



NOV 9 - 2009

The Honorable Sean Parnell
Governor of Alaska
State Capitol
Juneau, Alaska 99811-0001

Dear Governor Parnell:

As part of Alaska's modification to the State Plan for Title I of the Workforce Investment Act (WIA) and the Wagner-Peyser Act, the State submitted waiver plans to request that the State's waivers of statutory and regulatory requirements under WIA be approved for the remainder of Program Year (PY) 2009 (copy enclosed). These requests are 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). The following is the disposition of the State's submission. 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.

In a letter dated May 27, 2009, ETA granted Alaska approval of the following waivers through June 30, 2010:

- Waiver of WIA Section 101(31)(B) to increase the employer reimbursement for on-the-job training.
- Requested Waiver: Waiver of the required 50 percent employer contribution for customized training at WIA Section 101(8)(C).

In a letter dated June 29, 2009, ETA granted Alaska approval of the following waiver through June 30, 2010:

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

The approval for these waivers remains in effect. The letter dated June 29, 2009 granted temporary extensions of the remainder of Alaska's waiver requests. The previous approval of the extensions is hereby terminated and replaced by decisions set forth in this letter. Unless otherwise indicated, all waiver approvals that follow apply to both WIA formula funds and funds made available under the American Recovery and Reinvestment Act of 2009.

Requested Waivers

Requested Waiver: Waiver of WIA Section 134(a) to permit local areas to use a portion of local funds for incumbent worker training.

The State has withdrawn this waiver request.

Requested Waiver: 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 is requesting 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 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, 2010. 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.

Requested Waiver: Waiver of WIA Section 136(c) and 136(d) to allow a state to eliminate local area performance measures and report one set of measures for the state.

The State is requesting an extension of its waiver that allowed the State, in its annual report submission to the Secretary as required by WIA Section 136(d), to report statewide data without providing data for each local area. This waiver was originally approved to streamline data collection. ETA has reconsidered the use of this waiver and believes that capturing local performance information is an important tool in monitoring the success of the State's efforts to operate as a single statewide planning area. Therefore, ETA is not extending this waiver. The approval for this waiver expires on the date of this letter.

Requested Waiver: 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 cites continued need for flexibility to address the seasonal nature of much of the State's workforce. We are granting approval of the waiver through June 30, 2010. Under this waiver, the State is not required to apply the core retention performance measure to 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:

of employed in a seasonal job who are employed in first quarter after exit

of employed in a seasonal job who exit during the quarter

Requested Waiver: 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 is requesting 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 this waiver through June 30, 2010. 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. As stated in ETA Training and Employment Guidance Letter (TEGL) No. 14-08, Section 19, issued on March 18, 2009, this waiver does not apply to funds made available through the American Recovery and Reinvestment Act of 2009. However, the State is permitted to transfer up to 30 percent of ARRA funds between programs under WIA and under the Department of Labor Appropriations Act of 2009. This authority is discussed in TEGL No. 14-08, change 1.

Requested Waiver: 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 is requesting 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 this waiver through June 30, 2010. 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.

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 required by TEGL No. 14-00, Change 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 continuing our partnership with you and achieving better workforce outcomes. If you have any questions related to the issues discussed above, please contact Richard Trigg, the Regional Administrator for Region VI, at (415) 625-7900 or Trigg.Richard@dol.gov.

Sincerely,



Jane Oates
Assistant Secretary

Enclosure

cc: Carol Padovan, Federal Project Officer for Alaska, ETA San Francisco Regional Office

**STATE OF ALASKA
WORKFORCE INVESTMENT ACT (WIA)
WAIVER REQUEST**

**Employer Contributions for Customized Training and
On-the-Job-Training (OJT)**

The Alaska Workforce Investment Board (AWIB) and the Alaska Department of Labor and Workforce Development (DOLWD), as the administrative entity of the WIA in Alaska, submit this request for a general waiver to change the required 50 percent employer contribution for customized training or On-the-Job Training (OJT) at WIA 101(8)(C)&(31)(B) to a contribution based on a sliding scale, ranging from 10 to 50 percent for the employer contribution based on the employer's size. Specifically, State of Alaska DOLWD shall establish the required portion of the costs, which shall not be less than 10 percent of the costs for employers with 25 or fewer employees, 20 percent of the costs for employers with greater than 25 through 50 employees, 30 percent of the costs for employers with greater than 50 through 75 employees, 40 percent of the costs for employers with greater than 75 through 100 employees, and 50 percent of the costs for employers with more than 100 employees. This waiver will apply to Program Year 2008 and subsequent years.

This waiver request is being written in the format identified in WIA Section 189(i)(4) and 20 CFR 661.420 and meets the standard for waiver approval at 20 CFR 661.420(e).

A. Statutory or Regulatory Requirements to be Waived

The State of Alaska is requesting a waiver of the requirement of the 50 percent employer contribution for customized or OJT training, as identified at WIA Section 101(8)(C)&(31)(B).

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

Approval of this waiver will balance Alaska's desire to achieve our WIA strategic planning objectives with the need to demonstrate compliance with the statutory and regulatory requirements for each of the individual programs in our unified plan. The State of Alaska DOLWD is committed to ensuring all possible employment opportunities for Alaskans.

Customized and OJT training optimizes the resources available under workforce development initiatives to meet the needs of employers, as well as job seekers. Customized and OJT training focuses on employers' and job seekers' needs while minimizing programmatic and bureaucratic barriers. However, the current 50 percent

employer contribution requirement limits the ability to market Customized and OJT training programs to employers, especially those from small business. Employers too often conclude that the 50 percent contribution requirement creates costs that outweigh the benefits of participating in a WIA Customized or OJT training program.

The proposed sliding scale for the employer contribution will create the necessary flexibility for employers to provide the required contribution at a rate that more appropriately represents a particular business' or industry's cost benefit ratio of contributing to an amount to attain skilled employees. By removing the requirement of a 50 percent employer contribution towards the cost of training to businesses with 100 or less employees, State of Alaska DOLWD will be able to more effectively market WIA-funded Customized or OJT training to the private sector in support of building relations with employers in high demand, high growth industries.

Allowing businesses to apply the sliding scale to determine the contribution amount will increase participation in the WIA Customized and OJT training programs at the local level. Employers will benefit by having a labor pool with the marketable skills they require. The specific goals to be achieved by the waiver are to:

- (1) Improve the ability of State of Alaska DOLWD to respond to changes in employer and industry needs;
- (2) Increase control for program delivery;
- (3) Increase employer/Board collaboration to address industry needs and worker training;
- (4) Increase accountability of service providers;
- (5) Provide greater flexibility in designing and implementing WIA programs.

C. State or Local Statutory or Regulatory Barriers

There are no State local statutory or regulatory barriers to implementing the proposed waiver.

D. Description of Individuals Impacted by the Wavier

The waiver will positively affect the state's WIA customers, employers, and job seekers. The State's smaller employers will benefit from the waiver due to the reduced contribution requirement. The training provided to individuals will make them more valuable to current and future employers. As more employers are able to access Customized and OJT training it will impact the provision of training services to more

Adults and Dislocated Workers eligible for services under WIA. In particular, WIA eligible individuals with multiple barriers to employment, low basic skills, and low English language proficiency often benefit the most from Customized and OJT training opportunities that can be specifically designed to meet unique business and worker needs.

OJT training requires that an employer or group of employers commit to employ individuals upon successful completion, so employment rate performance for the state will experience a positive impact. This waiver plan increases the role of State of Alaska DOLWD, local Alaska Job Centers and businesses in the workforce development system and increases our flexibility to respond to the business community, in keeping with the goals of the WIA.

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

This request was developed as a result of concerns expressed by the Governor, the AWIB, State of Alaska DOLWD and demand from business partners. As with all other major policy and procedural decisions made by the State, we relied heavily upon input from partners and the public. The problems with mandating at least a 50 percent employer contribution for Customized and OJT training were discussed with all stakeholders to gain input on those problems and on the benefits of being granted this waiver.

The initial elements of the waiver plan were presented to the AWIB at its Executive Board meeting July 8, 2008. Minutes from the meeting demonstrate that the board reviewed the waiver plan and provided input and guidance on the application of the waiver to the State.

The waiver document was posted for 30 days from July 14 through August 13, 2008, on the public web site maintained by the State, allowing for public comment on its content and potential impact. All public comments received were considered and, if applicable, were incorporated into the final waiver plan. The final waiver plan was then circulated to sub-state governance bodies for further comment

Technical assistance during the implementation phase of the waiver may cover areas such as procurement, contracting and program design. The State of Alaska DOLWD, as the administrative entity of the WIA in Alaska, will monitor the implementation and results of this waiver. The State's current policy directive and monitoring policy/procedures will be modified to include this waiver.

**STATE OF ALASKA
WORKFORCE INVESTMENT ACT (WIA)
WAIVER REQUEST**

Implementation of Subsequent Eligibility of Training Providers

The State of Alaska Department of Labor and Workforce Development (DOLWD), the administrative entity for the Workforce Investment Act, requests a waiver to extend the one-year period of eligibility for Training Providers to a period consistent with that stipulated in the State Plan. The waiver will allow Alaska additional time to identify the broadest range of eligible providers, enabling individuals to make informed choices relating to their training goals. This extension will also ensure training providers have adequate time to fulfill their responsibility to submit performance and cost information on each program of training services so as to determine subsequent eligibility. This waiver request is written in accordance with the format identified in WIA Section 189(i)(4) and WIA Regulations at Section 661.420(c). This waiver will apply to Program Year 2008 and subsequent years.

A. Statutory or Regulatory Requirements to be Waived

WIA Section 122(c) (5) and WIA Regulations at Section 663.530 require a one-year time limit for initial eligibility for training providers followed by the implementation of the subsequent eligibility process.

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

The State's approved training provider system identifies training providers and their respective training programs authorized. Alaska community colleges, universities, private for-profit, and non-profit training agencies are listed on the WIA Eligible Training Provider List (ETPL) located at: <http://labor.state.ak.us/bp/etp.htm>.

This waiver will allow more time for Alaska Workforce Development staff to enhance and maintain a comprehensive system that supports customer choice and satisfaction. It will also enable the department to provide technical assistance so that training providers will better understand the nuances of the Eligible Training Provider List, the associated processes and repercussions of not satisfying requirements. Furthermore, there will be more time available for training and technical assistance to administrative staff and Workforce Investment Boards to increase their knowledge about the Eligible Training Provider system. The ultimate goals of this waiver are to:

- Increase WIA Performance information available on training providers initially eligible and on those existing Providers on the State Eligible Training Provider List (ETPL).
- Identify the broadest range of eligible providers to enable individuals to make informed choices relating to their training goals, while also limiting the amount of travel required to receive training.
- Maintain a comprehensive system administering the eligible provider process to ensure there are significant numbers of competent providers, offering a wide variety of training programs and occupational choices to maximize customer selection and satisfaction.
- Allow time to offer technical assistance to training providers on issues and requirements relative to maintaining subsequent eligibility status.
- Work with Regional Advisory Councils to assist in identifying training providers and getting them authorized as quickly as possible.

C. State or Local Statutory or Regulatory Barriers

There are no State or local statutory or regulatory barrier to implementing the proposed waiver.

D. Description of Individuals Impacted by the Wavier

All of our customers, including training providers, Alaska Workforce Development staff, and the AWIB will be positively affected by this waiver.

- Eligible providers will have adequate time to submit performance and cost information on each of their training programs for determining subsequent eligibility.
- Users will have the broadest range of eligible providers to choose from in selecting the training provider offering programs relating to their training goals.
- All customers will have access to ETPL policies and procedures that specifically set forth requirements and processes affecting them.

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

The initial elements of the waiver plan were presented to the AWIB at its Executive

Board meeting July 8, 2008. Minutes from the meeting demonstrate that the board reviewed the waiver plan and provided input and guidance on the application of the waiver to the state.

The waiver document was posted for 30 days from July 14 through August 13, 2008, on the public web site maintained by the State, allowing for public comment on its content and potential impact. All public comments received were considered and, if applicable, were incorporated into the final waiver plan. The final waiver plan was then circulated to sub-state governance bodies and the legislature for further comment. The plan was then finalized and briefed to the governor's designee before the State of Alaska. DOLWD submitted it through Region VI, Employment and Training Administration, U. S. Department of Labor (USDOL) to the USDOL for approval.

The department will continuously monitor and update processes and procedures to ensure the highest quality of training providers and eligible programs for WIA funded training. The Division of Business Partnerships will work closely with the department's Research and Analysis unit as well as the providers to ensure the integrity of the ETPL and the quality of the training programs offered. Using projections for economic fluctuations, workforce demands, future occupation requirements and projected salary/wage information in demand occupations, the department will be better able to identify quality programs across the state and not just within the three major hub cities of Anchorage, Fairbanks and Juneau.

Although not a requirement, the department will also highly recommend participants in other training programs consult the ETPL to identify potential providers for training in their respective career occupations.

**STATE OF ALASKA
WORKFORCE INVESTMENT ACT (WIA)
WAIVER REQUEST**

Incumbent Worker Training

The Alaska Workforce Investment Board (AWIB) and the Alaska Department of Labor and Workforce Development (DOLWD), as the administrative entity of the Workforce Investment Act (WIA) in Alaska, submit this request for a general waiver of the restrictions on the use of WIA formula funds for Incumbent Worker Training. This waiver would allow the State of Alaska DOLWD, at its discretion, to use up to 50 percent of formula funds for adults and dislocated workers [WIA Section 133(b)] and youth [WIA Section 128(b)] to provide statewide employment and training activities identified at WIA Section 134 and 20 CFR 667.130 (b), specifically to carry out Incumbent Worker Training. This waiver will apply to Program Year 2008 and subsequent years.

This waiver request is being written in the format identified in WIA Section 189(i)(4) and 20 CFR 661.420 and meets the standard for waiver approval at 20 CFR 61.420(e).

A. Statutory or Regulatory Requirements to be Waived

The State of Alaska requests a waiver from the provisions of WIA Sections 129 (Use of Funds for Youth Activities) and 134 (Use of Funds for Employment and Training Activities), as well as a waiver from the provisions of WIA regulation at 20 CFR 663.145 regarding the use of WIA Title I Adult and Dislocated Workers formula funds.

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

The WIA provides increased flexibility to states and local areas in implementing reforms to the workforce development system in exchange for state and local accountability for results, including improved programmatic outcomes. Approval of this waiver will balance Alaska's desire to achieve our WIA strategic planning objectives with the need to demonstrate compliance with the statutory and regulatory requirements for each of the individual programs in our unified plan. The AWIB recognizes the accomplishments it has made since implementation of WIA, but it also understands the need for continuous improvement and the many challenges it still faces. The State of Alaska DOLWD is committed to ensuring all possible employment opportunities for Alaskans.

While the state currently funds Incumbent Worker Training programs from statewide funds, such activities remain a popular choice for the employer community, with the

current need outpacing the amount of state funding available for such use. The proposed use of up to 50 percent of formula allocated funds will provide State of Alaska DOLWD greater flexibility for responding to changes in labor markets and will help ensure that the WIA funds allocated to the state are being utilized in a way that will maximize customer service and other demand-driven needs of the business community. This waiver will benefit employers, incumbent workers and State of Alaska DOLWD in meeting regional economic development needs. It also aligns with the Governor's economic development goals of retaining and assisting existing employers or new employers that have specialized training needs in order to remain competitive.

By allowing this use of funds, State of Alaska DOLWD will be able to more effectively market WIA-funded Incumbent Worker Training to the private sector in support of building relations with employers in demand-growth industries. The anticipated goals are the improved flexibility in designing and implementing WIA programs and improved ability to respond quickly to the needs of employers and incumbent workers. The specific goals to be achieved by the waiver are to:

- (1) Allowing State of Alaska DOLWD flexibility to offer incumbent worker services and increasing flexibility to engage and work with business improving skills of the employer's workforce;
- (2) Increase the number of registered apprentices;
- (3) Assisting employers in averting layoffs;
- (4) Improving employer satisfaction;
- (5) Raising skill level of workers so that it leads to promotion of the workforce, providing a career progression that opens entry level positions to others;
- (6) Increasing retention in employment;
- (7) Increasing individuals' wages.

C. State or Local Statutory or Regulatory Barriers

There are no State local statutory or regulatory barriers to implementing the proposed waiver.

D. Description of Individuals Impacted by the Wavier

The waiver will immediately and most directly benefit employers and incumbent workers and allow State of Alaska DOLWD to meet economic and talent development needs. This waiver plan will positively affect business by reducing the risk of layoff or closure because workers have not kept current with new skills and technologies. It also has the potential, as businesses expand due to the enhanced skills of their current workers, to stimulate new, lower-skill positions and to create openings in positions vacated by incumbent workers who receive skills upgrade training. The training provided to workers will make them more valuable to current

and future employers. This waiver plan increases the role of State of Alaska DOLWD, local Alaska Job Centers, and businesses in the workforce development system.

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

This request was developed as a result of concerns expressed by the Governor, the AWIB, State of Alaska DOLWD and demand from business partners. As with all other major policy and procedural decisions made by the State, we relied heavily upon input from partners and the public. The problems with limiting Incumbent Worker Training programs to the Governor's discretionary funds were discussed with all stakeholders to gain input on those problems and on the benefits of being granted this waiver.

The initial elements of the waiver plan were presented to the AWIB at its Executive Board meeting July 8, 2008. Minutes from the meeting demonstrate that the board reviewed the waiver plan and provided input and guidance on the application of the waiver to the state.

The waiver document was posted for 30 days from July 14 through August 13, 2008, on the public web site maintained by the State, allowing for public comment on its content and potential impact. All public comments received were considered and, if applicable, were incorporated into the final waiver plan. The final waiver plan was then circulated to sub-state governance bodies for further comment.

Technical assistance during the implementation phase of the waiver may cover areas such as procurement, contracting and program design. The State of Alaska DOLWD, as the administrative entity of the WIA in Alaska, will monitor the implementation and results of this waiver. The State's current policy directive and monitoring policy/procedures will be modified to include this waiver.

**STATE OF ALASKA
WORKFORCE INVESTMENT ACT (WIA)
WAIVER REQUEST**

Performance Accountability System

The Alaska Workforce Investment Board (AWIB) and the Alaska, Department of Labor and Workforce Development (DOLWD), as the administrative entity of the WIA in Alaska, submit this request for an extension of its approved general waiver to exclude seasonal workers in locations where unemployment is greater than 7% at the beginning of a calendar year from the core performance measure retention in unsubsidized employment 6 months after entry into the employment. This waiver will apply to Program Year 2009 and subsequent years.

This waiver request is being written in the format identified in WIA section 136(b)(2)(A)(i)(II) and 20 CFR 666.140 and meets the standard for waiver approval at 20 CFR 661.420(e).

A. Statutory or Regulatory Requirements to be Waived

The State of Alaska is requesting a waiver to WIA Section 136, to permit the state to exclude locations where unemployment is greater than 7% for retention in unsubsidized employment 6 months after entry into employment and substitutes its own measure of 3 months due to the seasonal nature of the workforce.

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

The State of Alaska DOLWD is committed to ensuring all possible employment opportunities for Alaskans. To address the challenge of serving seasonal workers, Alaska applied for and was granted a waiver of the WIA performance measure pertaining to retention in unsubsidized employment six months after entry into employment. A three-month retention performance measure, for seasonal workers in locations where unemployment is greater than seven percent at the beginning of a calendar year, was approved. Application of this waiver during PY 2007 favorably increased both the state's overall WIA Adult and Dislocated Worker programs Employment Retention Rates by 6.6 and 4.4 percentage points respectively.

Approval of this waiver will allow Workforce investment funds, including those of the Recovery Act, to be spent quickly and well, predominantly for the direct delivery of services to priority populations most heavily impacted by the recession, including unemployed, underemployed, formerly incarcerated, older workers who often have particular challenges in regaining employment, and those impacted by national

energy and environmental policy and in need of updated training related to the energy efficiency and renewable energy industries, for careers in high growth and emerging "green" related industries, such as energy-efficient and advance drive train vehicles; biofuels; energy-efficient building, construction and retrofits; renewable energy, and environmentally sustainable processes and materials manufacturing. Job training and employment services will be relevant to local and regional employers, enabling workers and employers to rebuild their economies and thus, increase jobs.

The goals to be achieved by the waiver are to:

- (1) Serve more eligible individuals, expend more Adult and Dislocated Worker funds and avoid the negative impacts of seasonal performance outcomes;
- (2) Increase the number of Alaskan's participating in WIA intensive and training services each program year and increase the supply of trained credentialed workers for seasonal jobs;
- (3) Better serve rural employers that offer seasonal jobs;
- (4) Promote a healthy Alaskan economy and strong communities by increasing employment opportunities and private sector activities that develop, strengthen, stimulate and diversify Alaska's economic base;
- (5) Reduce seasonal unemployment and welfare dependence by economic region in Alaska;
- (6) Gain income for Alaskans as compared to non-resident workers. Improve customer service and reach new client groups relative to seasonal work and;
- (7) Improve use of State and Federal resources, leading to greater effectiveness and efficiency.

C. State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver. Alaska Workforce Investment Board and AK DOLWD policies are in compliance with current Federal guidelines.

D. Description of Individuals Impacted by the Wavier

Rural Alaska has periods of very high unemployment due to the seasonal nature of work. Unemployment rates in many areas exceed 10% this year and were as high as 24.4% as of February 28, 2009. We wish to train rural Alaskans for jobs including

seasonal jobs, but because of the six month retention performance measurement staff may be reluctant to provide services to clients seeking seasonal employment. Additionally, we want to better serve our rural employers who offer seasonal jobs. Approval of this waiver will balance Alaska's desire to achieve our WIA strategic planning objectives with the need to demonstrate compliance with the statutory and regulatory requirements for each of the individual programs in our unified plan. The state will be able to serve more seasonal workers, addressing the occupational needs of the fishing, tourism, construction and resource management industries without significant negative impact on performance.

The alternative Retention Performance Measure would apply to Adult, Dislocated Workers, and Older Youth exited into seasonal employment in locations where unemployment exceeds 7% at the beginning of a calendar year and would equal the same 6-month retention rate percentages already negotiated for each of these three programs:

Of those seasonal workers employed in 1st Qtr. after exit:

of employed in a seasonal job who are employed in 2nd Qtr. after exit

of employed in a seasonal job who exit during the quarter

Operational Parameters:

- This measure includes only those applicable program participants residing in locations where unemployment exceeds 7% at the beginning of a calendar year employed the first quarter following exit (regardless of their employment status at registration).
- As in WIA, individuals who are not found to be employed in the first quarter after exit are excluded from this measure (programs would not be held accountable for these individuals under this measure).
- Employment in the first and second quarters following exit does not have to be with the same employer.

Rationale: While the proposed alternative measure does not necessarily indicate continuous employment for three months, it does meet the intent of the waiver by showing that the person is employed three months following exit into seasonal employment.

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

This request was developed as a result of concerns expressed by the Governor, AWIB,

State of Alaska DOLWD and demand from partners. The original waiver plan was submitted to ETA in August 2003 (PY 2003) and approved. As with all other major policy and procedural decisions made by the State, we relied heavily upon input from partners and the public.

This waiver extension request was presented to the AWIB at its full board meeting May 29, 2009. Minutes from the meeting demonstrate that the board reviewed the waiver plan and provided input and guidance on the application of the waiver to the state.

The waiver document was posted for 10 days from June 1 through June 10, 2009, on the public web site maintained by the State, allowing for public comment on its content and potential impact. All public comments received were considered and, if applicable, were incorporated into the final waiver plan. The final waiver plan was then circulated to sub-state governance bodies. The plan was then finalized and briefed to the governor before the State of Alaska DOLWD submitted it through Region VI, ETA, DOL for approval.

The State of Alaska DOLWD, as the administrative entity of the WIA in Alaska, will monitor the implementation and results of this waiver.

**STATE OF ALASKA
WORKFORCE INVESTMENT ACT (WIA)
WAIVER REQUEST**

Local Area Performance Reporting

The Alaska Workforce Investment Board (AWIB) and the Alaska, Department of Labor and Workforce Development (DOLWD), as the administrative entity of the WIA in Alaska, submit this request for an extension of its approved general waiver relating to local area performance in WIA sec. 136 (c). This waiver will apply to Program Year 2009 and subsequent years.

This waiver request is being written in the format identified in WIA section 136(b)(2)(A)(i)(II) and 20 CFR 666.140 and meets the standard for waiver approval at 20 CFR 661.420(e).

A. Statutory or Regulatory Requirements to be Waived

The State of Alaska is requesting a waiver to WIA Section 136 (c), to permit the state while functioning as a statewide region to report statewide data and meet applicable state performance requirements without providing data for each local area.

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

Waiver of WIA sec. 136 (c) streamlines the reporting process while promoting flexibility and efficiency. Furthermore, this waiver enables and ensures that the AWIB can effectively monitor progress throughout the state, while facilitating prompt and corrective action when deemed appropriate.

If Alaska were to revert back to two local areas, Anchorage / Matanuska-Susitna and balance of state, undue hardship would occur. Our workforce delivery system has transformed into a more productive and accurate reporting system because we function as one statewide area. Consequently, the balance of state would not be able to compete with the other local area with respect to overall performance and outcomes because the majority of the participants in Alaska reside in the Anchorage / Mat-Susitna region

C. State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver. Alaska Workforce Investment Board and AK DOLWD policies are in compliance with current Federal guidelines.

D. Description of Individuals Impacted by the Waiver

All WIA adults, dislocated workers and youth that meet the eligibility criteria are impacted by this waiver. WIA participants have seen increased benefit in the streamlining of services and the consistent application of the workforce system throughout the state. Eligible participants need not look to other local areas that might possess more resources as the state functions and reports as a single statewide planning area.

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

This request was developed as a result of concerns expressed by the Governor, AWIB, State of Alaska DOLWD and demand from partners. The original waiver plan was submitted to ETA in August 2003 (PY 2003) and approved. As with all other major policy and procedural decisions made by the State, we relied heavily upon input from partners and the public.

This waiver extension request was presented to the AWIB at its full board meeting May 29, 2009. Minutes from the meeting demonstrate that the board reviewed the waiver plan and provided input and guidance on the application of the waiver to the state.

The waiver document was posted for 10 days from June 1 through June 15, 2009, on the public web site maintained by the State, allowing for public comment on its content and potential impact. All public comments received were considered and, if applicable, were incorporated into the final waiver plan. The final waiver plan was then circulated to sub-state governance bodies and the legislature for further comment. The plan was then finalized and briefed to the governor before the State of Alaska DOLWD submitted it through Region VI, ETA, DOL to the USDOL for approval.

The State of Alaska DOLWD, as the administrative entity of the WIA in Alaska, will monitor the implementation and results of this waiver.

**STATE OF ALASKA
WORKFORCE INVESTMENT ACT (WIA)
WAIVER REQUEST**

Single Local Area State

The Alaska Workforce Investment Board (AWIB) and the Alaska, Department of Labor and Workforce Development (DOLWD), as the administrative entity of the WIA in Alaska, submit this request for an extension of its approved general waiver relating to single area state designation in 20 CFR 661.300(f). This waiver will apply to Program Year 2009 and subsequent years.

This waiver request is being written in the format identified in WIA section 136(b)(2)(A)(i)(II) and 20 CFR 666.140 and meets the standard for waiver approval at 20 CFR 661.420(e).

A. Statutory or Regulatory Requirements to be Waived

The State of Alaska is requesting a waiver to 20 CFR 661.300(f), which permits the state to function as a single statewide area state.

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

Waiver of 20 CFR 661.300(f) allows the Governor to establish a governance structure that is responsive to the unique economic requirements of Alaska. The waiver allows the state to streamline administration of services, increase efficiency and avoid duplication of effort across the workforce system.

If Alaska were to revert back to two local areas, Anchorage / Matanuska-Susitna and balance of state, undue hardship would occur. Our workforce delivery system has transformed into a productive and consistent service delivery system. Re-establishment in multiple local areas would require the development and funding of two or more administrative entities, inconsistency in service delivery strategies and confusion for employers and job seekers that rely on the state's workforce investment system. Consequently, the balance of state would not be able to compete with the other local area with respect to overall performance and outcomes because the majority of the participants in Alaska reside in the Anchorage / Mat-Susitna region

C. State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver. Alaska Workforce Investment Board and AK DOLWD policies are in

compliance with current Federal guidelines.

D. Description of Individuals Impacted by the Waiver

All WIA adults, dislocated workers and youth that meet the eligibility criteria are impacted by this waiver. WIA participants have seen increased benefit in the streamlining of services and the consistent application of the workforce system throughout the state. Eligible participants need not look to other local areas that might possess more resources as the state functions and reports as a single statewide planning area.

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

This request was developed as a result of concerns expressed by the Governor, AWIB, State of Alaska DOLWD and demand from partners. The original waiver plan was submitted to ETA in August 2003 (PY 2003) and approved. As with all other major policy and procedural decisions made by the State, we relied heavily upon input from partners and the public.

This waiver extension request was presented to the AWIB at its full board meeting May 29, 2009. Minutes from the meeting demonstrate that the board reviewed the waiver plan and provided input and guidance on the application of the waiver to the state.

The waiver document was posted for 10 days from June 1 through June 15, 2009, on the public web site maintained by the State, allowing for public comment on its content and potential impact. All public comments received were considered and, if applicable, were incorporated into the final waiver plan. The final waiver plan was then circulated to sub-state governance bodies. The plan was then finalized and briefed to the governor's designee for workforce development before the State of Alaska DOLWD submitted it through Region VI, ETA, DOL for approval.

The State of Alaska DOLWD, as the administrative entity of the WIA in Alaska, will monitor the implementation and results of this waiver.

**STATE OF ALASKA
WORKFORCE INVESTMENT ACT (WIA)
WAIVER REQUEST**

Transfer of WIA Funds between Adult and Dislocated Worker Programs

The Alaska Workforce Investment Board (AWIB) and the Alaska, Department of Labor and Workforce Development (DOLWD), as the administrative entity of the WIA in Alaska, submit this request for an extension of its approved general waiver to remove the restriction limiting transfer of funds between the Adult and Dislocated Worker programs to no more than 30% of a program year's allocation. This waiver would provide the ability to transfer up to 100% of a program year's allocation between these two programs. This waiver will apply to Program Year 2009 and subsequent years.

This waiver request is being written in the format identified in WIA Section WIA Section 133(b)(4) and 20 CFR 661.420 and meets the standard for waiver approval at 20 CFR 661.420(e).

A. Statutory or Regulatory Requirements to be Waived

The State of Alaska is requesting a waiver of the requirement limiting transfer of funds between the Adult and Dislocated Worker programs to no more than 30% of a program year's allocation, as identified at WIA Section WIA Section 133(b)(4), 29 USC Section 2963(b)(4).

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

The state of Alaska DOLWD is committed to ensuring all possible employment opportunities for Alaskans. Approval of this waiver will balance Alaska's desire to achieve our WIA strategic planning objectives with the need to demonstrate compliance with the statutory and regulatory requirements for each of the individual programs in our unified plan.

The department is working with its WIA partners to create a broad alliance with room for a variety of rural and urban configurations of the Alaska Job Center Network (AJCN) service delivery principles. Through these strategic partnerships, we significantly stretched our federal WIA resources. Utilizing discretionary funding sources the State has continued to accommodate the needs of our Adult and Dislocated Worker program clients. However, the federal resources for Dislocated Worker services have decreased overall and the department faces tough decisions regarding staffing and service levels in the its WIA programs. Maximum flexibility with regard to allocation of funds will assist in assuring that both Dislocated Worker and Adult program services

are maintained at a level sufficient to meet the needs of Alaska's workforce.

The ability to transfer funds between Adult and Dislocated Worker funding streams empowers the state to effectively and efficiently apply funds where they are most in need to achieve its goals. This waiver permits the state to eliminate the limitation of the 30% transfer authority between dislocated worker and adult and provides the local area the unlimited ability to transfer funds between these two programs. For the past five program years we have had to shift funds between programs in order to provide services through the entire year.

Approval of this waiver will allow Workforce investment funds, including those of the Recovery Act, to be spent quickly and well, predominantly for the direct delivery of services to priority populations most heavily impacted by the recession, including unemployed, underemployed, formerly incarcerated, older workers who often have particular challenges in regaining employment, and those impacted by national energy and environmental policy and in need of updated training related to the energy efficiency and renewable energy industries, for careers in high growth and emerging "green" related industries, such as energy-efficient and advance drive train vehicles; biofuels; energy-efficient building, construction and retrofits; renewable energy, and environmentally sustainable processes and materials manufacturing. Job training and employment services will be relevant to local and regional employers, enabling workers and employers to rebuild their economies and thus, increase jobs.

The specific goals to be achieved by the waiver are to:

- (1) Improve the ability of AK DOLWD to respond to changes in program needs;
- (2) Increase control for program delivery;
- (3) Increase employer/Board collaboration to address industry needs and worker training;
- (4) Increase accountability of service providers;
- (5) Provide greater flexibility in designing and implementing WIA programs; and
- (6) Improve use of State and Federal resources, leading to greater effectiveness and efficiency.

C. State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver. Alaska Workforce Investment Board and AK DOLWD policies

comply with current Federal guidelines.

D. Description of Individuals Impacted by the Wavier

Because of Alaska's diverse population and differences in urban and rural workforce demographics, WIA customer needs vary greatly from one location to another. Increased flexibility and control to transfer funds between the Adult and Dislocated Worker programs would allow maximum usage of limited funds.

The waiver will positively affect the state's WIA customers, employers, and job seekers. Alaska requests to waive the legal requirement limiting transfer of funds between the Adult and Dislocated Worker programs, allowing us to transfer up to 100% of a program year's allocation between these two programs.

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

This request was developed because of concerns expressed by the Governor, AWIB, State of Alaska DOLWD, and demand from partners. The original waiver plan was submitted to ETA in March 2003 (PY 2002) and approved. As with all other major policy and procedural decisions made by the State, we relied heavily upon input from partners and the public.

This waiver extension request was presented to the AWIB at its full board meeting May 29, 2009. Minutes from the meeting demonstrate that the board reviewed the waiver plan and provided input and guidance on the application of the waiver to the state.

The waiver document was posted for 10 days from June 1 through June 15, 2009, on the public web site maintained by the State, allowing for public comment on its content and potential impact. All public comments received were considered and, if applicable, were incorporated into the final waiver plan. The final waiver plan was then circulated to sub-state governance bodies. The plan was then finalized and briefed to the governor before the State of Alaska DOLWD submitted it through Region VI, ETA, DOL for approval.

The State of Alaska DOLWD, as the administrative entity of the WIA in Alaska, will monitor the implementation and results of this waiver.

**STATE OF ALASKA
WORKFORCE INVESTMENT ACT (WIA)
WAIVER REQUEST**

Individual Training Accounts for Youth

The Alaska Workforce Investment Board (AWIB) and the Alaska, Department of Labor and Workforce Development (DOLWD), as the administrative entity of the WIA in Alaska, submit this request for an extension of its approved general waiver relating to WIA sec. 129 and 20 CFR 664.51-0 to allow the use of Individual Training Accounts (ITA's) for out of school youth. This waiver will apply to Program Year 2009 and subsequent years.

This waiver request is being written in the format identified in WIA section 136(b)(2)(A)(i)(II) and 20 CFR 666.140 and meets the standard for waiver approval at 20 CFR 661.420(e).

A. Statutory or Regulatory Requirements to be Waived

The State of Alaska is requesting a waiver to WIA sec 129 and 20 CFR 664.510, which permits the state to issue ITA's to out of school youth. The waiver is generally applied to older youth who require an additional service option to increase the likelihood of the youth entering employment and retaining their position.

B. Goals of the Waiver and Expected Programmatic Outcomes if Waiver is Granted

The access to ITAs by out of school youth will results in an increased number of youth entering employment, receiving a credential and being retained in employment. Additional Alaska's youth earn on average some of the highest wages in the nation due to the additional skills they bring to the workforce.

Due to the demand for adult funding the state is able to serve older youth and their training needs through Individual Training Accounts. Out-of-school Youth often require training to become self-sufficient individuals and fill the pipeline of trained and capable workers. The State of Alaska has a high percentage of out-of-school youth. This group is composed of both younger and older youth. Older youth need access to ITA's and younger out-of-school youth often return to the educational system through the ITA process. Younger youth who pursue an ITA are counseled to return to school, but are actively engaged as a WIA receiving full services to pursue a GED in addition to an ITA. Most vendors require youth to be pursuing a GED if they want an ITA. The Literacy/Numeracy measure requires out-of-school youth to meet specific standards..

Alaska has funded nearly fifty (50) Individual Training Accounts this year. Participants have completed training and entered into employment related to the training that provide a sustainable wage. Most of the ITAs funded were in two priority areas, Healthcare (39.78%) and Construction (32.65%).

C. State or Local Statutory or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver. Alaska Workforce Investment Board and AK DOLWD policies are in compliance with current Federal guidelines.

D. Description of Individuals Impacted by the Waiver

Out of school youth in three sub categories:

School drop-outs.

Youth who obtain a GED but cannot enter traditional post secondary training.

Older youth who lack competitive skills necessary to be competitive.

E. Opportunity for Public Comment and the Process for Monitoring Implementation of the Waiver

This request was developed as a result of concerns expressed by the Governor, AWIB, State of Alaska DOLWD and demand from partners. The original waiver plan was submitted to ETA in February 2003 (PY 2002) and approved. As with all other major policy and procedural decisions made by the State, we relied upon input from partners and the public.

This waiver extension request was presented to the AWIB at its full board meeting May 29, 2009. Minutes from the meeting demonstrate that the board reviewed the waiver plan and provided input and guidance on the application of the waiver to the state.

The waiver document was posted for 10 days from June 1 through June 15, 2009, on the public web site maintained by the State, allowing for public comment on its content and potential impact. All public comments received were considered and, if applicable, were incorporated into the final waiver plan. The final waiver plan was then circulated to sub-state governance bodies and briefed before the governor's designee for workforce development before submission through Region VI, ETA for approval.

The State of Alaska DOLWD, as the administrative entity of the WIA in Alaska, will monitor the implementation and results of this waiver.