U.S. Department of Labor

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

MAY 14 2003

The Honorable Frank H. Murkowski
Governor of Alaska
P. O. Box 110001
Juneau, Alaska, 99811-0001

Dear Governor Murkowski:

It is with pleasure that I respond to the State of Alaska's request for waivers of statutory and regulatory requirements under the Workforce Investment Act of 1998 (WIA or the Act) in accordance with the Secretary's authority to waive certain requirements of WIA title I, subtitles B and E, and sections 8-10 of the Wagner-Peyser Act. This authority is granted to the Secretary by section 189(i)(4)(A) of the Act, and in the implementing regulations at 20 CFR 661.420.

Granted waivers provide states flexibility in program design for seamless service delivery and improved customer service, in exchange for accountability and agreed-to programmatic outcomes. We are pleased to be able to respond positively, in part, to your request at this time. The following is the disposition of the state's waiver submission.

Waiver 1: Waive 20 CFR 664.510 to allow local areas to use Individual Training Accounts for older and out-of-school youth participants.

The state's waiver submission (copy enclosed) requests a waiver of the prohibition on the use of Individual Training Accounts (ITAs) for youth found at 20 CFR 664.510, to allow local areas to employ the use of ITAs for older and out-of-school youth. The state indicates that an ITA waiver would allow youth to receive individual training in accordance with systems established by the local areas and one-stop systems. The state indicates that under an approved waiver, the local areas will identify specific criteria for using the ITA in accordance with local needs. Local Youth Councils and Local Area Workforce Investment Boards will provide guidance for the implementation of the waiver. Further, out-of-school youth under age 18 will be counseled to re-enter a program to finish their GED or high school diploma before being provided an option to use an ITA. The state stipulates that:

- The use of the ITA is intended to offer customer choice and options for youth, but the implementation will not be used as an encouragement to leave traditional academic programs;

- The use of the ITA for youth will require a comprehensive plan for delivery of services in accordance with local area recommendations;

- Planning documents will reflect performance outcomes in terms of using the ITA for youth; and

- The use of the ITA will enhance not supplant current delivery systems and implementation of the required elements for youth programs.

The waiver is written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c) and appears to meet the standard for waiver approval at 20 CFR 661.420(e). Accordingly, the State of Alaska is granted a waiver on the prohibition of individual training accounts (ITAs) for older and out-of-school youth participants cited at 20 CFR 664.510. This approval will allow older and out-of-school youth to benefit from services provided by the state's certified eligible training providers. Local Workforce Investment Boards will have the option to use the Eligible Training Provider system to secure training providers for these youth populations, as appropriate. This waiver grants the state and local boards flexibility in program design for high-quality youth services that will increase customer choice to access training in demand occupations. In return, the state will identify criteria for determining the use of the ITA; provide guidance to local boards on how to assist youth in choosing the appropriate training providers; and provide direction for local plan modification.

Waiver 2: Waive the provisions at WIA section 136(b)(2)(A)(i)(II) and 20 CFR 666.140, which implement the WIA title I core indicators of performance for the state performance measures.

The state is requesting a waiver to exclude seasonal workers in locations where unemployment is greater than 7% at the beginning of a calendar year from the core performance measure "retention in unsubsidized employment 6 months after entry into [the] employment" and substitute instead its own performance measure. According to the state, this change will allow local One-Stop Centers to better serve the people of rural Alaska. The state proposes an alternative retention rate of 3 months under certain conditions to meet the core performance measure. This alternative Retention Performance Measure would apply to Adult, Dislocated Workers, and Older Youth exited into seasonal employment in locations where unemployment exceeds 7% at the beginning of a calendar year and would equal the same 6 month retention rate percentages already negotiated for each of these three programs. The waiver is written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c).

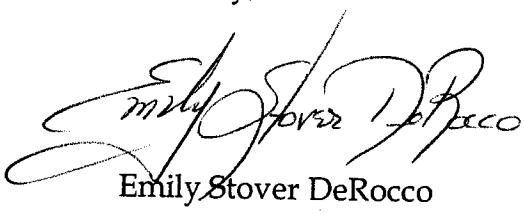
At this time, we are deferring action on this request. The request raises important policy issues and requires further review. Therefore, we propose to deal with the state's requests separately. Accordingly, we have approved the request to waive the prohibition on the use of ITAs for youth, as outlined in Waiver 1 above, and we will

address the retention in unsubsidized employment performance indicator requirements under separate cover when a decision has been reached, which will be within a reasonable timeframe.

The granted waiver is incorporated by reference into the state's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and also constitutes a modification of Alaska's approved five-year strategic plan. A letter is being sent to your State WIA Liaison, which supplements this notification letter and spells out the terms and conditions that apply to the granted waiver. A copy of each letter should be filed with the state's WIA Grant Agreement and approved five-year strategic plan, as appropriate.

We look forward to continuing our partnership with you and to the achievement of better workforce investment outcomes and the improvement of the lives of the youth of Alaska. We are prepared to entertain other state and local-level waiver requests that the state may wish to submit, consistent with the provisions of WIA and the regulations.

Sincerely,



Emily Stover DeRocco

Enclosure

347327

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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 3, 2003

Ms. Emily DeRocco
Assistant Secretary for Employment and Training
200 Constitution Avenue, NW, Room S-2307
Washington DC 20210

Dear Ms. DeRocco:

Alaska is pleased to present its request for the following waivers under the Workforce Investment Act (WIA). In accordance with Public Law 105-220 Section 189(i)(4); 20 CFR 661-400 to 661.420, granting these waivers is expected to result in improved programmatic and performance outcomes.

The purpose of our first waiver request; an Individual Training Account (ITA) waiver is to remove barriers to employment for out-of-school youth by permitting the State of Alaska to issue them ITAs. Reference is made to the WIA, Section 129 and CFR 664.510. Alaska fully supports the WIA concept of consumer choice and program accountability. The requested waiver allows for full access to those services for the older youth in our state.

Second, Alaska requests to waive WIA Section 136 and CFR 666.140, to exclude selective seasonal workers from the long-term (six months) follow-up requirements associated with full-time, long-term employment, which is currently a core performance measure.

Alaska's diversity of geography, economy and cultures compels us to take an innovative approach to the development of a sustainable statewide workforce. By recognizing some of the unique features of our more remote rural economies, Alaska could invest more of these federal training resources to assist more Alaskans take full advantage of locally available and meaningful occupational opportunities. Many of these jobs are associated with resource development, tourism, and seasonal construction. We appreciate the opportunity to tailor workforce investment resources to more closely meet these needs.

These waivers allow us to better build our economy through an Alaskan-based workforce.

Labor and workforce development professionals as well as our local area workforce investment boards promote and fully support these waivers. Our waivers were published for public comment for the required period, then reviewed and endorsed by the state and local area workforce boards.

The enclosed "Waiver Plan" prepared under 20 CFR 661.420 improves the statewide workforce investment system primarily by meeting client needs and conforming to the economic realities of our state. If you have any questions concerning this request, please contact my office. Thank you for your positive support and consideration of our waivers.

Sincerely yours,

Frank H. Murkowski
Governor

cc: Armando Quiroz, Administrator, Region VI Employment and Training Administration
Greg O'Claray, Commissioner, Alaska Department of Labor and Workforce Development
Mike Shiffer, State Administrator, Alaska Workforce Investment Office

WAIVER PLAN

The vision for Alaska's Workforce Investment System is **"building connections that put Alaskan's into good jobs."** A good job is described as one that has adequate pay, benefits, and career advancement opportunities that can sustain an individual and his or her family economically without reliance on public subsidy.

This comprehensive vision will guide the workforce investment system. The system will provide employment education, training, and support services to assure **Alaska employers have a skilled workforce** and **Alaska workers have employment choices**. The system will promote a healthy economy and strong communities by increasing employment opportunities through improved access to government, education, and private sector activities that develop, strengthen, stimulate, and diversify Alaska's economic base.

STATEWIDE PRIMARY WORKFORCE DEVELOPMENT GOALS

- **Strengthen the involvement of business, industry, and economic development to build Alaska's workforce**
- **Ensure access to quality employment education, training, and employment services statewide, particularly to rural areas and for the economically disadvantaged**
- **Evaluate programs of the workforce investment system to optimize customer employability**
- **Advocate for Alaska's human resource investment programs and promote continuous improvement**
- **Promote the full integration of Alaskans with disabilities into all aspects of the workforce development system to put people with disabilities into good jobs**
- **Strengthen the involvement and ability of Alaska's education system to develop Alaska's workforce**

Our request for the waivers is to support our vision and these goals by reducing barriers to training and employment as described in the attachments.

A. Youth Individual Training Account (ITA) Waiver

WORKFORCE INVESTMENT ACT (PUBLIC LAW 105-220)
WAIVER UNDER SECTION 129 AND CFR 664.510

PURPOSE:
The purpose of this document is to remove barriers to employment for out-of-school youth by requesting a Waiver to permit the State of Alaska to use ***Individual Training Accounts*** (ITA's). The goal of this waiver is to develop the future workforce through increased efficiency and customer choice. This waiver has been approved in several states.

DEFINITION:
Alaska requests a waiver of WIA Section 129 and CFR 664.510, to allow local areas to employ the use of ***Individual Training Accounts*** (ITA's) for out-of-school youth, especially those 16 years or above. An ITA allows youth to receive individual training in accordance with systems established by the local areas and one-stop systems. Requests have been made from the Municipality of Anchorage and the Balance of State to address this issue. The ITA is applicable generally to older youth who do not want to pursue post-secondary education, but lack the skills to be successful in employment, but occasionally youth under the age of 18 are suitable for this service delivery. The ITA gives service providers options for youth, which maximize efficiency and customer choice.

BARRIER:
Under the current law, ***Individual Training Accounts*** (ITA's) are not allowable for youth. This is a major barrier, especially for out-of-school youth. It is possible to serve youth with ITA's, but they need to be dually enrolled in an adult program. Youth who are below 18 cannot use the adult system at all. Some youth may have been removed from school and are not allowed to return until they meet certain criteria. These youth may often receive training through an ITA, enter employment and later be more prepared to re-enter school.

This regulation has impacted the performance measures for older youth for both local areas. In order to serve out-of-school youth with ITA's, youth must be enrolled in the adult system and therefore the youth performance standards have been negatively impacted. In addition, it is costly to process youth in two systems requiring additional staff, time and ultimately funding.

SOLUTION:
The ITA will provide options and choices for out-of-school youth who have left the school system and do not have the skills for sustainable employment. Training can be provided to prepare those youth to enter employment. The use of the ITA will be considered an option, since the primary goal is to encourage youth to finish high school with a diploma or a GED. It will not be used indiscriminately, but only after a comprehensive assessment and the development of an individualized plan.

B. SEASONAL EMPLOYMENT OCCUPATIONS WAIVER

WORKFORCE INVESTMENT ACT (PUBLIC LAW 105-220
WIA SECTION 136 AND CFR 666.140

PURPOSE:

The purpose of this document is to waiver WIA Section 136 and CFR 666.140, to permit WIA participants who enter seasonal employment occupations to be counted in an alternative format for Core Performance Measures.

BACKGROUND:
The issue of the Alaskan rural economy, its significant lack of infrastructure, and its seasonal employment opportunities is a long time concern. Dealing with this issue in anything less than a systematic manner will not make much of a difference.

DEFINITION:
Alaska requests waiver of WIA Section 136 and CFR 666.140, to permit WIA participants who enter seasonal employment occupations to be counted in an alternative format for Core Performance Measures. Using occupational descriptors like O-net data we will exempt each individual served in a covered seasonal occupation from the performance measures.

SOLUTION:
This would authorize Alaska to spend adult and dislocated worker money and avoid the negative impacts of seasonal employment outcomes on our entered employment and retention rate performance measures.

Attachments:
Individual Training Account Waiver
Seasonal Employment Waiver

STATE OF ALASKA
WORKFORCE INVESTMENT ACT
WAIVER REQUEST:
INDIVIDUAL TRAINING ACCOUNTS FOR YOUTH

The Alaska Department of Labor and Workforce Development (AK DOL), the state administrative entity for the Workforce Investment Act (WIA), is requesting a waiver to allow Individual Training Accounts for youth.

A. Statutory Regulations to be Waived

Alaska requests a waiver of WIA Section 129 and CFR 664.510, to allow local areas to employ the use of ***Individual Training Accounts*** (ITA's) for out-of-school youth. An ITA allows youth to receive individual training in accordance with systems established by the local areas and one-stop systems. Requests have been made from the Municipality of Anchorage and the Balance of State to address this issue. The ITA is applicable generally to older youth who do not want to pursue post-secondary education, but lack the skills to be successful in employment, but occasionally youth under the age of 18 are suitable for this service. The ITA gives service providers options for youth, which maximize efficiency and customer choice.

B. Goals to be Achieved by the Waiver

The Workforce Investment Act (WIA) provides increased flexibility to states and local areas in implementing reforms to the workforce development system in exchange for state and local accountability for results, including improved programmatic outcomes. Approval of this waiver will balance Alaska's desire to achieve our WIA strategic planning objectives with the need to demonstrate compliance with the statutory and regulatory requirements for each of the individual programs in our unified plan.

The goals to be achieved by the waiver are to:

- Increase the number of youth entering into employment
- Increase the percentage of youth receiving credentials
- Increase the number of Alaskan youth being retained in employment

C. State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the requested waiver.

D. Description of Waiver Goals and Programmatic Outcomes

Need for Waiver

Under the current law, ***Individual Training Accounts*** (ITA's) are not allowable for youth. This is a major barrier, especially for out-of-school youth. It is possible to serve youth with ITA's, but they need to be dually enrolled in an adult program. Youth who are below 18 cannot use the adult system at all. Some youth may have been removed from school and are not allowed to return until they meet certain criteria. These youth may often receive training through an ITA, enter employment, and later become more prepared to re-enter school.

This regulation has impacted the performance measures for older youth for both local areas. In order to serve out-of-school youth with ITA's, youth must be enrolled in the adult system and therefore the youth performance standards have been negatively impacted. In addition, it is costly to process youth in two systems requiring additional staff, time, and ultimately funding.

Operational Parameters:

- Local Youth Councils and Local Area Workforce Investment Boards will provide guidance to the development of the implementation plan

- Out-of-school youth under 18 will be counseled to re-enter a program to finish their GED or diploma before consideration of using the ITA

Rationale: The local areas will identify specific criteria for using the ITA in accordance with local needs.

Implementation Issues:

- The use of the ITA for youth will require a comprehensive plan for delivery of services in accordance with local area recommendations

- Planning documents will reflect performance outcomes in terms of using the ITA for youth

- Use of the ITA will enhance not supplant current delivery systems and implementation of the required elements for youth programs

Rationale: The use of the ITA is intended to offer options for customer choice for youth, but the implementation will not be used as an encouragement to leave traditional academic programs.

E. Description of Individuals Impacted by the Waiver

Out-of-school youth are identified in three separate groups:

- School drop-outs
- Youth who have received a GED or diploma and do not want to enter a traditional post-secondary program
- Youth who are over 18 years of age and have either not finished their high school equivalency and who do not have the skills for sustainable employment

The ultimate goal is to encourage all youth to finish their high school equivalency because ultimately that leads to more sustainable employment. However, some youth are not ready to pursue this requirement and a specific training program can move them towards sustainable employment in addition to moving them one step further towards getting a GED or diploma. Most training programs also include a GED/diploma program or basic skills development in addition to training in their specific skill area. Not all students are ready for long-term post-secondary education, but are able to successfully complete specific short-term training programs leading to sustainable employment. These youth should have the option and the resources to make these choices.

F. Description of the Process Used to:

Monitor Progress

The Commissioner of the Alaska Department of Labor and Workforce Development and staff will monitor progress on the goals outlined in D, above. In addition the Alaska Workforce Investment Board (AWIB) has asked for periodic reports on progress made toward meeting the Performance Measures for youth.

Waiver Plan Development, Notification, Coordination, and Implementation

The Alaska Workforce Investment Board (AWIB) and Alaska Department of Labor and Workforce Development (AK DOL) used a broad public process for developing this waiver plan. The initial elements of the plan were outlined by the AWIB at its autumn board meeting on October 2002. The plan was provided to local Youth Councils Balance of State (BOS), Local Workforce Investment Board (LWIB), Municipality of Anchorage/Mat-Su Borough WIB, public officials, and the general public for comment. This was accomplished to ensure both local board and public involvement in the plan's development and broad consensus for the plan.

The proposed waiver plan was posted on-line at the State of Alaska's Home-Page for public announcements where public comments were requested for a period of ten additional days. All public comments received were considered and, if applicable, were incorporated into the final waiver plan. The final waiver plan was then circulated to sub-state governance bodies and the Legislature for further comment. The plan was then finalized and briefed to the governor before the AK DOL submitted it through Region VI, ETA, DOL, to the USDOL for approval.

G. Conclusion:

Approval of this waiver will:

(1) Provide options for youth to receive training which will lead to sustainable employment.

(2) Promote a healthy Alaska economy and strong communities by increasing employment opportunities for out-of-school youth that develop, strengthen, stimulate, and diversify Alaska's economic base.

(3) Gain income for Alaskans as compared to non-resident workers.

(4) Improve customer choice for out-of-school youth

(5) Improve use of state and federal resources, leading to greater effectiveness and efficiency.

STATE OF ALASKA
WORKFORCE INVESTMENT ACT
WAIVER REQUEST:
PERFORMANCE ACCOUNTABILITY SYSTEM

The Alaska Department of Labor and Workforce Development (AK DOL), the state administrative entity for the Workforce Investment Act (WIA), is requesting a waiver to exclude seasonal workers in locations where unemployment is greater than 7 percent at the beginning of a calendar year from the core performance measure retention in unsubsidized employment six months after entry into the employment. This will allow our One-Stops to better serve the people of rural Alaska.

The issue of the Alaskan rural economy, its significant lack of infrastructure, and its seasonal employment opportunities is a long time concern. Dealing with this issue in anything less than a systemic manner will not make much of a difference. This waiver request is being written in the format identified in WIA Section 189(i)(4)(B) and WIA Regulation 661.420(c).

A. Statutory Regulations to be Waived

Alaska requests to waive WIA Section 136 and CFR 666.140, to be permitted to exclude seasonal workers in locations where unemployment is greater than 7 percent at the beginning of a calendar year from the core performance measure retention in unsubsidized employment six months after entry into the employment and substitute instead our own alternative state performance measure.

B. Goals to be Achieved by the Waiver

The Workforce Investment Act (WIA) provides increased flexibility to states and local areas in implementing reforms to the workforce development system in exchange for state and local accountability for results, including improved programmatic outcomes. Approval of this waiver will balance Alaska's desire to achieve our WIA strategic planning objectives with the need to demonstrate compliance with the statutory and regulatory requirements for each of the individual programs in our unified plan.

The goals to be achieved by the waiver are to:

- Increase the number of seasonal Alaskans participating in WIA intensive and training services by at least 50 clients for PY '03.

- Increase the supply by at least 50 trained and credentialed workers for good seasonal jobs in demand for PY '03.

- Increase the number of Alaskans hired into seasonal employment by at least 50 clients for PY '03.

C. State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the requested waiver.

D. Description of Waiver Goals and Programmatic Outcomes

Need for Waiver

Alaska requests to exclude seasonal workers in locations where unemployment is greater than 7 percent at the beginning of a calendar year from the core performance measure retention in unsubsidized employment six months after entry into the employment and substitute instead our own state performance measure for the reasons outlined below.

Alaska is unique from a geographic, climatic, demographic, and economic perspective. There are 622,000 Alaskans inhabiting Alaska's 586,000 square miles living in 350 communities. Of these, 311 locations are home to fewer than 1,000 residents. Only 100 of Alaska's towns and cities are accessible by paved or unpaved roads. Access to, and daily transportation within, is limited to airplane, boat, or all terrain vehicles in two thirds of all Alaska communities.

Alaskans find themselves in a unique set of circumstances, both with regards to employment, and to their physical environment. For the largest state in the nation, Alaska has identified only two local workforce areas through the Workforce Investment Act (WIA): the Anchorage/Matanuska-Susitna ("Mat-Su"), and the Balance of State.

The Anchorage/Mat-Su workforce investment area contains 26,235 square miles, and is the urban area that approximately 51 percent of the state's total population calls home. The Balance of State encompasses all of Alaska except the Anchorage/Mat-Su Boroughs, and comprises the remaining 49 percent of the population.

Alaska's economic profile is diverse. Natural resources are the base for major industries. However, there are dramatic economic differences between urban and rural communities. Urban areas such as Anchorage, Juneau, and Fairbanks rely year-round on private sector service (45 percent), public utilities (26 percent), and federal, state, and local government employment (13.7 percent). Seasonal employment in these larger cities is confined largely to the tourism industry and fisheries.

Year-round employment is limited in rural Alaska where nearly half the state's population resides. Available year-round wage work is either in public or service industry jobs that are often part-time. Rural communities depend upon the seasonal industries of fishing and tourism, and cyclical industries such as mining and logging. Alaska's unemployment rates reflect the seasonal nature of the state's economy. During summer months, the rate dives to a low of 6.3 percent and then soars to 21 percent in the winter months to become one of the highest unemployment rates in the nation.

Alaska's WIA field staff currently believes WIA is more urban focused because it is not set up to meet their rural client's needs. Approval of the waiver for retention in unsubsidized employment six months after entry into employment performance measure for clients doing seasonal work in locations where unemployment exceeds 7 percent would balance WIA towards being equally rural friendly. With Alaska's growing visitor industry, projected growth in the transportation industry, and the continued growth in the construction industry, offering training opportunities in seasonal occupations to Alaskans makes good economic sense.

A large number of seasonal industries offer high paying careers but often look outside the state to find a skilled workforce. Alaska has a ready workforce in numbers, but not a skilled ready workforce. Training Alaskans to fill seasonal jobs and then excluding these clients out of the retention performance accountability equation is a sound investment that will improve programmatic outcomes.

Alternative Performance Standard for Participants Exited into Seasonal Jobs

Alaska would not be waiving performance merely substituting a state retention performance measurement instead that would apply to WIA participants exited into seasonal employment in locations where unemployment exceeds 7 percent at the beginning of a calendar year. We wish to train people for seasonal jobs, which we are not doing now, because of the six month retention performance measurement. Additionally, we want to better serve our rural employers who offer seasonal jobs.

The consensus in the field was for capturing this data by defining the seasonal job at exit or placement and checking a corresponding field in our WIA Management Information System (MIS) database. At exit, the employer or job the client is placed in will be identified as a seasonal occupation based on the industry, employer or job placed in. In most cases the job or employer name will identify the seasonality of the job. Staff reported they would rather gather the extra data for entry into the MIS, than not offer the services to clients desiring seasonal employment. Currently staff is reluctant to provide services to clients seeking seasonal employment for fear of failing in the retention core performance measures.

In a seasonal job, if the person is retained for three months, it's a good placement and the person could be rehired during the next season or be ready for another job at the termination of the seasonal job. At termination staff would decide if the job is intended to last longer than six months. If so, then it's not seasonal and WIA's six months retention rate remains the performance criteria. If not, then we would use our state proposed alternative three months retention rate (See below Alternative Retention Performance Measure). This alternative Retention Performance Measure would apply to adult, dislocated workers, and older youth exited into seasonal employment in locations where unemployment exceeds 7 percent at the beginning of a calendar year and would equal the same six months retention rate percentages already negotiated for each of these three programs:

Of those seasonal workers employed in 1st Qtr. after exit:
# of employed in a seasonal job who are employed in 2nd Qtr. after exit
# of employed in a seasonal job who exit during the quarter

Operational Parameters:

- This measure includes only those who are employed in a seasonal occupation the first quarter following exit (regardless of their employment status at registration).

- As in WIA, individuals who are not found to be employed in the first quarter after exit are excluded from this measure (programs would not be held accountable for these individuals under this measure).

- Employment in the first and second quarters following exit does not have to be with the same employer.

Rationale: While the proposed alternative measure does not necessarily indicate continuous employment for three months, it does meet the intent of the waiver by showing that the person is employed three months after entering seasonal employment.

Implementation Issues:

- Designation of employment outcomes as seasonal or year-round will be made prior to delivery of services.

- Planning documents will reflect outcomes in terms of seasonal employment or year- round employment.

Rationale: While field staff suggests that it would be easy to collect seasonal employment outcome data at the point of placement the state recognizes that the retention measure is an indication of successful planning. True planning for seasonal employment should result in a seasonal outcome.

E. Description of Individuals Impacted by the Waiver

Participant characteristics and family values drive Alaska's workforce. Many Alaskans, especially in rural Alaska, lack formal training/certifications to qualify for jobs. For these Alaskans, obtaining training to place them in seasonal work near or in their community would be an advancement in life that could lead to long-term seasonal employment.

The high cost of living in rural Alaska often requires families to live subsistence lifestyles. While many Alaskan's strive for long-term, self-supporting jobs, the reality of living off the land through a subsistence life style still remains true in most of rural Alaska. While the majority of jobs are available during the summer months, the

subsistence hunting season is generally during the winter months. Today's subsistence hunter requires modern day supplies, like fuel and parts for snow machines, four wheelers or boats, high powered rifles, scopes and ammunition, along with food and clothing for winter survival. Supporting training for seasonal jobs would be complimentary to the subsistence lifestyle, thus supporting the native cultures while helping the client work towards a self-supporting future.

For many Alaskans, in the rural communities in particular, survival is a matter of patchwork. Alaskans often piece together the income from seasonal employment opportunities with their Alaska Permanent Fund Dividend checks, (a family of four will collect approximately $6,200 this year) subsistence hunting and fishing (which could account for a large percentage of the food consumed by the family) and perhaps dividends from regional or local native corporations to survive.

Many rural Alaskans neither desire nor need year round work to survive and live the lifestyle they prefer to live in Alaska. Be it a transplant who moved here to live and enjoy the simple life, or an Alaskan born and raised who knows no other lifestyle. Surviving off of the land, to many, is a way of life in Alaska. All communities in Alaska offer seasonal jobs, and in most, the largest percentage of employers in that community may be seasonal employers.

In Northwestern Alaska participants affected would be males and females between the ages of 25–40, with a higher concentration of natives in the rural areas. The employers are primarily infrastructure and capital improvement related projects in school construction, health clinics, multi-purpose buildings, airport or port improvements, road improvements, or other federal or state sponsored projects.

Many of the clients we would like to serve in the Northwest are looking for high paying permanent seasonal jobs working on capital projects, Department of Transportation projects, or other reliable seasonal jobs. These jobs include highway engineer technicians, fish and wildlife wardens, fish and game technicians, carpenters, heavy equipment operators and mechanics, equipment maintainers, miners, and other skilled or semi-skilled seasonal jobs. Fishing, fish and game, or wildlife and natural resource based industries are the largest contributors to the employment market in the Northwestern region. By the nature of Alaska's geography and the seasonal climate, these jobs only last four to six-months each season.

In Southeast Alaska the tourism industry is growing faster than any other businesses. Seasonal jobs include state Fish and Game department jobs, logging, fishing, tour guides with 100-ton marine vessel operators licenses, and other highly seasonal jobs. In many cases these marine licenses led to the development of businesses that help build the local economy. Often the introduction of a new whale watching tour business or charter fishing boat operation has been in demand and has a ready seasonal market or client base.

The clients that would benefit from training in seasonal industries would be both native and non-native alike between the ages of 25–50. Many of these clients are seeking

seasonal work, as they may not require or demand as much money on a year round basis as a large portion of their food can be harvested from the sea or land. Many of the clients have become accustomed to a subsistence lifestyle and do not require a year round job to survive. This holds true for most all regions in Alaska, as the fish and wildlife are abundant.

The Interior region would like to train youth and clients of all age groups for summer jobs in mining, fisheries, retail, tourism, and construction. By providing some basic training courses we could meet the local employer needs for a seasonal workforce. The clients most in need of such service would be males and females between the ages of 25–40, with a much higher concentration of natives in the rural areas. Additionally, college students returning for the summer months to mining, fisheries, retail, tourism, and construction jobs. Native and non-native students are always seeking funds to return to school for the next school year.

In Southwestern Alaska employment is dependent upon capital improvement projects. However, all too frequently these projects fill their employment needs with people from outside the community workforce. Jobs are scarce in rural Alaska communities and the AK DOL must keep up with the training needs to ensure the fill of these few jobs by the local workforce, as in many cases, these are the only employment opportunities available to those seeking employment. Also, with the cuts in municipal government funding, it has forced many local governments to cut positions or to shorten hours to part-time positions. This is important as the economy and jobs in much of rural Alaska is dependent upon government.

Throughout Alaska many of our clients are seeking seasonal work, as they may not require or demand as much money on a year round basis, as a large portion of their food may be harvested from the sea or local hunting grounds. These people have become accustomed to living off the land and do not require a year round job to survive. Due to the limited daylight hours, Alaska climate and cold extended winter season it is hard for many occupations to stay operational year round. This is a major reason construction and capital projects offer mostly seasonal work. Even if our clients wanted to work year round the weather and climate prohibits this.

All stakeholders and customers involved in WIA services will be positively impacted by the approval of this waiver. This includes customers eligible for an ITA, training providers, businesses, organized labor, and local Workforce Investment Boards.

F. Description of the Process Used to:

Monitor Progress

The Commissioner of the Alaska Department of Labor and Workforce Development and staff will monitor progress on the goals outlined in D, above. In addition, the Alaska Workforce Investment Board (AWIB) has asked for periodic reports on progress made

toward meeting the newly created State Seasonal Worker Retention Performance Measures.

Waiver Plan Development, Notification, Coordination and Implementation

The Alaska Workforce Investment Board (AWIB) and Alaska Department of Labor and Workforce Development (AK DOL) used a broad public process for developing this waiver plan. The initial elements of the plan were outlined by the AWIB at its autumn board meeting on October 5, 2001. The AWIB approved the waiver implementation plan and provided the plan to businesses, organized labor, Balance of State (BOS) Local Workforce Investment Board (LWIB), Municipality of Anchorage/Mat-Su Borough WIB, public officials and the general public for comment. This was accomplished to ensure both local board and public involvement in the plan's development and broad consensus for the plan.

In March 2002, the Alaska Native Coalition for Employment and Training, the Alaska AFL-CIO, and the University of Alaska all provided input in plan development. All state agencies representing one-stop partners and special populations provided input and assistance and helped write the waiver plan. In September 2002, the Draft Waiver Plan was provided to the Anchorage Mat-Su Local Workforce Investment Board's Operational Council for review and comment.

This waiver plan development process involved citizens from every region of Alaska working through their One-Stops Local Advisory Committee (LAC) with their respective local area. The majority of these citizens were from business and private sector employers, with representatives from organized labor, education, community based organizations, Alaska Job Corps, US DOL ETA, Alaska Bureau of Apprenticeship, Alaska Natives, persons with disabilities, tribal and community colleges, the University of Alaska, state agencies, private industry council members, and both LWIBs.

The draft waiver plan was submitted to Region VI, ETA, DOL for review in October 2002. Comments were received back from Region VI, ETA, DOL, and those comments were incorporated into the waiver plan. On October 24, 2002, the Balance of State (BOS) Local Workforce Investment Board recommended approval of the waiver plan and forwarded it to the AWIB. On November 4, 2002, the Alaska Workforce Investment Board (AWIB) signed a resolution approving the waiver plan. On November 12, 2002, the Municipality of Anchorage/Mat-Su Borough WIB, by unanimous vote, endorsed the AWIB's resolution to support this waiver request.

The proposed waiver plan was posted on-line at the State of Alaska's Home-Page for public announcements where public comments were requested for a period of ten additional days. All public comments received were considered and if applicable were incorporated into the final waiver plan. The final waiver plan was then circulated to sub-state governance bodies and the Legislature for further comment. The plan was then finalized and briefed to the governor before the AK DOL submitted it through Region VI, ETA, DOL, to the USDOL for approval.

G. Conclusion:

Alaska's Workforce Investment System is "building connections that put Alaskan's into good jobs." A good job is one that has adequate pay, benefits, and career advancement opportunities that can sustain an individual and his or her family economically without reliance on public subsidy. Approval of this waiver will:

(1) Provide employment, education, training and support services to assure Alaska employers have a skilled workforce and Alaska workers have employment choices.

(2) Promote a healthy Alaska economy and strong communities by increasing employment opportunities and private sector activities that develop, strengthen, stimulate, and diversify Alaska's economic base.

(3) Reduce seasonal unemployment and welfare dependence by economic region in Alaska.

(4) Gain income for Alaskans as compared to non-resident workers.

(5) Improve customer service and reach new client groups relative to seasonal work.

(6) Improve use of state and federal resources, leading to greater effectiveness and efficiency.