



JUN 30 2004

The Honorable Janet Napolitano
Governor of Arizona
1700 West Washington
Phoenix, Arizona 85007

Dear Governor Napolitano:

It is with pleasure that I respond to the State of Arizona's request for an extension of a Workforce Investment Act (WIA) waiver of the time limit on the period of initial eligibility of training providers at 20 CFR 663.530. This action is taken under 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 Arizona's request (copy enclosed) indicates that a waiver extension will allow the state to continue providing the broadest range of training to WIA participants. The state reports that it continues to maintain open dialogue with Eligible Training Provider List (ETPL) stakeholders through bi-quarterly meetings, and continues to ensure the integrity of the provider list through regular monitoring of training providers.

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 approval at 20 CFR 661.420(e). Accordingly, the State of Arizona is granted an extension of the waiver through June 30, 2005.

The granted waiver extension 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 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.

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, appearing to read "Emily Stover DeRocco".

Emily Stover DeRocco

Enclosure



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

1789 W. Jefferson • P.O. Box 6123 • Phoenix, AZ 85005

Janet Napolitano
Governor

David Berns
Director

May 14, 2004

The Honorable Emily Stover DeRocco
Assistant Secretary
U.S. Department of Labor
200 Constitution Avenue, NW
Room S2307
Washington, DC 20210

Reference: P.L. 105-220 Workforce Investment Act (WIA) of 1998, §122(c)(5)(A) and
20 CFR 663.530

Dear Assistant Secretary DeRocco:

The State of Arizona respectfully requests an extension of its existing waiver that defers the referenced statutory and regulatory provisions concerning subsequent eligibility of training providers under the Workforce Investment Act (WIA). In your letter to the Honorable Janet Napolitano, Governor of Arizona, dated July 14, 2003, a waiver extension was granted to Arizona that allowed the State to postpone subsequent eligibility of all currently approved training providers through June 30, 2004. This letter serves to request an additional extension of this waiver, to permit all currently approved providers on the State's eligible training provider list (ETPL) to forego subsequent eligibility until June 30, 2005 or until re-authorization of WIA, whichever occurs later.

As alluded to in our initial request for a waiver extension dated June 9, 2003, the state needed additional time to re-evaluate and significantly restructure its subsequent eligibility process, following issuance of new Family Educational Rights and Privacy Act (FERPA) guidance (effective April 30, 2003) that seriously comprised the State's ability to collect confidential student information. However, more recent developments at the federal level concerning WIA Re-authorization and the changes it may bring about in the ETPL process, has again obliged us to request a waiver extension. It is our understanding that common among versions of the re-authorized Act currently under Congressional review, is a provision authorizing each state's Governor to develop criteria for training provider approval. Given the probability that such authority may be granted, we believe an extension of the current waiver will allow Arizona to continue providing the broadest

range of training options to WIA participants, in anticipation of changes in the ETPL process expected under Re-authorization.

The State continues to maintain open dialogue with ETPL stakeholders through bi-quarterly meetings, and continues to ensure the integrity of our provider list through regular monitoring of training providers by the state Department of Education. In addition, these actions have been the impetus for formulation of new strategies that we trust will become part of a greatly improved ETPL process for Arizona under the re-authorized Act.

We greatly appreciate your prompt consideration of this important request.

Sincerely,



Lela Alston
WIA Section Manager
Employment Administration

c: Mr. John Humphrey
Regional Administrator
USDOL-ETA Region 6

Mr. Ralph Zackheim
GOTR - Arizona
USDOL-ETA Region 6