

U.S. Department of Labor

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



July 27, 2026

The Honorable Jeff Landry
Governor of Louisiana
PO Box 94004
Baton Rouge, LA 70804

Dear Governor Landry:

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 requests were received on April 30, 2026, as part of your recent WIOA State Plan modification submission. This letter provides the Employment and Training Administration's (ETA) official response to your request and memorializes that Louisiana will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Louisiana and ETA. This action is taken under the Secretary of Labor'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, through June 30, 2028, 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 the State's waiver request and plan and has determined that the requirements requested to be waived would enable the State to implement its plan to improve the workforce development system.

The State provided a compelling rationale and evidence for this waiver. Specifically, ETA acknowledges that the request:

- Builds on substantial prior work to reduce fragmentation, including statewide guidance, policy review, centralized monitoring, and multi-program alignment efforts already underway;
- Preserves strong regional voice and employer engagement through newly established Regional Workforce Advisory Councils that ensure local input continues to shape strategy, funding priorities, and service design;
- Establishes a structured and collaborative transition process, including an 18-month Transition Advisory Team with local elected officials, employers, and workforce partners to ensure continuity and transparency;

- Advances Louisiana's statewide priorities to increase labor force participation, expand access for individuals with barriers to employment, strengthen employer engagement, and expand work-based learning and apprenticeship opportunities; and
- Provides clear, measurable programmatic outcomes, including a phased increase to 60 percent of funds directed to direct participant services, full standardization of statewide policies, full consolidation of governance, and enhanced data-driven continuous improvement.

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 solicit local input into its activities;
- Allocate funding by formula to the local areas for which the state board is carrying out local board functions; and
- Carry out all other required local board roles and responsibilities described in WIOA Section 107(d).

Louisiana also requested several waivers related to specific local workforce development board functions and responsibilities that it is seeking to carry out at the state level. ETA has determined that, given the approval of this waiver to allow a state workforce development board to carry out the roles and responsibilities of a local board, that the following waivers are unnecessary for each local area in which the state board is assuming the role of the local board:

- Waiver of the requirements at WIOA Section 106(c) and 20 CFR 679.510 and WIOA Section 106(a)(2) and 20 CFR 679.210 to allow the combined state plan to act as a regional planning framework.
- Waiver of the requirements at WIOA Sections 107(d)(12) and 184(a) and (b), and 20 CFR 679.420 and 683.200 to allow the state workforce agency to serve as the statewide fiscal agent.
- Waiver of WIOA Section 121(d) and the associated regulations at 20 CFR 678.600 through 678.635 to procure, designate, and oversee one-stop operators through a centralized, statewide process.
- Waiver of the requirements at WIOA Sections 123 and 129(c)(2) and the associated regulations at 20 CFR 681.400 to allow the state workforce development board to procure, designate, and oversee providers of the 14 required youth program elements.
- Waiver of the requirements at WIOA Section 121(h)(2) and the associated regulations at 20 CFR 678.715, 678.725, 678.730 and 678.735 to allow a statewide infrastructure funding model for American Job Centers.

Requested Waiver: Waiver of WIOA Sections 116(b)(3)(A) and 116(c) and the associated regulations at 20 CFR 677.210 through 677.230 to allow Louisiana to negotiate, apply, and assess WIOA performance accountability measures at the statewide level rather than through separate local area negotiations and performance agreements.

ETA Response: Given the approval of the waiver to allow a state workforce development board to carry out the roles and responsibilities of a local board, for any local areas for which the state

board has assumed local board roles, the State may establish performance targets without negotiations. However, performance outcomes must continue to be reported and assessed separately for each local area.

Requested Waiver: Waiver of the requirements at WIOA Sections 116(b)(2)(A)(i) and 134(d)(1)(A), and the associated regulations at 20 CFR 680.320 through 680.360 to expand pay-for-performance contracting authority.

ETA Response: The State clarified that it seeks to incorporate a performance-based contracting method, and not a WIOA pay-for-performance contract strategy described at 20 CFR 683.500. Performance-based contracting, which focuses on performance metrics which impact required activities and payment timelines, is an allowable method of contracting for services. A waiver is not required to implement this contracting method.

Requested Waiver: Waiver of the requirement at WIOA Section 121(e)(1) and 20 CFR 678.300(c) to establish and maintain a comprehensive American Job Center (AJC) in each of the State's local workforce development areas.

ETA Response: ETA approves, through June 30, 2028, Louisiana's request for a waiver of the requirement to establish and maintain a comprehensive AJC in each of the State's local areas. Under this waiver, the State must ensure that job seekers and employer customers in the local areas can access the programs, services, and activities provided by all required one-stop partners. Before implementing this waiver, the State must specify for ETA which local areas will not maintain a comprehensive AJC.

Requested Waiver: Waiver of the requirements of WIOA Sections 133(a)(2) and 134(a)(2)(A) to allow flexibility to use up to 50 percent of funds reserved by the Governor to provide statewide rapid response activities under WIOA Section 134(a)(2)(A) to also provide statewide employment and training activities in the first year of funding availability.

ETA Response: ETA approves, for Program Years (PYs) 2026 and 2027, the State's request to waive the spending requirements of WIOA Sections 133(a)(2) and Section 134(a)(2)(A) to enable the State to use up to 50 percent of funds reserved by the Governor to provide statewide rapid response activities under WIOA Section 134(a)(2)(A) to also provide statewide employment and training activities in the first year of funding availability.

Requested Waiver: Waiver of 20 CFR 681.550 to allow WIOA individual training accounts (ITAs) for in-school youth (ISY).

ETA Response: ETA approves, for PYs 2026 and 2027, the State's request to waive the requirement limiting ITAs to only out-of-school youth (OSY), ages 16–24. In addition to these OSY, the State may use ITAs for ISY, ages 16–21.

Requested Waiver: Waiver of the requirements at WIOA Section 134(d)(2), and the associated regulations at 20 CFR 680.900 through 680.910 to allow the use of supportive services for participants beyond 12 months of exit for employment retention.

ETA Response: ETA approves, for PYs 2026 and 2027, the State's request to allow the use of supportive services for participants beyond 12 months of exit for employment retention. Prior to implementation the State must share with ETA how the State plans to financially track this waiver and provide quantifiable projected outcomes. Additionally, the State must develop a policy that establishes the appropriate duration of supportive services post exit.

Louisiana requested several waivers that fall outside of the Secretary's waiver authority and, therefore, cannot be approved. Waiver requests that ETA cannot approve include:

- Waiver of the requirements at WIOA Section 106(e)(2) and the associated regulations at 20 CFR 679.260 pertaining to the definition of sustained fiscal integrity.
- Waiver of the requirements at WIOA Sections 128 and 133 and the associated regulations at 20 CFR 681 and 683 to allow consolidation of WIOA Title I funding as a block grant.
- Waiver of the requirements at WIOA Sections 128, 133, 134, and 301–306 to allow consolidation of WIOA Title I and Title III funds.
- Waiver of the requirements at WIOA Sections 116(b), 128(c), and 133(c)(6), and the associated regulations at 20 CFR 677 and 683.110–683.120 to allow performance accountability and transitional flexibility during system transformation.

The State is reminded that WIOA Title I waivers may not be used for any discriminatory purposes. All activities and waiver plan provisions must comply with Section 188 of WIOA, the implementing regulations at 29 CFR Part 38, and all applicable federal nondiscrimination laws.

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,



Marek Laco
Acting Assistant Secretary

Enclosures

cc: Susana Schowen, Secretary, Louisiana Works
Osmar Padilla, Deputy Secretary
M. Frank Stluka, Acting Dallas Regional Administrator, ETA
Coreena Miller, Federal Project Officer, ETA

Louisiana WIOA State Plan Modification (PY 2026-2027) Waiver Requests

1. Board Serving as Local Boards in a Single State Area Model

Purpose of the Waiver

This waiver designates the State Workforce Development Board (SWDB) to carry out the roles and responsibilities of all s (LWDBs) statewide, authorizing Louisiana to operate as a single statewide local workforce development area. By allowing the SWDB to serve in this capacity, Louisiana will centralize and streamline workforce governance, eliminating the administrative complexity created by multiple local boards and enabling a unified statewide strategy that integrates workforce development with social assistance programs.

This governance model also establishes the foundation for consistent, high-quality customer service delivery across all regions of the state. By consolidating governance at the state level, Louisiana will implement uniform service standards, policies, and performance expectations that ensure individuals and employers receive the same level of access, responsiveness, and support regardless of where they enter the system. This approach reduces variation in service delivery, strengthens accountability, and enables a more seamless, integrated customer experience across in-person, virtual, and partner-supported access points, while enabling more consistent tracking and improvement of performance outcomes across regions. Regional employer and stakeholder input will continue to inform statewide strategy through structured advisory mechanisms aligned with this governance model.

In addition, this structure will allow the state to maximize the percentage of formula funds directed toward direct participant services rather than administrative oversight. The governance model is operationalized through the Statewide Fiscal Agent Model waiver, which centralizes fiscal authority and aligns funds allocation with this unified statewide structure, enabling Louisiana to respond more quickly to employer demand and economic shifts. Under this model, the SWDB will carry out governance and oversight responsibilities, while all administrative and fiscal functions will be executed by the State Workforce Agency to ensure appropriate separation of duties and full compliance with federal requirements.

This request does not seek to waive any statutory provisions excluded from waiver authority, including requirements related to wage and labor standards, eligibility of participants or providers, priority of service, or nondiscrimination protections. All worker protections and civil rights requirements under Workforce Innovation and Opportunity Act (WIOA) and other applicable federal laws will remain fully in effect.

States with Existing Waivers

Alaska, Hawaii, Idaho, Montana, Rhode Island

Statutory and Regulatory Requirements for the Waiver

WIOA Section 107(b) and 20 CFR 679.310 through 679.370

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These provisions govern the membership and appointment of local board positions and outline the establishment, membership, and required functions of LWDBs, including the mandate that each local area must maintain a distinct local board with specific category/subcategory representation and prohibit a statewide entity from carrying out functions otherwise assigned to separate LWDBs.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

- **Integrated Systems (Strategic Pillar III):** This waiver eliminates fragmented governance structures that can create duplication, inconsistency, and administrative burdens across local boards, enabling the State to implement a unified statewide workforce strategy rather than multiple disconnected local approaches. It integrates workforce development with human services programs such as TANF and SNAP to support holistic service delivery, maximize resources for direct participant services by reducing administrative overhead, and strengthens accountability and consistency in policy administration, performance management, and service quality across the state.
- **Flexibility & Innovation (Strategic Pillar V):** This waiver directly addresses structural inefficiencies in the current system, where a significant share of formula funds is absorbed by administrative costs associated with maintaining multiple local boards. By consolidating governance at the State level, Louisiana will reduce duplicative administrative expenditures and intentionally redirect those funds toward training, supportive services, and other direct participant investments.

Actions Taken to Remove Barriers

Louisiana has taken sustained actions to reduce fragmentation in workforce planning and to align statewide and regional strategies within existing statutory and regulatory constraints. These actions have included a review of all state and local statutes, codes, and policies to confirm that no statutory or regulatory provisions prescribe the number or boundaries of local workforce development areas or prohibit consolidation of local governance at the State level. To the extent practicable, Louisiana has already centralized several cross-program planning, performance, and coordination functions across workforce, education, and human services programs as well as issued statewide guidance, provided technical assistance to local areas, and strengthened centralized monitoring and performance review processes.

Implementation Plan

Louisiana Works has taken a proactive and collaborative approach to planning for a potential transition to a State board serving as the local board by engaging a subcommittee of local chief elected officials (CEOs) and workforce development board directors over the past several months. These discussions have focused on what a governance transition could look like in

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practice, including roles and responsibilities, operational considerations, and key factors for maintaining continuity of service delivery. This ongoing engagement is intended to ensure that local leadership remains informed and involved as the state evaluates and prepares for a more unified governance structure.

To support a structured and transparent transition process, Louisiana Works will establish an 18-month Transition Advisory Team to advise the agency throughout planning and implementation. The team will be comprised of representatives from key stakeholder groups, including State leadership, local elected officials, employers, and workforce and economic development partners. This group will serve as a mechanism for continued engagement, providing input on transition planning, elevating considerations from local and regional stakeholders, and helping to ensure alignment with workforce and economic development priorities across the state.

To ensure that the transition to a single statewide local area model strengthens rather than diminishes regional voice, Louisiana will implement a structured approach to preserving local input, employer engagement, and stakeholder collaboration. This framework is designed to retain the benefits of regional insight and on-the-ground expertise while aligning those perspectives within a more coordinated, accountable statewide governance model. Through this approach, local and regional stakeholders will continue to play a meaningful role in shaping workforce strategy, informing investment decisions, and ensuring responsiveness to labor market needs across the state. Louisiana will establish Regional Workforce Advisory Councils aligned with the State's economic service areas. These councils will serve as formal advisory bodies to the SWDB and will be integrated into the SWDB's governance structure through a standing subcommittee framework. Regional input will be incorporated into statewide funding decisions, service design, and performance priorities through formal advisory mechanisms and structured engagement processes.

Each Regional Workforce Advisory Council will include representatives from local, employers, economic development organizations, higher education institutions, local government, and local workforce development partners. Membership will be designed to ensure strong employer representation and alignment with regional labor market priorities. To preserve the role of local leadership currently embedded in the workforce system, CEOs representing the current workforce areas will participate in the nomination process for council membership, ensuring continuity of local input and community representation.

The Regional Workforce Advisory Councils will provide structured feedback to the SWDB regarding regional workforce needs, employer demand, training program alignment, and opportunities to strengthen career pathways and work-based learning. This structure allows Louisiana to maintain meaningful local engagement and input while eliminating duplicative administrative board structures.

Through this approach, Louisiana preserves robust employer and stakeholder input while enabling the State to operate under a streamlined governance framework that supports

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coordinated statewide strategy, improved accountability, and stronger alignment between workforce development, education, and economic development initiatives.

State's Strategic Goals Supported by This Waiver

This waiver advances Louisiana's strategic workforce goals by centralizing workforce governance and creating a unified, statewide approach to workforce development. By allowing the SWDB to serve as the local board, the State reduces administrative duplication, inconsistency, and overhead associated with multiple local boards, enabling more resources to be directed toward frontline services for job seekers and employers. The waiver also strengthens alignment between workforce development and human services programs, supporting integrated service delivery and improved outcomes for individuals with barriers to employment, and integrates program and service delivery across WIOA Titles I, II, III, and IV with related education and workforce initiatives.

This governance model supports Louisiana's broader strategy to integrate workforce development and social service programs in order to provide coordinated, customer-centered service delivery. Additionally, in partnership with the Louisiana Department of Health, the State is also aligning workforce services with Medicaid community engagement requirements, ensuring that eligible Medicaid recipients are connected to skills training and employment opportunities through the statewide workforce system. In addition, the Governor has taken executive action to advance program alignment and implement a more coordinated and integrated approach to workforce development that reduces fragmentation, improves accountability, and strengthens service delivery across the State. This includes Executive Order JML 26-011, Modernizing Louisiana's Workforce for a New Era, which directed a review of the State's statutory and governance framework to ensure the SWDB is positioned to assume key local board functions while preserving meaningful local input and stakeholder engagement.

Louisiana has established a multiyear priority to increase labor force participation and expand access to employment and training opportunities for individuals facing barriers to work. Operating as a single statewide workforce area enables consistent policy application, reduces confusion for residents, and supports broader reach of services. Strengthening employer engagement, another State strategic goal, is also supported by this waiver because employers operating across multiple regions will encounter one set of service standards, training options, and engagement processes, improving responsiveness and scalability. Centralized governance further allows statewide expansion of Registered Apprenticeship, work-based learning, and outcome-driven training strategies aligned with employer demand. By eliminating redundant local administrative structures, the State will rebalance the use of WIOA formula funds, increasing the proportion of funding dedicated to training, supportive services, and employment outcomes while reducing expenditures on governance and administrative overhead.

Projected Programmatic Outcomes

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This waiver will achieve the following outcomes:

1. **A measurable increase in the share of Title I formula funds directed to direct participant services as duplicative local board overhead is reduced.** Louisiana will transition to a customer-centered fiscal model by increasing the percentage of Title I formula funds invested in direct participant services to at least 60 percent over four program years. This transition will follow a phased implementation approach, increasing direct service investment statewide to 35 percent in Year 1, 40 percent in Year 2, 45 percent in Year 3, and 60 percent in Year 4. This glide path will support the orderly consolidation of 15 local workforce boards into a single statewide administrative structure while maintaining fiscal integrity and oversight. For purposes of this waiver, direct participant services include expenditures that provide a tangible, individualized benefit to support training, employment, and retention, including but not limited to Individual Training Accounts (ITAs), employer-based training reimbursements such as On-the-Job Training and incumbent worker training, supportive services such as childcare, transportation, and work-related tools, credentialing and certification fees, and the costs associated with frontline staff providing direct career services and case management. Progress will be tracked through the State's Helping Individuals Reach Employment (HiRE) system service codes, fiscal ledger reports, voucher payment data, and time and effort reporting within the statewide fiscal system.
2. **A unified statewide accountability framework that ensures all service locations operate under standardized eligibility, performance, and service delivery policies.** Within 12 months of implementation, 100 percent of service delivery locations will operate under a single, consistent set of statewide operational policies, eliminating regional inconsistencies and strengthening accountability across the workforce system. Compliance and implementation progress will be verified through quarterly Single State monitoring reports and a unified performance dashboard in the HiRE system.
3. **Full consolidation of workforce area administration under a single statewide governance structure.** Louisiana will achieve 100 percent consolidation of workforce area administration under one statewide governance model, with a single set of eligibility standards, service delivery policies, and performance expectations. This consolidation will reduce administrative fragmentation, improve consistency across regions, and create a more streamlined experience for employers operating in multiple parts of the state.
4. **Improved identification of performance gaps and stronger use of data to drive continuous improvement.** Louisiana will strengthen statewide performance management by producing monthly statewide performance dashboards beginning in Program Year 2027. These dashboards will support earlier identification of performance gaps, allow for more timely corrective action, and improve the State's ability to use data to drive continuous improvement across service locations and programs.

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Populations BENEFITING from the Waiver

Job seekers and program participants gain improved access to training, employment services, and support, as a greater share of funds can be directed to frontline services rather than administrative overhead. Employers benefit from a unified, statewide workforce strategy that aligns programs with labor market needs and in-demand skills. Low-income and vulnerable populations experience more coordinated and integrated services, while state and local workforce system stakeholders, such as SWDB members and staff, benefit from reduced administrative complexity and increased operational efficiency. Overall, this waiver enhances outcomes for both participants and employers while strengthening the workforce system, but those in rural and underserved areas will benefit most from a more strategic allocation of resources based on need and opportunity rather than local administrative capacity.

Monitoring and Measuring Success

Louisiana will monitor implementation of this waiver through centralized fiscal, programmatic, and civil rights monitoring processes. The State will deploy statewide performance dashboards with regional views and will evaluate waiver implementation annually through the WIOA Annual Report. The State will track and report on the proportion of WIOA formula funds allocated to administrative costs versus training and supportive services to ensure that savings achieved through governance consolidation are redirected to direct participant services.

Public Comment and Notification

Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established State communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with U.S. Department of Labor (USDOL) requirements.

Conclusion

Approval of this waiver will allow Louisiana to modernize workforce governance, reduce administrative duplication, strengthen employer engagement, expand worker mobility, and fully implement an integrated workforce system. Louisiana respectfully requests approval of this waiver to operate as a single statewide workforce development area under the oversight of the SWDB.

2. Combined State Plan as Regional Planning Framework

Purpose of the Waiver

This waiver allows Louisiana's Combined State Plan to fulfill the role of the regional plans traditionally required for each local area. As part of this request, the State seeks to designate

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Louisiana as a single statewide planning region. In alignment with this designation, the Combined State Plan will serve as the unified strategic framework guiding workforce development activities across all regions of the state.

The Combined State Plan being submitted as part of the current modification cycle incorporates all elements required of regional plans under WIOA Section 106(c), ensuring that regional labor market analysis, sector strategies, service coordination, administrative cost arrangements, and performance accountability are fully addressed within a single, cohesive planning document. This approach eliminates the need for duplicative regional planning processes while maintaining full compliance with federal planning requirements.

In conjunction with the State Board Serving as Local Boards waiver, this structure establishes a streamlined governance and strategy framework that enables Louisiana to respond more quickly to economic shifts, align investments across programs and partners, and direct resources toward high-growth sectors and individuals with the greatest barriers to employment.

This request is designed to:

- Enhance the operational efficiency of the State's workforce development system,
- Focus more resources on services to customers rather than operational redundancies and inefficiencies,
- Streamline the planning and governance structure by eliminating the requirement for separate, redundant regional planning documents,
- Align statewide economic development strategies with workforce training investments through a single, cohesive planning cycle, and
- Reduce the administrative burden on state and local staff, allowing for a greater focus on high-wage employment outcomes rather than compliance-based document preparation.

Statutory and Regulatory Requirements for the Waiver

WIOA Section 106(c) and **20 CFR 679.510**, which outline the elements of a regional plan, including administrative cost arrangements and performance indicators, and require local boards and CEOs in a planning region to prepare and submit a regional plan.

WIOA Section 106(a)(2) and **20 CFR 679.210**, to the extent they require the identification of multiple planning regions when a single statewide planning region better aligns with the State's unified economic strategy.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

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- **Industry-Driven Strategies (Strategic Pillar I):** A statewide region designation and structure will promote consistent services throughout the State, allowing services to businesses to be strategic and funding to be more readily available to address industry-driven initiatives, including work-based learning and incumbent worker training enhancements.
- **Integrated Systems (Strategic Pillar III):** Developing separate regional plans creates artificial silos that often duplicate the comprehensive economic and sector analyses already contained within the Combined State Plan. Further, managing multiple regional planning cycles and modification schedules taxes administrative resources that could be better utilized for employer engagement and work-based learning expansion.
- **Accountability (Strategic Pillar IV):** A single statewide planning region ensures that all performance accountability and evidence-based results are measured against a unified set of statewide economic goals.

Actions Taken to Remove Barriers

Louisiana has continually taken steps to address service delivery fragmentation and provide consistent services to businesses, workers, and job seekers statewide. This includes providing ongoing technical assistance and tools to local boards to develop a consistent service delivery architecture. However, with the array of federal employment and training programs being managed by the State, continuing to define the state as a multi-region entity aligned to local workforce development areas is a barrier that foundationally inhibits comprehensive and consistent service delivery.

Managing multiple planning cycles and modification schedules consumes significant staff capacity at both the state and local levels, diverting resources away from employer engagement, work-based learning expansion, and direct service delivery. These inefficiencies are structural in nature and cannot be fully resolved through administrative streamlining alone, making waiver authority necessary to eliminate redundant regional planning requirements.

Implementation Plan

The State is designating the entire state as a single planning region consistent with WIOA Sections (a)(1) and (a)(2) in its WIOA Unified/Combined State Plan. Additionally, as part of Combined State Plan updates, the required elements of a regional plan outlined in WIOA Section 106(c)(1) have been addressed. The impact of this waiver includes the following:

1. The State will maintain a consistent statewide service strategy for providing workforce development services, ensuring that all customers of the system are treated fairly and have equal access to all services available.

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2. The State will implement consistent sector strategies across the State and balance regional approaches with consistent availability of work-based learning and business supports to improve availability of skilled talent throughout the State.
3. The State will utilize the establishment of administrative cost arrangements to develop a statewide cost allocation model and work with the Office of Management and Budget and USDOL.

State's Strategic Goals Supported by This Waiver

This waiver request supports Louisiana's strategic goals as articulated in the Combined State Plan. Louisiana's workforce strategy emphasizes alignment of workforce investments with the Governor's identified growth sectors and statewide economic priorities. Allowing the Combined State Plan to serve as the regional plan ensures that workforce training investments, sector strategies, and service delivery models are aligned through a single, cohesive planning cycle rather than fragmented across multiple regional documents. Additionally, utilizing a single planning framework will allow for better coordination and braided funding of WIOA Title I, II, III, and IV funds without the friction of regional variations. Together, these efforts support administrative simplification, transitioning toward a streamlined governance model that prioritizes service delivery over administrative compliance.

Projected Programmatic Outcomes

This waiver will achieve the following outcomes:

1. 100 percent alignment between local area activities and the statewide sector strategies defined in the Combined State Plan. All training investments, work-based learning activities, and service delivery strategies will be aligned with priority sectors and occupations identified in the plan.
2. Reduced time between identification of workforce priorities and implementation of programmatic or funding changes. Louisiana will reduce the average time required to translate statewide strategy updates into operational changes from an estimated 6–12 months to fewer than 90 days, enabling more responsive alignment to economic shifts and employer demand.
3. Increased alignment of workforce investments with priority industry sectors identified in the Combined State Plan. Louisiana will ensure that at least 80 percent of training investments are aligned with priority sectors and occupations identified in the plan, as measured through ITA expenditures and program enrollment data.
4. Improved consistency in service delivery across all regions of the State.
Louisiana will achieve 100 percent implementation of standardized service delivery models, including eligibility determination, case management practices, and training access protocols, reducing regional variation in service availability and quality.

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Populations BENEFITING from the Waiver

This waiver primarily benefits job seekers, who will receive a more consistent service experience across the State, backed by a unified plan that addresses labor market needs statewide rather than locally. Employers will also benefit from a consistent, statewide strategy for talent development that is not fragmented by local boundaries created through administrative precedent.

Stakeholder engagement remains a central component of workforce planning. Our stakeholders – employers, education and training providers, labor organizations, community-based organizations, and Regional Economic Development Organizations – will continue to be engaged through statewide and regional forums, advisory councils, and public comment processes, but their participation will be less demanding and more impactful because this change shifts engagement from compliance-driven planning documents toward more meaningful participation in strategy development and implementation. Finally, workforce staff will benefit as well by redirecting time previously spent on administrative processes toward direct participant case management and job placement activities.

Monitoring and Measuring Success

Louisiana will monitor the effectiveness of this waiver through regular reviews of the Combined State Plan goals, performance metrics, and system outcomes and will maintain mechanisms for local input to ensure that the statewide planning region remains responsive to unique local labor market shifts.

Public Comment and Notification

Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

Conclusion

Allowing Louisiana's Combined State Plan to serve as the regional plan is a necessary and logical extension of the State's transition to a single statewide workforce governance and planning model. This waiver reduces administrative burden, strengthens accountability, aligns workforce investments with statewide economic priorities, and supports more effective service delivery for job seekers and employers. Louisiana respectfully requests approval of this waiver.

3. State Workforce Agency Serving as Statewide Fiscal Agent

Purpose of the Waiver

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This waiver authorizes the State Workforce Agency to serve as the fiscal agent for all WIOA-funded activities statewide, enabling Louisiana to operate under a single, unified fiscal management structure. Under the current model, fiscal responsibilities are distributed across multiple local entities, resulting in duplicative administrative structures, inconsistent financial practices, and delays in the deployment of resources to priority workforce strategies. This waiver eliminates that fragmentation by consolidating fiscal authority within a single accountable entity, ensuring consistent application of federal requirements, standardized financial processes, and improved stewardship of WIOA funds.

Centralizing fiscal agent responsibilities is essential to supporting Louisiana's broader workforce system transformation, including the integration of workforce development with human services programs and the implementation of a coordinated statewide service delivery model. This structure enables more timely and strategic investment of funds, strengthens internal controls and oversight, and ensures that a greater share of resources is directed toward training, supportive services, and other direct participant activities. Louisiana will maintain full compliance with all applicable federal fiscal requirements, including those under WIOA and 2 CFR Part 200, ensuring that centralized fiscal authority enhances transparency, accountability, and performance across the workforce system.

Statutory and Regulatory Requirements for the Waiver

WIOA Sections 107(d)(12) and 184(a) and (b), and 20 CFR 679.420 and 683.200

These provisions govern the designation of fiscal agents, the administration and oversight of grant funds, and the financial management responsibilities of recipients and subrecipients, including requirements related to fiscal control, accounting procedures, allowable costs, financial reporting, procurement, and oversight of service contracts. These requirements are further reinforced by Uniform Guidance under 2 CFR Part 200, which establishes federal standards for internal controls, cost allowability, and monitoring of federal awards.

Rationale for the Waiver

This waiver aligns with the following strategic pillar:

- **Integrated Systems (Strategic Pillar III):** This waiver supports the State's moves to implement a unified statewide workforce strategy rather than multiple disconnected local approaches while also reducing administrative demand on financial resources. It also strengthens accountability and consistency in policy administration, performance management, and service quality across the state.

Actions Taken to Remove Barriers

Louisiana has taken sustained actions to prepare for centralized fiscal oversight and to remove barriers to operating the statewide workforce system with consistent financial integrity and accountability. Consistent with WIOA's fiscal accountability framework requiring states to

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establish fiscal control and fund accounting procedures, Louisiana has reviewed the current governance and fiscal-flow structure supporting WIOA-funded activities and identified changes needed to streamline funds management while maintaining transparency and compliance.

To support statewide consistency in fiscal stewardship, Louisiana is aligning the fiscal agent structure with Uniform Guidance requirements for internal controls and oversight of subrecipients and contractors, including maintaining documented internal controls over federal awards and strengthening risk-based monitoring protocols for entities receiving WIOA funds.

Louisiana’s statewide workforce modernization agenda—reflected in Executive Order JML 26-011—explicitly calls for replacing fragmented oversight and compliance models with a single statewide accountability and monitoring framework, with modernized standards for fiscal integrity and administrative efficiency, and with responsible stewardship of state and federal workforce funds. This executive direction supports the transition to a centralized fiscal agent approach by establishing a clear statewide mandate for consolidated accountability.

To ensure transparency and prevent conflicts of interest as functions are consolidated, Louisiana will implement written agreements and documented “firewalls” consistent with federal requirements applicable when a single organization performs multiple roles, clarifying the separation of duties across governance, procurement, service delivery oversight, and fiscal approvals.

Louisiana’s planning framework already includes statewide operating systems that support consistent oversight, reporting, and integrated service coordination, including the HiRE platform for labor exchange and case management and statewide data integration initiatives to strengthen cross-program coordination. These systems provide the operational backbone for timely statewide fiscal reporting and the performance and financial transparency needed under a centralized fiscal agent approach.

Implementation Plan

As part of this approach, Louisiana will not designate local grant recipients or pass funds directly to local workforce areas through traditional subrecipient structures. Instead, all WIOA funds will be managed at the state level and deployed through state-directed subawards and contracts to service providers and partners. Funding decisions will continue to be informed by geographic considerations, including regional labor market conditions, population, and demonstrated need, ensuring that resources remain aligned with communities across the state, including maintaining continuity of investment across regions during implementation. Local and regional entities will continue to play a critical role in service delivery, but within a unified, performance-driven framework that aligns investments with statewide priorities, labor market demand, and the needs of individuals with barriers to employment.

While this waiver establishes a centralized fiscal agent model, Louisiana will operationalize all fiscal and administrative functions through the State Workforce Agency. The SWDB will not

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perform day-to-day financial management activities, including accounting, disbursement of funds, procurement execution, or financial reporting. Instead, the SWDB will maintain its statutory role in providing strategic direction, policy guidance, and oversight of system performance. All fiscal operations, including fund management, contracting, payments, financial reporting, and compliance with federal requirements, will be carried out by the State Workforce Agency in accordance with WIOA and 2 CFR Part 200. This structure ensures appropriate separation of duties, strengthens internal controls, and avoids conflicts of interest by clearly delineating governance and operational responsibilities.

Clarification of Funds Allocation Authority

As part of this waiver, Louisiana clarifies that, in alignment with its proposed operation as a single statewide local workforce development area under this waiver package, the State will not designate local grant recipients or allocate funds through formula-based distributions to local workforce areas. The Governor will retain authority as the grant recipient and will allocate WIOA funds to state-designated entities, including the State Workforce Agency, and other partners, as appropriate.

All funds will be managed at the state level and deployed through state-directed subawards and contracts to service providers and local workforce partners. This approach ensures consistent fiscal oversight, aligns funding decisions with statewide priorities and labor market demand, and strengthens accountability while maintaining robust local and regional service delivery.

Clarification of Financial Decision-Making Authority

Under this model, the Governor, as the grant recipient, and the State Workforce Agency will retain final authority over all fiscal decisions, including the allocation and obligation of WIOA funds. The SWDB will provide strategic direction, policy guidance, and oversight of system performance, but will not exercise final decision-making authority over funding allocations, contract awards, or fiscal approvals.

This structure ensures clear separation between governance and fiscal operations, strengthens accountability, and aligns financial decision-making authority with the entity responsible for grant administration and compliance under WIOA and 2 CFR Part 200.

State's Strategic Goals Supported by This Waiver

This waiver advances Louisiana's strategic workforce goals by strengthening fiscal stewardship and enabling the State to operate a unified, integrated workforce system aligned with the vision outlined in its WIOA Combined State Plan. Louisiana's strategy emphasizes streamlined access, a single point of entry for individuals and employers, and coordinated service delivery that reduces fragmentation and improves labor market outcomes. A centralized fiscal agent model directly supports these objectives by establishing consistent statewide fiscal policies,

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standardized contracting and reporting processes, and the ability to deploy resources more quickly and strategically in response to workforce and economic needs.

By consolidating fiscal responsibilities at the state level, Louisiana will eliminate duplicative administrative structures and establish a single, accountable framework for financial oversight, procurement, and audit response. This approach strengthens consistency in how funds are managed and monitored across the system, reinforces service quality expectations, and supports the State's broader goal of delivering a more seamless and reliable customer experience regardless of where services are accessed. As part of this transition, Louisiana will increase the share of WIOA Title I funds directed to direct participant services from a baseline of approximately 27 percent to 60 percent over a four-year period, ensuring that a greater proportion of resources are invested in training, supportive services, and other activities that directly connect individuals to employment and career advancement opportunities.

This waiver also enhances Louisiana's ability to align workforce investments with economic growth and employer demand. With centralized fiscal capacity, the State can more effectively direct funding toward high-impact strategies such as sector-based training, work-based learning, and targeted skill development initiatives. This ensures that resources are aligned with labor market demand, supports increased labor force participation, and improves the system's ability to connect individuals to quality employment opportunities while meeting the evolving needs of employers.

Projected Programmatic Outcomes

This waiver will achieve the following outcomes:

- 1. A measurable increase in the share of WIOA Title I funds directed to training and supportive services through the reduction of duplicative fiscal administration.**
By consolidating fiscal agent responsibilities at the state level, Louisiana will reduce administrative costs associated with multiple local fiscal entities and redirect those resources toward training activities, supportive services, and other direct participant services. The State will achieve a measurable increase in the proportion of funds invested in direct participant services within two program years, consistent with its broader transition to a customer-centered fiscal model. Progress will be tracked through statewide fiscal reports, expenditure categories for training and supportive services, and service-level data within the HiRE system.
- 2. Full consolidation of fiscal management, reporting, and oversight under a single statewide framework.** Louisiana will achieve 100 percent consolidation of WIOA fiscal operations, including fund allocation, financial reporting, procurement oversight, and audit processes, under a unified statewide fiscal agent structure. This will result in a single statewide financial reporting system, a unified vendor payment process, and a

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streamlined annual audit structure, ensuring consistency, transparency, and full compliance with federal fiscal requirements.

3. **Strengthened fiscal accountability and risk-based oversight across the workforce system.** Louisiana will implement a unified, risk-based monitoring framework to ensure fiscal integrity and compliance across all entities receiving WIOA funds. This will include standardized internal controls, consistent application of Uniform Guidance requirements, and centralized oversight of subrecipients and contractors. The State will reduce audit findings and questioned costs and ensure 100 percent compliance with statewide fiscal policies and procedures.
4. **Improved use of financial and programmatic data to drive performance and continuous improvement.** By integrating fiscal and programmatic data at the state level, Louisiana will enhance its ability to identify performance gaps, align funding with high-performing strategies, and make data-driven investment decisions. The State will deploy integrated fiscal and performance dashboards with regional views to support ongoing monitoring, resource alignment, and continuous improvement across the workforce system.

Populations Benefiting from the Waiver

Overall, this waiver enhances outcomes for both participants and employers while strengthening the workforce system, but those in rural and underserved areas will benefit most from a more strategic allocation of resources based on need and opportunity rather than local administrative capacity. State and local workforce system stakeholders, such as SWDB members and staff, will also benefit from reduced administrative complexity and increased operational efficiency.

Monitoring and Measuring Success

Louisiana will monitor implementation of this waiver through centralized fiscal, programmatic, and civil rights monitoring processes that are already established and operating at the state level. The State will deploy integrated, statewide performance dashboards with regional views to track key fiscal and programmatic indicators, including the proportion of funds directed to direct participant services, timeliness of fund deployment, subrecipient performance, and compliance with statewide fiscal policies. Waiver implementation and outcomes will be evaluated annually through the WIOA Annual Report and ongoing internal performance reviews.

Louisiana's monitoring framework is grounded in existing financial management policies and systems that meet and exceed the requirements of 2 CFR Part 200. This includes a fully integrated financial management system, documented internal controls, allowability review processes, procurement standards, time and effort reporting, cash management procedures, and subrecipient monitoring protocols. This waiver does not require the creation of new fiscal controls but rather enables the State to apply these established standards consistently across the entire workforce system under a unified structure. As fiscal authority is centralized, Louisiana

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will maintain and strengthen fiscal firewalls to ensure appropriate separation of duties and eliminate conflicts of interest, with clear delineation between policy development, funding decisions, procurement, fiscal execution, and oversight. These controls are aligned with Uniform Guidance, including 2 CFR §200.303 (Internal Controls) and 2 CFR §200.329 (Monitoring and Reporting Program Performance), ensuring that all federal funds are managed with strong oversight, documented accountability, and continuous compliance.

To further reinforce integrity during implementation, Louisiana will engage an independent third-party entity to conduct targeted monitoring and validation of fiscal processes under the centralized model. This external review will provide objective assurance of compliance, internal control effectiveness, and proper execution of fiscal responsibilities. Over time, this function will transition to a strengthened, centralized internal monitoring unit that operates independently from programmatic and fiscal operations and conducts ongoing, risk-based monitoring across all funding streams. Monitoring activities will include financial and programmatic reviews, audit coordination, corrective action tracking, and real-time performance visibility through statewide reporting systems.

Through this approach, Louisiana will not only maintain, but strengthen, fiscal oversight and accountability while improving consistency in service delivery, reducing administrative inefficiencies, and ensuring that a greater share of resources is directed toward training, supportive services, and other direct participant outcomes.

Public Comment and Notification

Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

Conclusion

Approval of this waiver will allow Louisiana to modernize workforce governance, reduce administrative duplication, strengthen employer engagement, expand worker mobility, and fully implement an integrated workforce system. Louisiana respectfully requests approval of this waiver to allow the SWDB to operate as the WIOA fiscal agent.

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4. Maintaining a Comprehensive One-Stop Center

Purpose of the Waiver

This waiver removes the requirement that each local workforce development area maintain at least one physical comprehensive one-stop center. This waiver is intended to provide Louisiana the flexibility to modernize the delivery of workforce services through a statewide network of physical access points, affiliate sites, mobile service units, and technology-enabled service delivery, rather than relying on a building-centric model tied to permanent physical co-location. By removing the mandate for a traditional comprehensive physical location in every local area, the State can reallocate infrastructure and facility resources toward high-wage employment outcomes and direct participant services, ensuring that the system delivers important skills-upgrading services to meet the demands of a high-technology economy. Approval of this waiver would allow Louisiana to define “comprehensive access” based on service availability, customer experience, and functional integration rather than physical co-location alone.

Statutory and Regulatory Requirements for the Waiver

WIOA Section 121(e)(1), WIOA Section 121(e)(2)(A), and the associated regulations at 20 CFR 678.300(c) and 678.305

These provisions mandate the establishment of a one-stop delivery system in each local area and that such system make all programs, services, and activities accessible at not less than one physical center in each local area.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

- **Accountability (Strategic Pillar IV):** This request ensures that spending on direct training and worker mobility initiatives is prioritized over high overhead costs associated with underutilized physical facilities. Institutionalizing a more flexible delivery model allows the State to ensure that infrastructure funding is used to support an efficient workforce development system and braid funds toward that end.
- **Integrated Systems (Strategic Pillar III) and Flexibility and Innovation (Strategic Pillar V):** This request aligns with the State’s modernization goals by allowing the State to bypass prescriptive requirements that favor brick-and-mortar investments over service quality. In many regions, particularly rural or digitally-integrated areas, the maintenance of a full-scale comprehensive center is an inefficient use of resources that often creates a maze of physical locations rather than a streamlined customer experience. By waiving the mandatory physical center requirement, the State can develop additional physical and virtual access points to the one-stop system that allow participants to access all six core programs and human services using a variety of options.

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Actions Taken to Remove Barriers

Louisiana has conducted a statewide assessment of its one-stop network to modernize service delivery while maintaining compliance, such as expanding affiliate sites, implementing itinerant staffing models, and identifying locations where virtual or mobile service delivery would better serve the community than a fixed physical center. Furthermore, the State is developing standardized intake, referral, and case management protocols that ensure there is no loss of service quality during this transition. Additionally, by moving toward a state board acting as the local board governance structure, the State is aligning its administrative framework to manage a more cohesive, statewide virtual delivery system that is not constrained by local area boundaries.

State's Strategic Goals Supported by This Waiver

This waiver supports Louisiana's strategic goals by modernizing the workforce system and aligning service delivery with the realities of a high-technology, rapidly changing economy. With this waiver, the Louisiana gains flexibility to expand access while reducing costly and underutilized infrastructure and to redirect resources from facility maintenance to direct participant services, such as skills training, credential attainment, and career advancement in high-wage, in-demand industries. It also supports statewide goals related to consistency in service standards while allowing flexibility to respond to regional labor market needs and community conditions.

Projected Programmatic Outcomes

This waiver will achieve the following outcomes:

5. **A measurable reduction in statewide infrastructure expenditures, with reinvestment into training and supportive services.** Louisiana will achieve a measurable reduction in infrastructure and facility-related costs through a more flexible, distributed service delivery model. Progress will be tracked through statewide infrastructure cost reporting and expenditure data across service categories.
6. **Full implementation of a statewide access model that ensures consistent availability of one-stop partner services regardless of physical location.** Louisiana will achieve 100 percent implementation of a statewide access framework that provides participants with access to all required one-stop partner services through a combination of physical access points, mobile service delivery, and virtual platforms. This model will ensure consistent service availability and a seamless customer experience across all regions of the state, regardless of a participant's location.
7. **Increased engagement with workforce services among individuals in areas with historically lower service utilization.** Louisiana will increase participation in career services, training, and supportive services by expanding access through mobile service delivery, virtual platforms, and strategically located access points. This will be measured

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by increased rates of service enrollment, repeat engagement, and utilization of workforce services across regions with historically lower participation levels.

- 8. Elimination of 100 percent of administrative findings related to local area non-compliance with the physical "comprehensive" center standard, thereby allowing state monitoring staff to refocus 100 percent of facility & compliance monitoring hours toward programmatic quality and performance outcomes.**
- 9. Maintain or exceed a 90 percent Customer Satisfaction Rate across all service delivery platforms (physical, mobile, and virtual), ensuring that modernization does not compromise the quality of participant engagement.**

Populations BENEFITING from the Waiver

The primary beneficiaries of this waiver are job seekers and students who currently face transportation or geographic barriers to reaching a physical one-stop center. Employers also benefit from a more agile system that can deploy mobile talent recruitment units directly to worksites or provide virtual talent matching tools that operate 24/7. Finally, the workforce system's administrative staff will benefit from a reduction in the time spent managing complex facility leases and infrastructure negotiations, allowing them to focus on high-touch career coaching and industry-led strategies. Rural and underserved communities will benefit the most by a rethinking of the one-stop system that isn't dependent on geographic limitations and local infrastructure volatility.

Monitoring and Measuring Success

The State will monitor the effectiveness of this transition through its centralized performance management system, tracking participant engagement and outcomes via physical, virtual, and mobile access points. The SWDB will conduct annual reviews of the integrated service delivery model to ensure it meets one-stop certification standards and maintains full programmatic and physical accessibility in accordance with WIOA Section 188. Periodic reports on cost savings and their reallocation to direct services will be provided to USDOL.

Public Comment and Notification

Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

Conclusion

Removing the rigid requirement to maintain a physical comprehensive one-stop center in every area is essential to modernizing workforce service delivery, expanding access, and ensuring that

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limited resources are invested where they generate the greatest impact. This waiver allows Louisiana to deliver comprehensive services through a flexible, and technology-enabled system while maintaining full accountability and accessibility. Louisiana respectfully requests approval of this waiver.

5. Statewide One-Stop Operator Procurement and Operation

Purpose of this Waiver

This waiver allows Louisiana to procure, designate, and oversee one-stop operators through a centralized, statewide process rather than requiring separate procurement and designation processes at the local area level. It would permit the State to competitively procure one or more statewide or regional one-stop operators and to manage operator performance through a unified governance and accountability framework.

The Statutory and Regulatory Requirements for this Waiver

WIOA Section 121(d) and the associated regulations at **20 CFR 678.600 through 678.635**

This waiver addresses provisions requiring LWDBs to conduct independent procurement and designation of one-stop operators for each local area.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

- **Worker Mobility (Strategic Pillar II):** This waiver enables seamless, participant-focused services by removing funding barriers, ensuring jobseekers and employers can access integrated services through the one-stop system consistent with WIOA Section 121(d).
- **Integrated Systems (Strategic Pillar III):** This waiver supports a unified workforce system by reducing funding silos across WIOA Title I Adult, Dislocated Worker, and Youth programs, enabling coordinated service delivery within the one-stop system and reinforcing shared responsibility among partners.
- **Accountability (Strategic Pillar IV):** Streamlined funding and fiscal management reduces duplicative reporting, cost allocation, and administrative processes, allowing state and local partners to focus more resources on direct service delivery.
- **Flexibility & Innovation (Strategic Pillar V):** By consolidating Title I funding, the State gains flexibility to deploy resources in ways that respond more effectively to changing labor market conditions and regional workforce priorities while maintaining required one-stop partner participation.

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Actions Taken to Remove Barriers

Louisiana has worked within existing statutory and regulatory constraints to standardize operator expectations, contract language, performance metrics, and monitoring tools across local areas. The State has provided templates, technical assistance, and guidance to support consistent procurement and oversight practices. Additionally, Louisiana has begun transitioning to a single statewide planning region and centralized governance model, which supports a streamlined administration of one-stop procurement and operation.

State's Strategic Goals Supported by this Waiver

This waiver directly supports Louisiana's strategic goals by supporting an integrated, customer-centered workforce system. Louisiana's workforce strategy emphasizes statewide consistency in service standards, employer engagement, and performance accountability while maintaining responsiveness to regional labor market needs. Centralized or statewide operator procurement aligns with the State's reforms aiming to consolidate governance, infrastructure funding, and fiscal management by reducing duplicative procurement and contract management activities and allowing resources to be redirected toward direct services and employer engagement. A unified operator model allows Louisiana to deploy consistent service delivery expectations, integrate technology and data systems, and scale best practices across the state. It enhances responsiveness to labor market and employer needs by allowing resources to be allocated quickly to in-demand industries and regional priorities. By focusing on outcomes rather than separate program requirements, the waiver promotes measurable improvements in employment, credential attainment, and earnings.

Projected Programmatic Outcomes

This waiver will achieve the following outcomes:

1. **Implementation of a centralized, statewide procurement process that ensures one-stop operators are selected based on demonstrated performance, capacity, and ability to deliver integrated services.** Louisiana will conduct a unified procurement process that evaluates operators against standardized statewide criteria, including service integration capability, performance outcomes, technology utilization, and customer service quality. The State will leverage economies of scale to attract and select high-capacity operators with demonstrated experience in large-scale system management and integrated service delivery, ensuring that 100 percent of one-stop operators are selected through a consistent, performance-based framework aligned with statewide workforce priorities.
2. **Administrative efficiencies gained through centralized procurement and oversight, allowing greater investment in staff training, service innovation, and continuous improvement.**

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3. **Establishment of consistent, statewide service delivery standards across all one-stop access points.** Louisiana will implement 100 percent adoption of unified statewide Service Quality Standards governing intake, case management, referrals, employer engagement, and customer experience. This will ensure a consistent level of service and a seamless referral process across all regions, while maintaining flexibility in how services are delivered locally.
4. **Improved customer engagement, service coordination, and employment outcomes through a more integrated one-stop system.** Centralized operator oversight and standardized service delivery will result in increased participant engagement, improved coordination across workforce programs, and stronger employment outcomes, including higher rates of service utilization, training participation, employment placement, and retention. These outcomes will be tracked through statewide performance metrics and system dashboards.
5. **Strengthened accountability and performance management of one-stop operators through a unified oversight framework.** Louisiana will implement a centralized contract management and performance monitoring system that applies uniform expectations and accountability measures across all operators. This includes a clear separation of duties across procurement, fiscal management, and service delivery functions, supported by documented internal controls and conflict-of-interest safeguards. Operator performance will be evaluated using standardized metrics tied to service quality, participant outcomes, and compliance, with the State maintaining the ability to take corrective action, recompetete contracts, or terminate agreements based on performance.

Populations BENEFITING from the Waiver

This waiver benefits program participants by providing more consistent and predictable service experiences across locations, regardless of where they enter the system. Centralized operator oversight ensures that intake, case management, referrals, and customer service standards are applied uniformly while allowing flexibility in how services are delivered locally. Employers also benefit from a centralized operation through streamlined employer engagement, consistent business service offerings, and better coordination of training and hiring solutions across regions.

Workforce system partners will benefit from consistent operating procedures, reduced administrative variability, and improved coordination across programs by establishing clear, statewide expectations for operator roles and responsibilities.

Monitoring and Measuring Success

Louisiana will monitor waiver implementation through uniform contract management, performance monitoring, and fiscal oversight processes. Operator performance will be evaluated using standardized metrics tied to service quality, customer outcomes, and compliance.

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The State will conduct regular reviews of operator effectiveness and will retain the ability to modify, recompetete, or terminate contracts based on performance. Outcomes and implementation status will be reported through the WIOA Annual Report and other required reporting mechanisms.

Public Comment and Notification

Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

Conclusion

Allowing centralized or statewide procurement and operation of one-stop operators is essential to achieving consistent service delivery, stronger accountability, and efficient use of public resources in a modern workforce system. This waiver enables Louisiana to align operator management with its vision of a holistic, integrated system while preserving competition, transparency, and local service delivery. Louisiana respectfully requests approval of this waiver.

6. Competitive Procurement for Youth Program Elements

Purpose of this Waiver

This waiver allows the SWDB to procure, designate, and oversee providers of the 14 required youth program elements through a centralized, statewide process. This waiver is intended to eliminate the high administrative burden of 15 separate procurement cycles and to attract specialized, high-capacity providers capable of delivering consistent, high quality youth services across the State's rural and urban landscapes. It would permit the State to competitively procure one or more statewide or regional youth service providers and to manage operator performance through a unified governance and accountability framework.

The Statutory and Regulatory Requirements for this Waiver

WIOA Sections 123 and 129(c)(2) and the associated regulations at 20 CFR 681.400

This waiver addresses provisions allowing LWDBs to conduct independent procurement and designation of youth service providers of any or all of the 14 required program elements for each local area.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

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- **Integrated Systems (Strategic Pillar III):** This waiver supports a unified workforce system by reducing funding silos across WIOA Title I Adult, Dislocated Worker, and Youth programs, enabling coordinated service delivery across youth program activities and reinforcing shared responsibility among partners.
- **Accountability (Strategic Pillar IV):** Streamlined funding and fiscal management reduces duplicative procurement applications, reporting, cost allocation, and administrative processes, allowing state and local partners to focus more resources on direct service delivery while allowing successful youth service providers to provide services beyond local area boundaries.
- **Flexibility & Innovation (Strategic Pillar V):** By consolidating Title I youth program funding, the State gains flexibility to deploy resources in ways that respond more effectively to changing labor market conditions and regional workforce priorities while promoting effective youth service provider availability more broadly.

Actions Taken to Remove Barriers

Louisiana has worked within existing statutory and regulatory constraints to standardize operator expectations, contract language, performance metrics, and monitoring tools across local areas. The State has provided templates, technical assistance, and guidance to support consistent procurement and oversight practices. Additionally, Louisiana has begun transitioning to a single statewide planning region and centralized governance model, which supports a streamlined administration of youth program elements.

State's Strategic Goals Supported by this Waiver

This waiver directly supports Louisiana's strategic goals by supporting an integrated, customer-centered workforce system. Louisiana's workforce strategy emphasizes statewide consistency in service standards, employer engagement, and performance accountability while maintaining responsiveness to regional labor market needs, and centralizing youth program service provider procurement furthers this goal. A unified procurement approach allows Louisiana to deploy consistent service delivery expectations, integrate technology and data systems, and scale best practices across the state.

Projected Programmatic Outcomes

This waiver will achieve the following outcomes:

1. **Implementation of a centralized, statewide procurement process that ensures youth service providers are selected based on demonstrated expertise, performance, and capacity to deliver high-quality program elements.** Louisiana will conduct a unified procurement process that evaluates providers against standardized statewide criteria, including subject matter expertise, performance outcomes, service integration capability, and ability to deliver specialized youth services. The State will leverage economies of

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scale to attract high-capacity providers with expertise in key program elements such as mental health services, digital literacy, work-based learning, and pre-apprenticeships that may not be consistently available through multiple local procurements.

2. **Increased participation of youth in work-based learning opportunities.** Louisiana will increase the percentage of youth participants engaged in paid and unpaid work experiences, ensuring full compliance with and sustained investment above the 20 percent youth work experience expenditure requirement. This will be measured by increased enrollment in work experience activities and total expenditures on work-based learning.
3. **Improved youth program completion rates across all program elements.** Louisiana will achieve at least a 10 percent increase in youth program completion rates through the use of performance-based contracting, a unified statewide approach to delivering all 14 youth program elements, and improved service coordination. Completion will be defined as the attainment of a recognized credential, successful completion of a paid work experience, or verified mastery of assigned program elements as documented in the statewide case management system.
4. **Improved alignment of youth services with in-demand occupations and career pathways.** Louisiana will increase the percentage of youth participants enrolled in training and work-based learning activities aligned with priority sectors and occupations identified in the Combined State Plan, ensuring stronger connections between program participation and labor market outcomes.

Populations BENEFITING from the Waiver

This waiver benefits program youth by providing more consistent and predictable service experiences across locations, regardless of where they enter the system or what their postsecondary and employment goals and needs are. Centralized operator oversight ensures that programmatic and customer service standards are applied uniformly while allowing flexibility in how services are delivered locally. Youth program partners will benefit from consistent operating procedures, reduced administrative variability, and improved coordination across areas by establishing clear, statewide expectations for roles and responsibilities.

Monitoring and Measuring Success

Louisiana will monitor waiver implementation through uniform contract management, performance monitoring, and fiscal oversight processes. Youth program provider performance will be evaluated using standardized metrics tied to service quality, customer outcomes, and compliance.

The State will conduct regular reviews of provider effectiveness and will retain the ability to modify, recompete, or terminate contracts based on performance. Outcomes and implementation

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status will be reported through the WIOA Annual Report and other required reporting mechanisms.

Public Comment and Notification

Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

Conclusion

Allowing centralized or statewide procurement and operation of youth program providers is essential to achieving consistent service delivery, stronger accountability, and efficient use of public resources in a modern workforce system. This waiver enables Louisiana to align provider management with its vision of a holistic, integrated system while preserving competition, transparency, and local service delivery. Louisiana respectfully requests approval of this waiver.

7. Statewide Infrastructure Funding Model

Purpose of the Waiver

This waiver allows for the immediate implementation of a statewide infrastructure funding model for American Job Centers without first requiring the use of a local funding mechanism (LFM) or the occurrence of a local impasse. Currently, the law requires local areas to first attempt to reach an agreement via an LFM and only permits the state funding mechanism (SFM) to be triggered when negotiations fail. This request would permit Louisiana to bypass that administrative delay, allowing the State to move directly to a state-administered infrastructure funding model at the outset of the program year, replacing fragmented, site-by-site negotiations with a uniform and transparent statewide approach.

Statutory and Regulatory Requirements for the Waiver

WIOA Section 121(h)(2) and the associated regulations at **20 CFR 678.715, 678.725, 678.730 and 678.735**

These provisions require local workforce boards, CEOs, and one-stop partners to attempt to reach local infrastructure funding agreements and allow the SFM to be used only after an impasse is declared.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

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- **Integrated Systems (Strategic Pillar III):** The current LFM creates a local area-level cost allocation approach, which is inequitable and one in which partners frequently only provide minimal support. Therefore, most of the State's one-stop system is primarily funded with WIOA title I and title III funds. This encourages a fragmented and poorly funded system with WIOA title I funds disproportionately paying for administrative costs rather than participant services.
- **Accountability (Strategic Pillar IV):** Under current law, the LFM is the only tool for enforcing one-stop certification standards. Institutionalizing the SFM statewide provides the State with the opportunity to ensure consistent standards and customer service quality are embedded in one-stop centers and the system overall.
- **Flexibility and Innovation (Strategic Pillar V):** Under the current prescriptive requirements, the State and local areas spend months in complex negotiations that often result in inconsistent funding levels across different regions, thus undermining the goal of a universal customer experience. By allowing the State to determine infrastructure funding through a unified statewide model, the adversarial nature of impasse-based funding is eliminated and replaced with a transparent, formula-driven approach. This modernization effort ensures that all one-stop partners contribute their fair share based on a standardized methodology, which in turn allows the State to invest more heavily in high-tech, mobile, and virtual service access points that serve the entire population more effectively.

Actions Taken to Remove Barriers

Louisiana has made sustained efforts to facilitate local infrastructure funding agreements through standardized templates, technical assistance, mediation support, and ongoing engagement with required one-stop partners. The State has monitored infrastructure costs across American Job Centers to identify inefficiencies, funding gaps, and disparities in partner contributions.

The SWDB has worked collaboratively with core and required partners to develop draft statewide allocation methodologies that reflect actual use, benefit, and proportional responsibility. However, the current statutory requirement to pursue local negotiation prior to state action has resulted in repeated delays, prolonged administrative effort, and inconsistent funding outcomes across regions.

State's Strategic Goals Supported by This Waiver

This waiver request supports Louisiana's strategic goals of ensuring that American Job Centers operate as a coherent system rather than as independently negotiated sites. The current local funding mechanism often results in minimal partner participation, leaving WIOA Title I and Title III disproportionately responsible for infrastructure costs and diverting resources away from participant services, while Louisiana's strategic goals emphasize service delivery integration, financial integration, and access to services statewide.

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Projected Programmatic Outcomes

This waiver will achieve the following outcomes:

1. **Timely and consistent finalization of infrastructure funding agreements statewide.** Louisiana will eliminate the requirement for local negotiation to impasse and implement a statewide funding approach that ensures all Infrastructure Funding Agreements are finalized in advance of the program year. The State will reduce the average time required to finalize agreements from approximately 6 months to 1 month prior to the start of the program year and will achieve 100 percent finalization of infrastructure funding by July 1 annually.
2. **A measurable reduction in administrative burden associated with local infrastructure funding negotiations.** By replacing multiple local negotiation processes with a single statewide funding model, Louisiana will eliminate duplicative administrative activities and associated costs related to negotiation, mediation, and state intervention. These efficiencies will allow staff and partner resources to be redirected toward service delivery, system coordination, and continuous improvement.
3. **Increased investment in shared technology and virtual service delivery.** Louisiana will increase the proportion of partner-contributed infrastructure funding directed toward shared technology, digital tools, and virtual service platforms that support a statewide “no wrong door” service delivery model across all regions. This will expand access to workforce services and improve system connectivity for participants and partners.
4. **Improved fiscal consistency and compliance across all one-stop centers.** Louisiana will implement a uniform, statewide infrastructure funding methodology based on a board-approved “Relative Benefit” model, ensuring consistent application of funding caps and cost allocation formulas across all centers. This approach will result in zero fiscal findings related to infrastructure funding, including findings associated with disproportionate partner contributions or noncompliance with funding requirements, and will strengthen overall fiscal integrity, transparency, and audit outcomes.

Populations BENEFITING from the Waiver

This waiver primarily impacts the administrative staff and partner agencies of the workforce system, who will see a significant reduction in the time and legal resources required to manage fiscal negotiations. A stabilized and strategic funding model ensures that centers in rural or high-poverty areas are not disadvantaged by local funding volatility, guaranteeing that all residents have access to high-quality workforce services regardless of their geographic location. This waiver impacts employers and job seekers by creating a more reliable and unified service delivery system, as infrastructure resources are allocated efficiently to support high-quality training, career services, and employment programs.

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Monitoring and Measuring Success

Louisiana will monitor the implementation of the statewide infrastructure funding model through its centralized financial reporting system. Each one-stop partner's contribution will be tracked quarterly to ensure adherence to the state-determined formula and to verify that funds are being used exclusively for allowable infrastructure costs. The SWDB will review these expenditures annually as part of its continuous improvement process and oversight responsibilities. Outcomes and implementation status will be reported through the WIOA Annual Report and other required reporting mechanisms.

Public Comment and Notification

Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

Conclusion

Allowing Louisiana to implement a statewide infrastructure funding mechanism without first requiring a local impasse is essential to modernizing workforce system operations, ensuring full partner contributions, and supporting a unified service delivery model. This waiver eliminates unnecessary administrative delay, strengthens accountability, and allows infrastructure investments to support statewide workforce priorities and customer outcomes. Louisiana respectfully requests approval of this waiver.

8. Sustained Fiscal Integrity Definition

Purpose of the Waiver

This waiver requests authority to modernize the definition of sustained fiscal integrity under WIOA Section 106(e)(2) by expanding it beyond a binary determination of mis-expenditure to a more comprehensive, performance-driven framework. Under the current definition, a local workforce development area may be deemed to have sustained fiscal integrity solely based on the absence of a final determination of mis-expended funds, regardless of whether its administrative structure, cost profile, or financial practices support an effective and sustainable workforce system.

Louisiana seeks to redefine sustained fiscal integrity to include state-established methods of administration that evaluate financial health, operational efficiency, and alignment with a high-performing, integrated workforce system. These methods will assess whether designated areas are able to meet infrastructure obligations, maintain proportionate administrative costs, and

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deploy resources in a manner that supports employment outcomes and long-term workforce attachment.

This approach does not eliminate local workforce development area designations, which will remain in place to meet federal statutory requirements. Instead, it ensures that all designated areas operate within a unified, statewide framework for governance, funding, and accountability. In coordination with Louisiana's broader waiver strategy, including the State Workforce Board Acting as the Local Board and the State Workforce Agency Serving as the Fiscal Agent waiver requests, this waiver establishes a consistent and transparent standard for fiscal performance across the system.

By modernizing the definition of sustained fiscal integrity, Louisiana will shift from a compliance-based assessment to a performance-driven framework that supports system-wide efficiency, reduces administrative burden, and ensures that workforce resources are aligned with strategies that deliver measurable results for participants and employers.

Statutory and Regulatory Requirements for the Waiver

WIOA Section 106(e)(2) and the associated regulations at 20 CFR 679.260

These provisions provide the current definition of sustained fiscal integrity as the absence of a final determination of mis-expended funds by the Secretary.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

- **Integrated Systems (Strategic Pillar III):** This request is built upon the strategic goal of enhancing system-wide performance and fiscal responsibility. Under the current prescriptive definition, a local area may be considered to have "sustained fiscal integrity" even if it is struggling with high administrative overhead or is unable to adequately fund its one-stop infrastructure, provided it has not technically "mis-expended" funds in a manner that triggered a Secretary-level finding. This creates a barrier to integrated systems because it may require the State to continue designating local areas that are structurally inefficient and reliant on disproportionate amounts of Title I funding for administration rather than participant services.
- **Accountability (Strategic Pillar IV):** By broadening the definition to include "methods of administration," the State can hold local areas accountable for their actual financial health and operational viability. This modernization ensures that the Governor can evaluate whether a local area's administrative structure is an asset or a liability to the modernized service delivery model.
- **Flexibility and Innovation (Strategic Pillar V):** This request allows the State to develop more rigorous, state-defined fiscal standards that prioritize the redirection of resources

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toward direct career and training services rather than maintaining redundant or unsustainable local administrative layers.

Actions Taken to Remove Barriers

Louisiana has implemented extensive statewide fiscal monitoring, analysis, and oversight of its local areas' budgets, administrative costs, and infrastructure funding capabilities to ensure compliance with WIOA, Uniform Guidance, and related federal requirements and has identified significant variations in administrative efficiency and financial sustainability across areas.

Based on these findings, the State has strengthened centralized fiscal monitoring, implemented uniform fiscal policies, and provided targeted technical assistance to local areas experiencing fiscal stress. Louisiana has also drafted an initial set of efficiency and sustainability metrics designed to assess whether local areas are operationally viable, able to meet infrastructure obligations, and deploying resources strategically. Despite these efforts, existing statutory and regulatory frameworks constrain the State's ability to act on this information.

State's Strategic Goals Supported by This Waiver

This waiver supports Louisiana's strategic goals of implementing a fully integrated, performance-driven workforce system that aligns governance, funding, and service delivery under a unified statewide framework. By modernizing the definition of sustained fiscal integrity, the State strengthens its ability to ensure that all designated areas operate in alignment with statewide priorities, fiscal standards, and performance expectations.

This approach directly supports Louisiana's broader strategy to transition from fragmented, program-driven administration to a coordinated system that prioritizes efficiency, accountability, and measurable outcomes. In alignment with the State Workforce Board serving in the capacity of a local board and the State Workforce Agency serving as the fiscal agent, this waiver establishes a consistent standard for evaluating financial health and operational viability across the system, ensuring that resources are managed strategically and deployed in a manner that maximizes impact.

By expanding the definition of fiscal integrity to include operational efficiency, administrative cost structure, and the ability to support integrated service delivery, Louisiana will better align financial oversight with its goal of increasing investment in direct services, including training, career services, and supportive services. This ensures that public resources are not only compliant with federal requirements, but are also contributing to improved employment outcomes, workforce participation, and long-term economic mobility.

Additionally, this waiver supports the State's goal of enhancing accountability through a transparent, data-driven framework that evaluates performance at both the system and operational levels. Designated areas will continue to function within the statewide structure,

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contributing to regional service delivery while operating under consistent fiscal and performance expectations. This ensures both statewide consistency and responsiveness to labor market needs.

Ultimately, this waiver advances Louisiana's ability to build a more efficient, sustainable, and outcome-focused workforce system by aligning fiscal policy with system performance, reducing administrative inefficiencies, and reinforcing a model where funding decisions are directly tied to results.

Projected Programmatic Outcomes

This waiver will achieve the following outcomes:

10. **Increased investment in direct participant services through reduced administrative overhead.** Louisiana will implement a statewide fiscal viability standard that evaluates administrative cost efficiency and alignment of expenditures with participant outcomes. This will result in a measurable shift of WIOA Title I funds toward training, career services, and supportive services, contributing to the statewide goal of allocating at least 60 percent of funds to direct participant services within four program years.
11. **Standardized, statewide evaluation of fiscal viability.** Louisiana will establish and implement uniform "methods of administration" within 12 months, requiring 100 percent of designated areas to demonstrate the ability to meet infrastructure funding obligations, maintain proportionate administrative cost structures, and align expenditures with system performance goals. This will ensure consistent and transparent assessment of financial health across the statewide system.
12. **A more efficient and sustainable workforce delivery system.** Louisiana will apply fiscal viability standards within a unified statewide framework to identify areas requiring targeted intervention, operational adjustment, or realignment to ensure consistency with statewide fiscal and service delivery expectations. This will result in a significant reduction in structural inefficiencies and improved alignment of resources with service delivery needs.
13. **Statewide alignment of funding with training, supportive services, and employment outcomes.** Louisiana will prioritize the use of WIOA Title I funds for training, work-based learning, and supportive services that directly contribute to employment, retention, and wage progression. Through a unified statewide funding and accountability framework, the state will ensure that resource allocation decisions consistently support high-impact services and advance the goal of dedicating at least 60 percent of funds to participant-focused investments.
14. **Improved fiscal consistency, stewardship, and alignment across the workforce system.** Louisiana will implement a statewide fiscal performance framework tied to the Governor's definition of sustained fiscal integrity, resulting in 100 percent annual

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compliance with state-defined standards, reduced variability in administrative cost structures, and consistent adherence to infrastructure funding and cost allocation requirements.

15. **Transition to a performance-based fiscal accountability model.** Louisiana will replace a compliance-only definition of fiscal integrity with a framework that ties continued designation to demonstrated financial sustainability, operational efficiency, and contribution to statewide workforce outcomes. This will strengthen accountability and ensure that public resources are deployed to maximize employment and economic mobility outcomes.

16. **Implementation of a statewide fiscal performance and transparency framework.** Louisiana will develop and deploy a “Fiscal Health Dashboard” that tracks key indicators, including administrative cost ratios, infrastructure-to-service spending levels, and available cash on hand. This will provide a transparent, data-driven basis for evaluating fiscal integrity and enable real-time identification of areas requiring support or intervention.

Populations BENEFITING from the Waiver

This waiver primarily benefits the taxpayers and participants of the workforce system by ensuring that public funds are managed by local areas that are operationally sound and efficient. Job seekers and employers will benefit from a more stable and well-funded one-stop system where resources are not drained by inefficient administrative structures. Finally, state-level administrators will have the necessary tools to ensure that the workforce system is structurally prepared to support worker upward mobility and upskilling.

Monitoring and Measuring Success

Louisiana will monitor the implementation of this waiver through a centralized, statewide fiscal and performance framework aligned with its unified governance and funding model. Oversight will be conducted through coordinated efforts across fiscal monitoring, performance reporting, and data analysis functions within Louisiana Works.

The State will implement a standardized set of fiscal and operational metrics to evaluate alignment with statewide expectations, including administrative cost ratios, infrastructure-to-service spending levels, and the proportion of funds directed toward training, career services, and supportive services. Progress toward the statewide goal of allocating at least 60 percent of WIOA Title I funds to direct participant services will be tracked and reported annually.

All designated areas will be evaluated using uniform “methods of administration” that assess financial sustainability, operational efficiency, and alignment with statewide service delivery and performance goals. These evaluations will be supported by regular financial reporting, annual monitoring reviews, and ongoing analysis of expenditure patterns and outcomes data.

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Louisiana will also implement a statewide fiscal performance and transparency framework, including a Fiscal Health Dashboard, to provide real-time visibility into key indicators and support data-driven decision-making. This framework will enable the State to identify areas requiring technical assistance, targeted intervention, or corrective action to ensure alignment with fiscal standards and system goals.

Corrective actions will be applied in a structured and progressive manner, including technical assistance, required improvement plans, and, where necessary, escalation to formal intervention in accordance with federal requirements. This ensures that all designated areas operate within the statewide framework while maintaining accountability for performance and fiscal integrity.

Through this approach, Louisiana will ensure that fiscal oversight is directly tied to system performance, resource alignment, and measurable outcomes, including employment, retention, and wage progression. Monitoring results will be used to continuously refine policy, improve service delivery, and ensure that workforce investments are producing meaningful results for participants and employers.

Public Comment and Notification

Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

Conclusion

Modernizing the definition of sustained fiscal integrity is essential to aligning fiscal accountability with Louisiana's integrated, statewide workforce governance and service delivery model. This waiver strengthens fiscal stewardship, improves system stability, reduces administrative inefficiency, and ensures that workforce resources are deployed strategically to support economic mobility and employer demand. Louisiana respectfully requests approval of this waiver

9. Consolidating WIOA Title I Funding as a Block Grant

Purpose of this Waiver

This waiver allows Louisiana to receive WIOA Title I Adult, Dislocated Worker, and Youth funds into a single, flexible funding pool administered at the state level rather than separate formula-funded program streams. This flexibility supports an integrated, outcome-driven workforce development system. As currently drafted in the waiver package, the section frames this request as a move away from separate formula-funded streams toward a unified state-level funding pool.

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Louisiana's request is also aligned with the Trump Administration's emerging federal workforce policy direction, including the proposed Make America Skilled Again initiative, which would consolidate multiple workforce funding streams into a more flexible state-administered model focused on reducing bureaucracy and improving employment outcomes. While that proposal has not been enacted, it reflects the same core principle underlying this waiver: states need greater flexibility to deploy workforce funds in ways that respond to real labor market demand, support integrated service delivery, and hold the system accountable for results rather than rigid program silos.

The Statutory and Regulatory Requirements for this Waiver

WIOA Sections 128 and 133 and the associated regulations at **20 CFR 681 and 683**

This waiver address provisions that address the establishment of youth and adult and dislocated worker formula funding, including separate allocation, accounting, expenditure tracking, and programmatic distinctions among Adult, Dislocated Worker, and Youth funds.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

- **Worker Mobility (Strategic Pillar II):** This flexibility allows workforce service to be designed around the needs of jobseekers and employers, supporting seamless service delivery without barriers created by separate funding sources.
- **Integrated Systems (Strategic Pillar III):** This waiver eliminates silos between WIOA Title I Adult, Dislocated Worker, and Youth programs by combining funding streams into a single pool, enabling a unified and coordinated workforce development system. Streamlining funding into one flexible pool reduces duplicative fiscal management reporting, and monitoring requirements at both the state and local levels.
- **Accountability (Strategic Pillar IV):** This waiver shifts the system's focus from program compliance to achieving measurable outcomes, such as employment, credential attainment, and earnings growth, across all populations served.
- **Flexibility & Innovation (Strategic Pillar V):** By consolidating Title I funds, the State gains the flexibility to allocate resources based on real-time labor market needs and strategic priorities rather than rigid, program-specific funding formulas.

Actions Taken to Remove Barriers

Louisiana has aligned Title I Adult, Dislocated Worker, and Youth services within existing statutory constraints, including issuing unified statewide policies, implementing common intake and assessment processes, aligning career pathways across programs, and encouraging co-enrollment where permissible.

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The State has also centralized performance management, monitoring, and fiscal oversight and has worked to braid Title I resources with SNAP Employment and Training, Temporary Assistance for Needy Families, and other workforce-related funding streams. Despite these efforts, the requirement to maintain separate Title I funding streams continues to create artificial administrative barriers that limit flexibility and responsiveness.

State's Strategic Goals Supported by this Waiver

This waiver directly advances Louisiana's strategic workforce goals by strengthening system coordination and reduction of program-specific funding silos, improving responsiveness to labor market needs, and maximizing the impact of limited resources. By consolidating Title I Adult, Dislocated Worker, and Youth funding, the State advances its goal of building an integrated workforce system that operates as a single network rather than separate programs. The added flexibility supports the State's objective to respond quickly to employer demand and economic changes, ensuring investments are aligned with high-growth industries and in-demand occupations. The waiver also reinforces the State's focus on outcomes and accountability by allowing resources to be directed toward strategies that improve employment, credential attainment, and earnings such as work-based learning, sector partnerships, and rapid reemployment. Finally, by reducing administrative burden and duplicative processes, the waiver supports the State's goal of efficient stewardship of public funds while improving customer-centered service delivery for jobseekers and employers.

Projected Programmatic Outcomes

This waiver will achieve the following outcomes:

1. **Elimination of programmatic silos to enable participant-centered service delivery.** Louisiana will consolidate Title I Adult, Dislocated Worker, and Youth funding into a single funding structure, eliminating eligibility-driven service silos and ensuring participants receive the most appropriate service intervention regardless of funding stream designation, resulting in a fully integrated and individualized approach to workforce services.
2. **Increased investment in training and work-based learning aligned with participant and employer needs.** Louisiana will leverage consolidated funding to prioritize training and career pathway strategies, increasing training expenditures to at least 35 percent of total Title I funds, with a target of 37 percent within two program years, ensuring greater alignment with in-demand occupations and employer needs.
3. **Expanded co-enrollment to support integrated service strategies.** Louisiana will utilize a unified funding model to increase co-enrollment across Adult, Dislocated Worker, and Youth programs by at least 20 percent, enabling more comprehensive service delivery and improved alignment between participant needs, funding strategies, and career outcomes.

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4. **More strategic and flexible deployment of resources across populations.** Louisiana will use a consolidated Title I funding pool to allocate resources based on participant need and employer demand rather than program-specific constraints, resulting in more responsive service delivery and improved alignment with high-wage, in-demand career pathways statewide.

Populations BENEFITING from the Waiver

This waiver benefits job seekers and program participants, who will receive services based on their needs and career goals rather than on which Title I funding stream they qualify for at intake, enabling seamless service pathways, reduced handoffs, and more effective case management. It also benefits employers, who benefit from a system that can deploy training and hiring solutions without navigating program-specific limitations. A consolidated funding model allows the State to respond more effectively to employer-driven initiatives, layoff aversion efforts, and rapid response activities that often involve mixed populations.

Monitoring and Measuring Success

Louisiana will monitor waiver implementation through centralized fiscal oversight, program monitoring, and performance reporting systems. The State will maintain the ability to track expenditures, participant characteristics, and outcomes in a manner sufficient to meet all federal reporting requirements and to demonstrate compliance with statutory protections.

The State will evaluate the impact of consolidated Title I funding on service delivery efficiency, outcomes, and fiscal integrity and will report on these impacts through the WIOA Annual Report and other required reporting mechanisms.

Public Comment and Notification

Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

Conclusion

Consolidating WIOA Title I Adult, Dislocated Worker, and Youth funding into a single block grant is a critical step in modernizing Louisiana's workforce development system. This waiver reduces administrative fragmentation, increases flexibility, strengthens alignment with employer demand, and supports a fully integrated, outcome-driven approach to workforce services. Louisiana respectfully requests approval of this waiver.

10. Consolidating WIOA Title I and Title III Funding

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Purpose of the Waiver

This waiver allows the State to combine WIOA Title I Adult, Dislocated Worker, and Youth and Title III Wagner-Peyser funding streams into a consolidated, flexible funding pool administered at the state level rather than separate formula-funded program streams. This flexibility supports an integrated, outcome-driven workforce development system.

This waiver is also aligned with the Trump Administration's emerging federal workforce policy direction, including the proposed Make America Skilled Again initiative, which would consolidate multiple workforce funding streams into a more flexible, state-administered model focused on reducing administrative burden and improving employment outcomes. While that proposal has not been enacted, it reflects the same core principle underlying this waiver: states need greater flexibility to deploy workforce funds in ways that respond to real labor market demand, support integrated service delivery, and hold the system accountable for results rather than rigid program silos.

By aligning Title I and Title III resources within a single funding structure, Louisiana advances this approach by integrating labor exchange and training services, reducing fragmentation, and enabling a more coordinated, responsive system that better serves job seekers and employers.

Statutory and Regulatory Requirements for this Waiver

WIOA Sections 128, 133, 134 and 301–306

This waiver addresses provisions related to:

- Youth and adult and dislocated worker formula funding and within-State allocation requirements, including funding allotments and allocations, services, and eligibility and priorities; and
- Wagner-Peyser services, coordination with related WIOA partners and One-Stop Centers, and funding and use of allotments.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

- **Worker Mobility (Strategic Pillar II):** This flexibility allows workforce service to be designed around the needs of jobseekers and employers, supporting seamless service delivery without barriers created by separate funding sources.
- **Integrated Systems (Strategic Pillar III):** This waiver eliminates silos between WIOA Title I Adult, Dislocated Worker, and Youth and Wagner-Peyser programs by combining funding streams into a single pool, enabling a unified and coordinated workforce development system. Streamlining funding into one flexible pool reduces duplicative

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fiscal management reporting, and monitoring requirements at both the state and local levels.

- **Accountability (Strategic Pillar IV):** This waiver shifts the system's focus from program compliance to achieving measurable outcomes, such as employment, credential attainment, and earnings growth, across all populations served.
- **Flexibility & Innovation (Strategic Pillar V):** By consolidating Title I and Title III funds, the State gains the flexibility to allocate resources based on real-time labor market needs and strategic priorities rather than rigid, program-specific funding formulas.

Actions Taken to Remove Barriers

The State has coordinated Title I and Title III programs within existing statutory constraints, including co-location of staff, implementing common intake and assessment processes, aligning employer engagement strategies, and coordinating planning through the WIOA Combined State Plan.

State's Strategic Goals Supported by this Waiver

This waiver supports the State's strategic workforce goals of increasing labor force participation, strengthening employer engagement, expanding work-based learning, and delivering integrated services through aligned workforce development, economic, and social service systems. A consolidated Title I and Title III funding structure aligns resources with how services are actually delivered to job seekers and employers. By removing artificial funding silos, the State can deploy resources strategically to support statewide priorities, respond to employer demand, and ensure consistent service quality across regions.

Projected Programmatic Outcomes

This waiver will achieve the following outcomes:

1. **Full integration of labor exchange and training services through a unified service delivery model.** Louisiana will align Title I and Title III funding to support a single, coordinated service strategy that integrates job matching, career services, and training, resulting in 100 percent of participants being served through a unified statewide intake, assessment, and service delivery framework and eliminating duplicative intake processes across programs.
2. **Improved employment outcomes through coordinated job matching and training strategies.** Louisiana will align labor exchange and training investments in real time, resulting in a unified statewide Entered Employment Rate (2nd Quarter After Exit) that exceeds a weighted baseline of 68 percent, driven by increased co-enrollment and stronger alignment between participant skill development and employer demand.

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3. **Expanded co-enrollment to support integrated service delivery.** Louisiana will utilize a consolidated Title I and Title III funding model to increase co-enrollment between programs by at least 30 percent, ensuring participants receive both labor exchange and training services as part of a single, coordinated service strategy.
4. **Accelerated and more seamless service delivery for job seekers and employers.** Louisiana will align job matching, training, and re-employment services within a unified system, reducing fragmentation and service delays, resulting in faster connection to employment opportunities, improved retention outcomes, and increased employer satisfaction with workforce services.
5. **More strategic and flexible deployment of workforce resources.** Louisiana will use a combined Title I and Title III funding pool to allocate resources based on participant need and labor market demand rather than program-specific constraints, resulting in improved responsiveness to economic conditions and stronger alignment with high-wage, in-demand career pathways statewide.

Populations BENEFITING from the Waiver

This waiver benefits job seekers and program participants, who will receive services based on their needs and career goals rather than on which funding stream they qualify for at intake. Additionally, they will enjoy a streamlined experience through a unified intake, assessment, and case management approach, thereby reducing duplication and confusion for customers. It also benefits employers, who benefit from a system that can deploy training and hiring solutions without navigating program-specific limitations. Finally, a consolidated funding model supports local service providers and workforce staff to offer services within an integrated operational framework that reduces administrative complexity.

Monitoring and Measuring Success

The State will monitor waiver implementation through formal state policy that defines allowable uses, cost allocation methodologies, fiscal controls, and reporting requirements. The State will maintain detailed financial tracking by funding source to ensure compliance with federal accounting and audit standards and will continue to report required financial and performance data to USDOL.

The State will monitor outcomes associated with the consolidated funding model through centralized performance dashboards and annual evaluations and will report on implementation as part of the WIOA Annual Report and other required reporting mechanisms.

Public Comment and Notification

Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received,

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along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

Conclusion

Consolidating WIOA Title I and Title III funding into a statewide, block-grant-like structure is essential to aligning resources with outcomes, modernizing service delivery, and strengthening Louisiana's ability to respond to workforce needs. This waiver allows Louisiana to move beyond fragmented funding silos toward a unified, performance-driven workforce system while maintaining full federal transparency and accountability. Louisiana respectfully requests approval of this waiver.

11. Flexible Use of Governor-Reserved Funds for Employment and Training Activities

Purpose of the Waiver

This waiver provides flexibility to expand the permissible uses of the Governor's Reserve funds under WIOA Title I to use these funds to support statewide, system-level initiatives aligned with Louisiana's integrated workforce strategy. This waiver would allow the State to deploy Governor's Reserve funds more flexibly across Adult, Dislocated Worker, and Youth populations and in support of statewide employment and training activities, including disaster response and recovery employment activities. This flexibility enables the State to respond more effectively to emerging workforce needs, including providing training, economic recovery activities, and other critical workforce services where they are most needed.

States with Existing Waivers

New York, Illinois, Puerto Rico (2 waivers)

Statutory and Regulatory Requirements for this Waiver

WIOA Sections 128(a), 133(a)(2) and 134(a)(2)(A), (B), and 134(a)(3) and the associated regulations at **20 CFR 682.100** through **682.130**.

This waives provisions that specifically require the Governor to reserve up to 25 percent of the State's Adult, Dislocated Worker, and Governor's Reserve funds and outline allowable activities for reserved funds.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

- **Worker Mobility (Strategic Pillar II):** By allowing funds to support disaster relief employment and other statewide employment programs, individuals affected by

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emergencies or economic disruptions can quickly enter the workforce. This waiver provides transitional or temporary employment funding with opportunities for on-the-job and skills-building, helping participants move into longer-term, unsubsidized employment. The flexibility ensures that individuals in affected regions or industries have access to employment opportunities that might not otherwise be available, supporting economic recovery and mobility.

- **Integrated Systems (Strategic Pillar III):** This waiver allows reserved funds to be deployed for statewide employment and training or disaster relief and encourages cross-program alignment. It also supports unified delivery, promoting cohesive and centralized planning, ensuring funds reach areas of greatest need efficiently. This flexibility reduces silos, integrating emergency employment, workforce development, and recovery services under a single strategy.
- **Flexibility and Innovation (Strategic Pillar V):** This request gives the Governor the ability to adapt the use of reserved funds to meet the rapidly changing workforce needs, which directly embodies the Flexibility and Innovation pillar by allowing funds to be deployed for employment and training services needed by participants. By allowing reserved funds to be used beyond traditional rapid response, the State can design innovative employment and training programs tailored to current labor market conditions. This waiver also supports new programs and promotes adaptive workforce strategies by encouraging experimentation and flexibility in service delivery to meet the emerging industry needs and unexpected workforce disruptions.

Actions Taken to Remove Barriers

Louisiana has used existing Governor's Reserve authority to support rapid response, layoff aversion, and selected statewide initiatives. The State has also sought to maximize flexibility by aligning Reserve-funded activities with broader workforce priorities and by braiding Reserve funds with other funding sources where permissible. Additionally, Louisiana has issued guidance and provided technical assistance to local areas and partners to support coordinated planning, streamlined approval processes for statewide initiatives, and strengthened collaboration between rapid response team and workforce program operators. These actions reduce administrative barriers and allow funds to be deployed more effectively in response to emerging workforce needs but challenges cannot be fully overcome.

State's Strategic Goals Supported by this Waiver

This waiver supports the Louisiana's strategic goals of responsiveness to employer demand, increased labor force participation, and alignment of training investments with high-demand industries. Expanded flexibility in the use of Governor's Reserve funds allows the State to invest in statewide initiatives that advance these goals, including sector partnerships, work-based learning expansion, technology-enabled service delivery, and integrated case management across

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workforce and social service programs. This waiver also supports financial integration by enabling Reserve funds to be deployed strategically alongside consolidated Title I funding and unified administrative structures.

Projected Programmatic Outcomes

This waiver will achieve the following outcomes:

17. **Percentage of Governor-reserved funds utilized** for statewide employment and training activities within the first year of availability
18. **Number of individuals served** through statewide employment, training, or disaster relief activities funded by the waiver
19. **Enrollment in training or employment services**, measured by the number of participants entering approved programs and earning credentials
20. **Employment outcomes**, including the percentage of participants who obtain employment following services
21. **Time to service delivery**, measured as a reduction in the time between funding availability and participant enrollment

Populations BENEFITING from the Waiver

This waiver primarily benefits workers and job seekers, especially those affected by emergencies or economic disruptions, because it allows the State to design services around participant needs rather than program limitations, supporting more seamless pathways to employment. It also benefits employers, who gain a more responsive workforce system capable of addressing labor shortages and skill gaps quickly, and workforce program stakeholders, as the waiver allows for strategic allocation of resources to areas of greatest need.

Monitoring and Measuring Success

Louisiana will monitor implementation of this waiver through centralized fiscal oversight, program monitoring, and performance evaluation, including regular reporting on the use of Governor-reserved funds for statewide employment and training activities.

The State will evaluate the impact of expanded Reserve flexibility annually and will report outcomes through the WIOA Annual Report and other required reporting mechanisms. Measurable outcomes will include the amount of funds expended, number of participants served, types of services provided, and employment and training outcomes achieved. Data will be reviewed to ensure funds are used as intended, support timely response to workforce needs, and inform continuous improvement and compliance with waiver conditions.

Public Comment and Notification

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Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

Conclusion

Expanding the permissible uses of the Governor's Reserve funds is essential to enabling Louisiana to respond proactively to workforce challenges, scale innovation, and support an integrated, statewide workforce system. This waiver strengthens flexibility, improves outcomes, and ensures that Reserve funds are deployed strategically in support of Louisiana's economic and workforce priorities. Louisiana respectfully requests approval of this waiver.

12. Performance Accountability and Transitional Flexibility During System Transformation

Purpose of the Waiver

Louisiana requests temporary, time-limited flexibility to ensure accurate and meaningful performance accountability during the State's transition to a fully integrated, statewide workforce system. As Louisiana Works implements significant structural, operational, and technological changes, strict adherence to existing performance accountability and expenditure requirements may produce temporary measurement distortions that do not accurately reflect program effectiveness, participant outcomes, or return on investment.

Louisiana is undertaking a comprehensive transformation of its workforce system, including statewide governance alignment, redesign of service delivery, deeper integration of workforce and human services to support seamless customer pathways, and modernization of data and case management systems. These changes are necessary to create a more coordinated, outcome-driven system, but they will temporarily disrupt historical baselines and standard operating conditions used to measure performance.

During this transition, the State will experience expected variability in participant flow, service delivery models, staffing structures, data reporting, and expenditure patterns. As a result, performance outcomes generated during this period may not be directly comparable to prior program years. Without temporary flexibility, these shifts risk producing misleading performance results, obscuring true program effectiveness, and creating misalignment between reported outcomes and actual labor market impact.

This waiver is intended to preserve the integrity and usefulness of performance data during this transition by ensuring that reported outcomes remain valid, comparable, and focused on results rather than transitional artifacts. It also allows the State to align expenditure timelines with

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system redesign and to make investment decisions based on participant needs and labor market demand, rather than rigid timing requirements that do not reflect operational realities during transformation.

At the same time, this waiver ensures continuity of operations, allowing Louisiana to implement system changes without disrupting access to services for job seekers and employers. Workforce services, including training, supportive services, and employment assistance, will remain fully available throughout the transition, while the State builds a more integrated, efficient, and performance-driven workforce system.

Specifically, Louisiana seeks temporary flexibility to:

- Adjust or re-baseline performance levels impacted by structural changes,
- Align expenditure timelines with system realignment, and
- Maintain operational continuity during implementation of new governance, service delivery, and data systems.

Statutory and Regulatory Requirements for this Waiver

WIOA Sections 116(b), 128(c), and 133(c)(6) and the associated regulations at 20 CFR 677 and 683.110–683.120.

This waives provisions related to operational requirements and to performance reporting, expenditure timelines, and system operations during transition.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

- **Integrated Systems (Strategic Pillar III):** Through the implementation of a fully integrated, customer-centered statewide workforce system, Louisiana is strengthening alignment across workforce, education, and social services to better support individuals in achieving sustainable employment and economic mobility.
- **Accountability (Strategic Pillar IV):** Allowing time-limited flexibility to adjust performance expectations and reporting during transition allows valid, comparable performance data that reflects true program effectiveness rather than temporary disruptions caused by structural and operational changes to inform long-term planning and decision-making will ensure that outcome measures such as employment, earnings, credential attainment, and retention continue to serve as meaningful indicators of success.

Implementation Plan

Louisiana will implement this waiver through a structured, time-limited transition plan designed to maintain continuity of operations while establishing a fully integrated, statewide workforce

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system. This plan includes defined phases, safeguards for performance accountability, and clear alignment with federal reporting and oversight requirements.

Phase 1: Stabilization and Baseline Protection (0–9 months)

During the initial phase, Louisiana will maintain continuity of service delivery while beginning implementation of governance and operational changes. The State will:

- Continue operating existing service delivery structures while initiating transition to a unified statewide model
- Maintain current performance reporting methodologies to the extent practicable, with clear documentation of any deviations caused by structural changes
- Implement interim data validation and reporting protocols to ensure continuity and reliability of reported outcomes
- Track and document impacts of system changes on participant flow, service delivery, and performance indicators

Phase 2: Transition and System Realignment (9–24 months)

During this phase, Louisiana will progressively align performance accountability and expenditure practices with the new system design. The State will:

- Develop and apply adjusted or re-baselined performance indicators, in coordination with USDOL, to reflect the integrated service delivery model
- Align expenditure timelines and funding strategies with redesigned service delivery, procurement, and fiscal structures
- Implement unified statewide policies for eligibility, service delivery, and performance management
- Transition to integrated case management and data systems that support cross-program tracking of participant outcomes
- Utilize parallel or bridge reporting, where necessary, to maintain comparability and transparency during the transition

Phase 3: Stabilization, Validation, and Performance Reset (24–36 months)

Upon stabilization of the new system, Louisiana will transition to standard performance accountability requirements under a new baseline. The State will:

- Establish new performance baselines using post-transition data that accurately reflect system operations

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- Validate performance data across reporting periods to ensure consistency, reliability, and audit readiness
- Renegotiate performance levels with USDOL based on validated outcomes under the integrated model
- Fully align performance reporting, expenditure tracking, and accountability frameworks with federal requirements
- Phase out transitional flexibilities and operate under standard WIOA performance and fiscal expectations

Safeguards and Federal Compliance

Throughout all phases, Louisiana will maintain full compliance with federal reporting, fiscal, and civil rights requirements. The State will:

- Ensure all performance data remains auditable, documented, and traceable to source systems
- Maintain internal controls consistent with Uniform Guidance (2 CFR 200.303) and monitoring requirements (2 CFR 200.329)
- Provide regular updates to USDOL on implementation progress, performance impacts, and any necessary adjustments
- Ensure that temporary flexibility strengthens, rather than reduces, accountability by improving the accuracy and integrity of performance measurement

Actions Taken to Remove Barriers

Louisiana has taken significant steps to prepare for this transition and mitigate risks associated with system transformation.

The State has developed a comprehensive strategy to align governance, service delivery, and funding with statewide workforce priorities. This includes standardizing policies, strengthening performance management frameworks, and investing in data systems that support integrated case management and outcome tracking.

Louisiana has also implemented processes to ensure continued service delivery during transition, including maintaining existing operational structures while new systems are deployed. Interim data validation and reporting processes are in place to ensure continuity in performance tracking.

In addition, the State has established strong fiscal and monitoring controls, including risk-based monitoring, documented internal controls, and clear separation of duties, to ensure accountability and compliance throughout the transition period.

State's Strategic Goals Supported by This Waiver

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This waiver supports Louisiana's broader workforce strategy by enabling the State to implement a fully integrated, performance-driven system that aligns workforce investments with employer demand and economic priorities.

By allowing flexibility during transition, the State can focus on long-term outcomes, including increasing labor force participation, improving job placement and retention, and strengthening alignment between training and employment opportunities.

This waiver also supports the State's goal of delivering a more efficient, coordinated system that improves access to services, reduces fragmentation, and enhances the overall effectiveness of workforce programs.

Projected Programmatic Outcomes

This waiver will produce the following outcomes:

- 22. Improved accuracy and interpretability of performance reporting during transition.** Performance outcomes reported during the transition period will more accurately reflect program effectiveness by accounting for structural and operational changes. Louisiana will reduce the risk of misinterpretation of key indicators, including employment, earnings, and credential attainment, by documenting and contextualizing any impacts related to system transformation.
- 23. Continuity of service delivery with no disruption to participants or employers.** Louisiana will maintain uninterrupted access to workforce services throughout the transition. Participants will continue to receive career services, training, and supportive services without delay, and employers will continue to access workforce solutions, ensuring stability in service delivery during system changes.
- 24. Development and validation of new performance baselines.** Louisiana will establish new performance baselines using post-transition data that accurately reflect operations under the integrated statewide model. These baselines will be validated and used to support future performance negotiations with USDOL.
- 25. Increased consistency in performance measurement across the statewide system.** As governance, service delivery, and data systems are aligned statewide, Louisiana will reduce variability in how performance is measured and reported across regions, resulting in more consistent and comparable performance data.

Populations Benefitting from the Waiver

This waiver primarily benefits workforce program participants by ensuring that performance accountability during the transition period accurately reflects their outcomes and does not result in unintended negative consequences due to temporary system changes. By allowing flexibility in how performance is measured and interpreted, Louisiana ensures that participants are not

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disadvantaged by reporting artifacts or disruptions associated with system transformation, while maintaining uninterrupted access to career services, training, and supportive services. Employers benefit from the continuity and stability of workforce services, ensuring consistent access to workforce solutions as the system evolves. State and local workforce system operators, including frontline staff and service providers, benefit from the ability to focus on delivering high-quality services rather than navigating misaligned performance and expenditure requirements during the transition. This approach also strengthens transparency and data reliability for federal and state oversight entities by ensuring that reported outcomes are properly contextualized, validated, and aligned with actual system operations.

Monitoring and Measuring Success

Louisiana will continue to track and report performance outcomes to the extent data systems allow during the transition period. The State will maintain transparency through regular reporting and monitoring, including internal performance reviews and oversight mechanisms.

The State will also develop updated performance baselines using post-transition data and will work with USDOL to renegotiate performance levels once system stabilization is achieved. Louisiana will also provide periodic updates to USDOL on transition progress, including documentation of any temporary impacts to performance indicators and the steps taken to ensure data integrity.

Public Comment and Notification

Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

Conclusion

Louisiana respectfully requests approval of this waiver to provide necessary flexibility during a period of significant system transformation. This waiver will ensure that performance accountability remains accurate, transparent, and outcome-focused while enabling the State to implement a modernized workforce system that delivers stronger results for both job seekers and employers.

13. Providing In-School Youth with Individual Training Accounts

Purpose of this Waiver

This waiver permits local workforce development areas to provide ISY with ITAs, consistent with the flexibility emphasized in TEGL 05-25. As outlined in TEGL 05-25, waivers may be

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used to remove barriers and expand access to high-quality training and credential attainment when such flexibility supports improved service delivery and better participant outcomes. Allowing ITAs for ISY enables local areas to more effectively meet the individualized education and career needs of youth by supporting enrollment in occupational skills training aligned with in-demand industries and career pathways. This waiver promotes stronger connections between secondary education, post-secondary training, and workforce systems, enhances equity and access to training opportunities, and supports WIOA's goals of credential attainment, employment, and long-term economic self-sufficiency for youth.

States with Existing Waivers

Alabama, Arizona, Arkansas, California, Florida, Illinois, Minnesota, Missouri, Montana, Nevada, North Dakota, Northern Mariana Islands, Ohio, Rhode Island, South Dakota, Tennessee, Texas, Utah, Wisconsin

Statutory and Regulatory Requirements for this Waiver

WIOA Section 129(c)(2)(D) and the associated regulations at **20 CFR 681.550**

This waiver addresses the provision that specifically defines the circumstances under which ITAs may be used for youth, effectively limiting their availability to ISY.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

- **Industry-Driven Strategies (Strategic Pillar I):** By allowing ISY to access ITAs for occupational skills training, the waiver ensures youth are enrolled in programs aligned with in-demand industries and career pathways, directly linking training to employer needs.
- **Worker Mobility (Strategic Pillar II):** This waiver expands youth access to credentialed training and career pathways, enhancing skills, employability, and long-term workforce participation.
- **Flexibility & Innovation (Strategic Pillar V):** This waiver provides local areas the discretion to tailor training opportunities to the individual education and career needs of ISY, removing barriers to high-quality training.

Actions Taken to Remove Barriers

To remove state and local barriers, the State has taken actions including:

1. Providing guidance and technical assistance to local areas on flexible youth fund allocation while maintaining compliance with overall expenditure goals
2. Reviewing local funding strategies that limit services to youth populations

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3. Developing monitoring and reporting procedures to ensure appropriate issuance and tracking of ITAs for youth
4. Encouraging collaboration among local areas to strategically distribute funds and address gaps in services for out-of-school youth

State's Strategic Goals Supported by this Waiver

This waiver supports the State's strategic goals by expanding access to high-quality training and credential attainment for ISY, enabling local areas to better address individual education and career needs. By providing ITAs, the waiver strengthens connections between secondary education, post-secondary training, and workforce systems, promotes access to in-demand skills, and supports long-term economic self-sufficiency, workforce readiness, and improved employment outcomes for youth.

Projected Programmatic Outcomes

This waiver will achieve the following outcomes:

5. Increase in **ISY participation in occupational skills** aligned with in-demand industries
6. A projected increase in **recognized credential attainment among ISY** participants receiving ITAs
7. A projected increase in **ISY transitioning to postsecondary education**, advanced training, or registered apprenticeships
8. A projected **increase in employment or education placement** in the second quarter after exit for ISY participants
9. An increase in the percentage of **ISY participants enrolled in training programs** listed on the Eligible Training Provider List, supporting consistency and quality assurance across the workforce system
10. **Reduced duplication of services** and increased utilization of shared intake and case management systems across education and workforce partners

Populations BENEFITING from the Waiver

Specific beneficiaries include:

- In-School Youth: Provides access to a wider range of training opportunities tailored to career goals
- Local Workforce Development Areas: Provides greater flexibility to provide targeted training that aligns with local labor market needs
- Employers: better prepared youth entering the workforce with relevant skills

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- Schools and Training Providers: increased collaboration with workforce programs and more engagement with youth participants

Monitoring and Measuring Success

For a WIOA ISY-ITA waiver, the State would maintain measurable outcome information by tracking individual participant data and recording each ISY enrolled in ITA-funded training, including program start/completion dates, credentials earned, and placement in employment or post-secondary education.

Public Comment and Notification

Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

Conclusion

Allowing ITAs for ISY enables local areas to more effectively meet the individualized education and career needs of youth by supporting enrollment in occupational skills training aligned with in-demand industries and career pathways. Louisiana respectfully requests approval of this waiver.

14. Allowing Post-Exit Supportive Services Not Tied to Career Services

Purpose of this Waiver

This waiver aligns with Louisiana's One Door model, which is designed to support individuals across the full continuum from initial engagement through training, employment, and career advancement. The current 12-month limitation on post-exit supportive services creates an artificial cutoff that does not reflect how individuals progress in the labor market. Many participants continue to face employment-related barriers beyond this timeframe, particularly as they stabilize in employment or pursue advancement opportunities. This waiver allows Louisiana to extend the provision of supportive services beyond 12 months when necessary to support employment retention, wage progression, and long-term self-sufficiency, ensuring that individuals do not lose access to critical supports at the point they are most needed.

Extending supportive services beyond 12 months enables the State to provide targeted, time-limited, and documented assistance directly tied to sustaining employment or enabling advancement in unsubsidized employment, including transportation, childcare, tools, uniforms, and licensing or credential-related costs. By aligning services with real-world employment trajectories rather than program timelines, Louisiana can ensure continuity of support for

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individuals who are attached to employment but still require assistance to remain and progress. This approach reduces unnecessary churn and re-enrollment, strengthens coordination across workforce and social service programs, and advances a proactive, outcomes-driven model focused on sustained employment and long-term economic mobility. This waiver ensures that participants who have exited formal career services but remain attached to employment can continue to receive targeted, time-limited supportive services necessary to sustain employment and advance along a career pathway.

The Statutory and Regulatory Requirements for this Waiver

WIOA Section 134(d)(2) and the associated regulations at **20 CFR 680.900 through 680.910**

This waiver addresses provisions that define participant eligibility for training services, including types of training services allowed, eligible training providers, and payment requirements, and individualized assessment and service planning activities.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

- **Integrated Systems (Strategic Pillar III):** This waiver promotes a more cohesive workforce system by allowing continued supportive services to participants after program exit, ensuring that services are coordinated across Adult, Dislocated Worker, and Youth programs to sustain employment outcomes and career pathways.
- **Accountability (Strategic Pillar IV):** Extending supportive services beyond 12 months strengthens the focus on long-term outcomes, including employment retention, wage progression, and self-sufficiency, rather than limiting services to short-term program metrics.
- **Flexibility & Innovation (Strategic Pillar V):** By removing the 12-month post-exit limit, the State gains flexibility to tailor supportive services based on individual participant needs, supporting innovative strategies to address barriers such as transportation, childcare, or training needs that arise after exit.

Actions Taken to Remove Barriers

Louisiana has maximized flexibility under current law by coordinating supportive services across programs, including SNAP Employment and Training, Temporary Assistance for Needy Families, and other state and community-based resources. The State has encouraged co-enrollment, referrals, and braided funding strategies to support participants after exit where permissible.

State's Strategic Goals Supported by this Waiver

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The waiver supports Louisiana's strategic goals of increased labor force participation, job retention, and wage progression. Louisiana's workforce strategy prioritizes long-term employment outcomes and economic mobility rather than short-term placements. This waiver ensures services remain responsive to individual needs, strengthens coordination across Adult, Dislocated Worker, and Youth programs, and maximizes the impact of workforce investments by reducing barriers that could lead to job loss or repeated program re-entry.

Projected Programmatic Outcomes

This waiver will achieve the following outcomes:

1. **Improved employment retention and wage gains** when participants are able to continue access to transportation, childcare, and other work-related needs
2. Continued access to supportive services improves the overall experience for participants, as evidenced through **enhanced reports of satisfaction and engagement**
3. Participants are less likely to need re-enrollment, improving the **efficiency and resource utilization** of workforce systems

Populations BENEFITING from the Waiver

Participants benefit from continuity of support as they navigate the realities of sustained employment, including changes in schedules, childcare needs, transportation costs, and credentialing requirements. Services will be provided based on documented need and tied directly to employment retention or advancement. Employers benefit from reduced turnover and a more stable workforce. By addressing post-exit barriers, the workforce system helps employers retain trained workers and reduces costs associated with rehiring and retraining.

Monitoring and Measuring Success

Louisiana will monitor waiver implementation through centralized fiscal oversight, case file reviews, and performance monitoring. The State will establish clear policies defining eligible post-exit supportive services, duration limits, documentation requirements, and approval thresholds. The State will evaluate the impact of extended post-exit supportive services on employment retention, earnings, and program outcomes and will report findings through the WIOA Annual Report and other required reporting mechanisms.

Public Comment and Notification

Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

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Conclusion

Allowing post-exit supportive services beyond 12 months is essential to supporting sustained employment, wage progression, and long-term self-sufficiency. This waiver aligns workforce investments with real-world employment challenges and strengthens the effectiveness of Louisiana's integrated, One Door workforce system. Louisiana respectfully requests approval of this waiver.

15. Statewide Performance Negotiation and Assessment Framework

Purpose of this Waiver

This waiver allows Louisiana to negotiate, apply, and assess WIOA performance accountability measures at the statewide level rather than through separate local area negotiations and performance agreements. This waiver would permit Louisiana to operate under a single, statewide performance framework.

The Statutory and Regulatory Requirements for this Waiver

WIOA Sections 116(b)(3)(A) and 116(c) and the associated regulations at 20 CFR 677.210 through 677.230

This waiver addresses provisions that outline state and local negotiated performance outcomes, including target metrics. Additionally, the regulations outline LWDB responsibilities for monitoring, reporting, and taking corrective actions if performance goals are not met.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

- **Worker Mobility (Strategic Pillar II):** By linking performance targets to participant success metrics the waiver ensures that workforce programs remain responsive to jobseekers' needs and employer demand, supporting long-term employment retention and career advancement.
- **Integrated Systems (Strategic Pillar III):** By standardizing performance targets across state and local levels, the waiver ensures alignment between Adult, Dislocated Worker, and Youth programs, creating a coordinated and integrated workforce system focused on shared outcomes.
- **Accountability (Strategic Pillar IV):** Central to this waiver, the focus on performance negotiation, measurement, and accountability ensures that services are evaluated based on employment, earnings, credential attainment, and skill gains, driving continuous improvement and evidence-based decision-making. Streamlined performance negotiation and reporting processes reduce duplicative administrative work and clarify expectations

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for states and local areas, allowing staff to focus more on service delivery and participant outcomes.

- **Flexibility & Innovation (Strategic Pillar V):** The waiver allows states and local areas some flexibility in negotiating performance targets that account for regional economic conditions, historical performance, and participant characteristics, encouraging innovative approaches to improving outcomes.

Actions Taken to Remove Barriers

Louisiana has taken steps to align performance management across local areas by issuing statewide guidance, standardizing data definitions, and centralizing performance reporting and technical assistance. The State has worked to encourage consistent interpretation of performance measures and to support local areas in continuous improvement efforts. Local performance targets often reflect administrative boundaries rather than labor market realities and can unintentionally discourage collaboration across regions or investment in statewide initiatives.

State's Strategic Goals Supported by this Waiver

This waiver directly supports the Louisiana's strategic goals of transitioning to a performance-driven workforce system and increasing labor force participation through improving employment retention and wage growth, strengthening employer engagement, and aligning workforce investments with high-demand industries and regional economic priorities. A statewide performance framework allows accountability to reflect how services are delivered and how labor markets function, rather than relying solely on indicators designed primarily for program compliance. This approach aligns performance management with statewide goals related to economic growth, workforce participation, and upward mobility, and complements other reforms that consolidate governance, funding, and service delivery at the state level.

Projected Programmatic Outcomes

This waiver will achieve the following outcomes:

1. More accurate and aligned performance targets lead to **stronger employment, earnings, and credential outcomes** across programs
2. The State and local areas use negotiated performance data to **enhance data-driven decision making**
3. Consistent performance expectations across State and local levels reduce duplication, streamline reporting, and **strengthen coordination** among workforce programs

Populations BENEFITING from the Waiver

This waiver benefits workforce system partners by establishing clearer alignment between performance goals, funding decisions, and service delivery strategies. Local staff and service

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providers continue to be accountable for performance, but within a framework that recognizes regional variation and supports targeted technical assistance rather than punitive measures tied to local negotiation outcomes. Additionally, employers benefit from an engagement strategy aligned with statewide economic development priorities.

Monitoring and Measuring Success

Louisiana will monitor implementation of the statewide performance framework through centralized data systems, regular performance reviews, and continuous improvement processes. The State will maintain region-level dashboards to assess variation in outcomes and to inform targeted support and intervention and will evaluate the effectiveness of the statewide framework annually, reporting performance outcomes through the WIOA Annual Report and other required reporting mechanisms.

Public Comment and Notification

Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

Conclusion

Establishing a statewide performance negotiation and assessment framework is essential to aligning accountability with Louisiana's integrated workforce system. This waiver reduces fragmentation, strengthens outcome focus, and supports continuous improvement while maintaining full transparency and accountability. Louisiana respectfully requests approval of this waiver.

16. Alignment of Performance Accountability with a Single Statewide Workforce Area

Purpose of this Waiver

This waiver allows Louisiana to negotiate and apply WIOA primary indicators of performance at the statewide level rather than through separate local area negotiations, aligning performance accountability with the State's transition to a single, integrated workforce system. Under Louisiana's proposed governance structure, including operation as a single statewide local workforce development area and centralized fiscal and administrative authority, maintaining locally negotiated performance levels would create misalignment between how services are delivered and how performance is measured. This waiver is directly aligned with and supports Louisiana's broader waiver strategy, including the State Board Serving as

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Local Board and State Workforce Agency Serving as Fiscal Agent waivers, which together establish a unified statewide governance, funding, and service delivery framework.

Approval of this waiver will enable Louisiana to establish a unified, statewide performance framework in which performance levels are negotiated directly between the State and the U.S. Department of Labor and applied consistently across all service delivery locations. This approach preserves full federal accountability while eliminating duplicative local negotiation processes that are no longer aligned with the State's governance, funding, and service delivery model.

This waiver does not eliminate performance accountability at the local or regional level. Louisiana will continue to monitor performance outcomes across regions and service providers through statewide dashboards, internal performance targets, and risk-based monitoring processes. Service providers and operators will remain accountable for achieving outcomes, but within a framework that reflects a unified statewide system rather than fragmented local structures.

This approach ensures that performance accountability is aligned with how workforce services are delivered, supports more accurate and meaningful measurement of outcomes, and strengthens the State's ability to use data to drive continuous improvement, resource alignment, and better results for job seekers and employers.

The Statutory and Regulatory Requirements for this Waiver

WIOA Sections 116(b)(3)(A) and 116(c), and the associated regulations at 20 CFR 677.210 through 677.230, require negotiation and application of performance levels at both the state and local levels, including separate negotiated targets for each local workforce development area and associated local accountability responsibilities. Under Louisiana's transition to a single statewide local workforce development area with centralized governance and fiscal authority, these provisions create misalignment by requiring performance processes designed for a multi-area system. This waiver requests flexibility to negotiate and apply performance levels at the statewide level rather than through separate local negotiations. Louisiana will continue to meet all federal performance accountability requirements, including negotiating with the U.S. Department of Labor and reporting on all primary indicators of performance.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

- **Worker Mobility (Strategic Pillar II):** By linking performance targets to participant success metrics the waiver ensures that workforce programs remain responsive to jobseekers' needs and employer demand, supporting long-term employment retention and career advancement.
- **Integrated Systems (Strategic Pillar III):** By standardizing performance targets across state and local levels, the waiver ensures alignment between Adult, Dislocated Worker,

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and Youth programs, creating a coordinated and integrated workforce system focused on shared outcomes.

- **Accountability (Strategic Pillar IV):** Central to this waiver, the focus on performance negotiation, measurement, and accountability ensures that services are evaluated based on employment, earnings, credential attainment, and skill gains, driving continuous improvement and evidence-based decision-making. Streamlined performance negotiation and reporting processes reduce duplicative administrative work and clarify expectations for states and local areas, allowing staff to focus more on service delivery and participant outcomes.
- **Flexibility & Innovation (Strategic Pillar V):** The waiver allows states and local areas some flexibility in negotiating performance targets that account for regional economic conditions, historical performance, and participant characteristics, encouraging innovative approaches to improving outcomes.

Actions Taken to Remove Barriers

Louisiana has taken steps to align performance management across local areas by issuing statewide guidance, standardizing data definitions, and centralizing performance reporting and technical assistance. The State has worked to encourage consistent interpretation of performance measures and to support local areas in continuous improvement efforts. Local performance targets often reflect administrative boundaries rather than labor market realities and can unintentionally discourage collaboration across regions or investment in statewide initiatives.

State's Strategic Goals Supported by this Waiver

This waiver supports Louisiana's strategic goals of implementing a fully integrated, performance-driven workforce system that aligns governance, funding, and accountability under a unified statewide framework. By enabling statewide performance negotiation, the State can ensure that performance expectations are directly aligned with labor market demand, employer needs, and service delivery strategies, rather than constrained by administrative boundaries. This approach strengthens the State's ability to use data to drive continuous improvement, align resources with high-impact outcomes, and increase labor force participation, employment retention, and wage progression. It also reinforces Louisiana's broader goal of delivering a consistent, high-quality customer experience for job seekers and employers across all regions.

Projected Programmatic Outcomes

This waiver will support the following outcomes:

26. **Improved alignment between performance accountability and service delivery** by ensuring that performance levels reflect a unified statewide system rather than fragmented local structures

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27. Continued **strong performance outcomes across all primary indicators**, with Louisiana maintaining full accountability for employment, earnings, credential attainment, and measurable skill gains at the statewide level
28. **Enhanced consistency in performance expectations and reporting**, reducing administrative burden associated with duplicative local negotiations while preserving transparency and federal oversight
29. **Strengthened use of data to support continuous improvement**, including the use of statewide dashboards and regional performance analysis to identify gaps, target technical assistance, and improve outcomes across service providers

Populations Benefitting from the Waiver

This waiver primarily benefits the statewide workforce system by aligning performance accountability with Louisiana's unified governance, funding, and service delivery model. By establishing a single set of statewide performance expectations, the State, service providers, and partners will operate under a clear and consistent accountability framework that reflects how services are delivered across regions. This approach improves transparency, supports more effective performance management, and enables more strategic use of data to identify performance gaps, target technical assistance, and strengthen outcomes across the system. Employers and job seekers benefit indirectly through a more coordinated and consistently managed workforce system focused on measurable results.

Monitoring and Measuring Success

Louisiana will monitor implementation of the statewide performance framework through centralized performance management systems, regular statewide performance reviews, and ongoing coordination with the U.S. Department of Labor. The State will continue to track and report all primary indicators of performance in accordance with WIOA requirements and will negotiate and be held accountable for performance outcomes at the statewide level.

To ensure transparency and regional visibility, Louisiana will maintain region-level dashboards and conduct routine analysis of performance outcomes across service providers and geographic areas, using this information to guide technical assistance, corrective action, and continuous improvement efforts. The State will implement a risk-based monitoring approach to identify performance gaps and ensure that all service providers meet established expectations within the statewide framework.

Louisiana will evaluate the effectiveness of this approach annually through the WIOA Annual Report and internal performance reviews and will work in partnership with the U.S. Department of Labor to refine performance targets and strategies as needed to ensure continued alignment with federal accountability requirements and improved outcomes for job seekers and employers.

Public Comment and Notification

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Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

Conclusion

Establishing a statewide performance negotiation and assessment framework is essential to aligning accountability with Louisiana's integrated workforce system. This waiver reduces fragmentation, strengthens outcome focus, and supports continuous improvement while maintaining full transparency and accountability. Louisiana respectfully requests approval of this waiver.

17. Expanding Pay-for-Performance Contracting Authority

Purpose of this Waiver

This waiver aligns with Louisiana's transition to a fully integrated, outcome-driven workforce system by enabling the State to align funding with measurable results rather than service volume or program activity. Under the current statutory framework, workforce contracts and service delivery structures are largely based on prescribed activities and programmatic requirements, which limits the State's ability to hold service delivery entities accountable for achieving meaningful employment and career outcomes. Expanding pay-for-performance authority allows Louisiana to tie funding to verified outcomes such as employment placement, retention, wage progression, and credential attainment, ensuring that public resources are invested in strategies that deliver measurable impact.

This flexibility is essential to operationalizing Louisiana's broader system redesign. Louisiana will continue to allocate funding geographically, ensuring resources are distributed across communities consistent with current allocation methodology and federal regulations. However, this waiver provides the State with the flexibility to deploy those resources through performance-based contracts administered at the state level with local service delivery entities, including one-stop operators, local governments, and other organizations responsible for delivering services on the ground. The State will retain flexibility to determine the appropriate service delivery structure, including contracting with entities in roles such as one-stop operators, service providers, or other workforce intermediaries, as needed to support effective local implementation. This approach allows the State to maintain local investment while establishing consistent, outcome-based expectations for how services are delivered and evaluated across all areas.

Additionally, expanded pay-for-performance authority allows Louisiana to better align incentives across the workforce system with statewide economic and workforce priorities. By structuring contracts around outcomes tied to high-wage, high-demand career pathways, the State can ensure

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that workforce investments support both economic growth and upward mobility for participants. This approach also enables the State to design performance expectations that incentivize service to individuals with the greatest barriers to employment, ensuring that outcome-based models reinforce, rather than limit, access to services.

Finally, this waiver supports continuous improvement and system-wide accountability. By tying funding to verified results across all service delivery entities, Louisiana can identify and scale effective strategies, reduce reliance on activity-based models, and create a more responsive and adaptive workforce system. This ensures that workforce investments are not only compliant, but also strategically aligned with participant success, employer demand, and long-term economic outcomes.

The Statutory and Regulatory Requirements for this Waiver

WIOA Sections 116(b)(2)(A)(i) and 134(d)(1)(A), and the associated regulations at 20 CFR 680.320 through 680.360

These provisions govern the use of pay-for-performance contracting within the workforce system, including limitations on the scope of such contracts, restrictions on payment structures and timing, and constraints on the types of outcomes that may be used to trigger payment. Under current regulations, pay-for-performance approaches are limited in application and structure, which restricts the State's ability to broadly implement outcome-based contracting models across service delivery strategies.

This waiver seeks to expand the allowable use of pay-for-performance contracting beyond pilot or narrowly defined applications, providing the State with flexibility to structure contracts based on verified outcomes and to apply performance-based payment models across a broader range of workforce services and providers.

This request does not seek to waive procurement competition requirements, participant eligibility standards, priority of service, nondiscrimination protections, data validation requirements, or allowable cost principles. All pay-for-performance contracts will comply with Uniform Guidance at 2 CFR Part 200 and applicable federal procurement standards, while allowing the State to incorporate outcome-based payment structures within those requirements.

Rationale for the Waiver

This waiver aligns with the following strategic pillars:

- **Accountability (Strategic Pillar IV):** Pay-for-performance contracts align funding with outcomes rather than activities, thereby supporting statewide accountability and outcome-driven investment. This approach will ensure programs and contracts deliver measurable, transparent results.

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- **Flexibility & Innovation (Strategic Pillar V):** Performance-based payment structures represent a modern approach to workforce programming that is focused on outcomes rather than activities. This approach would scale effective performance-based, data-driven procurement strategies already in use where permissible across the workforce system.

Actions Taken to Remove Barriers

Louisiana has implemented limited performance-based contracting models within existing statutory authority, including outcome-based training reimbursements and employer-driven initiatives tied to employment placement or retention benchmarks. The State has also aligned performance incentives within contracts where permissible and has strengthened data systems to support outcome verification.

State's Strategic Goals Supported by this Waiver

This waiver supports Louisiana's strategic workforce goals by advancing the transition to a performance-driven system that emphasizes accountability for results, efficient use of public resources, and alignment of training investments with employer demand. Expanded pay-for-performance authority enables the State to tie funding directly to verified outcomes, including employment placement, retention, wage progression, and advancement along career pathways, ensuring that workforce investments drive meaningful and sustained participant success.

By expanding outcome-based contracting, Louisiana strengthens incentives for providers to focus on long-term outcomes rather than short-term outputs, while enabling the State to more consistently align service delivery with labor market demand and statewide economic priorities. This approach supports a more responsive, data-driven workforce system that improves outcomes for participants, meets the evolving needs of employers, and reinforces accountability across all service delivery entities.

Projected Programmatic Outcomes

This waiver will achieve the following outcomes:

30. **Alignment of funding with verified employment and career pathway outcomes.** Louisiana will implement pay-for-performance contracting models that tie payments to verified outcomes, including employment placement, retention, wage progression, and credential attainment, ensuring that funding is directly linked to participant success and long-term workforce outcomes.
31. **Deployment of performance-based contracts across local service delivery systems.** Louisiana will continue to allocate workforce funding geographically while utilizing pay-for-performance contracts with one-stop operators, local governments, or other service delivery entities, resulting in a consistent, outcome-driven service delivery model across all areas and reducing reliance on activity-based contracting structures.

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32. **Increased service to individuals with the greatest barriers to employment.** Louisiana will structure performance metrics and payment models to incentivize service delivery to individuals with significant barriers to employment, resulting in increased participation and improved outcomes among priority populations requiring more intensive and sustained support.
33. **Improved placement into high-wage, in-demand career pathways.** Louisiana will align pay-for-performance metrics with statewide economic priorities, resulting in an increased share of participants placed into occupations and career pathways that support economic growth and long-term economic mobility.
34. **Expansion of outcome-based contracting as a core service delivery model.** Louisiana will scale pay-for-performance approaches beyond limited pilots to a broader statewide model, enabling performance-based contracting across multiple service strategies and providers and embedding outcome accountability into the workforce system.
35. **Continuous improvement in service delivery through performance-driven incentives.** Louisiana will use outcome-based payment structures to drive provider and operator behavior, resulting in adoption of effective practices, improved performance across key metrics, and ongoing refinement of service strategies aligned with participant and employer outcomes.

Populations BENEFITING from the Waiver

This waiver benefits participants in service models that prioritize placement into quality jobs and support advancement over time. Pay-for-performance contracts incentivize providers to deliver services that align with participant goals and labor market demand. Program partners supporting participants benefit through greater clarity around outcomes and improved alignment between funding and system priorities. Finally, employers benefit from stronger alignment between training providers and workforce needs, as providers are incentivized to ensure participants are job-ready and well-matched to employer requirements. The waiver supports employer confidence in workforce programs by tying funding to results.

Monitoring and Measuring Success

Louisiana will monitor implementation of expanded pay-for-performance contracting through centralized, state-administered procurement oversight, contract monitoring, and performance reporting systems. The State will track key performance indicators tied to contract outcomes, including employment placement, retention, wage progression, and credential attainment, and will verify all outcomes using established data validation processes and integrated data systems, including wage record and performance reporting systems.

The State will evaluate the effectiveness of pay-for-performance models on an ongoing basis and conduct formal annual reviews through the WIOA Annual Report and other required reporting

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mechanisms. Louisiana will retain the authority to refine contract structures, performance metrics, and payment models over time based on observed outcomes, labor market conditions, and system performance to ensure continuous improvement and alignment with statewide priorities.

All contracts will include safeguards to prevent creaming, ensure access to services, and protect participant interests, including requirements related to priority of service, service to individuals with barriers to employment, and compliance with all applicable federal and state nondiscrimination standards. Through this approach, Louisiana will ensure that expanded pay-for-performance authority strengthens accountability, improves service quality, and drives better outcomes for participants and employers across the workforce system.

Public Comment and Notification

Public comment for this waiver will be conducted through the WIOA Combined State Plan public comment process. Notice will be provided to required partners, affected entities, and the general public through established state communication channels. All public comments received, along with the State's responses, will be incorporated into the final waiver submission in accordance with USDOL requirements.

Conclusion

Expanding pay-for-performance contracting authority is essential to aligning workforce investments with outcomes that matter most to participants, employers, and taxpayers. This waiver strengthens accountability, encourages innovation, and supports a performance-driven, integrated workforce system. Louisiana respectfully requests approval of this waiver.

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Waiver Request #4: Maintaining a Comprehensive One-Stop Center WIOA Section 121(e)(1), WIOA Section 121(e)(2)(A), and the associated regulations at 20 CFR 678.300(c) and 678.305

- *20 CFR 678.305 cites the services that must be delivered. Based on Friday's discussion, confirm or clarify the following:*
 - *Confirm that the AJCs will continue to provide all services by the partner programs;*
 - *Clarify which requirement Louisiana wants to waive regarding all required AJC partners in a comprehensive center, and if it seeks to remove required partners, identify which ones; and*
 - *Clarify which requirement Louisiana wants to waive regarding comprehensive one-stop centers in each local area.*
- *Regarding projected program outcomes, provide an analysis of current spending and estimated cost savings analysis if available.*

Louisiana confirms that American Job Centers will continue to provide access to all required partner program services. Louisiana is not seeking to waive the requirement that customers have access to the programs, services, and activities of required one-stop partners. Louisiana is also not seeking to remove any required AJC partner from the one-stop delivery system. No required partner is being identified for removal.

Louisiana's request is limited to the physical configuration requirement associated with maintaining a comprehensive one-stop center in each local area. Specifically, Louisiana seeks waiver authority from the requirement that each local area maintain at least one physical comprehensive one-stop center as the State transitions to a single statewide workforce structure and implements a more flexible service delivery model.

The purpose of the waiver is to allow Louisiana to organize its American Job Center footprint around the future governance and service delivery structure, rather than tying the location of comprehensive centers to the existing local workforce development area boundaries. As Louisiana moves toward a single statewide workforce structure, the State may organize service delivery around statewide, regional, or other governance geographies that better reflect labor markets, customer demand, partner capacity, transportation patterns, and employer needs. This flexibility will allow Louisiana to determine where comprehensive centers, affiliate sites, access points, mobile services, virtual access, and staff-assisted supports are most effective, rather than requiring a comprehensive center in every current local area regardless of need, utilization, or geography.

Louisiana also seeks related flexibility, to the extent necessary, under 20 CFR 678.300(c) and 678.305 to allow required partner services to be made available through a coordinated network of state-certified comprehensive centers, affiliate sites, access points, mobile service delivery, and technology-enabled direct linkages, rather than requiring every required partner program to be accessed through one physical comprehensive center in each current local area.

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This waiver would not eliminate access to comprehensive services, staff-assisted services, or physical service locations. Instead, it would allow Louisiana to modernize how those services are organized and delivered. Customers will continue to have access to career services, training services, employment and training activities, workforce and labor market information, and the programs and activities carried out by required one-stop partners. Louisiana will ensure that access is meaningful and consistent with federal requirements, including direct linkage to appropriate partner staff when the partner is not physically present.

The waiver will not affect nondiscrimination requirements, physical and programmatic accessibility requirements, priority of service, partner referral obligations, or the requirement to provide meaningful access to required partner services. Louisiana will continue to ensure that individuals who need staff-assisted services, including individuals who require assistance using technology, navigating online systems, accessing unemployment services, or connecting to public assistance and workforce programs, can receive appropriate in-person or staff-supported assistance.

Louisiana's intent is to preserve service continuity while reducing unnecessary facility duplication and directing more resources toward participant services, employer engagement, training, supportive services, mobile access, staff-assisted service delivery, and technology-enabled access. This approach is especially important in rural and underserved communities, where transportation barriers, facility costs, and uneven customer volume may make a traditional fixed-center model less effective than a flexible network of physical, mobile, and virtual access points. It also supports a more rational statewide service footprint by allowing Louisiana to align physical infrastructure with labor market regions and customer access needs, rather than legacy local area boundaries.

Projected Outcomes and Cost Analysis

Louisiana is currently compiling a statewide facilities and lease analysis that includes state-held leases, locally held leases, shared facility costs, utilities, maintenance, and other one-stop infrastructure costs. The analysis will include both state and local lease obligations and will identify current costs, lease expiration dates, potential consolidation opportunities, and estimated savings or cost avoidance.

Preliminary lease cost baseline:

- Current annual state-held AJC lease costs: \$496,776 across 9 leased sites
- Current annual locally held AJC lease costs: \$1,820,484 across 37 leased sites where rent is paid, out of 56 total local sites reported
- Known annual lease cost baseline: \$2,317,260

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Based on the known annual lease cost baseline, a 15 percent reduction in duplicative facility and infrastructure costs would represent an estimated annual savings or cost avoidance target of approximately \$347,589, subject to lease terms, local transition planning, service access requirements, and the final statewide facilities analysis.

Louisiana will not close or consolidate any access point in a manner that disrupts services. Any facility changes will be phased, data-informed, and coordinated with local partners. The State will evaluate customer volume, geographic access, transportation barriers, partner availability, ADA accessibility, local labor market needs, staff-assisted service needs, regional service coverage, and service continuity before making any changes.

Specific projected outcomes include:

- Maintain 100 percent access to required partner services through physical presence, trained partner staff, direct technological linkage, or a combination of these methods.
- Maintain uninterrupted service access during the transition period, with no lapse in access to required career services, training services, employment services, partner referrals, labor market information, or staff-assisted service delivery.
- Complete a statewide lease and infrastructure cost analysis covering all state and local AJC facility costs by September 30, 2026.
- Establish statewide service access standards for all comprehensive centers, affiliate sites, mobile units, and virtual access points by December 31, 2026.
- Develop a service footprint framework by December 31, 2026, that allows comprehensive centers and other access points to be organized based on statewide, regional, or other approved governance geographies, labor market patterns, customer access needs, and partner capacity.
- Reduce duplicative facility and infrastructure costs by 15 percent by June 30, 2027, subject to lease terms, local transition planning, service access requirements, and the final statewide facilities analysis.
- Reinvest identified savings or cost avoidance into direct participant services, supportive services, mobile service delivery, technology-enabled access, and frontline case management.
- Increase the share of workforce resources directed to direct participant services consistent with Louisiana's statewide goal of increasing direct service investment over the transition period.

Public Comment Received and State Response

Comment: There are major benefits to having a comprehensive one-stop center for people needing assistance. Often, we push for kiosk-type systems or call centers. Operating six AJCs shows that we serve citizens daily who struggle with the new technology systems used for other social services and unemployment service delivery. Staff-assisted services often include our staff walking citizens through how to use the technology and how to overcome issues with using the system. I recommend we keep comprehensive centers, as they will be core to implementing the One Door model of service.

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State Response: The comprehensive one stop waiver does not negatively impact the state's ability to implement One Door. This waiver will allow flexibility in how services are delivered based on local need. No changes have been made to the State Plan in response to this comment.

Additional Clarification for USDOL

Louisiana agrees that staff-assisted services remain essential to the success of the One Door model. The waiver is not intended to replace staff-assisted services with kiosks, call centers, or technology-only access. Rather, it is intended to give the State flexibility to determine the most effective mix of comprehensive centers, affiliate sites, access points, mobile services, virtual access, and staff-assisted supports based on local need, customer demand, geography, partner capacity, and the State's future governance structure.

The waiver strengthens the One Door model by allowing Louisiana to preserve meaningful in-person assistance where it is needed most while also expanding access through additional delivery methods. It also allows the State to build a more effective statewide or regional service footprint that is not constrained by the current requirement to maintain a comprehensive center in every local workforce development area. This will help ensure that individuals who need hands-on support navigating workforce, unemployment, public assistance, or training systems continue to receive it, while allowing the State to reduce duplicative infrastructure costs and reinvest savings into direct services.

- ***Waiver Request #6: Competitive Procurement for Youth Program Elements, WIOA Sections 123 and 129(c)(2) and the associated regulations at 20 CFR 681.400***
 - *Confirm that the state wants to waive procurement instead of the requirement to provide all the 14 required Youth Program elements;*
 - *Provide specific, measurable projected programmatic outcomes;*
 - *Describe the barriers that were removed or addressed; and*
 - *Confirm whether public comments were received.*

Louisiana confirms that it is seeking a waiver related to procurement, not a waiver of the requirement to make all 14 required Youth Program elements available. Louisiana will continue to ensure that all 14 Youth Program elements are available to eligible youth participants.

Specifically, Louisiana seeks flexibility from the requirement that each Local Workforce Development Board independently and competitively procure youth service providers under WIOA Sections 123 and 129(c)(2) and 20 CFR 681.400. Louisiana is requesting authority for the State Workforce Development Board, or Louisiana Works acting under the State's approved governance structure, to identify, procure, designate, contract with, or otherwise establish youth service providers through a centralized statewide, regional, or other state-directed structure.

This waiver would allow Louisiana to establish a single statewide provider, a statewide provider network, regional providers, or other state-approved service delivery arrangements for some or all of the 14 required Youth Program elements. The waiver would also allow Louisiana to use noncompetitive or alternative arrangements, where appropriate, including MOUs, cooperative

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endeavor agreements, no-cost partner services, direct provision, interagency agreements, or other allowable service delivery mechanisms, without requiring each local area to conduct a separate competitive procurement process.

Louisiana's intent is to ensure that all 14 required Youth Program elements remain available statewide while reducing duplicative procurement activity, improving consistency, strengthening accountability, and expanding access to high-quality youth services across regions. This flexibility is particularly important in areas where provider capacity is limited, where services can be delivered more efficiently through statewide or regional arrangements, or where youth-serving partners can provide services at no cost through existing agreements.

The waiver would not require Louisiana to use a paid vendor when a Youth Program element can be provided effectively through an MOU, cooperative endeavor agreement, no-cost partner resource, direct provision, or another allowable arrangement. Louisiana will review current services procured by local areas, services provided directly, services available through partner agreements, and gaps in access before determining whether a statewide provider, regional provider, provider network, or other arrangement is necessary.

This approach will allow Louisiana to maintain the full availability of all 14 Youth Program elements while improving consistency, quality, accountability, and access across regions. It will also preserve the State's ability to use the most appropriate delivery model for each element, including statewide contracts, regional contracts, designated providers, direct provision, MOUs, cooperative agreements, no-cost partner services, or other allowable arrangements when those approaches better serve youth participants and comply with federal requirements.

The barriers removed or addressed by this waiver include:

- Duplicative procurement processes across multiple local areas, which create administrative burden and inconsistent timelines.
- Uneven provider availability, particularly in rural areas and areas with limited youth-serving provider capacity.
- Inconsistent service quality and performance expectations across local areas.
- Limited ability to scale specialized youth services statewide, including mental health supports, digital literacy, work-based learning, pre-apprenticeship, occupational skills training, mentoring, and postsecondary transition services.
- Fragmented contract management and monitoring structures that make it more difficult to compare provider performance across regions.
- Administrative burden that can delay service availability and divert staff time away from case management, outreach, and youth engagement.

Specific measurable projected outcomes include:

- Complete a statewide inventory of youth service providers, currently procured youth elements, and service gaps by September 30, 2026.

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- Conduct a centralized statewide or regional procurement process for youth service providers by March 31, 2027, using standardized criteria tied to provider capacity, past performance, service quality, regional coverage, and ability to support youth outcomes.
- Ensure that 100 percent of local areas have access to all 14 Youth Program elements through state-procured providers, partner agreements, direct provision, or allowable no-cost arrangements.
- Increase youth participation in paid and unpaid work experience by 5 percent by the end of Program Year 2026, while maintaining compliance with the 20 percent youth work experience expenditure requirement.
- Increase youth credential attainment by 0.7 percentage points by the end of Program Year 2026, from the PY25 Youth SPR baseline of 62.5 percent to the PY26 target of 63.2 percent.
- Increase measurable skill gains among youth participants by 2 percentage points by the end of Program Year 2026.
- Increase youth program completion by at least 10 percent over the baseline established in Program Year 2025.
- Establish statewide youth provider performance dashboards by June 30, 2027, to track enrollments, services received, work experience participation, credential attainment, measurable skill gains, employment, postsecondary transitions, and follow-up outcomes.

Public Comment Received and State Response

Comment: Competitive procurement for youth program elements should be limited to the 14 specific services that cannot be provided internally or through MOU/CEA resources. I would not want to see funds spent on services that can be provided at no cost. The state should review services procured by local areas and those not, when deciding on master contracts.

State Response: The waiver clearly indicates that it will cover the 14 required elements. It does not prohibit MOUs or CEAs. No changes have been made to the State Plan in response to this comment.

- ***Waiver Request #11: Flexible Use of Governor-Reserved Funds for Employment and Training Activities, WIOA Sections 128(a), 133(a)(2) and 134(a)(2)(A), (B), and 134(a)(3) and the associated regulations at 20 CFR 682.100 through 682.130.***
 - *Clarify what Louisiana wants to waive regarding the Governor's reserved funds and use of Rapid Response funds for the Governor's discretionary statewide activities in the first year. Identify what Louisiana wants to do and specify what requirements it wants waived.*
 - *Provide current data and measurable, specific projected outcomes to enable analysis.*

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Louisiana clarifies that this waiver request is intended to provide limited first-year flexibility in the use of Governor-reserved statewide funds and, where appropriate, unobligated Rapid Response funds that are not needed for required Rapid Response activities. Louisiana is not seeking to reduce, suspend, or compromise required Rapid Response services. Rapid Response capacity will remain fully funded and available to respond to layoffs, closures, disaster-related dislocations, WARN notices, and other qualifying events.

Louisiana seeks waiver authority to allow Governor-reserved funds and a limited portion of unobligated Rapid Response funds, after required Rapid Response capacity and contingency needs are met, to be used during the first year for integrated statewide employment and training activities that support the State's workforce system transition. These activities may include statewide sector-based training, layoff aversion strategies, rapid reemployment services, statewide hiring initiatives, mobile workforce access, integrated case management, data and performance infrastructure, evaluation, technical assistance, and employer-driven workforce strategies.

The specific requirement Louisiana seeks to waive is the restriction that funds reserved for Rapid Response under WIOA Section 133(a)(2) and used under WIOA Section 134(a)(2)(A) and (B) be limited only to Rapid Response activities and additional assistance, to the extent Louisiana has unobligated Rapid Response funds that are not needed to maintain required Rapid Response capacity. Louisiana seeks authority to use a limited portion of those funds for Governor's discretionary statewide employment and training activities under WIOA Section 134(a)(3) during the first year of transition.

This flexibility is intended to support a more integrated statewide response to dislocation, reemployment, and workforce transition needs while preserving the State's ability to meet all required Rapid Response obligations.

Louisiana will maintain the following safeguards:

- Required Rapid Response activities will remain the first priority for Rapid Response funds.
- Louisiana will preserve sufficient Rapid Response capacity before any funds are used for broader statewide activities.
- No Rapid Response funds will be redirected if doing so would impair the State's ability to respond to layoffs, closures, disaster-related dislocations, WARN notices, or other qualifying events.
- Any use of Rapid Response funds for statewide activities will be documented, tracked separately, and reported through existing fiscal and program reporting processes.
- Activities funded through this flexibility will be limited to allowable employment and training activities that support dislocated workers, job seekers, employers, layoff aversion, rapid reemployment, and statewide workforce system modernization.

Current Data

- Rapid Response funds available for Program Year 2026: \$2,265,617
- Rapid Response funds obligated or projected for required Rapid Response activities: \$2,066,663

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- Remaining projected unobligated balance: \$198,954
- Amount potentially available for first-year statewide employment and training activities, after required Rapid Response capacity and contingency needs are met: up to \$198,954
- Number of WARN notices or layoff events served in the most recently completed program year: 61
- Number of affected workers served through Rapid Response in the most recently completed program year: 888
- Number of Rapid Response orientations and hiring events: 115

Specific measurable projected outcomes include:

- Maintain 100 percent timely response to qualifying WARN notices, layoffs, closures, and disaster-related dislocation events.
- Contact affected employers within 48 hours of receiving notice of a qualifying layoff, closure, or dislocation event.
- Provide worker orientations or coordinated reemployment services within 10 business days of employer engagement, where employer access and worker availability permit.
- Serve at least 215 dislocated workers through Rapid Response, reemployment, or related statewide employment and training activities during Program Year 2026.
- Co-enroll at least 50 percent of appropriate dislocated workers into WIOA Dislocated Worker, Wagner-Peyser, TAA, RESEA, or other applicable services.
- Support at least 100 participants in sector-based training, work-based learning, credential attainment, or rapid reemployment activities using the flexible funding authority.
- Achieve an employment rate in the second quarter after exit of at least 68 percent for participants served through activities supported by this waiver.
- Achieve a credential attainment rate of at least 85.4 percent for participants enrolled in training activities supported by this waiver.
- Produce quarterly reports tracking use of flexible funds, participant outcomes, employer engagement, and continued Rapid Response capacity.

No public comments were received for this proposed waiver.

- ***Waiver Request #17: Expanding Pay-for-Performance Contracting Authority, WIOA Sections 116(b)(2)(A)(i) and 134(d)(1)(A), and the associated regulations at 20 CFR 680.320 through 680.360***
 - *Note: A Pay-for-Performance Contracting Strategy (PFPCS) is a type of performance-based vehicle of payment that exclusively focuses on outcomes while performance-based contracting's focus is performance metrics. In addition, under PFPCS, monies are set aside and not restricted to the timelines associated with federal funds as payment is made after performance occurs and outcomes are validated rather than payment on the service.*
 - *Clarify which requirement Louisiana wants waived. It is not clear if the State wishes to implement pay-for-performance contracting strategy (PFPCS) or a performance-based contracting model.*
 - *Clarify what "expanding authority" means.*

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- *Identity PFP-related activities associated with PFPCS (feasibility study, TA, and evaluations) (note that these came from the different source that is set-aside for PFPCS).*
- *Identity PFP-related activities associated with PFPCS (feasibility study, TA, and evaluations) (note that these came from the different source that is set-aside for PFPCS).*
- *Provide additional information on the proposed “safeguards to prevent creaming.”*
- *Provide quantifiable data for projected.*
- *Clarify if the state elects to move up to 10% of local monies to no-year funding?*
- *What are the specific outcomes the state wants to focus on at the local area level?*
- *Regarding the strategic goals supported by the waiver, clarify if payment is exclusively (100%) contingent on validated outcomes?*
- *Regarding Monitoring & Measuring Success, note that PFPCS requires independent validation of outcomes required and not through the standard state monitoring process.*
- *Regarding evaluating effectiveness, does the state intend to conduct a feasibility study?*
- *If the state confirms that they are seeking to implement PFPCS, describe how the required reporting (per TEGL No. 08-20, Attachment I, page 6, Local and State Roles) will be completed.*

Louisiana clarifies that it is seeking to expand the use of performance-based funding and contracting models, not to implement a formal WIOA Pay-for-Performance Contracting Strategy under 20 CFR 683.500 through 683.540 at this time. To avoid confusion with the specific federal Pay-for-Performance Contracting Strategy framework, Louisiana can revise the title and description of this waiver to refer to “performance-based contracting” rather than “Pay-for-Performance Contracting Strategy,” unless ETA advises that a different title is preferred.

Louisiana is seeking flexibility to use performance-based funding structures for allowable WIOA Title I services, including training services, youth activities, work-based learning, credential attainment strategies, job placement, retention services, wage progression strategies, supportive services tied to participant success, and other employment-focused activities. Louisiana is not seeking to waive participant eligibility, priority of service, nondiscrimination protections, provider eligibility, allowable cost rules, data validation requirements, WIOA performance reporting, or fiscal accountability requirements.

For purposes of this waiver, “expanding authority” means allowing Louisiana to structure WIOA funding so that a portion of funds may support allowable upfront costs, while a portion of funds may be tied to state-defined milestones, performance metrics, and verified outcomes. This flexibility is needed under either possible governance structure:

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If the current local workforce development area structure remains in place, in whole or in part, Louisiana seeks authority to enter into performance-based subaward agreements with local areas. Under this model, a portion of funds may be provided upfront to support allowable program operations, staffing, service delivery, participant services, and implementation costs. The remaining portion of funds may be released based on state-defined milestones and outcomes, such as enrollment of priority populations, completion of training, credential attainment, measurable skill gains, placement into employment, retention, wage progression, work-based learning completion, or other approved performance measures.

If the State Workforce Development Board is authorized to perform the functions of the local board, Louisiana seeks authority to use the same performance-based funding approach directly through contracts, subcontracts, subrecipient agreements, or other allowable service delivery arrangements with providers, operators, contractors, or other workforce partners. Under this model, Louisiana Works would be able to obligate and expend funds using a structure that includes both upfront allowable payments and subsequent milestone- or outcome-based payments tied to verified performance.

This waiver is intended to preserve Louisiana's ability to direct WIOA funds toward performance and participant outcomes regardless of whether services are delivered through local areas, state-managed contracts, regional providers, statewide service providers, or another approved service delivery structure. The purpose is to ensure that workforce funds are connected to measurable results while still allowing sufficient upfront funding to support service delivery, participant access, and provider capacity.

Louisiana is not requesting authority to move up to 10 percent of local funds into no-year funding as part of this waiver. Louisiana is not requesting to reserve local Adult, Dislocated Worker, or Youth funds under the formal WIOA Pay-for-Performance Contracting Strategy provisions at this time. Any funds used under this waiver would remain subject to the normal period of availability unless ETA determines otherwise.

Because Louisiana is not seeking to implement a formal WIOA Pay-for-Performance Contracting Strategy at this time, the specific PFPCS requirements related to feasibility studies, no-year set-aside funds, ETA-9174 reporting, and independent validation prior to payment do not apply to this waiver request. However, Louisiana will adopt several safeguards and accountability practices that are consistent with the principles behind the PFPCS framework.

Projected outcomes for performance-based funding and contracting include:

- Increase the percentage of participants served through performance-based agreements who enter employment in the second quarter after exit by at least 5 percentage points over the baseline for comparable participants.
- Increase employment retention in the fourth quarter after exit by at least 5 percentage points over the baseline for comparable participants.
- Increase credential attainment by at least 5 percentage points over the baseline for comparable participants.

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- Increase measurable skill gains for participants enrolled in training by at least 5 percentage points over the baseline for comparable participants.
- Increase median earnings for participants served through performance-based agreements by at least 5 percent over the baseline for comparable participants.
- Ensure that at least [insert percentage] of participants served through performance-based agreements are individuals with barriers to employment.
- Ensure that at least [insert percentage] of participants served through performance-based agreements receive training, work-based learning, supportive services, or other individualized services tied to their employment plan.
- Maintain at least an 80 percent employer satisfaction rate and an 80 percent participant satisfaction rate for services delivered through performance-based agreements.

At the local area level, the specific outcomes Louisiana intends to focus on include employment in the second quarter after exit, employment retention in the fourth quarter after exit, median earnings, credential attainment, measurable skill gains, work-based learning completion, training completion, wage progression, employer satisfaction, participant satisfaction, and service to individuals with barriers to employment.

Payment under Louisiana's proposed performance-based funding and contracting model will not necessarily be 100 percent contingent on validated outcomes. Agreements may include a combination of upfront allowable payments, cost reimbursement, milestone payments, service delivery payments, and outcome-based payments. However, any payment that is specifically tied to an outcome will be paid only after the outcome is verified through appropriate data sources, such as wage records, HiRE case management data, credential records, employer documentation, training provider records, or other reliable documentation.

Louisiana acknowledges that formal WIOA Pay-for-Performance Contracting Strategies require independent validation of outcomes prior to payment and cannot rely solely on the standard state monitoring process. Because Louisiana is not seeking to implement PFPCS at this time, independent validation is not being proposed as a required element for every performance-based agreement. However, Louisiana will use data validation, contract monitoring, fiscal review, and, where appropriate, third-party or independent review to verify outcome-based payments and ensure agreement integrity.

Louisiana does not intend to conduct a formal PFPCS feasibility study at this time because the State is not seeking to implement a formal PFPCS model. Louisiana will conduct a readiness and feasibility review for major performance-based funding structures, and if Louisiana later elects to implement a formal WIOA Pay-for-Performance Contracting Strategy, it will conduct the required feasibility determination and comply with all applicable ETA guidance, reporting, independent validation, and evaluation requirements.

Because Louisiana is not seeking to implement PFPCS at this time, the ETA-9174 reporting and other PFPCS-specific reporting requirements described in TEGl 08-20 are not applicable. If Louisiana later implements a formal PFPCS, the State will collect participant-level data, collect provider performance data, monitor implementation, ensure independent validation, report

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required data to ETA, and include required evaluation information in accordance with TEGL 08-20 and applicable federal regulations.

Public Comment Received and State Response

Comment: This waiver is concerning when contracting for WIOA direct delivery of services. Performance measures may not be waivable, so the delivery of services to individuals (not the actual training) falls on the operation and contracted agency. WIOA direct services involve multiple factors, and many of those have varying degrees of lag in collection. This waiver for use in career services and service delivery could mean that those who are fronting the cost of these programs could not receive refunds for 36-48 months, depending on the performance variable. These pay-for-performance contracts should target training providers receiving WIOA funding and meet the performance criteria set out in WIOA.

State Response: The State recognizes the complexity of applying performance-based approaches across different services, including the timing of performance measurement and associated costs. The intent of this waiver is to expand flexibility in aligning funding with outcomes, while remaining consistent with federal performance requirements. Louisiana will implement performance-based contracting in a way that reflects the realities of service delivery, including contract structures that account for upfront costs, incorporate interim milestones, and balance risk appropriately. While training services are a key area for these approaches, the State intends to apply outcome-driven models more broadly, where appropriate, to strengthen accountability and improve system performance. No changes have been made to the State Plan in response to this comment.