

NOV 12 2009

The Honorable M. Jodi Rell
Governor of Connecticut
State Capitol
Hartford, Connecticut 06106

Dear Governor Rell:

As part of Connecticut'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). The State also submitted a request for new waivers (copy enclosed). These requests are written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c) and appear 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 June 18, 2009, ETA granted Connecticut approval of the following waivers 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;
- Waiver of WIA Section 101(31)(B) to increase the employer reimbursement for on-the-job training; and
- Waiver of the required 50 percent employer contribution for customized training at WIA Section 101(8)(C).

The approval for these waivers remains in effect. The letter dated June 18, 2009 granted temporary extensions of the remainder of Connecticut'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 is requesting a waiver to permit local area formula funding to be used for statewide activities, specifically incumbent worker training. The State is granted this waiver through June 30, 2010. Under this waiver, the State will be permitted to use up to 10 percent of local

Dislocated Worker funds and up to 10 percent of local Adult funds for incumbent worker training only as part of a lay-off aversion strategy. Use of Adult funds must be restricted to serving low-income adults under this waiver. ETA believes limiting incumbent worker training to the specified level and requiring it to be a part of layoff aversion is the best use of funds in the current economic climate where serving unemployed workers is a paramount responsibility of the workforce system. All training delivered under this waiver is restricted to skill attainment activities. Local areas must continue to conduct the required local employment and training activities at WIA section 134(d), and the State is required to report performance outcomes for any individual served under this waiver in the Workforce Investment Act Standardized Record Data system (WIASRD).

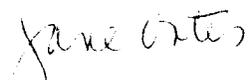
Requested Waiver: Waiver of WIA Section 123 that requires that providers of Youth program elements be selected on a competitive basis.

The State is requesting a waiver of the requirement for competitive procurement of service providers for one of the ten youth program elements: follow-up services. The State is granted this waiver through June 30, 2010. Under this waiver, the State is permitted to allow its One-Stop Career Centers or partner agencies to directly provide this youth program element. In utilizing this waiver, the State and local areas must still meet Office of Management and Budget requirements (codified in 29 CFR 95.40-95.48 and 97.36) and all state and local procurement laws and policies.

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 TEGP 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 Holly O'Brien, the Acting Regional Administrator for Region I, at (617) 788-0170 or Obrien.Holly@dol.gov.

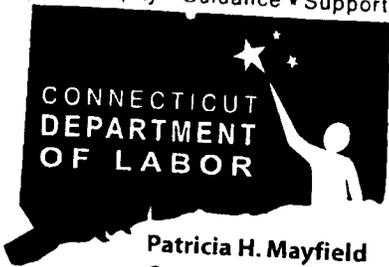
Sincerely,



Jane Oates
Assistant Secretary

Enclosure

cc: Minnie Holleran, Federal Project Officer for Connecticut, ETA Boston Regional Office



RECEIVED
8/25/09

August 14, 2009

Ms Jan Sten
Federal State Plan Coordinator
Office of Workforce investment
Employment and Training Administration
U.S. Department of Labor
200 Constitution Avenue, NW, Room S-4231
Washington, DC 20210

Re: Waivers regarding Framework Services & Use of Local Funds for IWT

Dear Ms Sten:

I've enclosed a copy of the State of Connecticut's request for two waivers:

1. *Waiver of the requirement to competitively select providers of youth follow up services at Section 123 of WIA.*

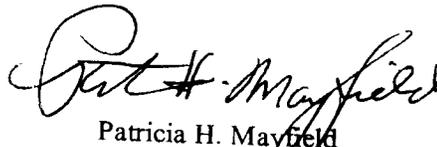
And

2. *Waiver to local areas to allow the use of local area adult and dislocated worker funds for statewide incumbent worker activities.*

Copies of the proposed waiver requests have been posted on the CTDOL website and legal notices have been placed in local area newspapers. Any public comments received from this process will be forwarded to US DOL within thirty days of the final date for comment submission, September 4, 2009.

If there are any questions on this proposed waiver request, please contact Stephen Litke at 860-263-6599 or Stephen.litke@ct.gov.

Sincerely,


Patricia H. Mayfield
Commissioner

Attachments (2)

cc: M. Holleran
Carl Buzzelli
Alice Frechette Johns



M. Jodi Rell
Governor

200 Folly Brook Boulevard, Wethersfield, CT 06109-1114
Ph: 860.263.6505 • Fx: 860.263.6529 • www.ct.gov/dol
An Equal Opportunity/Affirmative Action Employer

A Partner in **CTWORKS**

**STATE OF CONNECTICUT
WORKFORCE INVESTMENT ACT
WAIVER REQUEST FOR FOLLOW UP SERVICES
AS A FRAMEWORK SERVICE**

Summary

The Connecticut Department of Labor, the administrative entity of the Workforce Investment Act in Connecticut, is submitting this request for a general waiver to allow follow-up services to be combined with youth program design framework services, without a need for a competitive procurement process.

Currently, all youth program elements, including follow-up services, must be provided by youth service providers that have been competitively procured. Section 664.405 of the WIA Regulations clarifies that this competitive procurement requirement does not apply to the design framework component such as services for intake, objective assessment and the development of individual service strategy, when these services are provided by the grant recipient/fiscal agent. Grant recipient/fiscal agents that are already providing framework services to youth are better positioned to also provide follow-up services for these same youth. It is our belief that the providers of framework services can best provide follow-up services to youth, and the requirement of an additional competitive bidding process is duplicative and burdensome.

This waiver creates a streamlined and cohesive approach to case management by allowing providers of youth framework services to provide personal attention to each youth consistently as they access education and training services throughout their service strategy.

This waiver is currently in effect and this new request if approved would allow continuance through June 2010.

A. Statutory or Regulatory Requirements to be Waived

WIA Section 123, WIA Section 117(h)(4)(B)(i), and 20 CFR Part 664.405 require that eligible providers of youth services be selected by awarding a grant or contract on a competitive basis for all youth activities and services.

B. State or Local Statutory or Regulatory Barriers

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

C. Goals of the Waiver, Expected Programmatic Outcomes, and Relationship to Strategic Plan

A waiver will maximize resources by allowing grant recipient/fiscal agent staff who are already providing framework services to provide follow-up services to youth instead of requiring a separate competitive bidding process. Obtaining a waiver will allow greater continuity of service and allow case managers to better monitor the progress of youth as they obtain the services identified within their individual service strategy. A waiver will allow for a smoother flow of data that documents the delivery of youth services, as well as better outcomes that result from youth participation. This result will occur since the organization that is providing framework services will be in a better position to understand where each youth is in relation to his or her ISS, when a youth has exited a WIA service or the WIA program, and when the period for follow-up begins.

Additionally, granting the waiver will support the implementation of common performance measures, since the framework service provider will be in the best position to know when a WIA youth is also participating in another partner program, and therefore will be able to make a better administrative judgment as to when program completion will trigger the time period to determine a performance outcome under the common measures.

All of these benefits are in concert with the strategic plan goals of the state.

D. Description of Individuals Impacted by the Waiver

The waiver will directly impact WIA eligible youth.

E. Opportunity for Public Comment from Local Boards Affected by this Waiver, as well as Business, Organized Labor, Local Public Officials, Community-Based Organizations and Other Stakeholders and Description of the Process(es) Used to Monitor the Progress in Implementing the Waiver

This request was developed as a result of concerns expressed by local areas.

Notice of the waiver request is being provided to each of the five local Boards in Connecticut and is being published in a major newspaper outlet in each of the five workforce investment areas. Additionally, notice is posted on the CT DOL website. A 15-day comment period will be allowed, with any comments being forwarded to US DOL within 30 days of the final date for comment submission.

The state Department of Labor, as the state administrator of WIA, will monitor the implementation of this waiver and work with the 5 local workforce investment boards to ensure that follow up services are delivered effectively. The current monitoring policy and procedures will be modified to include this waiver.

**STATE OF CONNECTICUT
WORKFORCE INVESTMENT ACT
WAIVER REQUEST FOR USE OF LOCAL FUNDS
FOR INCUMBENT WORKER TRAINING**

Summary

The State of Connecticut requests a waiver for the local Workforce Investment Boards to allow a portion, up to 15% of WIA Title I funds, to support incumbent worker training at the local level. These funds would be utilized in the same manner as statewide activities funding. Therefore, income eligibility and WIA performance measures would not be applicable.

With this waiver, local Workforce Investment Boards, at their discretion, may spend up to fifteen percent of the funds allocated to the local area under WIA Section 133(b), "Within State Allocations", to carry out the incumbent worker training program.

The State requests effective dates of this waiver to be through June 30, 2010.

The approval and use of this waiver will help prevent company layoffs and closures by assisting business and industry in becoming more competitive through the delivery of needed worker training. Through its implementation, this waiver will further the states workforce investment system.

Upon notification of approval of this waiver request, State policy developed with the previous approval will continue to be utilized by CT DOL and the local Workforce Investment Boards.

A. Statutory or Regulatory Requirements to be Waived

We are seeking a waiver of WIA section 133(b) which describes the allocation of local adult and dislocated worker funds.

B. State or Local Statutory Barriers

There are no existing State or local statutory or regulatory barriers to the implementation of this waiver request.

C. Goals of the Waiver, Expected Programmatic Outcomes, and Relationship to Strategic Plan

Incumbent worker training benefits all aspects of the workforce development system – federal, state, community, employers and workers. Increasing the amount of incumbent worker training in the state workforce system is also consistent with the national policy direction, as it develops a more integrated, efficient and effective workforce. It increases

state and local flexibility and simultaneously enables Boards to tailor their programs to meet the needs of local employers, incumbent workers and job seekers.

Workers benefit with upgraded skills, increased wages, and job retention. The waiver will allow employers to minimize their high cost of turnover and strengthen their standing in competitive markets. With incumbent worker training, local Boards will be able to target more resources to layoff aversion activities. The use of the waiver will keep payroll dollars in the local economy and lead to a more robust local economy. In addition, it will minimize the negative impact of the State's Unemployment Insurance Trust Fund.

All of these benefits are in concert with the strategic plan goals of the state.

D. Description of Individuals Impacted by the Waiver

This waiver will directly impact companies in need of incumbent worker training and individual employees who will receive such training. It may also assist in averting company layoffs and/or closures.

E. Opportunity for Public Comment from Local Boards Affected by this Waiver, as well as Business, Organized Labor, Local Public Officials, Community-Based Organizations and Other Stakeholders, and Description of the Process(es) Used to Monitor the Progress in Implementing the Waiver

A copy of this waiver request will be provided to each of the five local Boards in Connecticut and will be posted on the CTDOL website. It will include instructions to the Boards and people viewing the request on the website on how to submit comments on the waiver. In addition, a notice for public comment will be placed in the prime newspaper in each Board local area. The notice will include the website address where the waiver could be viewed and instructions for the submission of comments. A fifteen day comment period will be allowed, with any public comments received from this process being forwarded to the USDOL within 30 days of the final date for comment submission.

Traditional WIA performance measures do not apply to the 15% Governor's Reserve funded incumbent worker program.

As Boards are negotiating with companies they will ask the company to identify concrete measures they feel will reflect successful outcomes

Boards are required to submit a programmatic report on a quarterly basis. The information requested is the number of individuals who enter training, by employer, including name and social security number, the number who complete training, the number of training hours provided, number of wage increases by individual, any certifications or degrees received through the training, the cost per hour of instruction, and cost per trainee. Boards also report quarterly on the financial status of the incumbent

worker training funds utilizing the WIA Financial Status Report form. In addition, all Boards survey all the participants and employers served by these funds for customer satisfaction.

April 1, 2009

Ms. Jan Sten
Federal State Plan Coordinator
Office of Workforce Investment
Employment and Training Administration
U.S. Department of Labor
200 Constitution Avenue, NW, Room S-4231
Washington, DC 20210

Re: Stimulus Waivers Regarding CJT and OJT Employer Contributions

Dear Ms. Sten:

I've enclosed a copy of the State of Connecticut's requests for two waivers.

1. Pursuant to WIA Section 189(i)(4)(B) and the WIA federal regulations at 20 CFR 661.420(c), the State of Connecticut is requesting a waiver of the requirement that the employer pay for not less than 50% of the cost of the training for a CJT participant, as identified at WIA 101(8)(C).
2. Pursuant to WIA Section 189(i)(4)(B) and the WIA federal regulations at 20 CFR 661.420(c), the State of Connecticut is requesting a waiver of the requirement for employers to be reimbursed up to 50% of the wage rate of an OJT participant for the extraordinary costs of providing the training and additional supervision related to the OJT, as identified at WIA 101(31)(B).

Copies of these proposed waiver requests have been posted on the CTDOL website and legal notices have been placed in local area newspapers. Any public comments received from this process will be forwarded to US DOL within thirty days of the final date for comment submission, April 18, 2009.

If there are any questions on this proposed waiver request, please contact Susan Deschamplain at 860-263-6600 or susan.deschamplain@ct.gov or Joan Carrasquillo at 860-263-6593 or joan.carrasquillo@ct.gov.

Sincerely,

Patricia H. Mayfield
Commissioner

Attachments (2)

cc: M. Holleran, A. Young, M. Langton, C. Buzzelli

**State of Connecticut
Request for waiver
Customized Job Training Match**

1. *Statutory and/or regulatory requirements for which a waiver is requested:*

Pursuant to WIA Section 189(i)(4)(B) and the WIA federal regulations at 20 CFR 661.420(c), the State of Connecticut is requesting a waiver of the requirement that the employer pay for not less than 50% of the cost of the training, as identified at WIA 101(8)(C).

2. *Describe the actions the state or local areas have undertaken to remove state or local barriers:*

There are no existing State or local statutory or regulatory barriers to the implementation of this waiver request.

3. *A description of the goals of the waiver, relationship of the goals to the strategic plan, and expected programmatic outcomes:*

The goal of this waiver request is to provide the flexibility to use federal funds where state funds are not viable in providing customized training. By removing the requirement that the employer pay for not less than 50% of the cost of training, local boards will be able to more effectively market WIA-funded customized training to the private sector in demand-growth industries.

This requests would change the required 50% employer contribution to the total cost of training to a contribution based on a sliding scale, ranging from 10-50 percent for the employer based on the employer's size. Specifically, Connecticut shall establish the required portion of the costs, which will be not less than 10% of the training costs for employers with 25 or fewer employees, 20% of the cost for employers with 26-50 employees, 30% of the cost for employers with 51-75 employees, 40% of the cost for employers with 76-100 employees, and 50% of the cost for employers with more than 100 employees.

Allowing local boards to apply this sliding scale to determine the employers contribution will increase the likelihood of job placement activity (both subsidized and unsubsidized).

4. *Describe the individuals impacted by the waiver:*

Individuals affected by this waiver are employers who will benefit as a result of the reduced contribution and increase their ability to train employees to meet their specifications.

The waiver will also benefit the Adult, Older Youth and Dislocated Workers eligible for services under WIA.

This waiver would also dramatically increase local boards capability to market demand-driven services and further increase relationships with the private sector.

5. *A description of the processes used to:*

1. Ensure meaningful public comment
2. Provide notice to any local board affected by the waiver
3. Provide affected local boards opportunity to comment, and
4. Monitor implementation

This request was developed in response to concerns expressed by local boards.

Notice of the waiver request is being provided to each of Connecticut's five local boards and is being published in a major newspaper outlet in each of the five workforce investment areas. Additionally, notice is posted on the CT DOL website. A 15-day comment period will be allowed with any comments being forwarded to USDOL within 30 days of the final date of comment submission.

The state Department of labor, as the state administrator of WIA, will monitor the implementation of this waiver and work with the 5 local workforce boards to assess the range of benefits that have accrued.

**State of Connecticut
Request for waiver
Employer Reimbursement of OJT Payments up to 50%**

1. *Statutory and/or regulatory requirements for which a waiver is requested:*

Pursuant to WIA Section 189(i)(4)(B) and the WIA federal regulations at 20 CFR 661.420(c), the State of Connecticut is requesting a waiver of the requirement for employers to be reimbursed up to 50% of the wage rate of an OJT participant for the extraordinary costs of providing the training and additional supervision related to the OJT, as identified at WIA 101(31)(B).

2. Describe the actions the state or local areas have undertaken to remove state or local barriers:

There are no existing State or local statutory or regulatory barriers to the implementation of this waiver request.

3. A description of the goals of the waiver, relationship of the goals to the strategic plan, and expected programmatic outcomes:

By removing the requirement local boards will be able to more effectively market OJTs to the private sector in demand-growth industries.

This requests would change the required 50% reimbursement limitation of the wage rate of an OJT participant based on a sliding scale, ranging from 10-50 percent for the employer based on the employer's size. Specifically, Connecticut shall establish the allowable reimbursement, which will be not more than 90% of the wage rate for employers with 25 or fewer employees, 80% of the wage rate for employers with 26-50 employees, 70% of the wage rate for employers with 51-75 employees, 60% of the wage rate for employers with 76-100 employees, and 50% of the wage rate for employers with more than 100 employees.

Allowing local boards to apply this sliding scale to determine the employer's contribution will increase the likelihood of job placement activity (both subsidized and unsubsidized).

4. Describe the individuals impacted by the waiver:

Individuals affected by this waiver are employers who will benefit as a result of the reduced contribution and increase their ability to hire and train employees to meet their specifications.

The waiver will also benefit the Adult, Older Youth and Dislocated Workers eligible for services under WIA.

This waiver would also dramatically increase local boards capability to market demand-driven services and further increase relationships with the private sector.

5. *A description of the processes used to:*

5. Ensure meaningful public comment
6. Provide notice to any local board affected by the waiver
7. Provide affected local boards opportunity to comment, and
8. Monitor implementation

This request was developed in response to concerns expressed by local boards.

Notice of the waiver request is being provided to each of Connecticut's five local boards and is being published in a major newspaper outlet in each of the five workforce investment areas. Additionally, notice is posted on the CT DOL website. A 15-day comment period will be allowed with any comments being forwarded to USDOL within 30 days of the final date of comment submission.

The state Department of labor, as the state administrator of WIA, will monitor the implementation of this waiver and work with the 5 local workforce boards to assess the range of benefits that have accrued.