U.S. Department of Labor

Assistant Secretary for Employment and Training Washington, D.C. 20210



May 31, 2024

The Honorable Brad Little Governor of Idaho 700 West Jefferson Street 2nd Floor Boise, ID 83702

Dear Governor Little:

Thank you for your waiver request submission to the U.S. Department of Labor regarding certain statutory and regulatory provisions of the Workforce Innovation and Opportunity Act (WIOA) and the accompanying plan to improve the statewide workforce development system (enclosed). The waiver request was received March 4, 2024, as part of your recent WIOA State Plan submission. This letter provides the Employment and Training Administration's (ETA) official response to your request and memorializes that Idaho will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Idaho and ETA. This action is taken under the Secretary of Labor's authority to waive certain requirements of WIOA Title I, Subtitles A, B, and E, and Sections 8–10 of the Wagner-Peyser Act in WIOA Section 189(i).

Requested Waiver: Waiver of the requirements outlined in WIOA Section 107(b), to allow a state workforce development board to carry out the roles and responsibilities of a local board.

ETA Response: ETA approves the State's request for a waiver to allow the State Board to carry out the roles of the local workforce development boards in the State. ETA reviewed Idaho's waiver request and plan and has determined that the requirements requested to be waived impede the ability of the State to implement its plan to improve the workforce development system. Given the support for this waiver request by the local elected officials in the local area and the challenges the State and local areas have in mounting a fully compliant local-led board at this time, the U.S. Department of Labor agrees that the State Board is in a better position to ensure effective service delivery in the local workforce areas in the State. Under this waiver, the Governor may designate the State Board to carry out the roles and responsibilities of the local boards in the State. In implementing this waiver, the State must:

- Continue to include local input into its activities; and
- Allocate funding to the local area for which the State Board is carrying out local board functions.

The State must report its waiver outcomes and implementation of the approved waiver in the WIOA Annual Report. ETA will use this information to assess continued waiver approval and to identify promising practices that may be adopted more widely. ETA is available to provide technical assistance to you in support of your goals. If you have questions, feel free to contact my office at (202) 693-2772.

Sincerely,

José Javier Rodríguez

Enclosure

cc: Jani Revier, Director, Idaho Department of Labor

Dr. Tamika Ledbetter, San Francisco Regional Administrator, ETA

Patricia O'Sullivan, Federal Project Officer, ETA

Idaho State Board as Local Board

Submitted: March 4, 2024

- 1. The State of Idaho is formally seeking a waiver to permit a state board to carry out the functions of a local board. This waiver request is for a renewal of a waiver previously applied to 20 CFR 679.310(f) which states that a state board must carry out the roles of a local board when the State Plan indicates that the State will be treated as a local area under WIOA. The Workforce Innovation and Opportunity Act Sections 106(d)(2) and 107(c)(4) also direct a state board for a single state local area to carry out the functions of the local board. The Workforce Development Council has acted as both the state and local board under WIA since 2005, under WIOA since 2014, and the current structure is reflected in the Combined State Plan.
- 2. No state or local policies limit the Governor's authority to require a regional plan or utilize the Workforce Development Council as the local workforce board for the state.
- 3. The primary goal to be achieved by this waiver is to reduce annual overhead and maximize the available money directed to program services, especially training and work-based learning, and services to business. The programmatic outcome is to serve a larger number of participants than would otherwise be served due to added administrative costs. To maximize resources available for service delivery, the state continues to use the Workforce Development Council as the local workforce board throughout the state. When initially implemented, this saved the WIA program in the state approximately \$1.5 million dollars by removing the administrative overhead of maintaining six regions throughout the state. Since then, these former administrative funds have been utilized as WIOA program funds, allowing for more participants to be served.

As evidenced since its initial implementation, Idaho's single statewide planning structure has continued to reduce annual overhead, and maximizes the available funding directed to training and services to business and job seekers.

This statewide structure enhances efforts to transform the system into a demand driven system. The eight Idaho Department of Labor offices serve as the state's American Job Centers offering the full range of workforce development services, and dozens of mobile locations across the state expand access into rural areas to

connect citizens far from the AJCs to workforce services. This recognizes the importance of sharing data and information about new and expanding businesses to build the economy across regions.

- 4. The Workforce Development Council structure has been in place since the Jobs Training Partnership Act. Its current membership aligns with the prescribed composition under WIOA, including a majority of business representatives, along with partners from government, labor, community-based and educational entities. State education policy is thoroughly aligned with the state's workforce development goals.
- 5. This waiver allowing a single statewide regional planning structure has allowed for an average annual increase in training opportunities for more adults, dislocated workers and at—risk youth, and has helped the state to maintain service levels despite funding cuts over the years.
- 6. As evidenced since its initial implementation, the single statewide planning structure has reduced annual overhead, maximizing the available money directed towards program services, including training/work-based learning, and services to business and job seekers. In the spirit of WIOA's intent, the State has emphasized spending program funds towards those individuals most in need and who can benefit from intensive staff intervention, and direct training and support of businesses and participants, all of which positively impact the achievement of performance goals.

The single statewide structure has strengthened administrative oversight and accountability processes. Prior to this change, administrative deficiencies resulted in substantial disallowed costs for Idaho's largest Workforce Investment Area. The strengthened administrative structure under the waiver has assisted Idaho to minimize disallowed costs, further enabling the redirection of funds from service provider and administration to direct participant training and support.

As noted earlier in this section of Idaho's Combined State Plan, Idaho is comprised of two local areas – the Balance of State and eastern Idaho – a structure established since 2005. Under this waiver, the state Workforce Development Council serves as a statewide local board for both local areas, functioning as the planning structure outlined earlier. Prior to submission of this plan modification and previous versions, the state and the council reached out to the East Central

Idaho Elected Official Consortium and its WIOA representatives, East Central Idaho Planning and Development Association, dba ALTURA, to discuss any potential changes to this structure and/or affirm the existing relationship. Since the structure's establishment, ALTURA and those it represents have unanimously supported this waiver and its objectives. The MOU between ALTURA and the Workforce Development Council outlines the roles each have in the statewide and local governance of Idaho's workforce development system.

In addition, the Workforce Development Council itself includes several elected officials as part of its membership. Two serve as local elected officials, and two others are state representatives — one representing state House and the other the state Senate. Each member represents a different area of the state and bring a local perspective to the issues affecting workforce matters across the state. Currently, the local elected official representing cities is from the eastern Idaho local area.

Funds to the local areas are distributed based on the state's <u>WIOA Title I-B Formula</u> <u>Funds Distribution Policy</u>, which outlines how the state allots funds to each local area.

Idaho's waiver request was posted on the Idaho Workforce Development Council's website for comment and review by required parties and the public. An invitation was personally extended to two influential organizations in the state – the Idaho Association of Cities and Idaho Association of Counties - to provide them the opportunity to review not only this waiver, but the entire Combined State plan. No local boards are affected by the waiver. A copy of this waiver request was provided to all members of the state Workforce Development Council, along with the Idaho's PY2024-2027 WIOA Combined State Plan. The State Workforce Development Council's Executive Committee approved Idaho's Combined State Plan and this waiver on February 22, 2024, with plans for the full Council to review these items during its March 6, 2024, meeting. Meetings for both groups are announced and open to the public via a variety of means across the state.

The state received one comment during the February 2024 public comment period. It was specific as to how the state plan was presented on the Workforce Development Council's website and not directly related to the plan's contents. The comment is on file and available for review. The impact of this waiver on the state's performance will be addressed in the state's WIOA Annual Report.

7. Not applicable.