June 10, 2002

Robert Semler , Regional Administrator
United States Department of Labor
Employment and Training Administration
John F. Kennedy Federal Building
Rom E-350
Boston, MA 02203

Dear Mr. Semler,

I am writing on behalf of the Maine Department of Labor to request a waiver to postpone the "Subsequent Eligibility of Training Providers" requirement for "All Students" until June 30, 2003. We believe that the Workforce Investment Act Section 122 (c)(5) and Regulations at 663.530 affords Maine the option of adjusting the timeframe for determining subsequent eligibility of training providers.

The reason for this request is provide the state with additional time to effectively implement a meaningful eligible training provider system that is both responsive to the intent of the Act to provider improved customer choice while maintaining the accountability of system. We have been working aggressively to encourage state training providers to participate in this process. Within the past year we have made significant progress with increasing the number of training providers and programs that are included in the Maine CareerCenter Consumer Report system. We still have a considerable amount of additional work to do to bring overall participation up to a level that truly affords our customers the opportunity to benefit from the Individual Training Account process.

Maine is not unique in that we are experiencing difficulties with the requirements placed upon approved training providers to comply with the "All Student" performance data collection requirements for subsequent eligibility. Clearly, this is an area that needs considerable more work. In a rural state such as Maine, we are serious danger of loosing a significant number of eligible providers from the approved list in the next Program Year due to most providers being unable to respond to the performance reporting requirements.

The enclosed waiver request explanation and accompanying plan was developed in consultation with Maine's four local Workforce Investment Boards. We hope that you

will lend your support to this waiver plan. If you have any questions about the information we've provided please contact me.

Sincerely,

Tim McLellan
Director

State of Maine
Workforce Investment Act Waiver Request
Implementation of Subsequent Eligibility of Training Providers

The Maine Department of Labor, Bureau of Employment Services, the state administrative entity for the Workforce Investment Act is requesting a waiver to postpone the application of "Subsequent Eligibility of Training Providers" requirements for "all students" until June 30, 2004.

The basis for this request is to allow Maine additional time to implement a statewide system for consistently and uniformly collecting performance information among all training providers. Despite that an aggressive effort has been underway since July 2001 to design a system that promotes the intent and spirit of WIA to provide informed customer choice and provider accountability, training providers are struggling to adopt uniform systems for collecting and reporting performance information for "all students". In consultation with the state's relatively small training provider community we are committed to fulfilling the requirements of the Act and will continue in accordance with Maine's plan to implement a Subsequent Eligibility application, review and approval process.

This waiver request is being submitted in the format identified in WIA section 189(i)(4)(B) and WIA Regulations 661.420(c).

A). **Statutory Regulations to be Waived:** Workforce Investment Act (WIA) Section 122(c)(5) and WIA regulations 663.530 citing the provision that the time limit for initial eligibility may be waived for an additional year.

B). **Goals to be Achieved as a Result of the Waiver:** The goals to be achieved by the waiver are:

1. Improve efforts of data collection from training providers.
2. Increase the amount and accuracy of WIA performance information for training providers by providing better technical assistance.
3. Allow the CareerCenters more time to become more familiar with the Maine CareerCenter Consumer Report and Individual Training Account system.
4. Continue to offer customer choice while working with the Department of Labor to identify possible revisions to this section of the Act.

C). **State or Local Statutory or Regulatory Barriers:** There are no existing state or local statutory or regulatory barriers to implementing this request.

D). **Description of the Waiver Goal and Programmatic Outcomes:** The purpose for requesting this waiver is to allow for the programs that are currently eligible to be available to CareerCenter customers who have been issued an Individual Training Account to get the skills training that they need. We are very concerned

that a strict enforcement of Subsequent Eligibility guidelines would drastically reduce the limited number of training providers available to our customers.

Maine is a rural state consisting of four Local Workforce Investment Areas and 23 CareerCenter sites. Currently, the number of training providers that have been approved under the Initial Eligibility guidelines is over 60. Collectively, these providers are approved for approximately 500 programs. Despite an intensive and aggressive outreach effort to encourage training providers to apply under Initial Eligibility guidelines there are still a significant number of providers who are opting out of the system altogether. Providers include most of Maine's technical colleges, public and private for profit schools, colleges and universities, Adult Education and Regional Vocational Education providers and non-profit community-based organizations.

The vast majority of providers have not been able to produce the "all student" performance data in the specified timeframe to meet the re-certification requirements under Subsequent Eligibility. Moreover, for many of the programs that have been approved the data for the number of WIA supported students is grossly insufficient due to the timeframes that they received the training and the calculation of performance outcomes at exit. A complete list of eligible training providers is located at http://198.182.162.220/mecrs/training.asp.

The Maine Department of Labor has worked very closely with the four Local Workforce Investment Areas, the Division of Labor Market Information Services and the Department of Education to market the concept of the Maine CareerCenter Consumer Report System. Throughout the past year we have met with representatives from most of the major educational institutions in the state. We have held several training provider local forums throughout the past year. In addition, the Bureau staff have spent most of the past year providing on-site technical assistance for providers. The Bureau is committed to continuing this work throughout the next program year.

Maine's experience with implementing the subsequent eligibility requirements of the Act mirrors that of most other states. During the series of regional provider forums held this year the concerns of the training providers were largely echoed throughout the state:

1. Maintenance and collection of the "all student" performance data prescribed by the Act will result in a level of financial and human resource investment that does not come close to matching the return on investment.
2. The potential of violations of student privacy is not necessary protected under the Family Educational Rights Privacy Act.
3. Most public and private not-for-profit institutions are facing considerable budget issues and have been working on processes for streamlining student information gathering and record-keeping systems. The WIA

requirements would necessitate adding a considerable amount of data collection and intrusive customer follow-up activity.

4. Many providers, including the adult and regional vocational education, technical college and university system offer non-credit course/programs that are usually the most appropriate for WIA supported student. The "all student" data collection requirements for these courses proves to be extremely cumbersome because students are only interested in obtaining the specific skill instruction and leaving the system.

We have listened to and emphasized with these legitimate concerns. At the same time, we fully support the spirit and intent of the Act to afford customer choice and to hold the system accountable for performance and outcomes. Granting this waiver request will provide Maine with the additional time necessary to work with the Department of Labor and the state's training provider community to identify methods for collecting "substantially similar" performance indicators. In addition, we are committed to promoting and supporting initiatives that offers continued customer choice and system accountability through this waiver plan as follows:

1. Continue to promote the Maine CareerCenter Consumer Report system through an ongoing series of public meetings with training providers in an effort to increase the number of providers and programs that participate in the system (July 1, 2002 through June 30, 2004).
2. Provide training provider on-demand technical assistance to assist with navigating the internet-based application and subsequent performance reporting process. (Ongoing)
3. Design and install enhancements to the website for both training providers and consumers. (Ongoing through January 2004)
4. Continue working with the Division of Labor Market Services and training providers to develop an effective mechanism for gathering information and reporting data using the U.I. wage record system. (July 1, 2002 through December 2003).
5. Work collaboratively with the Local Workforce Investment Boards to develop a better understanding at the local CareerCenter level for utilizing the ITA process and Maine CareerCenter Consumer Report system through staff development and training (Ongoing through June 30, 2004)

E). Description of Individuals Impacted by the Waiver:

The waiver will positively impact all customers. Individual customers will continue to have choices in selecting training programs that meet their skill development needs. Employers will be assured that they are receiving a skilled and trained workforce. Local Workforce Boards will have an opportunity to evaluate effective measures of training provider performance. Training providers will be given the opportunity to develop meaningful measures of student experiences and outcomes.

F). Description of the Process to Monitor Progress:

The Maine Department of Labor, Bureau of Employment Services will be the entity responsible to implement and monitor the goals and action plans outlined in this request. The BES maintains primary responsibility to meet the goals identified in this plan within the timeframes as established.

G). Opportunity for Local Boards to Comment on Waiver Request:

The Bureau of Employment Services met with the four local board directors on May 14, 2002 and discussed the specific contents of this waiver request. Given that the local areas had routinely initiated a request for a waiver to extend the timeframe for initial eligibility, they unanimously support the contents of the waiver plan.

In addition, the subject of this waiver request was discussed at the June 9th meeting of the Maine Job Council with opportunity for comment. The Council voted in favor of submitting the waiver without further discussion.

H). Public Comment on This Waiver Request:

While there has been formal effort to solicit public input for this waiver request, the concerns that this request addresses have been the subject of local and state workforce board meetings that are open to the public.