



**OCT 13 2009**

The Honorable Donald L. Carcieri  
Governor of Rhode Island  
State Capitol  
Providence, Rhode Island 02903

Dear Governor Carcieri:

As part of Rhode Island'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 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 Rhode Island approval of the following waivers through June 30, 2010:

- Waiver of the provision at 20 CFR 663.530 that prescribes a time limit on the period of initial eligibility for training providers.
- Waiver of the required 50 percent employer contribution for customized training at WIA Section 101(8)(C).
- Waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts for older and out-of-school youth.

The approvals for these waivers remain in effect. The letter dated June 18, 2009 granted temporary extensions of the remainder of Rhode Island's waiver requests. The previous approval of the extensions is hereby terminated and replaced by decisions set forth in this letter. 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: Extension of the waiver of the State Workforce Board membership requirements at WIA Section 111(b).

The State wishes to continue operating with a streamlined State Workforce Investment Board. The State is granted a waiver extension of the State Board membership

requirements at WIA Section 111(b) through June 30, 2010. Under this waiver, the State will continue to meet the requirements for a business majority and a business chairperson, described in WIA Sections 111(b)(3) and 111(c), respectively.

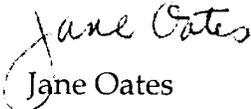
Requested Waiver: Waiver of WIA Section 123 that requires that providers of Youth program elements be selected on a competitive basis.

On April 13, 2009, the State requested a waiver of WIA Section 123 requirement for competitive procurement of service providers for all ten youth program elements. The State has revised its waiver plan, and now requests a waiver of the WIA Section 123 requirement for competitive procurement of service providers for three of the ten youth program elements: follow-up services, supportive services, and work experience. 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 the youth program elements of follow-up services, supportive services, and work experience. In utilizing this waiver, the State and local areas must still meet Office of Management and Budget requirements (codified in 29 CFR Parts 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 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 Holly O'Brien, the Acting Regional Administrator for Region I, at 617-788-0166 or [Obrien.Holly@dol.gov](mailto:Obrien.Holly@dol.gov).

Sincerely,

  
Jane Oates  
Assistant Secretary

Enclosure

cc: Bert Camarata, Federal Project Officer for Rhode Island, ETA Boston Regional Office  
Holly O'Brien, Acting Regional Administrator, ETA Boston Regional Office

## **EXHIBIT 8**

**(Refer to Page 53 – Current State Plan)**

**State of Rhode Island  
Workforce Investment Act  
Waiver Request  
Workforce Investment Board Membership Requirements  
State HRIC to act as SWIB under WIA**

The Rhode Island Department of Labor and Training (RIDLT), as the State administrative entity for the Workforce Investment Act (WIA), is requesting a waiver of the WIA membership requirements for the SWIB.

The waiver request, if approved, would allow the Governor of the State of Rhode Island to create a SWIB that would be paramount and at the same time comply with the approved membership requirements set forth in Rhode Island Public Law 42-102-2 (b) and the recently amended Rhode Island State Constitution. The new SWIB's membership requirements would encompass the membership requirements of the HRIC (proposed membership requirements are attached as appendix "A" to this request) with two exceptions:

1. The Separation of Powers Amendment to the Rhode Island Constitution (this amendment was approved by the voters in November 2004 and its provisions supercedes the requirements of RI Public Law 42-102-2 enacted during the 2004 Rhode Island Legislative Session) prohibits state legislators from being on boards with executive functions. The removal of the state legislators reduces the size of the HRIC from fifteen (15) to thirteen (13) members.
2. The Governor also wishes to appoint four (4) additional members to the SWIB: (1) representative of the post-secondary education system, (1) representative of the lead state agency responsible for implementing the state's workforce development policy i.e., the Director of the Department of Labor and Training (2) additional representative of the employer community.

Therefore, if the waiver is approved, the new SWIB would have seventeen (17) Members with a business majority.

The Rhode Island HRIC is charged with the essentially the same mission as the State Workforce Investment Council (SWIB) under the WIA, i.e., providing the "strategic planning for an evaluation and coordination of workforce development efforts in Rhode Island and support of innovative and state-of-the-practice initiatives and programs for workforce development." In addition, the classes of the membership requirements of both boards are similar; therefore, to have two boards with the same mission and similar classes of membership would not make sense organizationally.

Finally, the new SWIB, encompassing the membership and mission of the Rhode Island Human Resource Investment Council (HRIC), is a much smaller board than the one required by the WIA. This is a desirable goal if one wishes to have an active, influential and involved board. Boards with over fifty (50) members, as required under WIA, are unwieldy, lead to low participation rates and are marked by having little meaningful discussion.

This waiver request adheres to the format identified in WIA Section 189 (i)(4)(B) and WIA Final Regulations at 20 CFR Section 661.420(c).

**1. Statutory Requirements to be Waived:**

The WIA contains requirements for SWIB membership at section 111(b). This requirement results in large, unwieldy and, therefore, unsuccessful boards. In the case of Rhode Island, the HRIC has essentially the same mission and membership requirements—though smaller in size. The creation of a separate SWIB under WIA would divide authority and responsibility between two public bodies with the same purpose.

The following classes of membership are required under the State HRIC Statute for the fifteen (15) member HRIC: six (6) from the employer community, four (4) members must be women, three (3) must be minority community representatives and one member must represent the disabled community, two (2) legislators—one from the senate and house each.

The legislators, however, are excluded from membership on the State Workforce Investment Board and the HRIC by the RI Constitution. The Governor would appoint the representatives of two (2) state agencies and two (2) additional employer representatives and remove the two (2) legislators. The State Workforce Investment Council encompassing the membership and mission of the HRIC would still consist of seventeen (17) members—nine (9) would be representing the employer community.

**2. State Statutory Barriers:**

There are no existing state statutory or regulatory barriers to implementation of this waiver request. The approval of the waiver would expedite the State's planning and implementation of WIA programs.

**3. Goals of the Waiver and Expected Programmatic Outcomes:**

The approval of this waiver request will give the Governor greater control over development and achievement of Rhode Island's workforce development goals. The smaller SWIB appropriately modified with additional employer and state agency representation will be able to focus on strategic issues and simply be more effective. The main reason that influential private sector members do not

attend SWIB meetings more frequently is because of the size of the boards. It has also been difficult to achieve the necessary quorum for conducting meetings with larger boards.

**4. Description of the Individuals Impacted by the Waiver:**

The impact of this waiver would be having a smaller and more effective board.

**5. Description of the Process to Monitor Waiver Progress:**

The State Workforce Investment Office of the Rhode Department of Labor and Training already has the responsibility to monitor the composition of the State Workforce Investment Board and ensure their compliance with member requirements.

**6. Opportunity to Comment on the Waiver Request:**

This waiver request will be published on the State Workforce Investment Office (WIO) website at <http://www.DLT.RI.Gov/WIO>.

**7. Public Comment on the Waiver Request:**

As noted in item six above, we will publish the waiver request at <http://www.DLT.RI.Gov/WIO> which is the State web site.

**Appendix "A"**  
**PROPOSED SWIB MEMBERSHIPS**

- (1) Nine (9) members shall be appointed by the governor from the employer community, in a manner that is representative of employers of different sizes and sectors, including the nonprofit sector. The chair shall will be appointed from one of these employer community representatives.
- (2) Four (4) members from organized labor shall be appointed by the governor;
- (3) Two (2) members from community-based organizations shall be appointed by the governor;
- (4) Two (2) members of state agencies, a representative of the post-secondary education system and the Rhode Island Department of Labor and Training (the lead state agencies responsible for the implementation of state workforce development policy).

The new SWIB will consist of seventeen members of which nine (9) members, including the chair, will be representatives of the employer community.

**State of Rhode Island  
Workforce Investment Act  
Waiver Request  
CUSTOMIZED TRAINING:  
50% OF COST OF TRAINING EMPLOYER MATCH**

**NOTE:** This waiver is included in the eventuality that the new waiver request based on a cost benefit ratio rating scale and submitted on April 15, 2009 as part of the State Plan Extension Request is denied.

The Rhode Island Department of Labor and Training, the state operational entity for the Workforce Investment Act (WIA), is requesting a waiver to change the required 50% employer match to a match based on a sliding scale. Through this approach, the employer match would range from a minimum of 10% to a maximum of 50%. The match would be based on a particular business or industry's cost/benefit ratio of contributing to a match amount to receive skilled employees and the transferability of skills to be attained by the proposed employees. There would be a policy issuance by the State Workforce Investment Board defining the sliding scale to be used by Local Workforce Investment Boards.

This waiver request adheres to the format identified in WIA Section 189(i)(4)(B) and WIA Final Regulations at 20 CFR Section 661.420(c).

**1. Statutory Requirements to be Waived:**

WIA Section 101(8) and WIA Final Regulations at 20 CFR Section 663.715 defines customized training and requires employers to pay not less than 50% of the cost of training.

**2. Goals of the Waiver and Expected Programmatic Outcomes:**

Customized training optimizes the resources available under workforce development initiatives to meet the needs of employers and job seekers. However, the current 50% percent employer match requirement limits the ability to market customized training programs to local employers. Local employers too often conclude that the 50 percent match requirement creates costs that outweigh the benefits of participating in a WIA customized training program.

The proposed sliding scale for the employer match will create the necessary flexibility for employers to provide the required match at a rate that more appropriately represents a particular business' or industry's cost benefit ratio of contributing to a match amount to receive skilled employees. Allowing businesses and industries to apply the sliding scale to determine the match amount will increase employer participation in WIA customized training programs at the local level. The sliding scale will answer employers' primary reason for not

participating in the customized training. Boards will increase their participation rates for skilled job seekers that received training and found employment. Employers will benefit by having a labor pool with the marketable skills they require.

**Proposed Employer Match Sliding Scale:**

The proposed employer match sliding scale will range from 10 to 50 percent, based on quality characteristics of customized training. Quality characteristics will be based on the goals of the State Strategic Plan for Workforce Development that adhere to the principles of training workers in high growth and high demand jobs. The State Workforce Investment Board is committed to ensuring that participants in customized training programs will acquire skills to meet workplace requirements for long term employment and work toward sustaining employment in high-skill, high wage occupational areas.

**3. State Statutory Barriers:**

There are no existing state statutory or regulatory barriers to implementation of this waiver request.

**4. Description of the Individuals Impacted by the Waiver:**

The waiver will positively affect all of the State's WIA customers, employers and job seekers.

**5. Description of the Process to Monitor Waiver Progress:**

The State Workforce Investment Office of the Rhode Department of Labor and Training already has the responsibility to monitor the Eligible Training Provider list (ETPL) compliance.

**6. Opportunity to Comment on the Waiver Request:**

This request was developed at the request of local areas. As with all major workforce policies and procedures, the State has solicited dialogue and input from the local workforce boards and staff concerning the impact of this request. The local workforce areas support this request. This waiver request will be published on the State Workforce Investment Office (SWIO) Website at <http://www.DLT.RI.Gov/WIO>.

**7. Public Comment on the Waiver Request:**

As noted in item six above, we will publish the waiver request at <http://www.DLT.RI.Gov/WIO> which is the State web site.

**State of Rhode Island  
Workforce Investment Act  
Waiver Request**

**IDENTIFICATION OF ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES**

**Background**

Subsequent to the passage of the Workforce Investment Act of 1998 (WIA), the State of Rhode Island's Local Workforce Investment Boards designated the Rhode Island Department of Labor and Training's One-Stop Career Centers to carry out the provisions of WIA. The Local Workforce Investment Boards made this designation for a number of reasons, not the least of which was because the One-Stop Center System had for years characterized one of the key intents of WIA; to foster the integration, collaboration, and cooperation among multiple funding streams and service providers in the area of workforce development.

Programs and services that are now offered at the One-Stop Career Centers include all DOL employment and training programs, including Registered Apprenticeships, certain employment and training programs for TANF recipients supported by the TANF agency (including the food stamp employment and training programs among others), Vocational Rehabilitation, and older worker programs. In addition, close collaboration among non-co-located service providers includes adult education and literacy programs, community-based organizations, mental health and drug rehabilitation centers, area technical centers and post-secondary educational institutions, Job Corps and others. These services are only offered to adults. Within this system, the One-Stop Career Centers provide case management services for adults that include intake; assessment; career, occupational, and financial counseling; coordination of education and training services; support services; and follow-up services. The formation over time of this integrated network of programs and services prompted the Governor to assign by Executive Order 05-18 the primary responsibility for the delivery of workforce development services to the One-Stop Career Centers of the Rhode Island Department of Labor and Training.

By contrast, in order to provide programs and services to youth, it is mandated by law that a competitive model be established. There are three notable problems associated with the existing competitive model:

- 1) Over the years there has been progressively less competition and an increasingly limited pool of willing subrecipients;
- 2) Subrecipients provide some of the required ten elements well but not all; and,
- 3) The cost to provide services in this manner is administratively burdensome and expensive.

This has resulted in a delivery system that serves a very low number of youth and one that relies on a network of service providers who are not equipped to deliver all ten youth program elements in a comprehensive and efficient manner.

To address this situation, Rhode Island proposes to utilize the Youth Center located on site at the One-Stop Career Center in Providence, and in the near future, at a Youth Center to be located on site in Pawtucket as the primary entry points for WIA youth services along with satellite offices to be determined. Access will also be ultimately be provided through internet as well. This we believe will lead to a more efficient, customer friendly and cost-effective system. Centralizing our youth delivery system at the Youth Center located at the One-Stop will enable us to develop partnerships, through formal Memoranda of Understanding with State, local and community-based agencies who have expertise in delivering youth services such as tutoring, referral to alternative secondary school offerings, leadership development opportunities, supportive services, adult mentoring, follow-up services and comprehensive guidance and counseling. With respect to summer employment opportunities and paid and unpaid work experience, we plan to competitively procure those program elements.

We are proposing that our Youth Centers will be staffed with a local Workforce Board youth services coordinator whose responsibility will be to oversee all youth services as well as staff from partnering agencies. The youth services coordinator will be responsible for determining which program elements cannot be delivered through partnership arrangements and need to be competitively procured. This approach will enable the local Workforce Boards to better manage performance. Additionally, this approach will enable vendors to apply for the delivery of program elements that are within their realm of expertise.

The Governors Workforce Board as well as the two Local Workforce Investment Boards has endorsed the concept of youth services being accessed through the One-Stop Career Centers.

#### **A. Statutory or Regulatory Requirements to be Waived:**

Rhode Island requests on behalf of the State (GWB) and Local Workforce Boards (LWIBs) a waiver of the requirements of Sections 117(d)(2)(B), 117(h)(4)(B)(i), and Section 123 that requires eligible providers of youth activities be selected by awarding grants or contracts on a competitive basis. These activities include the “ten program elements” listed under WIA section 129(c).

It is the intent of this waiver request that when these services can be provided by existing staff and/or through existing or prospective partner arrangements, then the option should exist for the local boards to use these services. If services cannot be provided by existing program staff or partner agencies, there would be a competitive procurement in compliance with the Section 123 of the regulations so that all ten program elements would always be available to eligible youth.

**B. Goals and Expected Programmatic Outcomes if Waiver is Granted:**

The immediate and long-term impact of granting this waiver request is:

- The local Workforce Investment Boards will be better positioned to manage performance;
- To create points of collaboration for all youth service providers (public and non-public) affording seamless services to youth;
- To allow Rhode Island to maintain an effective, cohesive, and integrated network of service providers centered on the One-Stop System as required by the Governor's Executive Order No. 05-18;
- The establishment of an easy-to-navigate, coherent case management system for youth that requires minimal movement among service providers;
- To create partnerships to serve youth similar to the partnerships that currently exist by Memoranda of Understanding to serve Adults in the One-Stop Career Centers;
- To increase access to youth services under WIA by better utilizing Youth Centers in the existing One-Stop Career Centers, and creating appropriate satellite centers and website;
- To create the opportunity for the Local Boards to use current program staff and partner agreements to provide required services and to seek competitive procurement of outside services when needed. This is critical and necessary given the current state of resources and limited number of providers, and results in the maximum investment of available resources to directly serve to youth; and
- To allow RIDLT One-Stop Career Centers to build on the existing model of collaborative partnerships.

**C. State Statutory Barriers:**

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

**D. Description of the Individuals Impacted by the Waiver:**

The waiver will positively impact all Local Workforce Areas (LWIAs) and Local Workforce Boards (LWIB), training providers, local One-Stop staff, and customers.

**E. Description of the Process to Monitor Waiver Progress:**

The State Workforce Investment Office of the Rhode Department of Labor and Training already has the responsibility to monitor the implementation and deliverables.

**F. Description of process used to provide notice to any Local Board affected by the Waiver;**

Should the waiver be granted, the RI Department of Labor and Training's State Workforce Investment Office will issue a Workforce Investment Notice (WIN) that will be disseminated to appropriate officials of the Local Workforce Areas. The WIN will also be posted on the RIDLT website.

**G. Opportunity to Comment on the Waiver Request:**

This Youth Waiver request was drafted in cooperation with the two local areas. As with all major workforce policies and procedures, the State has solicited dialogue and input from the local workforce boards and staff concerning the impact of this request. The State Board supports this request. The aforementioned process ensured a review by interested parties from business, organized labor and others throughout Rhode Island.

This waiver request will be published on the State Workforce Investment Office (SWIO) Website at <http://www.DLT.RI.Gov/WIO>

**H. Public Comment on the Waiver Request:**

As noted in Section "G" above, we will publish the waiver request at <http://www.DLT.RI.Gov/WIO> which is the State web site.