



JUL 14 2014

The Honorable C.L. "Butch" Otter
Governor of Idaho
State Capitol
Boise, Idaho 83720-0195

Dear Governor Otter:

The Employment and Training Administration (ETA) is pleased to respond to your request 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 original request was written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c), and meets the standard for approval at 20 CFR 661.420(e). The following is the disposition of the State's request for waivers.

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 is requesting an extension of 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 through June 30, 2015.

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 an extension of 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 an extension of this waiver effective through June 30, 2015.

Waiver of WIA Section 129(b)(2)(C) and 20 CFR 665.200(h) to exempt the state from the requirement to provide additional assistance to local areas that have a high concentration of eligible youth.

The State is requesting an extension of a waiver of the requirement to provide additional assistance to local areas that have a high concentration of eligible youth. The State is granted an extension of this waiver through June 30, 2015.

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. 06-13, 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 Denise Dombek, the Federal Project Officer for Idaho, at (415) 625-7945 or Dombek.Denise@dol.gov.

Sincerely,



Portia Wu
Assistant Secretary

Enclosures

cc: Virginia Hamilton, Regional Administrator, ETA San Francisco Regional Office
Denise Dombek, Federal Project Officer for Idaho

June 18, 2014

Ms. Virginia Hamilton, Regional Administrator
Employment and Training Administration, Region VI
U.S. Department of Labor
90 7th St, Suite 17-300
San Francisco CA 94103-1516
Hamilton.virginia@dol.gov

And

VIA EMAIL

WIA.PLAN@dol.gov

Re: Workforce Investment Act (WIA) Waiver Requests for Program Year 2014

Dear Ms. Hamilton:

Pursuant to Training and Employment Guidance Letter (TEGL) 27-12, the state of Idaho requests the extension of the following waivers to the Workforce Investment Act (WIA) programs' implementation in the state:

- *WIA Section §129(b)(2)(C) and 20 CFR §665.200(h) requiring the provision of additional assistance to workforce areas that have high concentrations of eligible youth.*
- *WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) requiring the completion of evaluations on workforce investment activities for adults, dislocated workers and youth.*
- *WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) requiring provision of incentive grants to local areas.*

These waiver extensions are being requested by the state in an attempt to alleviate some of the financial burden placed on it due to Congressional actions that decreased the Governor's Reserve funding level. Although this funding level increased from five to 8.75 percent for the coming 2014 Program Year, the state's overall WIA allocation for this period was significantly reduced. See the reduction breakdown below:

	PY2013	PY2014	Difference
Adult	\$3,369,813	\$3,171,735	5.88%
Youth	\$3,623,538	\$3,414,748	5.76%
Dislocated Worker	\$4,113,487	\$3,461,421	15.85%

These reductions in funding make it extremely difficult to support all required activities under WIA, as they can still no longer be supported by the current level of Governor's Reserve funds.

The WIA budget allotments of Program Year 2014 has Idaho staring at a reduction of more than 59 percent of Governor Reserve funds since WIA Program Year 2010 allotments. With these reductions, Idaho's ability to effectively fund and carry out required statewide activities is severely limited.

If approved, Idaho can continue to prioritize its Governor's Reserve funds for the required activities deemed most essential to the basic functions of the workforce development system. In addition, the statutory waiver requests will help to maximize the impact of reduced WIA dollars, as well as provide greater flexibility and increased capacity to respond to employers' and participants' training needs.

The state has submitted these waiver requests in accordance with TEGL 26-09 and 27-12. As required by this federal guidance, the state has included (attached to this letter) its request to extend these waivers to the Workforce Investment Act requirements under the ETA's waiver authority which allows states flexibility to design and implement workforce strategies to meet unique state needs. This waiver request meets the required elements as noted under CFR 661.420(c).

The state's Workforce Development Council approved these waivers during their May 22, 2014 meeting. Since May 19, 2014, these waivers have been posted on the Idaho Department of Labor's website to allow for public comment, as required. The waivers on this website also include those approved by USDOL through 2017. After the comment period, if any are received, public submissions will be reviewed and incorporated as part of the waiver request and submitted to USDOL.

As prescribed in TEGL 26-09, this letter will be forwarded to WIA.PLAN@dol.gov in accordance with the directives for electronic submission of new waiver requests and proposed performance levels.

If you have any questions regarding the waiver request, please contact Rico Barrera at (208) 332-3570, ext. 3316 or via e-mail at rbarrera@labor.idaho.gov.

Sincerely,



Kenneth D. Edmunds
Director

cc: Rosemary Cowan, USDOL Regional Bureau, cowan.rosemary@dol.gov
Marian Esver, USDOL Regional Federal Project Officer, esver.marian@dol.gov
Rogelio Valdez, IDOL Deputy Director
Susan Simmons, IDOL Deputy Director

Attachment