



JUN 27 2011

The Honorable Sean Parnell
Governor of Alaska
State Capitol
P.O. Box 110001
Juneau, Alaska 99811-0001

Dear Governor Parnell:

This letter provides approval of an extension of Alaska's current Workforce Investment Act (WIA) and Wagner-Peyser Act (W-P) State Plan for Program Year (PY) 2011. This letter also provides approval of extensions for Alaska's waivers. Training and Employment Guidance Letter (TEGL) No. 17-10, issued on December 30, 2010, provides guidance for states to secure approval of their WIA/W-P State Plans and waivers for PY 2011.

Extension of State Plan

Alaska's existing State Plan will expire on June 30, 2011. This letter constitutes a written determination under WIA Section 112 (29 USC 2822) that the Employment and Training Administration (ETA) is extending the approval of Alaska's State Plan for WIA Title I and the Wagner-Peyser Act for PY 2011, July 1, 2011 through June 30, 2012. The State has already received its formula allotment for the WIA Youth program for PY 2011. The State is eligible to receive WIA formula allotments for Adult and Dislocated Worker programs and W-P initial base program allotments under the PY 2011 annual funding agreement for WIA and the PY 2011/Fiscal Year 2012 annual funding agreement for W-P.

Performance Levels

Alaska requested to extend its existing PY 2010 WIA and W-P performance goals for PY 2011. ETA has incorporated these performance goals, identified as PY 2011 performance goals, into the Regional and National Office copies of the State Plan. Please include these PY 2011 goals in the State's official copy of the State Plan.

Waivers

As part of the State's extension of the WIA/W-P State Plan, and as described in TEGL No. 17-10, the State requested extensions of Alaska's PY 2010 waivers of statutory and regulatory requirements under WIA for PY 2011. The disposition of the State's waiver extensions is outlined below. This action is taken under the Secretary's authority at

WIA Section 189(i) to waive certain requirements of WIA Title I, Subtitles B and E, and Sections 8-10 of the Wagner-Peyser Act.

Extension of Waivers

Waiver of WIA Section 133(b)(4) to increase the allowable transfer amount between Adult and Dislocated Worker funding streams allocated to a local area.

The State was previously granted a waiver to permit an increase in the amount a state is allowed to transfer between the Adult and Dislocated Worker funding streams. The State is granted an extension of this waiver through June 30, 2012. Under the waiver, transfer authority is limited to 50 percent. This limitation provides states flexibility while ensuring consistency with Congressional intent regarding the level of funding appropriated for the WIA Adult and Dislocated Worker programs.

Waiver to permit the State to replace the performance measures at WIA Section 136(b) with the common measures.

The State was previously granted a waiver that allows the State to replace the 17 performance measures under WIA Section 136(b) with the common measures. The State is granted an extension of this waiver through June 30, 2012.

This waiver permits the State to negotiate and report WIA outcomes against the common performance measures only, rather than the performance measures described at WIA Section 136(b). The State will no longer negotiate and report to ETA on the following WIA measures: WIA adult and dislocated worker credential rates; participant and employer customer satisfaction; older youth measures; and younger youth measures. The State will use the three adult common performance measures to negotiate goals and report outcomes for the WIA Adult and WIA Dislocated Worker programs. The State will use the three youth common performance measures to negotiate goals and report outcomes for the WIA Youth program. Workforce Investment Act Standardized Record Data system (WIASRD) item 619, Type of Recognized Credential, should be completed for each individual as appropriate, regardless of this waiver to report on common performance measure outcomes only.

Waiver of the required 50 percent employer contribution for customized training at WIA Section 101(8)(C).

The State was previously granted a waiver of the required 50 percent employer contribution for customized training to permit the use of a sliding scale for the employer contribution based on the size of the business. The State is granted an extension of this waiver through June 30, 2012. Under the waiver, the following sliding scale is permitted: 1) no less than 10 percent match for employers with 50 or fewer

employees, and 2) no less than 25 percent match for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent contribution) continue to apply. When determining the funding source for customized training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The State and local area may provide customized training to individuals over age 18 with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local area may provide customized training to dislocated workers with WIA Dislocated Worker funds. Customized training provided with statewide funds must serve WIA eligible individuals.

Waiver of the provision at 20 CFR 663.530 that prescribes a time limit on the period of initial eligibility for training providers.

The State was previously granted a waiver of the time limit on the period of initial eligibility of training providers provided at 20 CFR 663.530. The State is granted an extension of this waiver through June 30, 2012. Under the waiver, the State is allowed to postpone the determination of subsequent eligibility of training providers. The waiver also allows the State to provide an opportunity for training providers to re-enroll and be considered enrolled as initially eligible providers.

Waiver of WIA Section 101(31)(B) to increase the employer reimbursement for on-the-job training.

The State was previously granted a waiver to permit an increase in employer reimbursement for on-the-job training through a sliding scale based on the size of the business. The State is granted an extension of this waiver through June 30, 2012. Under the waiver, the following reimbursement amounts will be permitted: 1) up to 90 percent for employers with 50 or fewer employees, and 2) up to 75 percent for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent reimbursement) will continue to apply. When determining the funding source for on-the-job training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The State and local area may provide on-the-job training to individuals over age 18 with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local area may provide on-the-job training to dislocated workers with WIA Dislocated Worker funds. On-the-job training provided with statewide funds must serve WIA eligible individuals.

Waiver to permit WIA participants who enter seasonal employment occupations to be counted in an alternative format for performance measures at WIA Section 136(b)(2)(A)(i)(II) and 20 CFR 666.140.

The State continues to need flexibility to address the seasonal nature of much of the State's workforce. We are granting an extension of the waiver through June 30, 2012. Under this waiver, the State is not required to apply the core retention performance measure to such WIA participants that enter seasonal employment occupations. Instead, the State may apply the alternative retention performance measure to Adult, Dislocated Workers, and Older Youth exited into seasonal employment, but only in borough/census areas where seasonal unemployment averages greater than 8 percent from November through March and would equal the same 6-month retention rate percentages already negotiated for each of these three programs. This waiver allows the state to use the following alternative retention performance measure:

Of those seasonal workers employed in first quarter after exit:

Number of employed in a seasonal job who are employed in second quarter after exit
Number of employed in a seasonal job who exit during the quarter

Application of WIA regulations at 20 CFR 661.300(f) to allow the State Board to carry out the roles of a Local Board.

The State was previously granted a waiver to permit the state to apply 20 CFR 661.300(f) to the statewide regional planning area described in its State Plan. This provision allows states that operate as a single local workforce investment area to use the state workforce investment board to carry out the requirements of the local workforce investment board. The State is seeking to continue to use its State Board to carry out the roles and responsibilities of the Local Boards in the designated region encompassing the state.

We are granting the waiver through June 30, 2012. Under the waiver, the Governor may designate the State Board to carry out the roles and responsibilities of the Local Boards in the designated region encompassing the state, in the same manner as permitted in single service delivery area states.

Waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts for older and out-of-school youth.

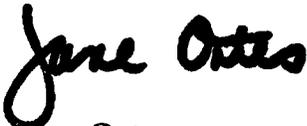
The State was previously granted a waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts (ITAs) for older youth and out-of-school youth program participants. The State is granted an extension of this waiver through June 30, 2012. Under this waiver, the State can use ITAs for older youth and out-of-school youth

program participants. The State must continue to make the 10 youth program elements available as described at WIA Section 129(c)(2). The State should ensure that funds used for ITAs are tracked and that the ITAs are reflected in the individual service strategies for these youth.

The approved waivers are incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and this constitutes a modification of the State Plan. A copy of this letter should be filed with the State's WIA Grant Agreement and the approved State Plan. In addition, as described in TEGL No. 09-10, page 3, the State should address the impact these waivers have had on the State's performance in the WIA annual performance report, due on October 1 of each year.

We look forward to working together as you implement your State Plan for PY 2011. If you have any questions related to the issues discussed above, please contact Ingrid Nyberg, the Federal Project Officer for Alaska at 415-625-7947 or Nyberg.Ingrid@dol.gov.

Sincerely,

A handwritten signature in black ink that reads "Jane Oates". The signature is written in a cursive style with a large, looping initial "J".

Jane Oates
Assistant Secretary

Enclosure

cc: Richard Trigg, Regional Administrator, ETA San Francisco Regional Office
Ingrid Nyberg, Federal Project Officer for Alaska

STATE OF ALASKA

Department of Labor and Workforce Development

OFFICE OF THE COMMISSIONER

SEAN PARNELL, GOVERNOR

P.O. BOX 111149
JUNEAU, ALASKA 99811-1149

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April 15, 2011

Ms. Kimberly Vitelli
Division of Workforce System Support
Employment and Training Administration
U.S. Department of Labor
Frances Perkins Building
200 Constitution Avenue, NW, Room S-4231
Washington, DC 20210

Dear Ms. Vitelli,

Alaska's Strategic State Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act, and all approved waivers, will expire on June 30, 2011.

In accordance with the December 30, 2010 TEGL 17-10, this letter both officially requests and notices USDOL, ETA regarding Alaska's State Plan, and approved waivers for Program Year 2011.

First, Alaska is requesting USDOL, ETA extend the State's WIA/W-P Plan, negotiated performance goals, and all but one of its existing waivers (the exception being the time-limited waiver related to the American Recovery and Reinvestment Act of 2009), for Program Year 2011.

Second, Alaska is notifying USDOL, ETA that due to the election of a new governor and substantial realignment of workforce development priorities and policies, Alaska will submit a modified State Plan (to be approved on May 24, 2011 by the Alaska Workforce Investment Board), to USDOL by the negotiated deadline of May 31, 2011.

Please contact Division of Business Partnerships Director Corine Geldhof at (907) 465-5937, or via e-mail, corine.geldhof@alaska.gov, should you have any questions regarding this request.

Sincerely,



Clark Bishop
Commissioner

cc: Richard Trigg, Region VI Administrator, USDOL
Ralph Zackheim, Region VI Federal Project Officer, USDOL
Corine Geldhof, Director, Division of Business Partnerships
Paul Dick, Director, Employment Security Division
Greg Cashen, Director, Alaska Workforce Investment Board