



JUN 28 2004

The Honorable Bob Riley
Governor of Alabama
State Capitol
600 Dexter Avenue
Montgomery, Alabama 36130-2751

Dear Governor Riley:

It is with pleasure that I respond to the State of Alabama's request for an extension of Workforce Investment Act (WIA) waivers, 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.

The State of Alabama is requesting an extension of the following approved waivers that expire June 30, 2004:

- Waiver of the time limit on the period of initial eligibility of training providers at 20 CFR 663.530, and
- Waiver of the 20 percent funds transfer limitation at WIA Section 133(b)(4) to permit the state to approve local area requests to transfer amounts of up to 50 percent of local area allocations between the Adult and Dislocated Worker programs.

The State of Alabama's request (copy enclosed) indicates that an extension of the waiver related to initial eligibility is needed to provide additional time for development of reporting mechanisms to facilitate procurement of WIA service provider performance information. Additionally, the state notes that WIA Adult and Dislocated Worker program management flexibility remains a high priority, particularly with an influx of former Welfare-to-Work participants into the WIA Adult program. An extended funds transfer waiver supports achievement of such flexibility.

The waiver extension request 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 approval at 20 CFR 661.420(e). Accordingly, the State of Alabama is granted an extension of the two waivers through June 30, 2005.

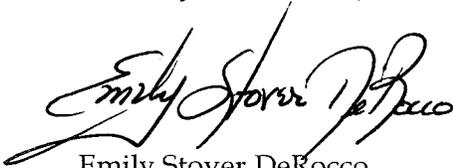
The granted waiver extensions are incorporated by reference into the state's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and also constitute a modification of the state's approved five-year strategic plan. A copy of this letter should be filed with the state's WIA Grant Agreement and the state's approved five-year strategic plan, as appropriate.

As you know, your waiver extension for funds transferability is consistent with one of the improvements that the Administration is seeking in the reauthorization of the Workforce Investment Act—the consolidation of the WIA Adult, WIA Dislocated Worker and Wagner-Peyser Act (Employment Service) funding streams.

This consolidation would provide states with maximum flexibility to meet unique workforce needs. In the meantime, we hope this waiver extension will assist your state in meeting its workforce needs and improving programmatic outcomes.

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

Sincerely,

A handwritten signature in black ink, reading "Emily Stover DeRocco". The signature is written in a cursive style with a large, sweeping initial "E".

Emily Stover DeRocco

Enclosure

OFFICE OF THE GOVERNOR

BOB RILEY
GOVERNOR



STATE OF ALABAMA

ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

JOHN D. HARRISON
DIRECTOR

May 7, 2004

Ms. Christine Kulick
USDOL/ETA
Office of Workforce Investment
Division of One-Stop Operations, Room S4231
200 Constitution Avenue, NW
Washington, D.C. 20210

Subject: Request for Extension of Waivers

Dear Ms. Kulick:

USDOL Training and Employment Guidance Letter (TEGL) No. 21-03, dated April 22, 2004, suggests Workforce Investment Act regulatory waivers currently in effect may be extended through June 30, 2005.

Alabama has been granted two such waivers. The first extends WIA training services providers' initial eligibility through June 30, 2004. The second waiver, also currently effective through June 30, 2004, increases WIA Title I-B Adult-Dislocated Worker program funds transfer authority from twenty percent to fifty percent.

Although progress has been made, several of the structural difficulties which prompted our initial requests for these waivers are yet to be fully resolved. Development of performance reporting mechanisms to facilitate WIA service provider performance information procurement are ongoing.

WIA Adult and Dislocated Worker program management flexibility remains a high priority, particularly with the influx of former Welfare-to-Work participants into our WIA Adult program. An expanded fund transfer authority directly supports achievement of such flexibility.

Alabama requests an extension of these two waivers through June 30, 2005.

WIA

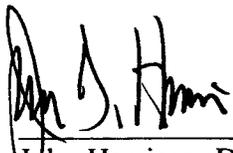
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Ms. Christine Kulick
May 7, 2004
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Please contact Ray Clenney at (334) 242-1421 with any questions.

Sincerely,



John Harrison, Director
Department of Economic and Community Affairs



Tim Alford, Director
Office of Workforce Development

cc: Dr. Helen N. Parker

Attachment