

U.S. Department of Labor

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



May 18, 2026

The Honorable Spencer J. Cox
Governor of Utah
350 N. State Street, Suite 200
P.O. Box 142220
Salt Lake City, UT 84114

Dear Governor Cox:

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 March 3, 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 Utah will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Utah 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 20 CFR 681.550 to allow WIOA individual training accounts (ITAs) for in-school youth (ISY).

ETA Response: ETA approves, for Program Year (PY) 2026 and 2027, the State's request to waive the requirement limiting ITAs to only out-of-school youth (OSY), ages 16–24. In addition to these OSY, the State may use ITAs for ISY, ages 16–21. 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 waiver in the WIOA Annual Report. ETA will use this information to assess continued waiver approval and to identify promising practices that may be adopted more widely. ETA is available to provide technical assistance to you in support of your goals.

If you have questions, feel free to contact my office at (202) 693-2772.

Sincerely,

A handwritten signature in blue ink that reads "Henry Mack". The signature is written in a cursive style with a large, stylized "H" and "M".

Henry Mack, Ed.D.
Assistant Secretary

Enclosures

cc: Casey Cameron, Executive Director, Utah Department of Workforce Services
Natalie Garrett, Program Specialist, Utah Department of Workforce Services
M. Frank Stluka, Acting Regional Administrator, ETA
Eva Mejia, Federal Project Officer, ETA

Utah 2026 WIOA State Plan Modification Waiver Requests

Plan submit date: 3/3/26

Number of Waiver Requests: 1

WAIVER REQUEST 1: Youth Individual Training Accounts for ISY

Currently approved through 6/30/2026

1. The statutory and/or regulatory requirements the State would like to waive

20 CFR §681.550

2. Actions the State has taken to remove state or local barriers

N/A

3. Waiver goals and measurable programmatic outcomes, if the waiver is granted:

- Continue to serve the in-school youth already enrolled past high school completion through postsecondary training under an ITA
- Continue to encourage education providers to remain current on the Eligible Training Provider List and provide technical assistance where needed to gather performance data that will help both in and out-of-school youth to receive services.
- Continue enrolling more out of school youth and using those funds to support other activities, such as work experiences, leadership development activities, and mentoring, along with training activities under ITAs
- Continue to monitor training completions and outcomes for both in- and out-of-school youth to meet federal requirements for training completions and job placements.

4. Describes how the waiver will align with the department's policy priorities such as: A. Supporting employer engagement B. Connecting education and training strategies C. Supporting work-based learning D. Improving job and career results; and E. Other guidance issued by the department.

Through allowing both in-school and out-of-school youth to use Individual Training accounts to access training services it opens up more training programs for the youth to select from as they will now be able to use the Eligible Training Provider List approved programs. By opening up the training program opportunities youth will be able to better connect to training programs that match their interest, support their learning style and better prepare them for employment and work-based learning. Youth who are able to complete occupational skills or adult education programs more easily may be more prepared to enter the job market and be a qualified employee. By serving in-school and out-school youth with the same policy and procedures allows for a continuity of services for all youth. All youth will be eligible to receive training services, connection to work-based learning and then employment and job search support. To better connect youth to work-based learning, they will be able to use the Eligible Training Provider List and find registered apprenticeships and also more easily find academic components that give them the credentials and support to be successful at an Internship or On-the-Job training placement.

5. Describe any individuals affected by the waiver:

The effect of this waiver would be positive for both in-school and out of school youth customers who are enrolled, as both groups would be supported with WIOA funding while completing postsecondary training activities. The effect of this waiver would also be positive for education providers on the Eligible Training Provider List as they will not be required to go through procurement in addition to the requirements of being on the Eligible Training Provider List. This will hopefully encourage providers to continue to be on the Eligible Training Provider List.

This waiver will be able to affect disadvantaged populations and youth with barriers to employment through ensuring both in-school and out-of-school youth are able to receive all of the youth program services, receive a continuity of services without disruption and have access to more training providers and programs. Both in-school and out of school youth may have significant barriers to employment and have had previous hardships that could impact their ability to be successful. It is important for these youth to be able to not only receive support but also customize their services to match their interests and abilities. Without this waiver in-school youth would be restricted to select training programs where they are less likely to succeed and find suitable employment. Also without this waiver, in-school youth who would like to receive an ITA would have to be closed and enrolled as an out-of-school youth. This disrupts continuity of services and could potentially stop services that could greatly benefit a population who may be disadvantaged and have barriers to employment.

6. Describe the process used to:

A. Monitor the progress in implementing the waiver:

- Continue to review in-school enrollments and those accessing postsecondary education through an ITA to assess whether the waiver continues to be necessary.
- Review financial reports quarterly to ensure out-of-school youth expenditures are continuing to exceed the in-school expenditures in order to meet the goal of spending 75 percent of funds on out-of-school youth.
- Biannual monitoring of providers available to youth on the ETPL to ensure there are options to foster customer choice.
- Make adjustments as necessary based on the number of in-school youth accessing ITAs and the amount of funds being spent on out-of-school youth.

B. Provide notice to any local board affected by the waiver:

Consistent with the general waiver request, the state will adhere to the publication requirements to ensure the broadest participation possible, including appropriate partners and interested parties such as labor, community based partners, and the State Workforce Development Board.

C. Provide any local board affected by the waiver with an opportunity to comment on the request:

Utah is a single state and therefore, no local board would be affected.

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

The Department of Workforce Services provides access to the waiver in order for businesses, organized labor, and the community to have an opportunity to make public comments on the waiver for a period of 30 days.

D. Collect and report information about the waiver outcomes in the state’s WIOA Annual Report:

The outcomes of this waiver will be reflected through the common performance measures, specifically credential attainment, measurable skill gain attainment and employment rates.

7. The most recent data available regarding the results and outcomes observed through implementation of the existing waiver, in cases where the State seeks renewal of a previously approved waiver:

Workforce Services has been monitoring its progress in implementing the waiver to ensure Utah complies with waiver goals and measurable programmatic outcomes are met.

Utah continues to use a waiver to provide Individual Training Accounts (ITAs) to in-school WIOA Youth. The waiver is used to assist in-school youth who are at risk but not identified as out-of-school youth under WIOA, in maintaining focus on education and exploring career options that require postsecondary education. Increased youth engagement in education leading to credential attainment expands the supply of workers to in-demand industries and occupations and benefits employers in Utah. Workforce Services has been monitoring its progress in implementing the waiver to ensure Utah complies with waiver goals and meets measurable programmatic outcomes.

The data below shows that Workforce Services is exceeding the federal requirement to spend at least 75% of WIOA Youth funds on out-of-school youth.

WIOA Youth Expenditure PY 2024	
In-School Youth %	Out-of-School Youth %
6.17%	93.83%

A quarterly breakdown shows that out-of-school youth expenditures significantly exceeded the 75% goal in each quarter.

WIOA YOUTH EXPENDITURES							
Qt 1		Qt 2		Qt 3		Qt 4	
(07/01/24 – 09/30/24)		(10/01/24 – 12/31/24)		(01/01/25 – 3/31/25)		(04/01/25 – 6/30/25)	
In-School Youth %	Out-of-School Youth %	In-School Youth %	Out-of-School Youth %	In-School Youth %	Out-of-School Youth %	In-School Youth %	Out-of-School Youth %
6.60%	93.40%	5.97%	94.03%	4.82%	95.18%	7.18%	92.82%

Utah maintains its in-school youth enrollments at a level that has supported the above indicated increase in out-of-school youth expenditures. At the end of PY 2024, only 153, or 8.14% of youth served were in-school youth.

WIOA Youth Enrollments									
Qt 1 (07/01/24 – 09/30/24)		Qt 2 (10/01/24 – 12/31/24)		Qt 3 (01/01/25 – 3/31/25)		Qt 4 (04/01/25 – 6/30/25)		PY24 Total	
In-School Youth %	Out-of-School Youth %	In-School Youth %	Out-of-School Youth %	In-School Youth %	Out-of-School Youth %	In-School Youth %	Out-of-School Youth %	In-School Youth %	Out-of-School Youth %
8.37%	91.63%	8.57%	91.43%	9.38%	90.62%	9.69%	90.31%	8.14%	91.86%

**** The quarterly percentage may include the participants served in the previous quarter(s)****

Of the 153 in-school youth served in PY 2024, 36 were working toward a postsecondary credential. The remainder were completing secondary school with the goal of enrolling in higher education. Six in-school youth have attained a postsecondary credential, and, so far, two have obtained employment. The youth who started postsecondary training and did not complete still benefited from their exposure to postsecondary education and gained additional marketable skills. Of the in-school youth who did not graduate, 66.67% obtained employment.

Of the 153 in-school youth served in PY 2024, 21 youth were engaged in work-based learning. The impact of connecting in-school youth to work-based learning was positive, as nine of the youth who successfully completed their work-based learning also obtained employment or enrolled in postsecondary education.

Workforce Services has maintained its partnership with the Utah Department of Health and Human Services (DHHS) which oversees the John H. Chafee Foster Care Independence Program and the Education and Training Voucher (ETV) program which serves in-school youth who are preparing for postsecondary education. This federally funded program is designed to assist foster care youth, or youth who have aged out of foster care, with the support needed to complete postsecondary education and obtain employment. Since most foster care youth are in-school, the waiver enables Workforce Services to serve this at-risk population. During PY 2024, Utah served 65 ETV youth. Of the 28 ETV youth whose postsecondary training service closed in PY 2024, 16 successfully completed their training programs and earned a credential. Additionally, 87.50% of ETV youth had their ETV enrollment closed due to income in PY 2024.

The waiver also positively impacted education providers on the Eligible Training Provider List (ETPL), as they were not required to go through procurement in addition to completing the list requirements. This removes barriers and encourages providers to continue to be on the ETPL, benefiting both in-school and out-of-school youth. Utah continues to certify the education providers and monitor their performance.

e. Waiver Requests (optional)

Request for Waiver Renewal: Utah is seeking a waiver of the requirement under WIOA rule 20 CFR §681.550, which limits the use of ITAs for youth participants to OSY ages 16 to 24. Utah is seeking a waiver of this rule to extend the use of ITAs to ISY.

As per current WIOA Regulations: 681.550: “In order to enhance individual participant choice in their education and training plans and provide flexibility to service providers, the Department allows WIOA ITAs for out of school youth, ages 18-24 using WIOA youth funds when appropriate.” While this allows flexibility for serving out-of-school youth through postsecondary training, it does not give Utah the flexibility to continue to serve those youth customers enrolled as in-school who are preparing to graduate and extend their educational goals into postsecondary opportunities.

As of June 30, 2025, Utah has 153 in-school youth customers and 1,726 out-of-school youth customers enrolled in the WIOA program; 117 in-school youth are still enrolled in secondary education. Once those customers graduate, they will need continued support through postsecondary educational activities in order to obtain the certificates needed to find employment.

If the Department of Workforce Services is going to offer an adequate supply of workers to in-demand industry and occupations, it cannot include only those who are determined to be out of school as part of that supply. Utah needs a waiver to support those with postsecondary educational goals past high school. In-school youth deserve the same opportunities for support as those being served as out-of-school youth, and it would be a disservice to those in-school customers to not support them past their high school diploma or its equivalent. Although it has been recommended to close the enrollment of those in-school youth who graduate and then re-enroll them as an out of school youth for the purpose of assisting them with an ITA after age 18, this poses a risk that the customer may no longer be eligible under the new barrier requirements. It also prevents the Department of Workforce Services from serving youth customers who graduate early (at 16 or 17 years of age) under an ITA, even if they are enrolled as an out-of-school youth once they earn their diploma.

Having to procure for Occupational Skills Training services for in-school youth would also create an unnecessary and undue burden on those providers who have already submitted the required information to be on Utah’s Eligible Training Provider List. Because state schools and effective providers of postsecondary training have already been identified through the Eligible Training Provider List, having an additional process for procured providers for those in-school youth customers would create a duplication of effort for those providers that would not occur if those in-school youth wishing to access postsecondary training have access to the Eligible Training Provider List through an ITA. It has been difficult to encourage training providers to participate on the Eligible Training Provider List and the State has gone to great lengths to provide technical support and encouragement. This duplication and additional burden for providers could limit provider participation on the Eligible Training Provider List and in turn limit options for customer choice.

Because Utah already has an Eligible Training Provider List (ETPL) in place and an electronic way to pay providers for educational services offered, both in-school and out-of-school youth will be served adequately under this waiver.

Waiver Plan: The waiver request format follows WIOA Regulations section 681.550

1. Statutory regulations to be waived: Utah is seeking a waiver of the requirement under WIOA rule 20 CFR §681.550, which limits the use of ITAs for youth participants to OSY ages 16 to 24. Utah is seeking a waiver of this rule to extend the use of ITAs to ISY.

2. Describe actions the state has undertaken to remove state or local statutory or regulatory barriers: There are no state or local statutory or regulatory barriers that would impede implementation of this waiver.

3. Waiver goals and measurable programmatic outcomes, if the waiver is granted:

- Expect to provide the approximately 10% of WIOA Youth enrollments who are in-school youth with an ITA.
- Continue to encourage education providers to remain current on the Eligible Training Provider List and provide technical assistance where needed to gather performance data that will help both in and out-of-school youth to receive services.
- Continue enrolling more out of school youth and using those funds to support other activities, such as work experiences, leadership development activities, and mentoring, along with training activities under ITAs
- Continue to monitor training completions and outcomes for both in- and out-of-school youth to meet federal requirements for training completions and job placements.

4. Describes how the waiver will align with the department's policy priorities such as: A. Supporting employer engagement B. Connecting education and training strategies C. Supporting work-based learning D. Improving job and career results; and E. Other guidance issued by the department.

Through allowing both in-school and out-of-school youth to use Individual Training accounts to access training services it opens up more training programs for the youth to select from as they will now be able to use the Eligible Training Provider List approved programs. By opening up the training program opportunities youth will be able to better connect to training programs that match their interest, support their learning style and better prepare them for employment and work-based learning. Youth who are able to complete occupational skills or adult education programs more easily may be more prepared to enter the job market and be a qualified employee. By serving in-school and out-school youth with the same policy and procedures allows for a continuity of services for all youth. All youth will be eligible to receive training services, connection to work-based learning and then employment and job search support. To better connect youth to work-based learning, they will be able to use the Eligible Training Provider List and find registered apprenticeships and also more easily find academic components that give them the credentials and support to be successful at an Internship or On-the-Job training placement.

5. Describe any individuals affected by the waiver:

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This waiver will be able to affect disadvantaged populations and youth with barriers to employment through ensuring both in-school and out-of-school youth are able to receive all of the youth program services, receive a continuity of services without disruption and have access to more training providers and programs. Both in-school and out of school youth may have significant barriers to employment and have had previous hardships that could impact their ability to be successful. It is important for these youth to be able to not only receive support but also customize their services to match their interests and abilities. Without this waiver in-school youth would be restricted to select training programs where they are less likely to succeed and find suitable

employment. Also without this waiver, in-school youth who would like to receive an ITA would have to be closed and enrolled as an out-of-school youth. This disrupts continuity of services and could potentially stop services that could greatly benefit a population who may be disadvantaged and have barriers to employment.

6. Describe the process used to:

A. Monitor the progress in implementing the waiver:

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- Review financial reports quarterly to ensure out-of-school youth expenditures are continuing to exceed the in-school expenditures in order to meet the goal of spending 75 percent of funds on out-of-school youth.
- Biannual monitoring of providers available to youth on the ETPL to ensure there are options to foster customer choice.
- Make adjustments as necessary based on the number of in-school youth accessing ITAs and the amount of funds being spent on out-of-school youth.

B. Provide notice to any local board affected by the waiver: Consistent with the general waiver request, the state will adhere to the publication requirements to ensure the broadest participation possible, including appropriate partners and interested parties such as labor, community based partners, and the State Workforce Development Board.

C. Provide any local board affected by the waiver with an opportunity to comment on the request: Utah is a single state and therefore, no local board would be affected.

D. Ensure meaningful public comment, including comments by business and organized labor, on the waiver: The Department of Workforce Services provides access to the waiver in order for businesses, organized labor, and the community to have an opportunity to make public comments on the waiver for a period of 30 days.

D. Collect and report information about the waiver outcomes in the state's WIOA Annual Report: The outcomes of this waiver will be reflected through the common performance measures, specifically credential attainment, measurable skill gain attainment and employment rates.

7. The most recent data available regarding the results and outcomes observed through implementation of the existing waiver, in cases where the State seeks renewal of a previously approved waiver: Workforce Services has been monitoring its progress in implementing the waiver to ensure Utah complies with waiver goals and measurable programmatic outcomes are met.

Utah continues to use a waiver to provide Individual Training Accounts (ITAs) to in-school WIOA Youth. The waiver is used to assist in-school youth who are at risk but not identified as out-of-school youth under WIOA, in maintaining focus on education and exploring career options that require postsecondary education. Increased youth engagement in education leading to credential attainment expands the supply of workers to in-demand industries and occupations and benefits employers in Utah. Workforce Services has been monitoring its progress in implementing the waiver to ensure Utah complies with waiver goals and meets measurable programmatic outcomes.

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The waiver also positively impacted education providers on the Eligible Training Provider List (ETPL), as they were not required to go through procurement in addition to completing the list requirements. This removes barriers and encourages providers to continue to be on the ETPL, benefiting both in-school and out-of-school youth. Utah continues to certify the education providers and monitor their performance.