



September 1, 2020

The Honorable Mike DeWine  
Governor of Ohio  
77 South High Street, 30th Floor  
Columbus, OH 43215

Dear Governor DeWine:

Thank you for your waiver request submission to the U.S. Department of Labor (Department) 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 on June 26, 2020. This letter provides the Employment and Training Administration's (ETA) official response to your request and memorializes that Ohio will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Ohio and ETA. This action is taken under the Secretary'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 requirement at 20 CFR 683.110(c)(1) and (2), which limits the period of local WIOA Adult, Dislocated Worker, and Youth funds availability to the program year (PY) of allotment and the succeeding year.

ETA Response: ETA approves the State's waiver request through June 30, 2021, to permit the State to make local WIOA PY 2018 funds available to local areas for a three-year expenditure period. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of Ohio to implement its plan to improve the workforce development system.

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. The Department proposed additional flexibility in its budgets for Fiscal Years 2018 through 2021 to give governors more decision-making authority to meet the workforce needs of their states.

If you have questions, feel free to contact my office at (202) 693-2772.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Pallasch". The signature is fluid and cursive, with the first name "John" being more prominent than the last name "Pallasch".

John Pallasch  
Assistant Secretary for Employment and Training

Enclosure

cc: Cynthia C. Dungey, Director, Ohio Department of Job and Family Services  
Rose Zibert, Acting Regional Administrator, ETA Chicago Regional Office  
Carl Stahlheber, Federal Project Officer, ETA Chicago Regional Office



## Ohio WIOA Program Waiver Plan

### Waiver of Requirement that Local Areas Expend All Funds in Two-year period

The ability to request waivers of statutory or regulatory requirements in order to improve the workforce system, is authorized by the Workforce Innovation and Opportunity Act (WIOA) section 189(i)(3) and by 20 CFR parts 679.600 - 679.640.

#### 1. Statutory or regulatory requirement to be waived

The Ohio Department of Job and Family Services (ODJFS) is the state workforce agency. In that capacity, and in response to the COVID-19 pandemic, ODJFS is seeking to obtain a statewide waiver of the requirement for local areas to return to the State any WIOA adult, dislocated worker, and youth funds for Program Year 2018 / Fiscal Year 2019 which are not expended in the required two-year period.

Specifically, the State of Ohio is requesting from the Employment and Training Administration (ETA) a waiver of 20 CFR 683.110 (c) (1) and (2), which read as follows:

(c) Grant funds expended by local areas as defined in WIOA sec. 106.

(1)(i) Funds allocated by a State to a local area under WIOA secs. 128(b) and 133(b), for any program year are available for expenditure only during that program year and the succeeding program year; .....

(2) Funds which are not expended by a local area(s) in the 2-year period described in paragraph (c)(1)(i) of this section, must be returned to the State. Funds so returned are available for expenditure by State and local recipients and sub recipients only during the third program year of availability in accordance with WIOA secs. 128(c) and 132(c). These funds are available for only the following purposes:

(i) For statewide projects; or

(ii) For distribution to local areas which had fully expended their allocation of funds for the same program year within the 2-year period.

The law also states the following in WIOA section 189(g)(2)(A):

(g) PROGRAM YEAR.—

(2) AVAILABILITY. —

(A) IN GENERAL. — Funds obligated for any program year for a program or activity funded under subtitle B may be expended by each State receiving such funds during that program year and the 2 succeeding program years. Funds received by local areas from States under subtitle B during a program year may be expended during that program year and the succeeding program year.

The waiver of these requirements would allow the local areas to automatically keep this funding for the entire third year through June 30th, 2021. With many OhioMeansJobs Centers closed and customer traffic limited as a result of the COVID-19 pandemic, spending has been relatively low over the past several months. As the state begins to open back up, uncertainty in the economy remains. ODJFS is committed to ensuring that the local areas have the needed funding available to serve the influx of participants that is expected to result from the COVID-19 pandemic. With this influx, comes a sudden increase in costs, and ODJFS would prefer local areas have immediate access to this funding to serve those Ohioans in need. Without this waiver, ODJFS would be required to reissue this funding as discretionary funding after reconciling the second-year period liquidation, and local areas would not have access to the money until January of 2021.

2. Actions undertaken to remove state or local statutory or regulatory barriers

There are no known state or local barriers delaying implementation of this waiver.

3. Projected programmatic outcomes resulting from waiver implementation

Improved flexibility of state and local funding to best meet the needs of our citizens and businesses during and after the COVID-19 pandemic.

4. State strategic goal(s) and Department of Labor priorities supported by the waiver

Approval of this waiver would support the Department of Labor's strategic priorities to:

Improve the Effectiveness and Efficiency of Workforce Development Programs

ETA made it an objective in the FY 2018-2022 Strategic Plan to support flexibility for governors and Local Workforce Development Boards, to enable them to effectively tailor their workforce strategies to meet state and local needs. This support is needed more than ever as we adapt to serving citizens and businesses through the COVID-19 pandemic.

5. Individuals, groups, or populations benefitting from the waiver

The waiver will positively impact:

All eligible participants as identified at WIOA section 129 and 134 and 20 CFR 680.120, 20 CFR 680.130, and 20 CFR 681.200. These participants include adults, dislocated workers, in-school and out-of-school youth.

The waiver would secondarily benefit people who are not WIOA eligible recipients but who have an economic relationship with recipients. These include businesses and employers, residents, and other individuals and entities affected by the COVID-19 pandemic.

6. Monitoring waiver implementation, including collection of waiver outcome data

If the waiver is granted, ODJFS will take the responsibility of tracking and monitoring this grant, to make sure that it is spent in its entirety by June 30, 2021, so there is no remaining balance on the federal claim. Monthly spending reports are sent to local workforce directors and fiscal agents by the ODJFS fiscal monitoring agent. State fiscal monitors will conduct an annual onsite review of each area's WIOA adult, dislocated worker, and youth funds, to assess compliance with federal and state laws and regulations.

7. Notice to Local Boards and Public Comment

ODJFS meets monthly and communicates frequently with local board staff and has informed them by email of this waiver request. A public comment period was offered to gather input on this waiver request from the workforce development community