continued public display of provider program performance data on WIOA exiters. While we have communicated the requirement for the collection and reporting of data on all students participating in training programs listed on South Carolina's ETPL to providers, we are extremely concerned that the requirement will reduce consumer choice, reduce the ability to upskill the returning workforce and impact WIOA's ability to move forward in partnership with apprenticeships. Additionally, we anticipate that the Individual Training Account (ITA) exceptions noted in 20 CFR 680.320 will become the standard and extirpate the progress that South Carolina has made towards the public display of program performance data and provider accountability.

Your review and immediate consideration of this waiver request is appreciated. Please contact me with any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'MP', with a small dot above the 'P'.

Michelle Paczynski
Assistant Executive Director
Workforce Development

Enclosure(s)

Waiver from the Eligible Training Provider Data Collection and Reporting Requirements

South Carolina is seeking a waiver, for Program Years (PYs) 2021 and 2022, from the requirements outlined in the Workforce Innovation and Opportunity Act (WIOA) at Sections 116 and 122, and at 20 CFR 677.230 and 20 CFR 680.400 thru 680.530, which require the collection and reporting of performance related data on all students participating in training programs listed on the state's Eligible Training Provider List (ETPL).

Actions Taken to Comply with Data Collection and Reporting Requirements

In November 2020, South Carolina launched a public-facing ETPL Program Performance report of WIOA participant outcomes for PY'18 and PY'19. The report provides detailed information on training completion rates, employment outcomes, median wages, and credential attainment for approved training providers and programs of training. We partnered with the State Commission on Higher Education and the State Technical College System in preparing to release the report to insure there was mutual agreement in data reporting. The report is now updated on a quarterly basis and is utilized by job seekers to make informed decisions as well as by Local Workforce Development Areas (LWDAs) to determine which programs of training to invest program funds for training needs.

Members of the General Assembly have also expressed a desire for a longitudinal data system for state agencies to submit and utilize participant data to aide in structuring workforce development training, processes, and evidence-based policies. Legislation on data governance for education and workforce development partners has been developed and introduced to the General Assembly but has not yet passed. In the absence of state legislation mandating that all workforce and education partners submit participant data, WIOA is the only mandate requiring training providers to submit all student data for the purpose of the ETPL.

South Carolina's ETPL, Palmetto Academic and Training hub (PATH), provides an enhanced customer experience by listing the 80 approved providers and 1,091 approved programs. Students and job seekers can view the options for training in fields of their interest, and workforce development areas can determine the training provider and courses most applicable based upon availability and WIOA participant outcomes.

South Carolina has a waiver for the ETP all student data collection and reporting requirement which is scheduled to expire June 30, 2021. Current approved providers have been informed of the U.S. Department of Labor (USDOL) decision to cease issuing waivers to states for the ETP all student data mandate.

South Carolina's 16 technical colleges are important partners in local workforce development strategies and often the primary training providers in rural areas. Statewide, 69% of the WIOA approved trainings are administered by the technical colleges. Citing concerns in sharing non-WIOA student data coupled with the burden of data gathering and reporting, the colleges have indicated that they will either withdraw or significantly reduce the number of programs they will offer to WIOA participants.

We are anticipating a surge in training needs as workers displaced by the pandemic attempt to reenter the workforce. The removal of training provided by the technical colleges will place burden on local workforce areas to provide quality and cost-effective training and significantly limit customer choice. Below is a statement from the Waccamaw LWDA, which includes Horry County, one of the counties in South Carolina most impacted by COVID-19:

“Our partnerships with our eligible training providers are key in being able to offer participants with good, quality educational programs that will enhance their work ready skills and get them into jobs that will provide a sustainable wage to support themselves and their family. We are fortunate in the Waccamaw Workforce Area to have Horry Georgetown Technical College as one of our biggest partners since they have a large variety of courses open that directly impact WIOA participants' career paths. In speaking with HGTC ... they made it clear that they will not be participating on our ETP list for PY 21 because of the WIOA requirement stating they must provide performance data for ALL students, not just WIOA. This is extremely concerning to us. Nearly 75% of our WIOA participants who attended training did so at Horry Georgetown Technical College.” The local area further stated, “This upcoming program year will be a challenge as we have many COVID affected individuals in our area who are desperate to improve their situations through training for career pathways leading to self-sufficiency and stability in their lives. PY 21 should be the year for our local area to recover from the effects of the COVID-19 pandemic, but losing 70% of our most effective training programs would be a major set-back for the Waccamaw area.”

Similar concerns have been echoed from LWDA's across South Carolina.

Projected Programmatic Outcomes Resulting from Implementation of the Waiver

- Ensure that local areas have sufficient numbers of, and diversity of, training providers necessary to create an effective marketplace of training programs for WIOA participants utilizing Individual Training Accounts
- Training related to the high-growth, high-demand industries through PATH
- More training providers may lead to lower cost and more robust demand-driven training options
- Greater training options for displaced workers seeking to enter new career paths
- Additional time for the General Assembly to consider and finalize legislation on data sharing by workforce and educational entities

Individuals, Groups, or Populations Affected by the Waiver

- Displaced workers from the pandemic seeking training to transition in to new career paths
- Emerging workers who face barriers and need training to enter a career path
- TAA participants who under the Final Rule would be approved for only training listed on the ETPL

Monitoring and Implementation

Annual WIOA on-site reviews will include an evaluation of how waivers are impacting local programs to ensure programmatic goals and outcomes are being met.

State staff involved with the administration of the ETPL and performance reporting will periodically examine the appropriateness and the effectiveness of this waiver. This strategy ensures that the goals described above are consistent with established objectives of the WIOA and federal and state regulations.

Notice to Local Boards and Public Comment

South Carolina solicited public input in accordance with WIOA Section 189(i)(3)(B), 20 CFR 679.620 and Training and Employment Guidance Letter No. 8-18, for the period of April 6, 2021, through April 14, 2021. A copy of this waiver request was provided to all local workforce development boards and their association for review, and was made available for public review on the PATH www.scpaath.org and SC Works www.scworks.org websites. In all, South Carolina received six comments. Comments were compiled and provided in Attachment I. Further, the impact of this waiver on the state's performance will be addressed in the state's WIOA Annual Report.

Summary of Public Comments

The following is a summary of responses submitted by stakeholders related to the Draft Eligible Training Provider (ETP) Data Reporting Waiver request from the requirement of collection and reporting of performance related data on all students participating in training programs on the state's Eligible Training Provider List. South Carolina solicited public input for the period of April 7, 2021, to April 14, 2021. In all, South Carolina received six comments overwhelmingly supporting the requested ETP waiver.

Comment: The partnerships with our eligible training providers are critical to training and education of our workforce in the Lowcountry. The ability to offer participants quality educational programs that will enhance their work ready skills and knowledge is essential to the pathway to gainful employment. We are fortunate in the Lowcountry Workforce Area to have The Technical College of the Lowcountry as one of our biggest partners since they have a large variety of courses open that directly impact WIOA participants' career paths. The WIOA requirement to provide performance data for ALL students, not just WIOA, is extremely concerning. During this critical time of need as we transition our workforce during COVID, we need to make training and reporting as easy and efficient as possible. Please consider the best practices needed to ensure that all training facilities will continue to contribute to a productive workforce for our great state.

Heather Simmons
Chairman
Lowcountry Workforce Development Board

Comment: SCVR is concerned with how training will be impacted for co-enrolled clients in the WIOA programs if our local Technical College (TCL) chooses not to comply with the student data entry requirement therefore reducing Occupational Skills Training opportunities for SCVR clients. We feel only WIOA participants data should only be required of the ETP's for reporting and performance purposes.

Greggory L. Gilbert
Area Supervisor
South Carolina Vocational Rehabilitation Department
Beaufort and Jasper County

Comment: I would strongly encourage the State of South Carolina to pursue a waiver for PY's 2021 & 2022 from the requirements outlined in the WIOA regulations which require the collection and reporting of performance related data on all students participating in training programs listed on the State's Eligible Training Provider List (ETPL). There is currently a waiver that is set to expire on June 30th of this year and the technical colleges have indicated that they will not participate in putting their information on the ETPL due to participant data and performance documentation that will be required under DOL guidelines.

Currently the Lowcountry has 8 eligible training providers listed on the ETPL. Of those providers, 4 are Technical Colleges providing 65% of the training opportunities within Beaufort County. Should the waiver not be granted, the Lowcountry will lose 44% of their high demand technical

training programs, but more importantly, will lose 80% if their medical training programs. Further complicating this issue is that there is no transportation system in the Lowcountry and many of the non-technical college training programs are in the outlying areas making it difficult for residents to get there on a regular basis. We anticipate that the next program year will see a significant increase in the need for training based on the number of layoffs and closures in the area due to the pandemic. It is for this reason that the Lowcountry cannot meet the high demand training needs of the WIOA eligible residents if the waiver is not granted.

Jody A. Buchholz
Regional Director
Ross IES

Comment: This data is imperative for not only the WIOA organization but for the people in our communities. There must be a way we could work together to create a better process or share tasks in acquiring/providing this critical data. This ultimately affects the people in the workforce community. Without this data, paths to success become increasing difficult. As a business owner in the IT (Information Technology) field, I've experienced reaching out to Technical colleges searching for people with specific technical skills being trained there. It was difficult to find help as an employer. Surely a department or this responsibility can be given to someone to aid. Even finding a way for organizations to work together to achieve a painless process. This will positively affect the economy as a whole.

Thank You,

Kevin Pak
PakNet Technologies
LWB Vice-Chair

Comment: Upper Savannah applied for a HIB Rural Health Grant. We followed the directions that encourages us to braid resources including WIOA formula funds. We applied for the grant with the expectation that those who qualified for formula funding would be co-enrolled in WIOA. At the time of the application Piedmont Technical College had EMT on the list. We planned to expand the list to include EMT Advanced and Paramedic. The college is concerned with the data collection burden for such a few amount of funded students. We are obligated to train 100 EMT/paramedics over the next four years. We fear that without WIOA paying tuition we may lose the ability to train that many with the remaining HIB grant funding.

Ann Skinner
Workforce Development Administrator
Upper Savannah Council of Governments

Comment: This is fantastic and I hope it is allowed. Without it, we will not have customer choice in training using WIOA dollars.

Ann Angermeier
Executive Director
Upstate Workforce Board