



MAY 7 2003

The Honorable Bill Richardson
Governor of New Mexico
Santa Fe, New Mexico 87503

Dear Governor Richardson:

It is with pleasure that I respond to the state of New Mexico's request for a waiver of statutory and regulatory requirements under the Workforce Investment Act (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.

These waivers grant states flexibility in program design for seamless program delivery and improved customer service, in exchange for accountability and agreed-to programmatic outcomes. We hope that these changes will assist your state in meeting its workforce needs and improving programmatic outcomes at the local level and statewide.

We are pleased to be able to respond positively to your request. The following is the disposition of the state's waiver submission.

Waiver: Waive the title I-B 20% transfer authority at WIA section 133(b)(4) and 20 CFR 667.140.

The state is requesting a waiver (copy enclosed) to eliminate the 20% limitation on transferring funds between Adult and Dislocated Worker programs at WIA section 133(b)(4). The state indicates that the waiver would provide local boards with an unlimited ability to transfer funds between these programs. The state believes that this increased flexibility and control would allow the boards to better respond to changes and critical needs within their local areas, thus giving the boards the ability to most effectively use limited funds.

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 is granted a waiver of the application of the

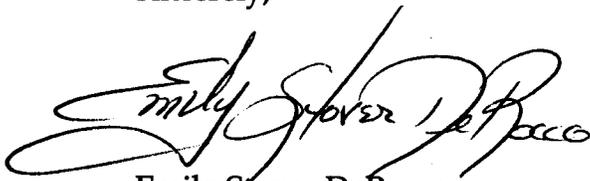


20% funds transfer limitation at WIA section 133(b)(4), consistent with the waiver plan submission. This waiver will permit the state to approve local area requests to transfer amounts of up to 100% of local area allocations between the adult and dislocated worker funding streams, as requested. The duration of the approved waiver is through June 30, 2004, the current period of WIA authorization.

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 New Mexico's approved five-year strategic plan. A copy of each 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 to the achievement of better workforce investment outcomes and the improvement of the lives of many of the residents of New Mexico. We are prepared to entertain other state and local-level waiver requests that the state may wish to submit, consistent with the provisions of the Act and regulations.

Sincerely,



Emily Stover DeRocco

Enclosure

BILL RICHARDSON
GOVERNOR

CONROY CHINO
SECRETARY

RECEIVED
DOL



2003 FEB -7 A 10:00
STATE OF NEW MEXICO
DEPARTMENT OF LABOR

January 29, 2003

Alfonso
This is already in process. Right?
John

401 Broadway, NE
P.O. Box 1928
Albuquerque, NM 87103
(505) 841-8409
(505) 841-8491 FAX

1596 Pacheco Street
P.O. Box 4218
Santa Fe, NM 87502-4218
(505) 827-6827
(505) 827-6812 FAX

Mr. Joseph Juarez
Regional Administrator
U.S. Department of Labor
525 Griffin St., Room 317
Dallas, Texas 75202

Dear Mr. Juarez:

The New Mexico Department of Labor, the State operating entity for the Workforce Investment Act of 1998, is requesting a waiver to eliminate the 20% limitation on transferring WIA funds between Adult and Dislocated Worker Programs. The waiver request is enclosed and complies with WIA § 189(i)(4)(B) (29 USCA § 2939(i)(4)(B)) and WIA Regulations at 20 CFR § 661.420(c).

Granting this waiver will allow New Mexico the opportunity to provide local Workforce Boards with unlimited ability to transfer funds between the Adult and Dislocated Worker programs, allowing more flexibility in meeting the unique needs of New Mexico's workforce.

New Mexico fully supports the WIA concepts of program accountability and consumer choice. This waiver will help NMDOL to better meet these goals. If the waiver request is granted, Local Boards will be better able to respond to change by increasing local control for program delivery, employer evaluation and system-wide accountability. Providing greater flexibility to local boards will allow them to meet the needs of New Mexico's diverse population.

If you or your staff have any questions concerning the waiver request, please do not hesitate to contact me.

Very truly yours,

Conroy Chino,
Secretary

Enclosure: Waiver

cc. Maxine Bradley
John Rincon
Barbara Vail

**STATE OF NEW MEXICO
WAIVER REQUEST
WORKFORCE INVESTMENT ACT**

**Requesting Transfer of WIA Funds between Adult and Dislocated
Worker Programs**

Submitted January 27, 2003

The New Mexico Department of Labor (NMDOL), the state operational entity for the Workforce Investment Act (WIA), is requesting a waiver to eliminate the 20% limitation on transferring WIA funds between Adult and Dislocated Worker programs. The waiver would provide an unlimited ability to transfer funds between these titles. In granting this waiver, NMDOL will ensure that the critical workforce needs of the local communities are met. NMDOL is requesting that this waiver be granted through through expiration of the current five-year plan.

This waiver request follows the format identified in WIA § 189(i)(4)(B) (29 USCA § 2939(i)(4)(B)) and WIA Regulations at 20 CFR § 661.420(c).

1. Statutory Regulations to be Waived. WIA § 133(b)(4) (29 USCA § 2863(b)(4)) and WIA Regulations at 20 CFR § 667.140, provide that with the approval of the Governor, Local Workforce Development Boards may transfer up to 20 percent of a program year allocation for adult employment and training activities, and up to 20 percent of a program year allocation for dislocated worker employment and training activities between the two programs.

In 1999 the New Mexico Legislature enacted legislation pursuant to the WIA establishing NMDOL as the state administrative entity for the program and establishing local workforce development areas. The WIA and its New Mexico counterpart were created to administer a variety of employment and training programs to help adults and youth develop the job skills necessary to meet the occupational needs of employers and the state. That legislation envisioned a statewide workforce investment system made up of a State Workforce Development Board, the four local boards and their service providers. As a result of the State Board's and NMDOL's leadership, New Mexico implemented WIA according to the federal law which was established by the United States Congress. Two years after implementation, all four local boards are conducting oversight of one-stop centers in their areas and are serving clients. The New Mexico WIA program has several underlying principles:

1. A focus on employers to meet the workforce needs of businesses and industries;
2. Locally designed service delivery plans to serve current workers and individuals entering the labor force for the first time; and
3. Integrated services delivery to allow the broadest range of job seekers to access employment assistance.

2. State or Local Statutory and/or Regulatory Barriers: There are no state or local regulatory barriers to implementing the waiver. NMDOL regulations and policy statements are in compliance with current federal law. Upon notification of the approval of this waiver, NMDOL regulation and policy will be amended to comply with the terms of the waiver.

3. Goals to be achieved by the Waiver: The following goals will be achieved with the grant of the waiver request:

- The ability of Boards to respond to ongoing changes within their local areas will be improved as a result of the flexibility provided by the waiver.
- Local control over program delivery will be increased with the distribution of statewide monies to local boards.
- Collaboration between industry needs and worker training will improve as WIA opportunities are increased in the local areas.
- There will be increased accountability at the state, local and service provider levels with the application of this waiver plan.
- Improvements in designing and implementing WIA programs and in meeting employer and participant needs will be realized by having increased resources available.

Programmatic Outcomes by the Waivers: Boards have exercised their option under the law to transfer funds to the extent of the statutory authorization. Because of New Mexico's unique population and industry demographics, size and population diversity, WIA customer needs vary greatly across the state. Under the WIA, dislocated worker funds are to be used for assessment, evaluation and training of individuals adversely affected by plant layoffs in local workforce development areas. New Mexico's population and employment distribution are mainly rural. For example, in March, 2001, there were 45,072 employers reported for all industries covered by state unemployment insurance law, of which over 26,500 of those were units employing four or fewer individuals. Given this distribution of employment, there are few lay-offs or similar events which trigger expenditure of the significant amounts of dislocated worker funds which are required to be set aside. Allowing the waiver would increase flexibility and local control to transfer funds between adult and dislocated worker programs. This flexibility would allow boards to better respond to changes within their areas and to best address the specific

geographic, demographic and industry needs which change from community to community. Permitting the waiver would enable local boards, those with the most knowledge, information and expertise, to most effectively use the limited funds available.

The role of the Boards is to plan, oversee and evaluate the delivery of all workforce training and services in their respective areas through One-Stop centers. Permitting the waiver would encourage Boards to design more innovative programs unique to the specific local areas and to most advantageously use limited funds to address the established needs and priorities. Programs designed according to the specific needs of Boards result in increased local and service provider accountability. NMDOL supports the Boards in each of those areas, and provides continued technical assistance and program monitoring. Granting the waiver will allow NMDOL to continue to meet the challenges of the future by strengthening partnerships, enhancing employer participation and obtaining continued support of local, state and federal leaders.

4. Individuals Impacted by the Waiver:

If granted, this waiver will benefit all local WIA Boards, One-Stop centers, employers, job seekers, service providers and all New Mexico communities. The following are additional positive impacts of the waiver:

- Program participants will benefit because Local Boards will have the flexibility to design program based on local needs and priorities.
- Increased utilization of available funds will result in more customers being served.
- Local Boards will have the flexibility to move funds where they are most needed and can provide the greatest benefit.

5. Process used to Monitor Progress and Implementing the Waiver: NMDOL fully supports the concepts of consumer choice and program accountability as directed in both WIA and New Mexico's Workforce Development Act of 1999. NMDOL has established a successful monitoring and performance accountability system which is subject to constant and ongoing improvement, which measures results for job seekers and employers using the newly designed system installed by Geosolutions. NMDOL continuously analyzes performance reports and compares actual performance with contract benchmarks. NMDOL will continue to make adjustments to monitoring performance requirements to ensure that performance goals and objectives are met for all WIA adult and dislocated worker expenditures. NMDOL will monitor progress on this waiver by reviewing monthly expenditure and performance reports submitted by Local Boards and from regular attendance by NMDOL at meetings of the Local Boards. Input and data

will also be solicited from Board members, administrative entity staff and One-Stop staff. Provisions in the contracts for the programs funded with statewide activity funds will include specific performance measures which will provide an indication of the positive impact of the waiver.

Notice to Boards: If the waiver is approved, NMDOL, as the State Administrative Entity, will provide notice to the Boards through issuance of STAGs. These issuances will provide information, training and technical assistance to monitor expenditure of funds subject to the waiver. Establishing these systems would occur prior to the effective date of the waiver implementation.

6. Solicitation of comments from local boards, labor, employers and service providers. In accordance with WIA Regulations at 20 CFR § 661.420(5)(iv), contemporaneously with the submission of this waiver request, NMDOL is soliciting comment on the advisability of the waiver from Local Boards, employers, labor interests and service providers. Telephonic contact has been made with each Local Board requesting that each provide a specific written statement concerning its position regarding the waiver. Selected service providers, labor and employer representatives have also been contacted telephonically and asked to provide input. In addition, notice of the waiver request has been published on New Mexico's WIA website. Any comments which are received during a thirty day open comment period and provided after this period will be immediately provided to USDOL for use in consideration of the waiver request.

BILL RICHARDSON
GOVERNOR

CONROY CHINO
SECRETARY



STATE OF NEW MEXICO
DEPARTMENT OF LABOR

- 401 Broadway, NE
P.O. Box 1928
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(505) 827-6812 FAX

February 17, 2003

Mr. Joseph Juarez
Regional Administrator
U.S. Department of Labor
525 Griffin St., Room 317
Dallas, Texas 75202

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2003 FEB 21 10:32

Dear Mr. Juarez:

This past Friday, February 14, 2003, my office received the attached waiver comment from New Mexico's Eastern Area Workforce Development Board. This is in response to New Mexico's January 27, 2003 request to transfer WIA funds between Adult and Dislocated Worker Programs.

My office will continue to forward all additional comments to you as they are received.

If you should have any questions about this matter, please contact me at 505-841-8409.

Sincerely,

Conroy Chino
Secretary

CC:GG:lmb

Enclosure (1)

xc: ✓ Maxine Bradley
John Rincon
Barbara Vail

EASTERN AREA WORKFORCE DEVELOPMENT BOARD

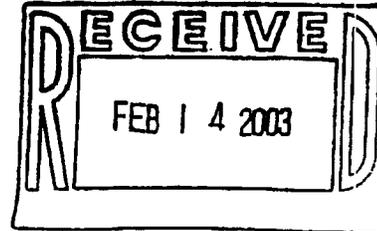
Administrative Office: 418 Main Street
Clovis, NM 88101

Phone: (505) 762-7714

Fax: (505) 762-7715

February 12, 2003

Mr. Conroy Chino, Secretary
New Mexico Department of Labor
P. O. Box 1928
Albuquerque, New Mexico 87103



Dear Mr. Secretary:

Waiver Request to Transfer 100% Between Adult/Dislocated Workers

This letter is to fully support the waiver request proposed by the New Mexico Department of Labor to allow 100% transfer between adult and dislocated worker funding streams.

The Eastern Board views this waiver as an essential tool in allowing local boards the flexibility to have access to under-utilized dislocated worker funds in our area. While the Eastern Board has transferred the maximum 20% allowable under law to the adult funding stream, additional funds are needed to provide employment and training activities to a greater percentage of adults in our 12-county area who are in need of these services. The Eastern area is rural with approximately half of employers employing four or fewer individuals. Therefore, the possibility of mass layoffs in our rural area would not have the same impact on dislocated worker funding as other areas of the county.

The granting of this waiver to the State of New Mexico would allow our local board to most effectively use the limited funds available.

Sincerely,

Jimmie Shearer
Chairman

cc: Mr. Glenn Gamache-Santa Fe
Mr. Don Manning-Santa Fe
Eastern Plains Council of Governments

email: Lbarron@state.nm.us

Staff Contact: Lee Tillman ltillman@epcog.org

Ruby Witt rwitt@epcog.org

DAS - HM info

**Laser Corporation****Optics • Optical Coatings • Optical Instruments**

February 20, 2003

Mr. Conroy Chino, Secretary
 NM Department of Labor
 PO Box 1928
 Albuquerque, NM 87103-1928

Dear Secretary Chino:

As a member of the Workforce Connection of Central New Mexico (WCCNM), I would like to applaud you for your request for a waiver to eliminate the 20% limitation on transferring funds between Adult and Dislocated Worker programs. This is a proactive step we so badly need to ensure that funds available through the Workforce Investment Act (WIA) best meet the employment and workforce development needs of our state and our local area.

As you note in the waiver request, New Mexico is a predominantly rural state and a majority of our employers are small employers. We just don't have the need that more industrialized states would have for significant funding in the Dislocated Worker program. But we desperately need more Adult program funding than we have received. Our local area, even though it includes metropolitan Albuquerque, is not much different from the rest of New Mexico in that we don't have enough Adult program funding and yet our Dislocated Worker funding exceeds our need. We have restricted the use of training funds for Adults to people meeting low-income guidelines, however, we still don't have enough funding to meet the needs of the individuals in our communities.

With more flexibility to transfer funds, we can apply them according to the need. Right now, the needs of our constituents who face barriers to employment require far more funding than we have to apply. It is our desire to help the adult that needs to get into the workforce but does not have the skills, and I am sure it is the country's desire to do the same.

Thank you for taking this proactive step to help those of us at the local level to better meet the needs of the people in our communities.

With thanks,

Mary Rutland, SPHR
 Vice President of Human Resources

C: Mr. Joseph Juarez, US Department of Labor

Providing solutions for the development, maintenance and support of information systems



OAR - NM Info -
PJ

February 20, 2003

Mr. Conroy Chino, Secretary
NM Department of Labor
PO Box 1928
Albuquerque, NM. 87103-1928

Dear Secretary Chino:

As a member of the Workforce Connection of Central New Mexico (WCCNM) and small business owner, I would like to thank you for requesting a waiver to eliminate the 20% limitation on transferring funds between Adult and Dislocated Worker programs. The action of the New Mexico Department of Labor (NMDOL) in making this request is a proactive step taken to ensure that funds available through the Workforce Investment Act (WIA) really meet the employment and workforce development needs of our state and our local area.

As you note in the waiver request, New Mexico is a predominantly rural state and a majority of our employers are small employers. We just don't have the need that more industrialized states would have for significant funding in the Dislocated Worker program. But we do need more Adult program funding than we have received. Our local area, even though it includes metropolitan Albuquerque, is not that much different from the rest of New Mexico in that we don't have enough Adult program funding and yet our Dislocated Worker funding exceeds our need. Even though we've restricted the use of training funds for Adults to people meeting low-income guidelines, we still don't have enough funding to meet the needs in our communities.

With more flexibility to transfer funds, we can apply them according to the need. Right now, the needs of our constituents who face barriers to employment require more funding than we have to apply.

Thank you for taking this proactive step to help those of us at the local level better meet the needs of our constituents.

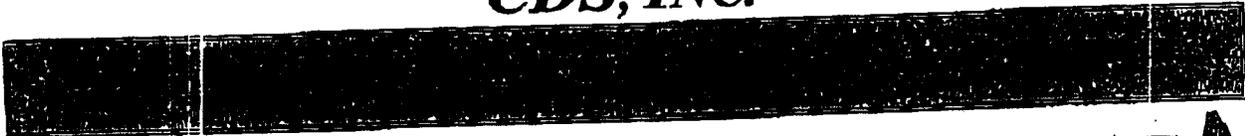
True Regards,

Samantha Lapin
President/CEO
POD, Inc.

Cc: Mr. Joseph Juarez, US Department of Labor

DAS - NM info - JJ

CDS, INC.



38 Cactus Road Edgewood, NM
MAIL TO: 343 Pinon Creek Trail SE
Albuquerque, NM 87123
Tel. (505) 286-6366 * Fax: (505) 286-4885

February 24, 2003

Mr. Conroy Chino, Secretary
NM Department of Labor
P.O. Box 1928
Albuquerque, NM 87103-1928

Dear Secretary Chino:

As a member of the Workforce Connection of Central New Mexico (WCCNM), I would like to thank you for requesting a waiver to eliminate the 20% limitation on transferring funds between Adult and Dislocated Worker programs. The action of the New Mexico Department of Labor (NMDOL) in making this request is a proactive step taken to ensure that funds available through the Workforce Investment Act (WIA) best meet the employment and workforce development needs of our state and our local area.

As you note in the waiver request, New Mexico is a predominantly rural state and a majority of our employers are small employers. We just don't have the need that more industrialized states would have for significant funding in the Dislocated Worker program. But we do need more Adult program funding than we have received. Our local area, even though it includes metropolitan Albuquerque, is not that much different from the rest of New Mexico in that we don't have enough Adult program funding and yet our Dislocated Worker funding exceeds our need. Even though we've restricted the use of training funds for Adults to people meeting low-income guidelines, we still don't have enough funding to meet the needs in our communities.

With more flexibility to transfer funds, we can apply them according to the need. Right now, the needs of our constituents who face barriers to employment require more funding than we have to apply.

Thank you for taking this proactive step to help those of us at the local level better meet the needs of our constituents.

Sincerely,

Raymond Lee Dennis

Board Member

Workforce Connection of Central NM

Cc: Mr. Joseph Juarez, US Department of Labor, 525 Griffin St, Dallas, TX. 75202
Ms. Celia Merrill, MRGBEC, fax 505-822-8355



GOODWILL INDUSTRIES
of New Mexico

oars - HM h/o -
D

February 21, 2003

Mr. Conroy Chino, Secretary
NM Department of Labor
PO Box 1928
Albuquerque, NM 87103-1928

Dear Secretary Chino:

As a member of the Workforce Connection of Central New Mexico (WCCNM), I would like to thank you for requesting a waiver to eliminate the 20% limitation on transferring funds between Adult and Dislocated Worker programs. The action of the New Mexico Department of Labor (NMDOL) in making this request is a proactive step taken to ensure that funds available through the Workforce Investment Act (WIA) best meet the employment and workforce development needs of our state and our local area.

As you note in the waiver request, New Mexico is a predominantly rural state and a majority of our employers are small employers. We just don't have the need that more industrialized states would have for significant funding in the Dislocated Worker program. But we do need more Adult program funding than we have received. Our local area, even though it includes metropolitan Albuquerque, is not that much different from the rest of New Mexico in that we don't have enough Adult program funding and yet our Dislocated Worker funding exceeds our need. Even though we've restricted the use of training funds for Adults to people meeting low-income guidelines, we still don't have enough funding to meet the needs in our communities.

With more flexibility to transfer funds, we can apply them according to the need. Right now, the needs of our constituents who face barriers to employment require more funding than we have to apply.

Thank you for making this proactive step to help those of us at the local level better meet the needs of our constituents.

Sincerely,

Leslie White

Leslie White, C.R.C.

Director - Employment & Training

C: Mr. Joseph Juarez, US Department of Labor