

## U.S. Department of Labor

Employment and Training Administration  
Sam Nunn Atlanta Federal Center  
Room 6M12 - 61 Forsyth Street, S.W.  
Atlanta, Georgia 30303



MAY 03 2002

Mr. William H. Gaunce  
Commissioner  
Department for Training and Reemployment  
Cabinet for Workforce Development  
209 St. Clair Street, 4<sup>th</sup> Floor  
Frankfort, Kentucky 40601

Dear Mr. Gaunce:

This is in response to the Workforce Investment Act (WIA) waiver request from the Commonwealth of Kentucky related to customer choice for adult and dislocated worker services. This request was submitted for consideration under the Secretary's general statutory and regulatory waiver authority at WIA Section 189(i)(4). This authority permits the Secretary to waive certain WIA and Wagner-Peyser statutory and regulatory provisions that impede the implementation of a state's five-year strategic plan.

The following is the disposition of the Commonwealth's waiver submission.

***Waiver: Subsequent Eligible Training Provider (ETP) Requirements; 18-month subsequent eligibility requirement (WIA Sec. 122(c)(5) and 20 CFR 663.530)***

The Commonwealth's waiver submission (copy enclosed) is requesting a waiver of the time limit on the period of initial eligibility of training providers found at 20 CFR 663.530. Under the waiver, the Commonwealth proposes to postpone the determination of subsequent year eligibility of training providers until January 1, 2004. The Commonwealth indicates that the reason for this request is to give Kentucky more time to effectively implement the subsequent eligibility determination process. The intent of the waiver is to give the Commonwealth's program customers more and better choices among training providers. The Commonwealth believes that the waiver will enhance the implementation of the WIA concepts of consumer choice and accountability. The waiver is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c). Upon review the Commonwealth's request appears to meet the standard for waiver of requirements relating to key reform principles, as specified at 20 CFR 661.410(c).

Accordingly, the Commonwealth is granted a waiver of the time limit on the period of initial eligibility of training providers at 20 CFR 663.530 to extend the period of initial eligibility for an initial period through January 1, 2004. This waiver approval is contingent upon the Commonwealth implementing the waiver consistent with the plan submitted with the Commonwealth's request for developing a workable subsequent eligibility process, including the proposed time line, for coming into compliance with the subsequent eligibility requirements at WIA Section 122. The effect of this waiver is to extend the period of initial eligibility of providers, and to have the subsequent eligibility determination process

completed by January 1, 2004, in preparation for program operations in PY 2004, beginning July 1, 2004.

The granted waiver is incorporated by reference into the Commonwealth of Kentucky's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and serves as a Memorandum of Understanding, as specified at 20 CFR 661.420(e)(3), and also constitutes a modification of Kentucky's approved five-year strategic plan. This letter supplements Assistant Secretary DeRocco's notification letter to the Governor and spells out the terms and conditions that apply to the granted waiver. A copy of each letter should be filed with the Commonwealth's WIA Grant Agreement and the Commonwealth's approved five-year plan, as appropriate.

We hope that this waiver action assists the Commonwealth to remove obstacles, which impede the Commonwealth's implementation of its strategic plan, and thereby improve the Commonwealth's capacity to provide quality services to all Kentuckians. Enclosed for your information is a copy of the waiver notification letter from Assistant Secretary DeRocco to Governor Patton.

Sincerely,



ANNA W. GODDARD  
Regional Administrator

Enclosure