

ALABAMA WORKFORCE DEVELOPMENT SYSTEM

Alabama Department of Economic and Community Affairs
Workforce Development Division
401 Adams Avenue
Post Office Box 5690
Montgomery, Alabama 36103-5690

July 7, 2004

GOVERNOR'S WORKFORCE DEVELOPMENT DIRECTIVE NO. PY2004-01

SUBJECT: Extension of WIA Waivers

1. **Purpose.** To transmit notice of the extension of two WIA waivers, and provide a recap of State of Alabama WIA Waiver request activity to date.
2. **Discussion.** The WIA statute provides for the granting by USDOL of WIA regulatory waivers. States requesting WIA waivers from USDOL must provide appropriate narrative justification.

As indicated by the attached document, "Alabama Waiver Request Activity", we have in the past requested several such WIA waivers. Two of these waiver requests, dealing with the WIA eligible training providers' period of initial eligibility, and the Adult-Dislocated Worker program funds transfer limitation, were granted.

However, these two waivers were scheduled to expire June 30, 2004.

USDOL, in correspondence of June 29, 2004, a copy of which is attached to this Directive, granted an extension of these WIA waivers, through June 30, 2005.

3. **Action.** The attached information is provided to local areas and WIA staff for informational and action purposes.
4. **Contact.** Please direct any questions to Ray Clenney at (334) 242-1421.



Steve Walkley, Division Director
Workforce Development Division

Attachments

8/27/04



JUN 28 2004

The Honorable Bob Riley
Governor of Alabama
State Capitol
600 Dexter Avenue
Montgomery, Alabama 36130-2751

Dear Governor Riley:

It is with pleasure that I respond to the State of Alabama's request for an extension of Workforce Investment Act (WIA) waivers, in accordance with 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 State of Alabama is requesting an extension of the following approved waivers that expire June 30, 2004:

- Waiver of the time limit on the period of initial eligibility of training providers at 20 CFR 663.530, and
- Waiver of the 20 percent funds transfer limitation at WIA Section 133(b)(4) to permit the state to approve local area requests to transfer amounts of up to 50 percent of local area allocations between the Adult and Dislocated Worker programs.

The State of Alabama's request (copy enclosed) indicates that an extension of the waiver related to initial eligibility is needed to provide additional time for development of reporting mechanisms to facilitate procurement of WIA service provider performance information. Additionally, the state notes that WIA Adult and Dislocated Worker program management flexibility remains a high priority, particularly with an influx of former Welfare-to-Work participants into the WIA Adult program. An extended funds transfer waiver supports achievement of such flexibility.

The waiver extension request is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c), and appears to meet the standard for approval at 20 CFR 661.420(e). Accordingly, the State of Alabama is granted an extension of the two waivers through June 30, 2005.

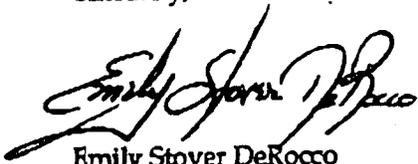
The granted waiver extensions are incorporated by reference into the state's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and also constitute a modification of the state's approved five-year strategic plan. A copy of this letter should be filed with the state's WIA Grant Agreement and the state's approved five-year strategic plan, as appropriate.

As you know, your waiver extension for funds transferability is consistent with one of the improvements that the Administration is seeking in the reauthorization of the Workforce Investment Act – the consolidation of the WIA Adult, WIA Dislocated Worker and Wagner-Peyser Act (Employment Service) funding streams.

This consolidation would provide states with maximum flexibility to meet unique workforce needs. In the meantime, we hope this waiver extension will assist your state in meeting its workforce needs and improving programmatic outcomes.

We look forward to continuing our partnership with you and achieving better workforce investment outcomes. We are prepared to entertain other state and local-level waiver requests that you may wish to submit, consistent with the provisions of the WIA statute and regulations.

Sincerely,



Emily Stover DeRocco

Enclosure

Alabama WIA Waiver Request Activity

Waiver Request	Action	Date of USDOL Action
Waive 10 percent limitation on local administration costs.	Request withdrawn by state. USDOL acknowledgment letter.	July 24, 2000.
Waive 80 percent obligation requirement for adult and youth funds for PY 2000.	USDOL determined waiver was not needed under WIA. Notification letter to state.	June 8, 2001.
Waive requirement for annual submission by WIA training providers of program performance information for WIA program participants, in effect extending the period of initial eligibility for WIA service providers.	Waiver request presented to SWIB 5/2003. Waiver request submitted to USDOL 6/2003. Waiver request approved by USDOL. Initial Period of Eligibility for WIA Service Providers Extended Through January 1, 2004.	July 19, 2003.
Waive requirement that WIA participants be sequentially provided core and intensive services to become eligible to receive WIA training services, i.e., enable the provision of incumbent worker training. Additionally, allow up to 10 percent of local area funds to be used for incumbent worker training.	Waiver request presented to SWIB 5/2003. Waiver request submitted to USDOL 6/2003.	Pending.
Waive Section 111(b) SWIB and Section 117(b) local board membership requirements in favor of the SWIB and local board membership requirements proposed in H.R. 1261.	Waiver request presented to SWIB 5/2003. Waiver request submitted to USDOL 6/2003.	Pending.

<p>Waive Section 133(b)(4) twenty percent cap on LWIB Adult Program-Dislocated Worker Program funds transfer authority; increase LWIB Adult Program-Dislocated Workers Program transfer authority to fifty percent.</p>	<p>Waiver request submitted to USDOL 4/23/2003. Waiver Request approved by USDOL. Maximum Adult/Dislocated Worker Program funds transfer authority raised to fifty percent. Transfer authority granted through 6/30/2004.</p>	<p>January 14, 2004.</p>
<p>Per TEGL No. 21-03, request extension two approved regulatory waivers: 1) extension of WIA service providers initial eligibility through June 30, 2005, and 2) Adult/Dislocated Worker program transfer authority expanded from twenty percent to fifty percent of funds.</p>	<p>Waiver extension request transmitted to USDOL May 7, 2004. USDOL grants request extension through June 30, 2005, of eligible training provider and funds transfer authority waivers. The extended WIA waivers are now both effective through June 30, 2005.</p>	<p>June 29, 2004.</p>