U.S. Department of Labor

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

July 20, 2026

The Honorable J. Kevin Stitt
Governor of Oklahoma
2300 N. Lincoln Blvd., Suite 212
Oklahoma City, Oklahoma 73105

Dear Governor Stitt:

Thank you for your waiver request submission to the U.S. Department of Labor (Department) regarding certain statutory and regulatory provisions of the Workforce Innovation and Opportunity Act (WIOA) and the accompanying plan to improve the statewide workforce development system (enclosed). The waiver request was received on April 29, 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 Oklahoma will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Oklahoma 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 at WIOA Section 134(3)(F)(i) and (G) and 20 CFR 680.320(a) and 680.340(a) to allow for all training services to be provided through training contracts.

ETA Response: ETA approves, through June 30, 2028, the State's request to allow contracts for services to be used instead of Individual Training Accounts (ITAs) to allow the State and its local areas to deliver training services through training contracts for services directly aligned to local employer needs. ETA reviewed the State's waiver request and the additional information that Oklahoma provided 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. ETA notes that the State may pursue the consortium training approach detailed in its request without a waiver. The request identified the State's intention for Employment Service staff to serve as case managers under its proposed training model; however, WIOA requires the local board to select service providers. Functions of local boards are outside of the Secretary's waiver authority.

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 appreciates Oklahoma's sustained engagement and ongoing work to strengthen its workforce system. The Department recognizes the State's commitment to improving service delivery across local areas. At this time, ETA does not approve the WIOA waiver request. Given the transformative nature of the proposal, a revised submission would benefit from a clearer and more detailed foundation. Specifically, the Department encourages the State to develop a comprehensive implementation plan with clearly defined and reasonable milestones, timelines, and roles, including risk management and mitigation strategies. This may include addressing the following areas:

- Establish a clear approach for obtaining, analyzing, and incorporating local feedback, and document how stakeholder input informs decision making on an ongoing basis.
- Develop and document standardized statewide policies that can be implemented in advance of any governance consolidation to promote consistency and effective service delivery.
- Enhance data driven continuous improvement practices, including performance targets, data quality controls, and feedback loops for course correction.
- Ensure access to quality services across all regions of the State, including rural and frontier communities.
- Assess fiscal impacts, operational readiness, and implications for state and required partner roles.

ETA will continue to provide hands-on technical assistance to ensure that the State is well positioned for future success. As the State makes progress in these areas, ETA is open to revisiting the State's request in the future.

Oklahoma also requested a waiver that does not advance the administration's key priorities. As articulated in Training Guidance Letter (TEGL) No. 05-25 and TEGL No. 08-18. Therefore, ETA does not approve the following waiver:

- Waiver of the performance accountability requirements at WIOA Section 116(b) and 20 CFR Part 677, and of the expenditure timelines and allocation requirements at WIOA Sections 128(c) and 133(c)(6) and 20 CFR 683.110–683.

Oklahoma also requested to waive that are outside the Secretary's waiver authority and therefore, ETA does not approve the following waivers.

- Waiver of the requirements at 20 CFR 678.305–678.320 and 20 CFR 678.500–678.760 to allow the redefinition of the American Job Center (AJC) service delivery structure and implement a statewide memorandum of understanding (MOU)/infrastructure funding agreement (IFA) model. Please note that while Work-flex authority at WIOA Section 190 does not allow the State to take control of local infrastructure funding, it does allow the State to provide waivers to local areas related to infrastructure funding. ETA is available for technical assistance if the State wishes to explore potential flexibilities associated with Work-flex.
- Waiver of the requirements at WIOA Section 106, 20 CFR 679.210 - 679.280 concerning the establishment and function of local workforce areas to create a single-area state.

Requested Waiver: Waiver of the requirements at WIOA Section 122(a)–(c) and 20 CFR 680.400–680.530 regarding eligible training provider (ETP) eligibility, reporting, and performance criteria and apprenticeship provider eligibility to permit automatic eligibility for apprenticeship programs other than Registered Apprenticeships.

ETA Response: ETA does not approve this waiver. WIOA permits Registered Apprenticeship programs that are registered with the Department of Labor or a State Apprenticeship Agency to be automatically eligible for the ETP list. In its request, Oklahoma refers to State-developed apprenticeships as Registered Apprenticeships. Apprenticeships developed by the State and registered with the Department of Labor can be automatically eligible for the ETP list without a waiver. Apprenticeships developed by the State and not registered with the Department of Labor are not Registered Apprenticeships and therefore not automatically eligible for the ETP list. However, the State can update its ETP policies, including policies for initial determination, to consider the varying credential and timing characteristics of apprenticeship-like programs.

ETA remains committed to working with Oklahoma on strategies that support expansion of apprenticeship and training opportunities. We welcome continued dialogue as the State explores options to strengthen and grow its apprenticeship 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

Henry Mack, Ed.D.
Assistant Secretary

Enclosures

cc: Trae Rahill, Chief Executive Officer, Oklahoma Employment Security Commission
M. Frank Stluka, Acting Regional Administrator, ETA
Monica Moguel, Federal Project Officer, ETA

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

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

I. Background and Purpose

The State of Oklahoma is implementing a comprehensive redesign of its workforce system, transitioning from a fragmented multi-board structure to a single, consolidated statewide local workforce development area under the Workforce Innovation and Opportunity Act (WIOA). To support this transition, Oklahoma requests a waiver to authorize the Governor's Council for Workforce and Economic Development (GCWED) to perform all roles and responsibilities of a Local Workforce Development Board (LWDB).

This waiver is essential to executing Oklahoma's Workforce System Transformation as outlined in the State Plan. The transformation replaces the current four-board governance system with one unified statewide area, consolidates oversight under GCWED, and implements statewide functional service-delivery models for outreach, intake, career planning, case management, business services, co-enrollment, referrals, and follow-up. The transformation reconfigures the American Job Center (AJC) network around comprehensive Career Tech-based hubs supported by community and virtual access points and relies on EmployOklahoma and other integrated data systems to unify accountability and cross-agency service coordination. It fully aligns WIOA Title I with Wagner-Peyser, UI/RESEA, Adult Education, Vocational Rehabilitation, TANF, SNAP E&T, and other partner programs.

Without the ability to operate as a single local area with GCWED functioning as the local board, Oklahoma would be required to retain or reestablish governance structures that perpetuate fragmentation and run counter to the State Plan. The State requests approval for Program Years PY26-PY28.

II. Legal Basis for Waiver Authority Under WIOA & Actions Taken to Remove Barriers

WIOA permits waivers that allow states to improve service delivery and outcomes while maintaining worker protections and partner funding obligations. Oklahoma seeks a waiver of WIOA Section 107(b) and all related requirements that assume the existence of multiple LWDBs, as well as 20 CFR Part 679 and associated regulations requiring multiple local-area-level governance structures.

To ensure the single-area model is legally and operationally sound, the Governor has issued statewide notice to operate as a single local area and has directed all relevant agencies and partners to align governance and planning efforts. GCWED will affirm its role as both the State and Local Workforce Development Board and will carry out all applicable functions under WIOA Sections 101 and 107 (to the extent not waived). The Attorney General's Office has reviewed applicable statutes and confirmed that no statutory amendments are required for GCWED to serve as the local board under federal waiver authority.

Existing LWDBs and Chief Local Elected Officials (CLEOs) were formally notified on January 27th, 2026, of the State's intent to transition to a single local area, sunset local boards by September 30th, 2026, and consolidate governance responsibilities within GCWED. Any remaining regional structures will function solely for administrative coordination and will not constitute WIOA-recognized local areas.

III. Anticipated Impact and Benefits

Approval of this waiver will allow Oklahoma to align governance with its statewide transformation strategy by:

- Eliminating duplicative and inconsistent local governance structures,
- Consolidating accountability under GCWED,
- Ensuring uniform statewide policies, bylaws, MOUs, fiscal agent arrangements, and service standards,
- Reducing administrative overhead previously associated with maintaining multiple boards, monitoring regimes, and procurement systems,
- Supporting consistent, functional models across all workforce service delivery locations,
- Strengthening co-location and staffing arrangement within Career Tech centers and partner facilities
- Ensuring that employers experience a single brand, point of entry, and workforce services system, and
- Enabling more flexible service strategies across geographic boundaries

The State expects improvements in Measurable Skill Gains, credential attainment, employment rates, median earnings, and a reduction in rural–urban performance disparities.

IV. Alignment with U.S. DOL Policy Priorities

Alignment with America's Talent Strategy (TEGL 07-25)

This waiver directly advances the U.S. Department of Labor's America's Talent Strategy by strengthening system-wide accountability, employer engagement, and performance outcomes. Consistent with Pillar IV: Accountability, consolidation of State and Local Workforce Development Board functions establishes a single entity responsible for outcomes, resource allocation, and performance results across the workforce system. This unified governance structure ensures that entities responsible for service delivery are also accountable for results and the stewardship of public funds, reducing fragmentation and diffused responsibility inherent in multi-board systems.

This governance consolidation also supports the TEGL 07-25 emphasis on measurable and transparent results for job seekers and employers by establishing a single statewide entity responsible for performance results and stewardship of public funds, including results in employment, earnings, and credential attainment.

A single statewide local area enhances employer engagement by creating a unified employer interface, implementing consistent sector strategies, and aligning workforce and economic development initiatives. It improves education and training integration by strengthening coordination among CareerTech, higher education, K–12 CTE, Adult Education, and Vocational Rehabilitation.

The unified structure facilitates statewide expansion of work-based learning, including apprenticeships, on-the-job training, incumbent worker training, and youth work experience, and supports stronger performance management, consistent adoption of best practices, and improved data-driven decision-making. Oklahoma's model enhances equity and accessibility by expanding services in rural, tribal, and underserved communities, strengthening virtual and hybrid options, and embedding consistent equity strategies statewide.

- Employer Engagement
    - A single statewide area creates a unified point of contact for employers, ensures consistent sector strategies, and strengthens workforce–economic development alignment.
- Education and Training Integration
    - The model deepens statewide coordination among Career Tech (Perkins V), higher education, K–12 CTE, Adult Education, and Vocational Rehabilitation, aligning training pathways and credential strategies.
- Work-Based Learning Expansion
    - Statewide governance enables consistent implementation of apprenticeships, on-the-job training, incumbent worker training, and youth work experiences, reducing employer confusion and administrative burden.
- Improved Job and Career Outcomes
    - The unified structure supports more robust performance management, rapid scale-up of promising practices, and stronger data-driven decision-making across all partners.
- Equity, Accessibility, and Innovation

- The model expands access in rural, tribal, and underserved communities, strengthens virtual and hybrid service options, and ensures statewide application of equity goals and strategies.

V. Individuals Affected and Impact on Disadvantaged Populations

All WIOA-eligible individuals statewide will be affected by this waiver, including adults, dislocated workers, youth, veterans and their spouses, individuals with disabilities, English language learners, justice-involved individuals, rural and tribal residents, low-income households, and individuals experiencing homelessness or instability.

The waiver will improve equity by ensuring consistent service expectations statewide, reducing disparities tied to uneven local administrative capacity, and strengthening outreach, co-enrollment, and coordinated support structures for individuals with significant barriers. No individual will lose services or eligibility as a result of this waiver.

VI. Monitoring, Notice, Comment, and Reporting

GCWED, the Oklahoma Workforce Commission, and the Oklahoma Employment Security Commission (OESC) will monitor the transition to the single-area model, including the official designation, the sunsetting of local boards, the completion of statewide policies and functional models, and ongoing performance through EmployOklahoma dashboards. All LWDBs and CLEOs received formal notice on January 27th, 2026.

Public involvement included a written comment window, statewide meetings, webinars, and GCWED public sessions. The waiver will be posted publicly on OK Works website inside the State Plan modification and shared with employers, labor organizations, education partners, tribal nations, community-based organizations, and other stakeholders. Oklahoma will report improvements in governance, cost efficiency, service consistency, rural equity, and performance outcomes in our WIOA Annual Report.

VII. Evidence Supporting the Waiver

Findings from the 2025 Workforce Transformation Sprints and other internal analyses show:

- Significant duplication across four local boards
- Employer confusion due to multiple points of entry
- Substantial regional disparities in performance
- High administrative costs associated with supporting multiple governance structures

This evidence affirms that the single-area model will deliver measurable improvements in performance, access, accountability, and employer engagement.

VIII. GCWED Structure and Membership

GCWED will serve as both the State and Local Workforce Development Board under this waiver. Its membership includes a business majority and representation from all WIOA Title I–IV agencies, Career Tech, higher education, unemployment insurance and RESEA, economic development, labor, local elected officials, and rural and tribal constituencies. GCWED operates through standing committees and receives administrative support from the Oklahoma Employment Security Commission.

IX. Local Area Designation and Appeals Process

Oklahoma will maintain a fully compliant process for any entity seeking designation as a local area, including written requests, clear review criteria such as capacity and labor market alignment, written decisions, and appeal rights extending to the Secretary of Labor. While no such requests are anticipated, the process remains available in accordance with WIOA and 20 CFR 679 and 683.

X. Period of Request and Summary

Oklahoma requests approval for Program Years 2026-2028.

This waiver is central to building a unified, responsive, and high-performing workforce system. It eliminates structural fragmentation, strengthens statewide consistency, enhances employer engagement, increases accountability, and expands access and equity across all regions.

Approval will enable Oklahoma to implement its Workforce System Transformation and deliver improved outcomes for workers, employers, and communities statewide. Oklahoma appreciates your consideration and stands ready to provide any additional information required.

2.Performance Accountability Flexibility and Transitional Operational Flexibilities During Statewide Workforce System Restructuring

I. Background and Purpose

The State of Oklahoma is undertaking a comprehensive transformation of its workforce system, including consolidation of local workforce areas, redesign of the American Job Center (AJC) network, modernization of service delivery, and major restructuring of administrative and program operations.

Consistent with the U.S. Department of Labor's America's Talent Strategy (TEGL 07-25), this waiver request is intended to protect the integrity of performance accountability so that reported outcomes such as job placement, earnings, and credential value accurately reflect program effectiveness during a period of significant structural change. In alignment with Pillar IV: Accountability, the State seeks temporary flexibility to ensure that performance data accurately reflects program effectiveness, responsible stewardship of public funds, and true participant outcomes as the workforce system transitions to a new governance, service-delivery, and data environment.

As part of this transition, Oklahoma is currently operating under a monthly, conditional performance accountability waiver approved by the U.S. Department of Labor, necessitated by the phased implementation of a new statewide case management and reporting system that is not yet able to fully calculate or validate all required WIOA performance metrics. While interim reporting and data validation processes are in place, this month-to-month waiver structure creates administrative burden and uncertainty without improving outcome transparency.

This request seeks to replace recurring short-term conditional waivers with a single, time-limited, outcome-focused transition framework that maintains accountability while system modernization is completed.

During this transitional period, strict adherence to certain WIOA performance accountability and expenditure-timeline requirements will create unintended barriers and measurement distortions that could misrepresent program performance return on investment. We request a temporary, time-limited transition waiver package that provides relief in the following areas:

1. Performance Accountability Flexibility, including temporary adjustment or suspension of negotiated performance levels where restructuring disrupts baseline performance.
2. Allocation and Expenditure Timeline Flexibility, including carryover and obligation extensions to support system realignment.
3. Permission to Operate the Current System During Transition to ensure uninterrupted service delivery while new governance, cost structures, AJCs, and data systems are implemented.
4. Authority to Adjust or Re-baseline Negotiated Performance Measures during and immediately after restructuring to maintain fairness and accuracy.

These temporary flexibilities support the use of consistent, meaningful performance metrics once restructuring stabilizes, consistent with Pillar IV's emphasis on valid, comparable outcome measurements. Such temporary flexibilities have been granted by DOL in previous transition periods (e.g., WIOA implementation transition waivers, natural disaster waivers, and system realignment waivers). The request aligns with ETA's general waiver policy and the goals of WIOA Section 189(i)(3)(B).

II. Legal Basis for Waiver Authority Under WIOA

The State requests temporary relief from the following WIOA statutory and regulatory requirements:

1. Performance Accountability Requirements

- WIOA Section 116(b) (state and local performance accountability system);
- 20 CFR Part 677 (performance reporting, indicators, statistical adjustment model);

- Flexibility to temporarily adjust, freeze, or renegotiate performance levels disrupted by the transition.

2. Expenditure Timelines and Allocation Requirements

- WIOA Sections 128(c) and 133(c)(6) (obligation and expenditure deadlines for Youth and Adult programs);
- 20 CFR §§ 683.110–683.120 (funding period and reallotment).
  This relief will support continuity during restructuring, consolidation, and potential AJC realignment.

3. Operational Continuity During Transition

- Temporary authority to operate the current system, including existing AJCs, local plans, MOUs/IFAs, and performance arrangements, while new structures are being implemented.

III. Justification for the Waiver

A. Disruption of Performance Baselines During Transition

Restructuring workforce regions, cost structures, partner MOUs, and the AJC network creates unavoidable volatility in:

- Caseload patterns
- Participant flow and exit patterns
- Staffing and leadership structures
- Data coding and reporting
- Training provider availability
- Budget allocations and expenditure rates
- Performance calculation and validation during phased deployment of a new statewide data system

This volatility has required the State to rely on temporary, conditional performance approvals while data functionality is completed, underscoring the need for a more stable transition waiver that preserves accurate outcome measurement.

Standard WIOA performance targets, based on historical data, will not reflect these disruptions and would misstate job placements, earnings outcomes, and cost effectiveness during the transition period. Without temporary flexibility, the State risks:

- Inaccurate public reporting of outcomes,

- Misleading performance comparisons,
- Erosion of confidence in workforce system accountability, and
- Reduced employer and partner engagement.

DOL has previously granted similar performance flexibility when states undergo major reorganizations or extraordinary conditions.

B. Expenditure and Allocation Timelines Will Be Affected

During restructuring, the State must:

- Transition staff and operational systems
- Realign budgets and cost structures
- Re-designate local areas
- Adjust AJC footprints
- Implement new MOUs/IFAs
- Migrate data/reporting systems

These steps will temporarily affect expenditure rates. Without flexibility, the State may face artificial compliance issues due solely to the reorganization. Temporary expenditure flexibility is necessary to ensure that spending patterns during restructuring do not distort return-on-investment analyses or penalize programs delivering strong employment outcomes.

C. Allowing Current Systems to Operate During Transition Ensures Service Continuity and Uninterrupted Tracking of Participant Employment and Earnings Outcomes

This waiver enables:

- Continuous services to job seekers and employers
- Compliance with all core WIOA participant protections
- Prevention of service gaps caused by premature closure of the old system
- Time to finalize new performance methodologies and cost structures

D. Adjustment of Negotiated Performance Levels Is Necessary and Permissible

Under WIOA Section 116(b)(3)(A)(v), DOL may adjust negotiated levels due to:

- Economic conditions
- Characteristics of participants
- Structural changes affecting performance

Major statewide restructuring qualifies as a “structural change.”

This waiver formalizes that flexibility and avoids misinterpretation during ETA monitoring.

The transition to a single statewide local workforce development area, consolidation of governance and service delivery, redesign of the American Job Center network, and implementation of a new statewide case management system will temporarily affect participant flow, exit timing, service coding, and performance reporting. Without limited, time-bound flexibility, performance results during this transition would not accurately reflect program effectiveness, labor market impact, or value to employers and participants and could undermine the accountability objectives WIOA is designed to advance.

IV. Goals and Expected Outcomes

Approval of this waiver will:

1. Maintain fair, accurate, and equitable measurement of job placement, earnings, credential value, and employment retention outcomes during transition
2. Prevent disruptions in services to job seekers and employers
3. Support effective implementation of new governance and service-delivery models
4. Ensure responsible use of federal funds during expenditure realignment
5. Allow the State to stabilize the system, then negotiate new, more accurate performance levels
6. Preserve transparency and comparability of performance data for workers, employers, ETA, and the public once post-transition baselines are established.

V. Proposed Waiver Terms and Conditions

Consistent with federal expectations for valid and accurate performance measurement, Oklahoma will propose revised negotiated performance levels once the statewide governance and service-delivery transition stabilizes and reporting integrity is re-established.

Oklahoma requests a two-year transition waiver, with the following commitments:

- Use established data to propose revised performance targets once restructuring stabilizes
- Maintain and report performance to the extent data allow, including continued tracking of employment, earnings, and credential outcomes where feasible
- Preserve all participant protections, priority-of-service rules, and non-discrimination requirements
- Provide quarterly progress updates to ETA

- Apply corrective action, reform, or removal from eligibility for programs that fail to demonstrate positive labor market outcomes once post-transition performance baselines are in effect
- Resume full compliance with all performance and expenditure requirements at the end of the waiver period
- Provide ETA with written performance re-baselining no later than the first full program year after implementation stabilization, using available post-transition data and the WIOA performance framework.

VI. Conclusion & Request

Oklahoma commits that:

- This waiver will not reduce service quality or access
- All core WIOA programs will continue to operate
- Accountability for fiscal integrity will remain in place
- Oklahoma will continue to use DOL's WIOA statistical adjustment model where applicable
- New performance baselines will be negotiated with ETA based on post-transition data
- The waiver supports innovation and modernization consistent with federal priorities

Oklahoma respectfully requests approval of this Performance Accountability and Transition Flexibility Waiver to provide temporary, necessary relief during a major statewide workforce system restructuring. The waiver will ensure that performance accountability during restructuring remains accurate, transparent, and outcome-focused, while enabling Oklahoma to transition to a workforce system where funding decisions are tied to demonstrable labor market results.

This waiver supports Pillar IV's objective of aligning federal workforce funding with measurable employment outcomes by ensuring that accountability decisions are based on valid, comparable, and meaningful data.

Replacing recurring monthly conditional waivers with a defined transition period also supports Pillar IV's emphasis on accountability by ensuring that performance decisions are based on complete, validated, and comparable outcome data, rather than provisional metrics produced during system construction.

Oklahoma stands ready to provide any additional information requested by ETA.

3.Flexibility to Use Training Contracts with Consortiums in Lieu of Individual Training Accounts (ITAs) Within a Single Statewide Local Workforce Development Area

I. Background and Purpose

The State of Oklahoma is undertaking a comprehensive transformation of its workforce system, including the transition to a single statewide local workforce development area under the Workforce Innovation and Opportunity Act (WIOA). This transformation is intended to create a simplified, integrated workforce system that enables individuals to enter, reenter, and advance within the labor market through clear, employer-validated pathways that support upward mobility and long-term economic independence. It consolidates governance, procurement, and service delivery under a unified statewide structure to improve efficiency, consistency, and alignment with employer demand while prioritizing industry-driven talent pathways where employers identify critical, hard-to-fill, in-demand occupations which culminate in clearly defined employment outcomes post-training. Further, it creates a flexible and adaptable workforce system capable of responding rapidly to changes in local economic conditions, emerging industries, and evolving employer skill needs through continuous coordination between employers, educators, and training providers.

As part of this redesign, Oklahoma is implementing a consortium-based training delivery model, under which training services are procured and delivered through contracts with regional or statewide consortiums of education and training providers. Employers within each consortium would play a leading role in steering training investments toward roles, credentials, and competencies that directly correspond to current and projected workforce demand. Under this model, WIOA Title I funds are used to purchase training through contracts, while Title III (Wagner-Peyser) staff provide participant intake, case management, and career services on behalf of the single local area.

Consistent with the U.S. Department of Labor's America's Talent Strategy (TEGL 07-25), Oklahoma's consortium-based training model is designed to ensure that employers play a central role in defining skill needs, validating training curricula, and hiring program completers. In alignment with Pillar I: Industry-Driven Strategies and Pillar II: Worker Mobility, training contracts enable cohort-based, employer-aligned, and work-based learning models, including apprenticeships, on-the-job training, and sector partnerships, that are not operationally compatible with individual participant-level Individual Training Accounts.

To operate this model, Oklahoma seeks a waiver under WIOA to allow the use of training contracts in lieu of Individual Training Accounts. The ITA model is not compatible with consortium-based procurement and creates administrative and fiscal barriers to implementing a unified statewide training strategy.

This waiver request is specific to operation within a single statewide local area and is not intended to permit independent or discretionary practices across multiple local workforce areas.

II. Legal Basis for Waiver Authority Under WIOA

WIOA authorizes the Secretary of Labor to approve waivers of statutory and regulatory requirements, except for provisions related to wage and labor standards, nondiscrimination, and worker protections, when such waivers improve service delivery and workforce outcomes.

Relevant provisions include:

- WIOA Section 134(c)(3) Training services
- 20 CFR §§ 680.300–680.340 Individual Training Accounts and training contracts

Federal regulations generally require training services to be provided through ITAs, with limited exceptions for training contracts. However, these provisions govern administrative delivery mechanisms and may be waived where a state demonstrates that an alternative approach better supports workforce system design while preserving participant protections, fiscal accountability, and performance outcomes.

The State is not requesting a waiver of:

- Participant eligibility requirements
- Informed choice
    - Informed choice will be preserved by clearly identifying employer-validated credentials, localized labor market demand, and training pathways available through consortium contracts and ensuring participants receive sufficient information to select pathways that support upward mobility and long-term economic independence.
- Performance accountability
- Nondiscrimination or accessibility protections

The waiver is limited solely to how training services are procured and paid for within a single-area, consortium-based training model.

III. Justification for the Waiver

A. Consortium-Based Training Requires Contract Authority

Under Oklahoma's redesigned statewide model, training is delivered through consortiums composed of:

- Education and training providers,
- Career and technical institutions,
- Employer partners, and
- Other eligible entities aligned around industry or sector strategies.

Consortiums operate as coordinated training entities, not as individual vendors delivering training to individual participants. As such, they cannot be funded effectively through participant-level ITAs, which are designed for one-to-one transactions between an individual and a single provider.

Training contracts are the only administratively sound mechanism to:

- Fund consortiums as collective training entities,
- Support cohort-based and employer-aligned training,
- Establish shared curricula and outcomes, and
- Ensure fiscal accountability across multiple partners.

B. Integration of Title I Training and Title III Case Management

In the single statewide local area model, Wagner-Peyser (Title III) staff provide case management and career services functions traditionally associated with Title I, including:

- Intake and eligibility determination,
- Career planning and service coordination,
- Referral to training,
- Ongoing participant support and follow-up.

Under this integrated service model:

- Participants remain enrolled in WIOA Title I as appropriate,
- Title I funds are used to purchase training services,
- Title III staff act as the frontline case managers, and
- Training delivery is carried out through consortium contracts.

Wagner-Peyser's status as a required one-stop partner does not, by itself, authorize ES staff to assume Title I service delivery responsibilities without regard to Title I governance requirements. However, the proposed model does not rely solely on Wagner-Peyser's required partner status as its legal basis. The integrated service delivery framework under WIOA sec. 121 and the co-enrollment authorities under Titles I and III together support a model in which merit staff deliver career services to participants enrolled, or being assessed for enrollment, across programs. This is not a novel arrangement, as Wagner-Peyser merit staff already deliver individualized, staff-assisted reemployment services through the State's RESEA program. These services include individual reemployment plans, skills assessments, and follow-up appointments, under existing authority and without a separate procurement process. Because Wagner-Peyser merit staff are

State employees and not contractors, the Uniform Guidance's competitive procurement requirements at 2 CFR 200.317-200.327 are not triggered by this staffing arrangement.

This integrated approach improves service continuity, reduces duplication, and supports a customer-centered experience by creating a single point of entry for career services, training, and reemployment support, allowing participants to navigate the workforce system more easily and progress more quickly toward employment and occupational advancement.

Training contracts also provide Oklahoma with the flexibility needed to design, test, and scale innovative training models, such as consortium-based, sector-driven, and work-based learning approaches, which can be continuously refined based on employer feedback and performance outcomes. This model eliminates silos between training funding and service delivery, enabling faster coordination, streamlined operations, and more responsive adjustments to workforce strategies as local labor markets continue to evolve.

However, this integrated structure is not operationally compatible with an ITA-based payment structure, which assumes participant-level contracting and local procurement discretion.

C. Incompatibility of ITAs with a Single-Area, Consortium Model

The ITA model was designed for systems with:

- Multiple local areas,
- Decentralized procurement authority,
- Individually selected training providers, and
- Local board–specific training strategies.

In a single statewide local area, these assumptions no longer apply. Requiring ITAs in this context would:

- Prevent consortiums from receiving training funds,
- Fragment statewide training strategies,
- Increase administrative burden without improving outcomes, and
- Undermine the efficiency gains of system consolidation.

The ITA model, which funds training in isolation from specific employer hiring commitments, perpetuates a fragmented approach to workforce development that does not ensure training leads directly to employment in in-demand occupations. Training contracts enable Oklahoma to structure employer-validated pathways with shared performance expectations tied to placement into hard-to-fill roles and support short-term and stackable credentials aligned to industry demand, allowing participants to build skills progressively and advance along defined career pathways without unnecessary retraining or reenrollment.

A waiver is therefore necessary to align training procurement with the State's single-area operational design.

This waiver further supports Pillar V: Flexibility and Innovation by allowing Oklahoma to implement training delivery models that scale employer-designed pathways statewide, while maintaining all WIOA participant protection, informed choice, fiscal accountability, and performance reporting requirements.

IV. Anticipated Impact and Benefits

Approval of this waiver will:

1. Enable Consortium-Based Training
    - Allow consortiums to receive and manage training funds
    - Support sector, pathway, and cohort-based training models
2. Improve System Integration
    - Align Title I training dollars with Title III case management
    - Reduce duplication across programs and staff roles
3. Increase Efficiency and Fiscal Control
    - Centralize procurement under the single Title I grant
    - Reduce administrative and transactional costs
4. Strengthening Industry-Driven Talent Pathways
    - Support employer-driven curricula and hiring pipelines
    - Scale training to meet statewide labor market demand
    - Support pathways with defined employment outcomes, including placement into apprenticeships or direct hire opportunities
    - Ensure credentials and curricula are validated by industry partners
5. Maintain Participant Protections
    - Preserve eligibility, informed choice, and performance accountability
    - Maintain nondiscrimination and accessibility requirements
6. Increase System Agility and Innovation
    - Enable rapid adjustment of training investments to respond to emerging industry and local economic shifts

- Support pilot programs and innovative training models that can be scaled statewide based on verified and validated performance outcomes
- Create more responsive feedback loops between employers, educators, training providers, and workforce agencies.

7. Technology and Data Integration
    - Integrates data systems and labor market information tools to guide training investments, inform participant choice, and track career progressions and outcomes.
8. Promote Worker Mobility and Advancement
    - Support entry, reentry, and advancement through employer-validated career pathways
    - Enable progressive skill-building through short-term and stackable training
    - Improve participant ability to advance into higher-wage roles over time.

V. Proposed Waiver Terms and Conditions

If approved, Oklahoma commits to the following:

1. Single-Area Administration
    - All training contracts will be executed under the single statewide Title I grant and administered by the statewide local workforce development board or its designated administrative entity.
2. Consortium Eligibility and Oversight
    - Consortiums receiving training funds will meet state-defined eligibility and performance standards.
    - Contracts will clearly define roles, responsibilities, and deliverables.
3. Integrated Service Delivery
    - Wagner-Peyser staff will provide case management and career services in coordination with Title I training enrollment.
4. Fiscal Accountability
    - All contracts will comply with:
        - 2 CFR Part 200 (Uniform Guidance),
        - State procurement requirements, and

- WIOA cost allowability rules.
- Title I and Title III costs attributable to integrated staff functions will be properly allocated consistently with 2 CFR Part 200 and applicable cost principles.

5. Performance and Monitoring
   - Training outcomes will be tracked using WIOA performance indicators.
   - Contracts will include monitoring and corrective action provisions.
6. Nondiscrimination and Accessibility
   - All services will comply with WIOA Section 188 and applicable accessibility requirements.

VI. Conclusion and Request

Approval of this waiver is essential to support Oklahoma's transition to a single statewide local workforce development area and to operationalize a consortium-based training model integrated with Wagner-Peyser case management.

Oklahoma respectfully requests approval of a waiver under WIOA to permit the use of training contracts, rather than Individual Training Accounts, to fund training delivered through consortiums, with Title III staff providing case management and career services.

This waiver will enable a unified, efficient, employer-driven, outcome-focused workforce system that directs talent into in-demand occupations through validated industry pathways while preserving all statutory protections and accountability requirements.

4.Flexibility to Redefine AJC Service-Delivery Structure and Implement a Statewide MOU/IFA Model

I. Background and Purpose

The State of Oklahoma is undertaking a comprehensive redesign of its workforce system, including a transition to a consolidated statewide service-delivery model. As part of this transition, Oklahoma seeks a waiver under the Workforce Innovation and Opportunity Act (WIOA) to allow:

1. Flexibility in how Oklahoma defines and classifies American Job Centers (AJCs) during and after transition, including temporary or permanent deviations from the federal definitions of
   - "Comprehensive One-Stop Center" (20 CFR §678.305)
   - "Affiliate One-Stop Site" (20 CFR §678.310)

2. Authorization to implement a statewide MOU and statewide Infrastructure Funding Agreement (IFA) with uniform cost-sharing across multiple facilities, even though WIOA and DOL generally anticipate local-area–specific IFAs tied to individual buildings.

These flexibilities are needed to support an orderly transition, align service delivery with statewide strategic goals, and prevent interpretation issues during future DOL monitoring.

II. Legal Basis for Waiver Authority Under WIOA

WIOA permits waivers that provide states with flexibility to redesign service delivery and improve outcomes, provided worker protection and partner funding obligations are maintained.

Relevant regulations include:

- 20 CFR §§ 678.305–678.320 (definitions of comprehensive, affiliate, and specialized centers)
- 20 CFR §§ 678.500–678.760 (MOU/IFA requirements)

While the funding obligations for infrastructure costs may not be waived, the structure and format of the MOU/IFA and the classification of sites may be waived, as they relate to administrative organization rather than statutory protections.

III. Justification for the Waiver

A. Flexibility to Define the AJC Structure During Transition

The federal definitions of “comprehensive” and “affiliate” centers assume a relatively rigid model tied to local-area geography and partner colocation. As Oklahoma transitions to a streamlined, statewide service model, many facilities will operate in hybrid or transitional roles that do not neatly align with the federal categories.

A waiver allows Oklahoma to:

- Establish temporary classifications that reflect transitional operations
- Define a modernized statewide AJC structure aligned with customer needs
- Adjust center types as facilities are consolidated, relocated, repurposed, or closed
- Maintain full compliance without triggering federal findings due to temporary or non-traditional configurations

This flexibility is essential to avoid compliance risk during the transition period. This approach supports a more unified and navigable access network by enabling hybrid and virtual service delivery, streamlined intake practices, and modern service configurations that allow customers to access services without unnecessary complexity during and after transition.

B. Statewide MOU/IFA and Cost-Sharing Model

Under DOL's typical interpretation:

- MOUs/IFAs are negotiated per local workforce area,
- IFAs are often tied to each building, and
- Cost allocation is expected to be center-specific.

However, Oklahoma seeks to implement a statewide cost-sharing framework, covering multiple facilities and partners under a single MOU and infrastructure budget.

A waiver is needed because:

- The statewide model deviates from DOL's traditional local-area review structure
- Statewide cost allocation must reflect system-wide use and benefit rather than per-center metrics
- A single statewide MOU/IFA improves consistency, reduces administrative burden, and supports the system redesign
- Without explicit waiver authority, DOL monitoring could interpret a statewide IFA as non-compliant

IV. Anticipated Impact & Benefits for Job seekers, Employers, and the Workforce System

Granting this waiver will:

1. Improve System Efficiency and Reduce Burden
    - Eliminate the need to negotiate dozens of separate MOUs/IFAs
    - Reduce administrative duplication and redirect resources to customer services
2. Support Modernized Service Delivery
    - Allow flexible AJC structures (virtual hubs, specialized centers, hybrid service points)
    - Facilitate new service channels not envisioned under the legacy MOU/IFA framework
3. Enhance Transparency and Partner Equity
    - Implement a uniform statewide cost-allocation methodology based on proportionate benefit
    - Ensure fair and consistent partner contributions across all locations
4. Reduce Compliance Risk During Transition
    - Prevent federal monitoring findings arising solely from non-traditional but strategically necessary AJC configurations

- Provide a legal mechanism for flexibility while maintaining full partner funding responsibilities

V. Proposed Waiver Terms and Conditions

If approved, Oklahoma commits to:

1. Maintaining all required workforce partner roles and funding obligations under WIOA Section 121.
2. Ensuring the statewide MOU/IFA includes:
    - A statewide infrastructure cost budget
    - A transparent allocation methodology compliant with 2 CFR 200
    - Annual review and reconciliation procedures
3. Continuing to provide universal access to all required WIOA services in each region of the state.
4. Maintaining nondiscrimination, accessibility, and physical/virtual access requirements.
5. Not reducing the quality or availability of services as a result of this waiver.

VI. Conclusion & Request

Approval of this waiver will enable the State to:

- Implement a unified statewide service model
- Streamline workforce system governance
- Accelerate consolidation and modernization of AJC facilities
- Establish a flexible, customer-centered access network
- Improve consistency and transparency in partner cost-sharing
- Ensure that the transition proceeds without federal compliance risk

Oklahoma respectfully requests a waiver under WIOA to:

1. Allow temporary and permanent flexibility in classifying service sites beyond the federal definitions of comprehensive and affiliate centers; and
2. Permit the State to design and implement a statewide MOU/IFA and cost-sharing methodology appropriate to the new statewide service delivery model.

This waiver will promote system innovation, improve service delivery, reduce administrative burden, and ensure compliance during a transformational transition.

Oklahoma appreciates your consideration and stands ready to provide any additional information required.

5.ETPL Flexibility for State-Created Registered Apprenticeships

I. Background and Purpose

Under WIOA Section 122 and 20 CFR Part 680, only federally registered apprenticeship programs automatically qualify for the Eligible Training Provider List (ETPL). While states may include additional training providers, they must meet ETPL eligibility standards, including credential-timing and performance-reporting requirements.

Oklahoma is accelerating workforce development through employer-led, industry-driven strategies by expanding employer-validated, co-designed Registered Apprenticeships in line with both federally registered programs and state-developed, state-approved registered apprenticeships, including new models such as the K–12 Teacher Registered Apprenticeship, healthcare pathways, and other emerging occupations. Many of these programs:

- Do not align with federal ETPL credential timing requirements
- Do not have the multi-year performance history required for ETPL inclusion
- Award credentials on a timeline that does not neatly fit WIOA's required reporting structure

As a result, innovative RA models cannot be listed on the ETPL, limiting WIOA-funded participant access to work-based learning opportunities that lead directly to employment in in-demand occupations and slowing apprenticeship expansion.

To address this, Oklahoma requests a waiver of WIOA Section 122 and associated regulations to allow:

1. Automatic ETPL eligibility for state-developed Registered Apprenticeship programs, even when not federally registered; and
2. Flexibility in credential-timing and performance-history requirements for all Registered Apprenticeships during initial implementation and scale-up.

This waiver directly supports DOL's national apprenticeship priorities and aligns federal directives to expand RA access.

II. Legal Basis for Waiver Authority Under WIOA

This waiver request concerns flexibility under:

- WIOA Section 122(a)–(c) (ETPL provider eligibility, reporting, and performance criteria), and

- 20 CFR §§ 680.400–680.530 (ETPL regulations, including apprenticeship provider eligibility).

WIOA allows waivers when they support innovation, expand access, and improve outcomes. Consistent with ETA guidance, the State does not seek to waive participant protections, nondiscrimination rules, or reporting of performance data once available. Instead, Oklahoma seeks to adjust administrative requirements that unintentionally inhibit RA expansion. These flexibilities are necessary to ensure federal workforce investments are directed toward employer-validated pathways with clear labor market destinations, consistent with federal workforce strategy.

III. Justification for the Waiver

A. Barriers Created by Current ETPL Requirements

1. Automatic eligibility applies only to federally registered programs.

State-created RAs, designed in collaboration with employers, K–12 systems, and sector partners are structurally equivalent to federally registered RAs and are employer-validated pathways tied to specific, hard-to-fill occupations with documented hiring demand, but fall outside the federal registration system despite being high-quality, employer-driven pathways.

Oklahoma will apply quality assurance, ongoing monitoring, and performance accountability expectations to state-developed Registered Apprenticeship programs comparable to those applied to other apprenticeships and work-based learning investments supported through the workforce system.

2. Credential-timing rules are misaligned with RA structure. Apprenticeships often award credentials:
    - only upon completion of multi-year programs,
    - only after competency demonstration, or
    - after external licensure processes.

This makes the standard ETPL “credential within the program period” requirement infeasible or irrelevant. Current ETPL credential-timing requirements do not align with apprenticeship and work-based learning models, which award credentials based on demonstrated competency, completion of on-the-job learning, or post-program licensure. These models are explicitly supported under Pillar II: Worker Mobility of the U.S. Department of Labor’s America’s Talent Strategy, which emphasizes stackable credentials, recognition of demonstrated skills, and advancement without requiring retraining or reenrollments and are validated by employer demand rather than academic calendar structures.

3. Performance-history requirements delay participation. New RAs cannot produce two years of WIOA-style performance outcomes immediately, blocking them from the ETPL during early implementation and scaling in response to employer demand.

These barriers slow down expansion of priority sectors critical to economic competitiveness and workforce resilience, including teaching, healthcare, IT, manufacturing, and other high-demand industries while also reducing WIOA participants' access to apprenticeship pathways.

B. How the Waiver Advances Federal Priorities

The waiver aligns directly with U.S. DOL priorities to:

- Direct WIOA investments toward employer-validated, work-based pathways with clear job outcomes
- Expand Registered Apprenticeships nationwide
- Accelerate adoption of competency-based and hybrid RA models
- Increase access to non-traditional and high-demand RA occupations
- Strengthen WIOA integration with apprenticeship programs

Enabling state-created RAs to access ETPL resources expands training access, increases equity by enabling WIOA participants to access paid, employer-sponsored pathways that lead directly to employment and advancement, and directly supports the Administration's goals. This waiver ensures that high-quality, employer-validated Registered Apprenticeship programs are not excluded from WIOA-funded training opportunities solely due to administrative timing or reporting constraints.

IV. Proposed Waiver Terms and Conditions

The State requests authority to:

1. Automatically include state-created Registered Apprenticeships on the ETPL. State-developed RAs approved by the State Apprenticeship Agency (SAA) and validated by participating employers as aligned to in-demand occupations would be treated equivalently to federally registered RA sponsors.
2. Modify credential-timing requirements for RAs. Allow credentials to be counted as "earned" even when awarded:
    - at the point of RA completion,
    - after licensure or certification processes, or
    - after occupation-specific assessments.

This eliminates conflict between WIOA timing rules and apprenticeship credentialing norms.

3. Waive or relax performance-history requirements during early implementation. Permit “initial eligibility” for new RAs with interim measures such as employer commitments, apprentice placement rates, and completion benchmarks used until full reporting requirements can be phased in as the program matures.
4. Allow flexible reporting that aligns with RA training structures. Accept RA sponsor reporting formats that align with federal RA systems and are simple, interoperable, and designed to drive adoption and timely decision-making, consistent with both Pillar II and federal RA reporting systems.

V. Anticipated Impact & Benefits for Job Seekers, Employers, and the Workforce System

1. Expanded training access to paid, work-based learning pathways that lead directly to employment and career advancement for WIOA participants.
2. More apprenticeships, especially teacher, healthcare, and high-demand occupations, become eligible for WIOA support.
3. Increased equity and access in underserved community’s teacher apprenticeship pathways especially expand opportunities in rural, low-income, and hard-to-staff districts.
4. Faster RA growth waiving restrictive rules accelerates employer adoption and program approval.
5. Stronger alignment between WIOA and apprenticeship system. A unified pathway creates a simplified, modernized system for training investment.
6. Improved reemployment and advancement outcomes as participants build stackable skills, earn portable credentials, and move more quickly into higher-wage roles.

VI. Conclusion & Request

If approved, Oklahoma will:

- Continue to collect and report performance outcomes once available
- Ensure all RA programs meet quality, safety, and accessibility standards
- Maintain all required WIOA participant protections
- Monitor RA sponsor performance and remove programs that fail to meet required benchmarks
- Conduct annual ETPL review consistent with state policy

The State respectfully requests this apprenticeship-specific ETPL waiver to allow:

1. Automatic ETPL inclusion for state-developed RA programs, and

2. Flexibility in credential-timing and performance-history requirements for all RAs during expansion.

This waiver will ensure federal workforce investments are directed toward employer-validated, work-based pathways with clear labor market destinations, enabling faster hiring, stronger worker mobility, and a more responsive workforce system aligned with federal priorities.

Oklahoma is prepared to provide any additional information or assurances needed to support this request.

6.Local Area Designation – Single Local Workforce Development Area

I. Background and Purpose

This waiver requests flexibility under the Workforce Innovation and Opportunity Act (WIOA) to allow Oklahoma to operate as a single statewide local workforce development area, with governance, policy, fiscal oversight, and performance accountability administered at the state level.

Oklahoma's request is not based on fiscal noncompliance, performance failure, or statutory deficiency within its current local workforce development areas. On the contrary, the State's existing local areas have generally demonstrated fiscal integrity and met baseline performance requirements under WIOA. However, Oklahoma has determined that continued operation of multiple local workforce development areas no longer represents the most effective governance structure to meet the State's workforce, economic, and labor market needs.

While Oklahoma is implementing its workforce system transition consistent with existing statutory and regulatory authority, this waiver is requested to provide federal clarity regarding the application of local area redesignation criteria during the State's transition to a single statewide local workforce development area.

Formal consultation with Chief Local Elected Officials and local workforce leadership regarding the Governor's intent to designate Oklahoma as a single statewide local workforce development area has already occurred pursuant to WIOA Section 106.

While the State has engaged in formal consultation with Chief Local Elected Officials and local workforce leadership, WIOA Section 106 vests local area designation authority in the Governor following consultation. The State has determined that a single statewide local workforce development area is necessary to advance its workforce system objectives.

This waiver is intended to ensure continuity of services, system stability, and administrative clarity regarding the application of local area designation and redesignation requirements in the context of statewide governance restructuring.

Oklahoma's goals in requesting this waiver are to:

1. Confirm federal approval for operating as a single statewide local workforce development area under WIOA;
2. Ensure uninterrupted delivery of workforce services during and following system restructuring;
3. Eliminate structural fragmentation inherent in maintaining multiple local workforce development areas;
4. Avoid legal, administrative, or monitoring challenges that may arise from applying prescriptive local area designation criteria to a statewide governance model; and
5. Support a governance structure that aligns with Oklahoma's labor market realities, service delivery strategy, and Unified State Plan priorities.

II. Legal Basis for Waiver Authority Under WIOA

Legal Authority

This waiver is requested pursuant to Section 189(i)(3) of the Workforce Innovation and Opportunity Act (WIOA), codified at 29 U.S.C. § 3249(i)(3), and implemented at 20 CFR § 679.610, which authorize the Secretary of Labor to waive statutory or regulatory requirements of Title I of WIOA, except for those explicitly excluded from waiver authority.

The waiver relates to statutory and regulatory provisions governing the designation and redesignation of local workforce development areas, including:

- WIOA Section 106, codified at 29 U.S.C. § 3121; and
- Implementing regulations at 20 CFR §§ 679.210 through 679.280.

This request seeks flexibility in the application of statutory and regulatory redesignation provisions as implemented through 20 CFR §§ 679.210–679.280 during statewide restructuring and does not seek to waive performance accountability, fiscal integrity standards, or appeal rights.

III. Justification for the Waiver

A. Actions Taken to Remove Barriers

Oklahoma has undertaken the following actions to support its transition to a single statewide local workforce development area:

- Conducted a comprehensive review of state statutes, administrative policies, and workforce governance structures to ensure alignment with WIOA requirements;
- Evaluated the performance, fiscal integrity, and administrative capacity, and governance consistency of existing local workforce development areas;

- Engaged in sustained cross-agency planning to align workforce governance with education, economic development, and human service partners; and
- Provided formal consultation and written notice to Chief Local Elected Officials and Local Workforce Board Directors regarding the Governor's intent to designate Oklahoma as a single statewide local workforce area.

These actions demonstrate that the State's request is not corrective in nature, but rather a proactive governance decision. This request reflects a policy determination by the State regarding optimal governance structure rather than a consensus-driven decision among existing local governance entities.

However, federal statutory and regulatory requirements governing local area redesignation were developed to protect high-performing local areas and do not expressly address voluntary statewide consolidation initiated by a Governor. Accordingly, this waiver is necessary to ensure full flexibility and legal certainty for a single-area model.

This waiver does not eliminate the subsequent designation framework under WIOA Section 106(c)(3). Rather, it clarifies that during a Governor-initiated statewide consolidation, the prescriptive redesignation criteria may be applied in a manner consistent with the State's authority to designate a single statewide local workforce development area.

B. Notice to Local Boards and Opportunity to Comment

On January 27, 2026, the Governor of Oklahoma issued formal written consultation and notice to Chief Local Elected Officials and Local Workforce Board Directors regarding the State's intent to designate Oklahoma as a single statewide local workforce development area.

Local elected officials, workforce boards, and other stakeholders will continue to be provided opportunities to comment through the WIOA State Plan modification process, including the public comment period required under WIOA and implementing regulations.

The consultation process provided an opportunity for local feedback; however, the State retains responsibility for determining governance structures that best serve statewide workforce and economic priorities.

C. Evidence Supporting Waiver

Internal analyses indicate that, despite local compliance and performance, maintaining multiple local workforce development areas results in:

- Structural duplication across governance, procurement, and administrative functions;
- Employer confusion due to multiple points of entry and inconsistent engagement strategies;
- Regional variation in service models that limit statewide scalability; and

- Elevated administrative costs associated with maintaining multiple boards and parallel infrastructures.

These findings do not reflect deficiencies at the local level; rather, they demonstrate that the multi-area governance model itself imposes structural inefficiencies that cannot be fully addressed through policy alignment alone. In a multi-area governance environment, differing local priorities and perspectives can limit the State's ability to implement uniform policy, fiscal, and service delivery decisions at the pace and scale required by statewide initiatives.

As Oklahoma undertakes broader workforce system transformation, including statewide service delivery alignment and integrated access models, these structural constraints pose increasing risk to timely and consistent implementation.

This waiver directly supports Oklahoma's Unified State Plan goals related to:

- Integrated and coordinated service delivery across programs and regions;
- Reduction of administrative fragmentation and duplication;
- Consistent statewide policy implementation; and
- Clear, centralized accountability for workforce outcomes.

D. How the Waiver Advances Federal Priorities

The waiver aligns with the U.S. Department of Labor's workforce priorities, including America's Talent Strategy:

Pillar I – Industry Driven Strategies
Aligns workforce governance with Oklahoma's statewide economic development ecosystem rather than legacy geopolitical boundaries.

Pillar II – Worker Mobility
Improves access to standardized quality of services across the state, supporting participant mobility and occupational advancement.

Pillar III – Integrated Systems
Directly supports a unified statewide workforce governance and service delivery system.

Pillar IV – Accountability
Establishes a centralized line of fiscal and performance accountability at the state level consistent with WIOA requirements. A single-area governance model ensures that responsibility for outcomes rests clearly with the State, enabling timely decision-making where governance perspectives differ.

Pillar V – Flexibility & Innovation
Utilizes statutory waiver authority as a tool to modernize workforce governance away from its current siloed approach in response to evolving economic conditions.

A single-area governance model also strengthens employer engagement, education and training alignment, work-based learning scalability, and job placement and advancement outcomes by enabling coordinated statewide strategies unconstrained by jurisdictional boundaries.

IV. Anticipated Impact

All workforce participants in Oklahoma will be served within a single statewide local workforce development area. Approval of this waiver will not reduce access to services, eligibility, or service quality.

Rather the waiver will improve consistency, coordination, and service delivery, particularly for individuals with multiple barriers to employment who benefit from integrated, cross-program approaches.

Approval of this waiver will:

- Streamline governance and clarify lines of authority;
- Reduce duplicative administrative functions and redirect allowable resources toward participant services and training investments;
- Improve consistency in service delivery across the state;
- Create employer clarity through a statewide entry point for Oklahoma's key industries including aerospace, energy, and healthcare; and
- Standardize service quality through enhanced alignment with statewide economic and workforce priorities.

These changes are expected to strengthen accountability, improve program outcomes, and support more effective use of workforce resources statewide. While governance transitions inherently involve differing perspectives, centralized accountability will enable more consistent implementation and clearer resolution of policy and operational issues.

V. Proposed Waiver Terms and Conditions

If approved, Oklahoma commits to:

1. Maintaining all required workforce partner roles and funding obligations under WIOA Section 121.
2. Continuing to provide universal access to all required WIOA services in each region of the state.

3. Maintaining nondiscrimination, accessibility, and physical/virtual access requirements.
4. Not reducing the quality or availability of services as a result of this waiver.
5. Maintaining a compliant process for any entity seeking designation as a local area, including written requests, review criteria, written decisions, and appeal rights. Appeal rights will extend to the Secretary of Labor in accordance with WIOA and 20 CFR Parts 679 and 683.
6. Monitoring implementation through existing WIOA oversight, fiscal monitoring, and performance accountability processes administered at the state level. Outcomes will be reported through Oklahoma's WIOA Annual Report and other required federal reporting mechanisms.
7. Governance, policy, fiscal oversight, and performance accountability will be administered at the state level through:
    - Oklahoma Employment Security Commission (as the administrative authority)
    - Governor's Council for Workforce and Economic Development (as the single area local board)

VI. Conclusion & Request

Approval of this waiver will provide Oklahoma with the legal certainty necessary to operate as a single statewide local workforce development area, while maintaining full compliance with WIOA fiscal, performance, and accountability requirements.

The waiver supports a governance structure that reflects modern labor markets, reduces administrative fragmentation, and strengthens integrated, outcome-driven workforce service delivery. Oklahoma respectfully requests approval and stands ready to provide any additional information required.

Oklahoma remains committed to full compliance with WIOA statutory requirements and seeks this waiver solely to clarify application of redesignation provisions during statewide governance restructuring.

Oklahoma Response to ETA Request for Additional Information
Waiver Request: Flexibility to Use Training Contracts with Consortiums in Lieu of Individual Training Accounts (ITAs) Within a Single Statewide Local Workforce Development Area

1. **If this waiver is approved, does Oklahoma plan to have/maintain an ETPL?**

Yes.

Oklahoma will continue to maintain an Eligible Training Provider List (ETPL) in accordance with WIOA Section 122 and all applicable federal statutes, regulations, and guidance.

Approval of the requested waiver would not eliminate the ETPL, participant access to ETPL-approved providers, or participant choice regarding training opportunities. The ETPL will remain a foundational component of Oklahoma's workforce development system and will continue to serve as the primary mechanism for identifying eligible training providers.

Under the proposed waiver, consortium-based training strategies would be developed to address documented workforce shortages identified through labor market information, employer engagement, economic development priorities, and workforce planning activities. Consortiums may include employers, ETPL-approved training providers, institutions of higher education, CareerTech centers, workforce partners, economic development organizations, community-based organizations, labor organizations where applicable, and other stakeholders.

Training providers participating in consortium-supported activities would continue to meet applicable ETPL eligibility requirements. Participants would retain access to ETPL-approved training providers and training opportunities aligned with identified workforce needs.

For example, a healthcare consortium could include healthcare employers, ETPL-approved nursing and allied health training providers, workforce partners, and community organizations working collaboratively to address healthcare workforce shortages. Participants would continue to receive training through ETPL-approved providers while benefiting from coordinated employer engagement, support services, and direct connections to employment opportunities.

The purpose of the waiver is not to replace the ETPL, but rather to provide an additional employer-driven strategy for coordinating workforce investments and aligning training opportunities with documented labor market demand.

2. **Regarding integration of Title I Training and Title III Case Management where Wagner-Peyser staff provide Case Management and career services, ETA notes that case management is outside of Wagner-Peyser authorized activities. Please advise what staff will conduct participant eligibility assessments for WIOA Adult and Dislocated Worker programs.**

Oklahoma recognizes that participant eligibility determination, enrollment, Individual Employment Plan development, training approval, case management, and other participant service functions authorized under WIOA Title I must be conducted under appropriate Title I authority and in accordance with all applicable statutory and regulatory requirements.

Approval of the requested waiver would not transfer Title I responsibilities to Wagner-Peyser staff acting solely under Title III authority. Rather, Oklahoma will utilize an integrated service delivery model in which cross-trained state merit staff perform workforce functions under State administration and oversight.

Staff responsible for Title I eligibility determinations, objective assessments, participant enrollment, Individual Employment Plans, training approvals, case management activities, and related participant services will operate under the authority and requirements applicable to WIOA Title I programs.

Oklahoma's integrated staffing approach is designed to provide customers with seamless access to workforce services while maintaining program integrity, accountability, and compliance. All Title I eligibility determinations, enrollments, participant services, documentation requirements, fiscal controls, and performance accountability measures will continue to be administered in accordance with applicable federal statutes, regulations, and guidance.

The State will maintain all required oversight, monitoring, internal controls, participant protections, documentation standards, and fiscal accountability requirements applicable to Title I programs. The integrated service delivery model is intended to reduce duplication, improve customer access, and accelerate connection to employment and training opportunities while preserving all federal program requirements and safeguards.

3. **Please clarify if any consortiums exist now and, if they do, provide examples of the consortiums and what types of training they are offering.**

At this time, Oklahoma has not established workforce training consortiums operating under the authority requested through this waiver.

The requested waiver is intended to provide flexibility for the future development of employer-driven consortiums designed to address documented workforce shortages identified through labor market information, employer engagement, regional planning efforts, and economic development priorities.

Potential consortium structures may include partnerships among employers, ETPL-approved training providers, CareerTech centers, institutions of higher education, workforce system partners, economic development organizations, labor organizations where applicable, and community-based organizations. Illustrative examples include:

- Healthcare Consortium – healthcare employers, ETPL-approved healthcare training providers, workforce partners, and educational institutions collaborating to address shortages in nursing, allied health, behavioral health, and related occupations.
- Advanced Manufacturing Consortium – manufacturing employers, CareerTech centers, ETPL-approved providers, workforce partners, and educational institutions coordinating training aligned with documented industry demand.
- Transportation and Logistics Consortium – employers, ETPL-approved providers, workforce partners, and educational institutions supporting workforce development in commercial driving, logistics, warehousing, and supply chain occupations.

These examples are illustrative only. No consortiums have been established or funded under the requested waiver authority.

4. **As discussed in TEGL No. 05-25, ETA requests specific features of contracted training such as employer validation, job offer guarantees, interview guarantees, or other mechanisms that ensure training leads directly to employment opportunities.**

Consortium-supported training models will be required to demonstrate direct employer engagement and validation of workforce demand.

Training contracts may include one or more of the following employer engagement mechanisms:

- Employer participation in identifying workforce shortages and occupational demand;
- Employer involvement in curriculum design and training development;
- Employer commitments to interview qualified completers;
- Preferred hiring consideration for successful completers;
- Industry-recognized credentials aligned with employer hiring requirements;
- Clinical experiences, internships, work-based learning opportunities, job shadowing, or apprenticeship-related activities;
- Documentation of employer demand supported by labor market information and workforce data; and
- Ongoing employer participation in evaluating program effectiveness and workforce outcomes.

For example, healthcare employers experiencing workforce shortages may collaborate directly with ETPL-approved training providers to align training capacity with documented hiring demand. Participants completing approved training programs may receive interviews, clinical placements, preferred hiring consideration, or other employment opportunities established through consortium partnerships.

The objective of the consortium model is to strengthen the connection between workforce investments, employer demand, and employment outcomes.

5. **Provide quantifiable anticipated/projected outcomes if the requested waiver were approved and implemented. What metrics will Oklahoma use to measure effectiveness?**

Because consortium-based training models have not yet been implemented in Oklahoma, projected outcomes are estimates based on anticipated efficiencies associated with coordinated employer-driven workforce strategies, historical program performance, and expected improvements in aligning workforce investments with documented labor market demand.

The State anticipates that implementation of the waiver will strengthen employer engagement, expand training capacity in high-demand industries, improve alignment between workforce investments and workforce shortages, and increase employment outcomes for participants.

Within three years of implementation, Oklahoma anticipates:

- Increasing occupational skills training enrollments by approximately 10 to 20 percent. Oklahoma anticipates establishing a baseline during the first year of implementation, achieving approximately a 10 percent increase by the second year, and up to a 15 percent increase or greater by the third year.
- Increasing credential attainment rates by approximately 5 percentage points.
- Increasing employment rates during the second quarter after exit by approximately 3 to 5 percentage points.
- Increasing employer participation in workforce training partnerships and consortium activities by approximately 15 percent over three years.

- Increasing the number of participants entering employment directly related to their training by approximately 10 percent.

These projections are based on anticipated efficiencies gained through coordinated employer engagement, improved alignment of training investments with documented workforce shortages, increased collaboration among employers and training providers, and the development of training strategies designed around employer-validated workforce demand.

Oklahoma will evaluate waiver effectiveness using both WIOA Primary Indicators of Performance and additional operational measures, including:

- Number of participants served through consortium-supported training activities;
- Number of participants receiving occupational skills training;
- Training completion rates;
- Credential attainment rates;
- Employment during the second quarter after exit;
- Employment during the fourth quarter after exit;
- Median earnings;
- Employment retention rates;
- Number of employers participating in consortium-supported activities;
- Employer satisfaction;
- Participant satisfaction;
- Cost per participant trained; and
- Employment in occupations related to training received.

To validate consortium outcomes, participating consortiums will be required to conduct participant and employer follow-up activities sufficient to document employment outcomes, hiring outcomes, training relevance, and employer satisfaction. These follow-up activities will supplement existing WIOA performance accountability measures and assist the State in evaluating the effectiveness of consortium-supported training investments.

Prior to implementation, Oklahoma will establish baseline measures using historical participant, training, and performance data. Outcomes achieved through consortium-supported training models will be compared against historical performance and traditional Individual Training Account (ITA) delivery models to assess effectiveness, support continuous improvement, and determine whether projected outcomes are being achieved.

6. **ETA notes that if the requested waiver is approved, the State must continue to allocate and track funds allocated to local areas.**

Oklahoma acknowledges and understands this requirement.

Approval of the requested waiver would not alter federal allocation requirements, expenditure tracking requirements, fiscal accountability requirements, reporting requirements, monitoring responsibilities, or any other applicable federal requirements governing the use of WIOA funds.

The State will continue to allocate funds, track expenditures, maintain fiscal records, conduct oversight activities, and report financial information in accordance with all applicable federal statutes, regulations, and guidance.

7. **Provide more information on what the state-defined eligibility and performance standards criteria will be for consortiums receiving training funds.**

Any consortium seeking funding under the proposed waiver would be required to demonstrate:
Eligibility Criteria

- Representation from employers within the targeted industry sector;
- Participation of ETPL-approved training providers;
- Alignment with documented labor market demand and workforce priorities;
- Demonstrated capacity to coordinate workforce development activities;
- Administrative and fiscal capability;
- Compliance with applicable federal, state, and workforce system requirements;
- Evidence supporting labor market demand for the proposed training strategy;
- A documented governance structure and decision-making process; and
- The ability to track participant outcomes and report required performance measures.

Performance Criteria

- Participant enrollment targets;
- Training completion rates;
- Credential attainment rates;
- Employment outcomes;
- Employer engagement and participation;
- Demonstrated alignment with workforce demand;
- Reporting and accountability requirements;
- Alignment with State workforce priorities and strategic initiatives; and
- Required participant and employer follow-up activities to validate employment and training outcomes.

Specific performance expectations would be established through contractual agreements and monitored through existing State oversight, performance accountability, and monitoring processes. Continued funding would be contingent upon compliance with contractual requirements and satisfactory performance against established outcomes.

8. **ETA notes that training outcomes will be reported separately by each local area.**

Oklahoma acknowledges this requirement.

Until approval and implementation of the requested single statewide local workforce development area structure, training outcomes will continue to be reported in accordance with existing federal reporting requirements applicable to local workforce development areas.

Should the single-area waiver be approved, Oklahoma will continue reporting performance outcomes in accordance with all applicable federal reporting requirements and guidance.

9. **Describe the individuals impacted by the waiver including priority populations.**

The waiver is intended to expand access to coordinated, employer-driven training opportunities for WIOA participants throughout Oklahoma.

Individuals who may benefit include:

- WIOA Adult participants;
- WIOA Dislocated Worker participants;
- Individuals with barriers to employment;
- Low-income individuals;
- Public assistance recipients;
- Individuals who are basic skills deficient;
- Individuals with disabilities;
- Veterans and eligible spouses;
- Justice-involved individuals;
- Individuals experiencing homelessness;
- English language learners;
- Rural residents; and
- Other populations identified through State workforce planning efforts.

Approval of the waiver would not alter existing priority of service requirements established under WIOA, federal regulations, or Oklahoma policy. All priority populations would continue to receive consideration in accordance with applicable federal requirements.

10. **Clarify whether notice was given to impacted local workforce development boards and discuss whether this waiver was posted for public comment and input from business or other stakeholders was solicited.**

Yes.

The waiver request was shared with local workforce development boards and workforce system partners as part of Oklahoma's Unified State Plan modification review process. In accordance with state policy, the plan was released for a 30-day public comment period effective March 12, 2026, through April 12, 2026**.**

Consistent with WIOA waiver requirements, the waiver was made available for public review and comment. Local workforce development boards, employers, educational institutions, workforce partners, economic development organizations, community-based organizations, labor organizations where applicable, and other stakeholders were provided an opportunity to review and submit comments.

Any comments received during the review period were reviewed and considered prior to submission of the waiver request. Comments received through the public comment process are documented within the State Plan Modification comments section.