

U.S. Department of Labor

Assistant Secretary for
Employment and Training
Washington, D.C. 20210



June 23, 2026

The Honorable Gregory Gianforte
Governor of Montana
P.O. Box 200801
Helena, MT 59620

Dear Governor Gianforte:

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 Montana will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Montana 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 impede the ability of the State to implement its plan to improve the workforce development system. Given the challenges the State and local areas have in mounting fully compliant local-led boards at this time, the U.S. Department of Labor agrees that the state board is in a better position to ensure effective service delivery in the local workforce areas in the State. Under this waiver, the Governor may designate the state board to carry out the roles and responsibilities of the local boards in the state. In implementing this waiver, the State must:

- Continue to include local input into its activities; and
- Allocate funding to the local area for which the state board is carrying out local board functions.

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, Montana'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, Montana must ensure that job seekers and employer customers in both local areas can access the programs, services, and activities provided by all required one-stop partners.

Requested Waiver: Waiver associated with the requirement at WIOA Section 129(a)(4)(A) and 20 CFR 681.410 that the State and local areas expend 75 percent of Governor's reserve youth funds and local formula youth funds on out-of-school youth (OSY).

ETA Response: ETA approves, for Program Years (PYs) 2026 and 2027, which includes the entire time period for which states are authorized to spend each of those PY fund allotments, the State's request to waive the requirement that the State expend 75 percent of Governor's reserve youth funds on OSY. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of the State to implement its plan to improve the workforce development system. The State may lower the expenditure requirement of Governor's reserve funds to 50 percent for OSY.

In addition, ETA approves, for PYs 2026 and 2027, which includes the entire time period for which states are authorized to spend each of those PY fund allotments, the State's request to waive the requirement that local areas expend 75 percent of local youth formula funds on OSY. The State may lower the local youth funds expenditure requirement to 50 percent for OSY.

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 OSY, ages 16–24. In addition to these OSY, the State may use ITAs for ISY, ages 16–21. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of the State to implement its plan to improve the workforce development system.

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,



Henry Mack, Ed.D.
Assistant Secretary

Enclosures

cc: Sarah Swanson, Commissioner, Montana Department of Labor and Industry
M. Frank Stluka, Dallas Acting Regional Administrator, ETA
Coreena Miller, Federal Project Officer, ETA

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

Request #1: State Board Act as Local Boards

WIOA Section 107(b) to allow a state board to carry out the roles of local boards for a Single Statewide Planning Area structure.

Montana is formally seeking a waiver to permit the state workforce board to carry out the functions of local boards for Program Years 2026 and 2027. This waiver request is for a renewal of a waiver previously applied via 20 CFR 679.310(f) which states that a state board may carry out the roles of a local board when the State Plan indicates that the State will be treated as a local area under WIOA. WIOA Section 107(b) also directs a state board for a single state local area to carry out the functions of the local board. The SWIB has acted as both the state and local board under WIA since January 1, 2006.

This structure will be (re)reflected in the Combined State Workforce Plan.

No state or local statutory or regulatory policies limit the Governor's authority to allow the state to continue operating as a single statewide planning area.

The primary goal of this waiver is to limit annual overhead and maximize the amount of funds made available for direct services to individual and business customers. The programmatic outcome is to serve the largest number of participants possible with the funding available. Maintaining local workforce boards redirects funding that otherwise would be available for direct service delivery. To maximize funding directed towards participants, the state will continue to use the SWIB as the local workforce board. When initially implemented, this saved the state WIA program approximately \$1.2 million by removing administrative overhead of maintaining multiple regions throughout the state. The initial change to a single statewide planning area structure, in conjunction with this waiver, provides a structure that ensures more people are served instead of multiple administrative areas splitting minimal funding. It allows the state to continue to serve at least the same number of customers of all types, despite reduced and/or level funding over recent years.

The SWIB was in place prior to the inception of WIOA. The two local areas defined in Montana include Area 1 and Area 2. Area 1 consists of 10 counties in southwest Montana, while Area 2 includes the remainder of the state. According to the 2020 Census, the population of Area 1 is 160,858. The population of Area 2 is 900,847. Another discrepancy with the two local areas is that Area 1 does not include any of Montana's Native American reservations or nations, while Area 2 includes all 7 reservations and 8 tribal nations. With the state board's ability to carry out the roles of local boards, Montana residents are served more effectively and equitably. Dating back to 2005, Governor Brian Schweitzer consulted with local elected officials from the 10 counties within Area 1 to enter into an agreement for all 10 counties to be included into one state planning area. Since then, local elected officials from all over Montana have and continue to serve on the SWIB.

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

As evidenced since its initial implementation, the single statewide planning structure has reduced annual overhead and maximized available funding for training and direct customer services. This statewide structure enhances efforts to transform the system into a demand driven system and directly supports the importance of local community partnerships with 18 Job Service Montana offices serving as the state's American Job Centers offering workforce development services across the state.

The SWIB was in place prior to the inception of WIOA. Current SWIB membership reflects the geographic diversity of the state and its local elected officials and aligns with WIOA's statutorily prescribed composition. This includes a majority representing private business and others representing workforce and education, WIOA core partners, labor, and elected officials. Current board members include business representatives, elected officials, and labor representatives representing 13 different Montana counties that span from Flathead County in Western Montana to Dawson County in Eastern Montana, areas over 500 miles apart. The range of represented areas ensures that input is received from the perspectives of Montana's largest counties with populations over 100,000 to Montana's smaller counties with populations under 10,000 facing different labor market realities and with different industry needs. This composition ensures that local input is received and incorporated into Montana's planning structure and maximizes cooperation, engagement, and service delivery.

Since its initial implementation, the single statewide planning area structure reduced annual overhead cost, strengthened administrative oversight and accountability, reduced potential for disallowed costs, and enabled more funds to go to participants. Montana continues to emphasize a minimum 50% of all WIOA funds go to direct services. In the most recent program year approximately 60% of funds went towards direct services. This and other program goals are reviewed quarterly.

A public comment period will be provided by including this waiver as part of Montana's WIOA Combined State Plan, to be posted for public comment on mid-cycle updates between March 20, 2026 and April 27, 2026. The plan will be noticed to interested parties such as all SWIB members, the SWIB Interested Persons list, the Montana Association of Counties, the Montana League of Cities and Towns, local elected officials, service providers, organized labor, and other partners and stakeholders of the workforce system. The process and notification of interested persons through email is aligned with State of Montana public meeting laws and MTDLI policy. Looking forward, MTDLI will continue to seek input from local elected officials to obtain feedback about this waiver request and history. The impact of this waiver to the state's WIOA performance, as well as any other related outcomes, will be collected and reported in the state's WIOA Annual Report.

Montana has found success with minimal costs (1 board director) and a unified approach to the state's workforce development under the current waiver.

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

Waiver Request #2 – One Comprehensive One-Stop Center

The state of Montana, in agreement with the SWIB, is requesting to waive the requirement outlined in WIOA sec. 121 (e)(1) and 20 CFR 678.300 (c) to establish a comprehensive one-stop delivery system in each local area for Program Years 2026 and 2027. This waiver request is for a renewal of a previously applied waiver. Although the State of Montana has two local areas, the Balance of State (BOS) and Concentrated Employment Program (CEP), the SWIB carries out the roles and responsibilities of the local workforce development boards (WDB) through a waiver from USDOL at the inception of WIOA. The SWIB's waiver removed barriers, such as minimizing administrative activities costs, reducing administrative burdens, and allowing the state to redirect funding for direct participant services. Historically, the state of Montana had one comprehensive one-stop delivery system (also referred to as American Job Center (AJC)) and currently has 18 affiliate AJCs. Therefore, the requirement to establish a comprehensive one-stop center in each local area would impact the progress the state has made by adding an estimated \$100,000 in administrative costs, which could otherwise be used to serve 20 Montanans in WIOA programs. The two offices in the CEP, Butte and Helena, that would be considered Comprehensive Centers already provide direct access or closely coordinated indirect service access to all workforce partner programs, as identified in the 2023 Certification of the One-Stop Centers, ensuring that job seekers in both areas have equitable access to programs, services and activities of one-stop partners.

No state or local statutory or regulatory policies limit the Governor's authority to allow the state to continue operating as a single statewide planning area.

The primary goal of this waiver is to limit annual overhead and maximize the amount of funds made available for direct services to individual and business customers. The programmatic outcome is to serve the largest number of participants possible with the funding available. To maximize resources available for direct service delivery, the state will continue to use the SWIB as the local workforce board.

As evidenced since its initial implementation, the single statewide planning structure has reduced annual overhead and maximized available funding for training and direct customer services. This statewide structure enhances efforts to transform the system into a demand driven system and directly supports the importance of local community partnerships. The 18 JSM offices serve as the state's American Job Centers offering the full range of workforce development services.

The initial change to a single statewide planning area structure, in conjunction with this waiver, provides Montana a structure that ensures more people are served instead of multiple comprehensive one-stop centers providing the same services and splitting minimal funding. Additionally, it allows the state to continue to serve at least the same number of customers of all types, without a need to increase overall funding.

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A public comment period will be provided by including this waiver as part of Montana's WIOA Combined State Plan, to be posted for public comment on mid-cycle updates between March 20, 2026 and April 27, 2026. The plan will be noticed to interested parties such as all SWIB members, the SWIB Interested Persons list, the Montana Association of Counties, the Montana League of Cities and Towns, local elected officials, service providers, organized labor, and other partners and stakeholders of the workforce system. The process and notification of interested persons through email is aligned with State of Montana public meeting laws and MTDLI policy.

The impact of this waiver to the state's WIOA performance, as well as any other related outcomes, will be collected and reported in the state's WIOA Annual Report. Looking forward, MTDLI will pursue more input from local elected officials to obtain feedback about this waiver request and history.

Montana has found success with minimal costs (1 comprehensive one-stop center) and a unified approach to the state's workforce development under the current waiver.

Request #3: Flexibility in Funding to Increase In-School Youth Enrollments

The State of Montana seeks to extend a waiver from the WIOA Section 129(a)(4)(A) and 20 CFR Part 681.410, which require not less than 75 percent of funds allotted to states under Section 127(b)(1)(C), reserved under Section 128(a), and available for statewide activities under subsection (b), and not less than 75 percent of funds available to local areas under subsection (c), shall be used to provide youth workforce investment activities for Out-of-School Youth (OSY). The state of Montana is requesting:

The flexibility to lower the minimum expenditure of 75% for OSY to 50% for Program Years 2026 and 2027.

There are currently no state or local statutory or regulatory barriers to implementing the requested waiver. Current State of Montana laws, regulations, and policies follow federal law, regulations, and guidance.

Governor Gianforte released the 406 JOBS year one workplan in 2025, reshaping and refocusing how Montana approaches workforce development. The plan encourages more pathways to work through pre-apprenticeship and credentialing opportunities and reduced barriers to employment by preparing workers for the labor market. Montana recognizes that career and technical education (CTE) personalized to each student provides not only the technical skills for occupational advancement but also a vision for the student(s) of what a successful career in industry can mean for the student. With this waiver, Montana aims to increase program participation and create program models that engage ISY in career and training opportunities, increasing employability before graduation.

Montana is also requesting to continue to operate under the current waiver which allows Montana youth service providers the flexibility to use Individual Training Accounts (ITAs) for

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

WIOA ISY. The waiver impacts WIOA regulation 20 CFR 681.550 which prohibits ISY from utilizing ITAs. Without this waiver, only OSY, ages 16-24, can utilize ITAs. Montana is requesting the flexibility to allow the ITAs for ISY ages 16-21 to continue for PY 2026 and 2027. The coordination of these two waivers is a targeted strategy to expand Montana's ability to serve more of Montana's ISY and align with America's talent strategy of integrated systems with streamlined eligibility that advance education and workforce alignment. Serving ISY with ITAs while prioritizing industry-driven strategies will allow programs to enhance workplace preparedness for more of Montana's Youth.

Montana's original request of this waiver was in part intended to identify pathways to improve performance, including overall enrollment, by addressing challenges around accessing OSY populations that come in part from Montana's highly rural areas. Through this waiver Montana youth providers will have the flexibility to focus on reaching out to more in-school youth to assist in meeting their needs; ensuring they are working toward the successful completion and graduation from secondary and/or post-secondary education; increasing measurable skills gains and the credential attainment rate, median earnings and ultimately meeting employment retention rates after the 2nd quarter and 4th quarter. In PY2024, Montana saw a 22% increase in total Youth program enrollments and a growing share of expenditures towards ISY through the first half of PY2025. Additionally, Montana saw improved performance in Measurable skills gains in PY2024, the one performance measure that is not significantly lagged. Should any area or provider be identified as underperforming following a quarterly review, technical assistance will be immediately provided.

Through the adoption of the two requested waivers, removing the 25% cap on ISY costs and allowing for ITAs on ISY, Montana expects to see the following programmatic outcomes:

- An increase in total Youth program enrollment, driven by increased ISY enrollment.
- Increased use of work experiences, skills training (including pre-apprenticeship opportunities), and supportive services that better prepare ISY clients for entering the workforce upon completion of secondary school.
- In turn, greater adoption of these services will lead to improved second and fourth quarter employment rate, credential attainment, and measurable skills gain outcomes for the Youth program.

If the waiver is approved, anticipated beneficiaries include Montana's low-income, at-risk youth, and young adult population. Subcontracted WIOA youth service provider staff, workforce development partners, American Job Centers (AJC), parents, teachers, school counselors and Montana employers will also benefit from the greater ability to coordinate with the youth program and benefit from improved performance results. The strategy adopted through the use of these waivers will allow for innovative strategies to address employment barriers early, improve student retention, and ease transition out of secondary school into successful workforce

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outcomes. These strategies can include apprenticeship programs, short-term certificates, and pathways to other industry-recognized credentials or sustainable employment.

WIOA encourages strong partnerships to leverage resources and increase opportunities for youth. Montana has formed a Career Developer Team that coordinates with local schools and districts on workforce initiatives and strategies. Through the Career Developer team and efforts of Youth Program providers the system will connect applicable state and local agency efforts to assist youth, including at-risk youth, in leveraging resources. Aligning successful program models will lead to student persistence, retention, completion, career awareness, and employment opportunities.

Formal monitoring will be conducted by the entity designated by the SWIB. Montana DLI's Workforce Services Division Fiscal and Reporting Analysts will collect, analyze, and provide quarterly data and expenditure reports on the status of WIOA youth expenditures, as well as PIRL performance results identified in this waiver proposal. Montana's Youth program manager, WIOA Performance Analyst, and WIOA reporting analyst will monitor and review the achievement of program outcomes through a combination of quarterly desk reviews with providers, tracking of enrollments and service provision to participants, and observation of PIRL-reported quarterly performance outcomes. As needed technical assistance will be provided to ensure providers and case managers understand and utilize the flexibilities created by this waiver. Service providers will be monitored to verify eligibility for the Youth program. Guidance on the program's eligibility, the application, and related timeliness for reporting participant information is available in the WIOA Operations Manual.

A public comment period will be provided by including this waiver as part of Montana's WIOA Combined State Plan, to be posted for public comment on mid-cycle state plan updates between March 20, 2026 and April 27, 2026. The plan will be noticed to interested parties such as all SWIB members, the SWIB Interested Persons list, the Montana Association of Counties, the Montana League of Cities and Towns, local elected officials, service providers, organized labor, and other partners and stakeholders of the workforce system. The process and notification of interested persons through email is aligned with State of Montana public meeting laws and MTDLI policy.

Waiver Request #4 - Use of Individual Training Accounts for In-School Youth

The State of Montana is requesting continuation of an existing waiver to allow Montana's WIOA youth service providers to use Individual Training Accounts (ITAs) for in-school youth ages 16-21 for PY26 and PY27. The waiver impacts WIOA regulation 20 CFR 681.550 which prohibits youth providers from establishing Individual Training Accounts (ITAs) for WIOA in-school youth. There are currently no state or local statutory or regulatory barriers to implementing the requested waiver. Current State of Montana laws, regulations, and policies follow federal law, regulations, and guidance.

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According to current WIOA regulations, ITAs are established on behalf of eligible clients to pay for approved training services. Allowing ITAs for in-school youth provides them the same opportunities for support as out-of-school youth. This will strengthen the opportunity for Montana students to earn industry-recognized credentials while in school, aligning with America's Talent Strategy's principal of worker mobility by connecting students with the workforce through these training opportunities. Montana's reengaged SWIB has identified that youth funds can be leveraged to better benefit Montana's in-school youth (ISY). By allowing for use of ITAs with ISY, the WIOA Youth program can better support Montana's strategic goal of increasing industry recognized credential attainment during secondary school, boosting employability and preparedness for work upon entering the workforce.

Alongside this waiver request, Montana is requesting a waiver from Section 129(a)(4)(A) and 20 CFR 681.410 which require not less than 75 percent of funds allotted to states under Section 127(b)(1)(c), reserved under Section 128(a), and available for statewide activities under subsection (b), and not less than 75 percent of funds available to local areas under subsection (c), shall be used to provide youth workforce investment activities for OSY. These two waivers are expected to work together towards the following outcomes:

An increase in total Youth program enrollment, driven by increased ISY enrollment.

Increased use of work experiences, skills training (including pre-apprenticeship opportunities), and supportive services that better prepare ISY clients for entering the workforce upon completion of secondary school.

Improved second and fourth quarter employment rate, credential attainment, and measurable skills gain outcomes for Youth program participants.

This waiver will benefit retention, graduation, and credential attainment rates throughout both rural and urban communities. If the waiver is approved, anticipated beneficiaries include Montana's low-income, at-risk youth, and young adult population. Subcontracted WIOA youth service provider staff, workforce development partners, American Job Centers (AJC), parents, teachers, school counselors and Montana employers will also benefit from the greater ability to coordinate with the youth program and benefit from improved performance results.

Montana's 406 JOBS Initiative is pushing for sustainable public-private sector partnerships to create direct-to-industry workforce pipelines where workers are needed the most. These efforts will be accomplished in part through local sector partnerships and emphasis on apprenticeship and alternative career pathways, leaning on industry recognized credentials to prepare youth for the workforce. Montana has published and continues to update the Montana Credential Registry that makes attainable industry recognized credentials and stackable training opportunities apparent and searchable for this purpose. The initiative recognizes that career and technical education (CTE) personalized to each student gives them the technical skills for occupational advancement and a vision of what a successful career in industry can provide and local school

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boards in Montana have broad authority to declare flexible course equivalencies and free student seat time in favor of work-based learning opportunities leading to industry-credentialed learning.

The strategy adopted through the use of these waivers will allow for innovative strategies to address employment barriers early, improve student retention, and ease transition out of secondary school into successful workforce outcomes. The WIOA Title I Youth program manager will monitor implementation through the tracking of ITA use among in-school youth participants and provide technical assistance to program providers as needed to ensure these activities lead to the desired outcomes. Collection of the measurable waiver outcome information will be done through the EmployMT system through which Montana's Youth program providers operate the program while outcome metrics will be computed in the systems through which Montana produces the required PIRL reports. Reports to track these outcomes will be produced quarterly.

Formal monitoring will be conducted by the entity designated by the SWIB, and the WIOA Title I youth program manager(s) will provide technical assistance to program providers regarding allowable uses of ITAs and youth funds under Montana's requested waivers. Service providers are required to verify eligibility for the Youth program.

A public comment period will be provided by including this waiver as part of Montana's WIOA Combined State Plan, to be posted for public comment on mid-cycle state plan updates between March 20, 2026 and April 27, 2026. The plan will be noticed to interested parties such as all SWIB members, the SWIB Interested Persons list, the Montana Association of Counties, the Montana League of Cities and Towns, local elected officials, service providers, organized labor, and other partners and stakeholders of the workforce system. The process and notification of interested persons through email is aligned with State of Montana public meeting laws and MTDLI policy

Montana Additional Information re Youth Waiver Requests

For Waiver Request #3, “Flexibility in Funding to Increase In-School Youth Enrollments,” Montana requests a waiver of WIOA Section 129(a)(4)(A) and 20 CFR 681.410 to lower the minimum expenditure requirement for out-of-school youth (OSY) from 75 percent to 50 percent for Program Years 2026 and 2027. In coordination with Waiver Request #4, which would continue to allow the use of Individual Training Accounts (ITAs) for in-school youth (ISY), this waiver provides Montana additional flexibility both to increase services to ISY and to connect those youth to training strategies that support workforce readiness, credential attainment, and participation in career pathway activities. Lowering the OSY expenditure minimum would allow Montana to direct a greater share of youth funds toward ISY while continuing to maintain a substantial investment in OSY services across the state.

A significant measurable outcome of the proposed waiver would be increased ISY enrollment. Montana projects a doubling ISY enrollment by PY 2027 while the waivers are in effect. This increase would result in approximately 40 ISY participants being served in PY 2027, compared to approximately 20 participants at current levels.

This waiver is also expected to support improved credential attainment outcomes. Montana has seen improved performance since implementation of these waivers beginning in PY 2024, and the state expects that continued implementation will allow more youth participants to engage in training connected to industry-recognized credentials and other postsecondary credential opportunities. Montana will measure credential attainment and set a target goal of 55 percent by PY 2027.

Program Year	Credential Attainment
PY 2022	28.3%
PY 2023	40%
PY 2024	35%
PY 2025 (estimated)	50%
PY 2026 (target/goal)	55%
PY 2027 (target/goal)	60%

Montana also anticipates that this waiver, particularly when paired with the ITA waiver for ISY, will strengthen the connection between the WIOA Youth program and the state’s efforts to expand pre-apprenticeship opportunities for students. By allowing more ISY participants to access training resources while still enrolled in school, Montana expects increased participation in pre-apprenticeship activities statewide, with a portion of that growth attributable to

Montana Additional Information re Youth Waiver Requests

participation through the Youth program. Montana has established a goal of 50 percent year-over-year growth in pre-apprenticeship participation in both PY 2026 and PY 2027 for WIOA and non-WIOA participants and will track the following outcomes that include WIOA and non-WIOA students.

Program Year	Pre-apprenticeship Participation
Baseline	95
PY 2026 (target/goal)	143
PY 2027 (target/goal)	215

For Waiver Request #4, “Use of Individual Training Accounts for In-School Youth,” Montana requests continuation of its waiver of 20 CFR 681.550 to allow WIOA youth service providers to use ITAs for ISY ages 16 to 21 in PY 2026 and PY 2027. This waiver works in coordination with Waiver Request #3 by allowing Montana not only to increase the amount of youth funding that may be used to serve ISY, and to use those funds towards skills training, credential attainment, and participation in pre-apprenticeship and other work-based learning activities.

Montana has seen performance improvement since implementation of these waivers beginning in PY 2024 and continued implementation of the ITA waiver is expected to result in improved credential attainment outcomes among youth participants. Montana has established a credential attainment goal of 60 percent by PY 2027, in line with the goal established for Waiver #3.

Program Year	Credential Attainment
PY 2022	28.3%
PY 2023	40%
PY 2024	35%
PY 2025 (estimated)	45%
PY 2026 (target/goal)	50%
PY 2027 (target/goal)	55%

Montana Additional Information re Youth Waiver Requests

Montana also expects that continued use of ITAs for ISY will increase participation in pre-apprenticeship activities by improving access to training opportunities for students while they are still enrolled in school. This waiver supports stronger alignment between WIOA Youth services, school-connected career pathway strategies, and Montana's broader efforts to expand pre-apprenticeship and credential-based opportunities through the 406 JOBS framework, with a portion of that growth attributable to participation through the Youth program. Montana has established a goal of 50 percent year-over-year growth in pre-apprenticeship participation in PY 2026 and PY 2027 for all WIOA and non-WIOA participants. The Pre-apprenticeship participation targets below include WIOA and non-WIOA student goals, with expansion of pre-apprenticeship among the Youth program contributing to the overall effort.

Program Year	Pre-apprenticeship Participation
Baseline	95
PY 2026 (target/goal)	143
PY 2027 (target/goal)	215