

MAR 14 2011



The Honorable Tom Corbett
Governor of Pennsylvania
Room 225
Main Capitol Building
Harrisburg, Pennsylvania 17120

Dear Governor Corbett:

This letter responds to your request for a waiver of statutory and regulatory requirements under the Workforce Investment Act (WIA) submitted on January 6, 2011. This request is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c). The following is the disposition of the State's submission (copy enclosed). 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.

Requested Waiver: Waiver of WIA Section 122 to waive the eligible training provider process for providers of job readiness training.

The State is requesting a waiver of WIA Section 122 to allow local workforce areas to provide job readiness training to eligible WIA participants with providers not listed on the State's eligible training provider list (ETPL). Training provider eligibility provisions are excluded from the general waiver authority described at WIA 189(i)(4)(A)(i), and cannot be waived. Therefore, we cannot provide the State a waiver that would make training providers eligible to receive WIA funds for job readiness training services without being determined as an eligible training provider. Only training providers which the local workforce board has determined to be eligible can receive WIA funds for training, including job readiness training. The State may pursue other options to equip participants with job readiness skills, including the provision of job readiness as an intensive service as described at WIA Section 134(d)(3)(C)(vi). This, along with other options, is discussed in more detail below.

Requested Waiver: Waiver of WIA Section 134 (d)(4)(G) to allow job readiness training to be provided as an exception to use of individual training accounts.

The State is also requesting a waiver of WIA Section 134(d)(4)(G) that would allow local areas to provide job readiness training through a contract for services in lieu of

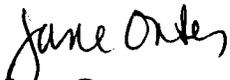
individual training accounts (ITAs), by adding job readiness training to the list of exceptions for ITAs. ETA believes that a waiver of WIA Section 134(d)(4)(G) is unnecessary, as the State may achieve its goals through a variety of other permissible means.

The State has several options available for providing job readiness training to WIA participants. First, the State may provide job readiness training without use of ITAs under the conditions described at WIA Section 134(d)(4)(G)(ii), which allows training services to be provided through a contract if the local board determines there are an insufficient number of eligible providers, or there is a training program of demonstrated effectiveness offered by an organization to serve special populations with multiple barriers to employment. Second, when "job readiness training" refers to short-term pre-vocational services such as interviewing skills, punctuality and professional conduct, services may be provided as an intensive service, rather than as a training service, as described at WIA Section 134(d)(3)(C)(vi). Intensive services may be provided through contracts with service providers including public, private for-profit, and private nonprofit service providers, approved by the local board.

As a third option, for Fiscal Year (FY) 2010 funds and funds appropriated under the Continuing Resolution for FY 2011, WIA funds may be used to contract for training a class or cohort of participants. Specifically, the FY 2010 Appropriations Act states "that a local board may award a contract to an institution of higher education or other eligible training provider if the local board determines that it would facilitate the training of multiple individuals in high demand occupations, if such contract does not limit customer choice." This flexibility is also available for funds made available under the American Recovery and Reinvestment Act of 2009 (Recovery Act). The State must follow competitive procurement requirements when pursuing this option, with Recovery Act or WIA funds. Fourth, under Section 122(b)(2)(A), the Governor ultimately has the authority to establish procedures for determining eligibility of training providers, and the Governor determines criteria that guide inclusion on the ETPL. Pennsylvania has made significant efforts to focus its ETPL on training providers that provide training in high-demand skills and occupations, but including job readiness training is an allowable option. Finally, the WIA statewide discretionary funds ("15 percent funds") may be used very flexibly, including pilots and demonstrations under WIA Section 134 (d)(3) where the State could test different approaches for job readiness, job readiness training, and for evaluations under WIA Section 134(d)(4).

We look forward to continuing our partnership with you and achieving better workforce outcomes. We are available to provide technical assistance related to how the State may implement any of the options discussed above. If you have any questions related to the issues discussed above, please contact Matthew Heaney, the Federal Project Officer for Pennsylvania, at 215-861-5206 or Heaney.Matthew@dol.gov.

Sincerely,

A handwritten signature in cursive script that reads "Jane Oates".

Jane Oates
Assistant Secretary

Enclosure



pennsylvania

DEPARTMENT OF LABOR & INDUSTRY

BUREAU OF WORKFORCE DEVELOPMENT PARTNERSHIP

January 6, 2011

Division of Workforce System Support
Employment and Training Administration
U.S. Department of Labor
Washington, DC 20210
ATTN: Kim Vitelli

Dear Ms. Vitelli:

The Pennsylvania Department of Labor & Industry is requesting the U. S. Department of Labor's approval for a waiver of the statutory and regulatory requirements of the Workforce Investment Act in order to facilitate the delivery of "Job Readiness" training to greater numbers of job seekers by allowing the use of providers of/courses for "job readiness training" without inclusion on the statewide training provider/program list. The waiver request was available for Public Review and Comment from December 22, 2010 through January 5, 2011. No comments were received. Should you need additional information regarding this modification, please contact Terry Snyder, at (717) 787-8768, or via e-mail at tersnyder@state.pa.us.

Thank you very much for your consideration.

Sincerely,

Dan Kuba
Acting Director

Department of Labor & Industry | Bureau of Workforce Development Partnership | 651 Boas Street, 12th Floor |
Harrisburg, PA 17121-0750 | 717.787.3354 | Fax 717.783.7115 | www.dli.state.pa.us

CC Ms. Lenita Jacobs-Simmons

*Auxiliary aids and services are available upon request to individuals with disabilities.
Equal Opportunity Employer/Program*

Workforce Investment Act (WIA) Waiver Request

Statutory/Regulatory Provisions:	Allow "Job Readiness" training as an exception to ITAs; allow use of providers of/courses for "Job Readiness" training without inclusion on the statewide training provider list		
Citations:	WIA Sec. 134(d)(4)(D); Sec. 134(d)(4)(G)(ii); Sec. 122 20 CFR 663.400 & 663.430; 20 CFR 663 Subpart E		
Entity:	PA Department of Labor & Industry		
Contact:	Robert Garraty	Phone: 717-787-0805	Fax: 717-787-8826
Address:	651 Boas Street, Harrisburg, PA 17121		
Duration:	From: January 6, 2011	To: June 30, 2011	
Governor:	Edward G. Rendell		
JUSTIFICATION			
<p>Pennsylvania requests a waiver of the statutory requirements for WIA Sec. 134(d)(4)(D) and Sec. 134(d)(4)(G)(ii), and the Final Rule 20 CFR 663.400 and 663.430, to allow "Job Readiness" training as an exception to ITAs; and WIA Section 122 and 20 CFR 663 Subpart E to allow use of providers of/courses for "job readiness training" without inclusion on the statewide training provider/program list.</p> <p>Pennsylvania's Local Workforce Investment Areas (LWIAs) want to capture "job readiness training" that is being provided to participants.</p> <p>"Job readiness training" programs will include the following:</p> <ul style="list-style-type: none"> • Basic job readiness programs to equip participants with the generic knowledge, skills and abilities required to succeed in a broad grouping of occupations in selected industry sectors or clusters as developed in consultation with industry representatives • Programs which strengthen job retention and "soft skills" common to those industries • Programs which provide recognized and portable credentials such as WorkKeys® career readiness, OSHA certifications, ServSafe, etc. • Programs which may serve to enhance participants' opportunities for more occupationally specific and higher level positions through On-the-Job Training <p>Employers increasingly show a preference for applicants who have at least a basic understanding of and familiarity with the processes and "culture" of their industry as well as the requirements and responsibilities of employees, which a well designed job readiness program will provide</p>			

Traditionally ITA providers do not offer the elements included in job readiness training. These are best provided by negotiated contractual procurement, often with a consortium of organizations (CBO's, CTC's, Community colleges, One-Stops, etc.). WIA Section 122 and 20 CFR 663 Subpart E would need to be waived to allow use of providers of/courses for "job readiness training" without inclusion on the statewide training provider/program list.

WIA Sec. 134 (d)(4)(D)(vii) states: "Training services may include... job readiness training...." "Job Readiness" is listed as a recognized training service under WIA. Additionally, the listing of training services in Section 134 (d)(4)(D) is not all inclusive, as confirmed by Section 663.300 of the regulations, which says it is "...not all inclusive and additional training services may be provided".

As such, "Job Readiness" activities provided to an eligible Adult or Dislocated Worker is an allowable training service and would be counted as a training activity for LWIAs.

WIA Section 134(d)(4)(G)(ii), and 663.430, provide that an Individual Training Account (ITA) should finance training services except in 3 instances:

1. OJT/CT
2. An insufficient number of eligible providers available and training services to accomplish the purpose of a system of ITAs
3. An insufficient number of providers available, and a program of demonstrated effectiveness to serve special populations who face multiple barriers.

In order to allow for "Job Readiness" to be utilized as training service, and which is not included among the three ITA exceptions mentioned above, Pennsylvania is asking to waive the requirement that Job Readiness training be funded through an ITA.

Description of state actions to remove state-level barriers to implementation of the waiver:

Regarding entering "Job Readiness" services into the Commonwealth Workforce Development System (CWDS) for tracking and reporting purposes:

Currently, CWDS allows for the capture of data for "Job Readiness" as a training service (TS07 service code.)

However, the service details require that the training service be attached to an eligible training provider from the statewide list.

That is because "Job Readiness" is NOT considered an exception to ITAs.

As such, the service details captured for "Job Readiness" training require that the service be connected to an eligible provider from the statewide list as with any ITA funded training.

A change to CWDS will need to be made in order for a "Job Readiness" training service to be captured that does not require attachment to an eligible training provider from the statewide list.

State Plan of Action:

Following submission of a request to USDOL for waiver, next steps will be as follows:

- BWDP, OIT and Local Area staff collaborate to identify and provide requirements for any changes necessary to CWDS to allow for use of the "Job Readiness" training service. (Initial conversations have begun.)
- Ensure that service activity reported under "Job Readiness" will be properly reported. (Initial conversations have begun.)

OUTCOMES/BENEFITS

Goals to be achieved by this waiver:

- Capture "job readiness training" that is being provided to participants for tracking and reporting purposes.
- Provides participants an option to lengthy and expensive programs of Individual Training Accounts and which does not require foregone income and continued withdrawal from the labor market.
- In many cases, is more appropriate and effective for individuals with different learning styles.
- Serves as a trusted reference to preparation and dependability.

Description of the individuals impacted by the waiver:

- The waiver can positively impact all WIA-eligible adults and dislocated workers.
- The waiver can benefit local, state, and federal agencies by capturing "job readiness training" that is being provided to participants for tracking and reporting purposes.

MONITORING/EVALUATION PROCESS

Description of the Process to Monitor Progress:

The Commonwealth is committed to the spirit of transparency in expenditure of funds and will follow federal and state fiscal policy and procedural requirements. The Pennsylvania Department of Labor & Industry will monitor the implementation and impact of the waiver through a combination of reporting from the local level, local and state oversight and monitoring, as well as through meetings with local staff to discuss any challenges encountered, assist in the development of solutions, and identify best practices for possible replication. The state will review applicable policies and procedures and modify them accordingly.

Tracking outcomes from job readiness training would be measured through placement in either unsubsidized employment or OJT.

OTHER COMMENTS PROVIDED

Consistent with transparency and general waiver request provisions of WIA, waiver requests are published for comment to insure broad participation of appropriate partners and interested parties, such as labor, community-based organizations, LWIBs, and the PA WIB. A public comment period was provided from December 23, 2010 to COB on January 5, 2010.