



DEC 30 2013

The Honorable Paul R. LePage  
Governor of Maine  
1 State House Station  
Augusta, Maine 04333-0054

Dear Governor LePage:

The Employment and Training Administration (ETA) is pleased to respond to your requests for waivers of statutory and regulatory requirements under the Workforce Investment Act (WIA). 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. The requests were written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c), and meet the standard for approval at 20 CFR 661.420(e). The following is the disposition of the State's waiver requests (copy enclosed).

Waiver of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) to exempt the State from the requirement to conduct evaluations.

The State has requested a waiver of the requirement to conduct evaluations of workforce investment activities for adults, dislocated workers, and youth in order to establish and promote continuous improvement of the statewide workforce investment system. The State is granted this waiver effective July 1, 2013 through June 30, 2014. The State must continue to measure customer satisfaction as described in WIA Section 136(b)(2)(B).

Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) to exempt a State from the requirement to provide local workforce investment area incentive grants.

The State is requesting a waiver of the requirement to provide local workforce investment areas incentive grants to reward regional cooperation, local coordination of activities, and exemplary performance. The State is granted this waiver effective July 1, 2013 through June 30, 2014.

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

The State is requesting a waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts (ITAs) for both older youth and out-of-school youth program participants. The State is granted this waiver through June 30, 2017. Under this waiver, the State can use ITAs for both 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 required by TEGL No. 6-13, 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 Ms. Carmen Rodriguez, the Federal Project Officer for Maine, at 617-788-0110 or [Rodriguez.Carmen@dol.gov](mailto:Rodriguez.Carmen@dol.gov).

Sincerely,



Eric M. Seleznow  
Acting Assistant Secretary

Enclosure

cc: Holly O'Brien, Regional Administrator, ETA Boston Regional Office  
Carmen Rodriguez, Federal Project Officer for Maine



PAUL R. LEPAGE  
GOVERNOR

STATE OF MAINE  
DEPARTMENT OF LABOR  
BUREAU OF EMPLOYMENT  
SERVICES  
55 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0055

Jeanne S. Paquette  
COMMISSIONER

October 23, 2013

Division of WIA Adult Services and Workforce System  
Employment and Training Administration  
U.S. Department of Labor  
200 Constitution Ave., NW, Room S-4209  
Washington, DC 20210  
ATTN: Heather Fleck

Dear Ms. Fleck:

The Maine Department of Labor, Bureau of Employment Services (MDOL/BES) submits requests for three waivers of WIA statutory requirements listed below:

- The first request is to waive WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) requiring the state to conduct ongoing evaluation studies of workforce investment activities for adult, dislocated worker, and youth programs. This waiver is to be retroactive for PY12 and to continue through PY13.

Our goal in seeking this waiver is to ensure that Maine can prioritize the use of the Governor's reserve funds for the required statewide activities we deem most essential to the basic functions of the workforce investment system while allowing progress on the Governor's statewide initiatives as identified in the recently approved 2012-2016 WIA Strategic Plan. There are no expected programmatic outcome changes as a result of this waiver request.

- The second request is for a waiver of the WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) requirement to provide incentive grants to local areas.

The reduction of the WIA Governor's reserve funds to 5% for program years 2012 and 2013 restricts the State's ability to effectively fund and carry out all the required statewide workforce investment activities. The current funding level in the Governor's reserve is insufficient to cover the cost of providing incentive grants to local areas based on local performance measures. Our goal in seeking this waiver is to ensure the State can prioritize the use of Governor's reserve funds for the required statewide activities we deem most essential to the basic functions of the workforce investment system while allowing progress on the Governor's statewide initiatives as identified in the recently approved 2012-2016 WIA Strategic Plan. There are no expected programmatic outcome changes as a result of this waiver.

- The third request is a waiver for the Federal Regulations (20 CFR) Section 664.510 under the provisions established in Section 189(i)(4)(B) of WIA. Section 664 prohibits the use of Individual Training Accounts (ITAs) for Youth participants except if they are determined eligible and are co-enrolled as either an Adult or Dislocated Worker. This waiver covers PY13.

The intent of this request is to allow Local Workforce Investment Boards (LWIBs) to use ITAs for Older Youth participants based on a valid assessment of their interests, skills, aptitudes, and goals. Under the current regulations, expenditures for ITAs are only to be charged to the Adult and Dislocated Worker funding streams. The co-enrollment requirement is a duplicative and unnecessary process which does not allow LWIBs to charge the cost of the ITA back to the Youth account but draws down on "limited" Adult program funds. The current regulation also does not allow expenditure to be appropriately counted towards the 30 % out-of-school expenditure requirement.

Sincerely,

Peter Pare', BES Bureau Director

Cc: Virginia Carroll, BES Division Director  
Merle Davis, BES Compliance Manager  
Tim Griffin, Management Analyst  
Michael Bourret, Coastal Counties Workforce Investment Board Director  
Joanna Russell, Tri- County Workforce Investment Board Director  
Jeffrey Sneddon, Central/Western Workforce Investment Board Director  
Ryan Pelletier, Northern Maine Workforce Investment Board



STATE OF MAINE  
DEPARTMENT OF LABOR  
BUREAU OF EMPLOYMENT SERVICES  
55 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0055

Paul R. LePage  
GOVERNOR

Jeanne S. Paquette  
COMMISSIONER

**State of Maine Waiver Request**  
**Request for Waiver of Requirement to Conduct Evaluation Studies of**  
**Adult, Dislocated Worker and Youth Workforce Investment Programs**

---

The Maine Department of Labor, Bureau of Employment Services resubmits this request for a waiver of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) requiring the state to conduct evaluation studies of the Adult, Dislocated Worker and Youth workforce investment programs, for WIA program year 2013.

**Originally submitted: October 23, 2013**

**Resubmitted: December 5, 2013**

**State: Maine**

**Agency: Maine Department of Labor/Bureau of Employment Services**

Statutory and/or regulatory requirements to be waived

The Maine Department of Labor, Bureau of Employment Services (BES) submits this request for a waiver of the requirements of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) requiring that Maine conduct formal evaluation of workforce investment activities for the adult, dislocated worker, and youth programs.

Actions undertaken to remove state or local barriers

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

Goals and expected programmatic outcomes of waiver

The reduction of the WIA Governor's Reserve funds from 15% to 5% for Program Year 2013 restricts the State's ability to effectively fund and carry out all the required statewide workforce investment activities. The Governor's Reserve set-aside has decreased over the last three years from \$1,690,447 at 15% in PY10 to \$454,073 in PY 13 resulting in a loss of over \$1,200,000. The funding levels for PY13 in the Governor's reserve are insufficient to cover the cost of conducting evaluation studies of the Adult, Dislocated Worker and Youth Program activities.

The State's existing funds are being used to cover the following required activities:

- Operating fiscal and management accountability information systems (WIA Section 134(a)(2)(B)(v) and 20 CFR 665.200(b)(1);
- Submitting required reports (WIA) Section 136(f) and;
- Providing technical assistance to poor performing areas (WIA Section 134(a)(2)(B)(iv) and 20 CFR 665.200(f)

The Maine Department of Labor has determined that there is insufficient funding available to conduct these studies regardless of cost. The attached spreadsheet (**Attachment A**) documents the use and availability of Maine's WIA 5% funding for PY13. As detailed in the spreadsheet the WIA 5% funding barely covers the staff and overhead costs required to performing the above three functions.

Our goal in seeking this waiver is to ensure that Maine can prioritize the use of the Governor's reserve funds for the required statewide activities we deem most essential to the basic functions of the workforce investment system while allowing progress on the Governor's statewide initiatives as identified in the recently approved 2012-2016 WIA Strategic Plan. There are no expected programmatic outcome changes as a result of this waiver request.

The State will continue to collect data and monitor all workforce operations annually. Our goal is to stay abreast of the challenges confronted by the system and to identify ways to implement continuous improvement measures in a cost-effective manner.

#### Individuals Impacted by the Waiver

There will be no impact to any individual. This waiver will allow the State to direct WIA 5% funds to performance of those activities that best preserve basic functions of the statewide workforce investment system. It will also ease the financial burden placed on the entire workforce investment system to meet the unfunded mandate.

#### Process for Monitoring Progress in Implementation

MDOL/BES will monitor the progress and ensure accountability for Federal funds in connection with this waiver by reviewing monthly expenditure, performance and other reports, through regular contact with the ETA Regional office liaisons, and through its monitoring and performance accountability system.

#### Notice to Affected Local Boards

Local Boards were sent a draft copy of this waiver before it was submitted in its final format for public comment. Their collective feedback and suggestions for improvement were considered by MDOL/BES before the waiver went out for public comment before initial submission to ETA for the approval review.

Should the waiver be granted, MDOL/BES will issue an electronic notice to Directors and Chairpersons of Local Workforce Investment Boards, Chief Elected officials, WIA Service Providers, and WIA Fiscal Agents.

#### Public Comment

The completed waiver was posted to the home page of the State Workforce Investment Board and the Maine Department of Labor/ Bureau of Employment Services (BES) for public comment for a 15 day comment period (October 1, 2013 – October 15, 2013) prior to the formal submission to USDOL-ETA. There were no public comments.

(Attachment)



STATE OF MAINE  
DEPARTMENT OF LABOR  
BUREAU OF EMPLOYMENT SERVICES  
55 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0055

PAUL R. LEPAGE  
GOVERNOR

Jeanne S. Paquette  
COMMISSIONER

**State of Maine Waiver Request**  
**Waiver from the Requirement to Provide Incentive Grants to Local Areas.**

---

The Maine Department of Labor's Bureau of Employment Services (MDOL/BES) submits this request for a waiver for WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) requiring states to provide incentive grants to local areas for WIA Program Year 2013.

**Originally Submitted: October 23, 2013**

**Resubmitted: December 5, 2013**

**State: Maine**

**Agency: Maine Department of Labor/Bureau of Employment Services**

Statutory and/or Regulatory Requirements to be Waived

The Maine Department of Labor, Bureau of Employment Services (MDOL/BES) submits this request for a waiver of the WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) requirement to provide incentive grants to local areas.

Actions Undertaken to Remove State or Local Barriers

There are no statutory or regulatory barriers to implementing the requested waiver.

Goals and Expected Programmatic Outcomes of Waiver

The reduction of the WIA Governor's Reserve funds from 15% to 5% for Program 2013 restricts the State's ability to effectively fund and carry out all required statewide workforce investment activities. The Governor's Reserve set-aside has decreased over the last three years from \$1,690,447 at 15% in PY10 to \$454,073 for PY13 resulting in a loss of approximately \$1,200,000 in over three years. This greatly reduced funding level in the Governor's reserve is insufficient to cover the cost of providing incentive grants to local areas based on local performance measures. Our goal in seeking this waiver is to ensure the State can prioritize the use of Governor's Reserve funds for the required statewide activities we deem most essential to the basic functions of the workforce investment system while allowing progress on the Governor's statewide initiatives as identified in the recently approved 2012-2016 WIA Strategic Plan. There are no expected programmatic outcome changes as a result of this waiver.

. The State's existing funds are being used to cover the following required activities:

- Operating fiscal and management accountability information systems (WIA Section 134(a)(2)(B)(v) and 20 CFR 665.200(b)(1);
- Submitting required reports (WIA) Section 136(f) and;

- Providing technical assistance to poor performing areas (WIA Section 134(a)(2)(B)(iv) and 20 CFR 665.200(f))

The Maine Department of Labor has determined that there is insufficient funding available to provide incentive funds to local areas for meeting and/or exceeding performance measures. The attached spreadsheet (Attachment A) documents the use and availability of Maine's WIA 5% funding for PY13. As detailed in the spreadsheet the WIA 5% funding barely covers the staff and overhead costs required to perform the above three functions.

The State will continue to collect data and monitor all local area performance. Our goal is to stay abreast of the challenges confronting the system and identify ways of recognizing excellent performance and implementing continuous improvement measures in a cost-effective manner.

#### Individuals Impacted by the Waiver

No individuals will be impacted. This waiver will provide the State to direct WIA 5% funds to performance of those activities that best preserve the basic functions of the statewide workforce investment system. It will also ease the financial burden placed on the entire workforce investment system to meet this unfunded mandate.

#### Process for Monitoring Progress in Implementation

MDOL/BES will monitor the implementation and impact of the waiver through the program and administrative monitoring system. MDOL/BES will ensure accountability for federal funds in connection with this waiver by reviewing expenditures, performance, and other reports, and through regular contact with the ETA Regional liaisons and through its monitoring and performance accountability system.

#### Notice to Affected Local Boards

Local Boards were sent a draft copy of this waiver before it was submitted in its final format for public comment. Their collective feedback and suggestions for improvement were considered by MDOL/BES before the waiver went out for public comment and before submission to ETA for the approval review.

Should the waiver be granted, MDOL/BES will issue an electronic notice Directors and Chairpersons of Local Workforce Investment Boards, Chief Elected officials, WIA Service Providers, and WIA Fiscal Agents.

#### Public Comment

The completed waiver was been posted to the home page of the State Workforce Investment Board and the Maine Department of Labor/ Bureau of Employment Services (BES) for public comment for a 15 day comment period (October 1, 2013 – October 15, 2013) prior to the formal submission to USDOL-ETA. There were no public comments.

(Attachment)



PAUL R. LEPAGE  
GOVERNOR

STATE OF MAINE  
DEPARTMENT OF LABOR  
BUREAU OF EMPLOYMENT SERVICES  
55 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0055

Jeanne S. Paquette  
COMMISSIONER

**State of Maine Waiver Request**  
**Waiver from the Requirement to Prohibit the Use of Individual Training Accounts for Older and Out-of-School Youth**

---

The Maine Department of Labor, Bureau of Employment Services (MDOL/BES) is requesting a waiver for the Federal Regulations (20 CFR) Section 664.510 under the provisions established in Section 189(i)(4)(B) of WIA. Section 664 prohibits the use of Individual Training Accounts (ITAs) for Youth participants except if they are determined eligible and are co-enrolled as either an Adult or Dislocated Worker. This waiver is to cover PY13.

The intent of this request is to allow Local Workforce Investment Boards (LWIBs) to use ITAs for Older Youth participants based on a valid assessment of their interests, skills, aptitudes and goals. Under the current regulations, expenditures for ITAs are only to be charged to the Adult and Dislocated Worker funding streams. The co-enrollment requirement is a duplicative and unnecessary process which does not allow LWIBs to charge the cost of the ITA back to the Youth account but draws down on "limited" Adult program funds. The current regulation also does not allow expenditure to be appropriately counted towards the 30 % out-of-school expenditure requirement.

**Date: October 23, 2013**

**State: Maine**

**Agency: Maine Department of Labor/Bureau of Employment Services**

Provide narrative for the following elements:

**Statutory and/or regulatory requirements to be waived**

The Maine Department of Labor's Bureau of Employment Services (MDOL/BES) is requesting a waiver of the requirements of 20 CFR, Section 664.510 under the provisions established in Section 189(i)(4)(B) of WIA statute. Section 664 prohibits the use of Individual Training Accounts (ITAs) for Youth participation except in the case they are determined eligible for and are co-enrolled in either the Adult or Dislocated Worker program.

**Actions Undertaken to Remove State or Local Barriers**

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

### Goals and Expected Programmatic Outcomes of the Waiver

The goals of the waiver are to expand service options for youth, increase program flexibility, enhance customer choice, improve staff efficiency, and decrease paperwork associated with dual enrolment and related tracking (older youth). A waiver will maximize the service delivery capacity of the WIA Youth program within the CareerCenter delivery system by allowing youth who are employment-focused, rather than academically inclined, to have the same access as adults and dislocated workers to the advantages of ITAs. This waiver is to be retroactive for PY12 and to continue through PY13.

The Waiver will allow older out-of-school youth to select approved ITA programs from the Maine Consumer Report System, while retaining their youth classification. Training costs can be charged as out-of-school Youth expenditures; thereby, eliminating the need to track such expenditures across funding streams as is done presently.

### Individuals Impacted by the Waiver

This waiver will directly impact older WIA eligible Youth allowing them to benefit from an ITA without the necessity of requiring co-enrollment. This waiver will positively affect the efficiency of the Youth case manager issuing the ITA and will enable older Youth participants to directly receive the types of services afforded adult and dislocated workers that most closely and efficiently meet their training and employment needs.

### Process for Monitoring Progress in Implementation

MDOL/BES will monitor progress and ensure accountability of federal funds in connection with this waiver. MDOL/BES current program monitoring policy and procedures will be modified to ensure compliance with the intent of this waiver.

### Notice to Affected Local Boards

Local Boards were sent a draft copy of this waiver before it was submitted in its final format for public comment. Their collective feedback and suggestions for improvement were considered by MDOL/BES before the waiver went out for public comment and before submission to ETA for the approval review.

Should the waiver be granted, MDOL/BES would issue an electronic notice and offer technical assistance that will be disseminated to Chairpersons of Local Workforce Investment Boards, Chief Elected officials, WIA Service Providers, and WIA Fiscal Agents.

Upon approval of the waiver, the local boards will create a local policy to communicate guidance based on the content of this waiver for the Youth service providers in their local areas

### Public Comment

The completed waiver has been posted to the home page of the State Workforce Investment Board and the Maine Department of Labor/ Bureau of Employment Services (BES) for public comment for a 15 day comment period (October 1, 2013 – October 15, 2013) prior to the formal submission to USDOL-ETA. <http://www.maine.gov/labor/> and <http://www.maine.gov/swlb/>. There were no public comments