

U.S. Department of Labor

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



May 30, 2024

The Honorable Douglas Burgum
Governor of North Dakota
600 East Boulevard Avenue
Bismarck ND, 58505-0001

Dear Governor Burgum:

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 requests were received March 3, 2024, as part of your recent WIOA State Plan. This letter provides the Employment and Training Administration's (ETA) official response to your request and memorializes that North Dakota will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by North Dakota 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 20 CFR 681.550 to allow WIOA individual training accounts (ITAs) for in-school youth (ISY).

ETA Response: ETA approves, for Program Year (PY) 2024 and 2025, the State's request to waive the requirement limiting ITAs to only out-of-school youth (OSY), ages 16–24. In addition to these OSY, the State may use ITAs for ISY, ages 16–21. ETA reviewed North Dakota'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. Approval of this waiver should not impede the State's efforts to prioritize OSY, including outreach to the OSY population.

Requested Waiver: Waiver associated with the requirement at WIOA Section 129(a)(4)(A) and 20 CFR 681.410 that the State expend 75 percent of Governor's reserve youth funds on OSY.

ETA Response: ETA approves for PY 2024 and PY 2025, which includes the entire time period for which states are authorized to spend each of those Program Year fund allotments, the State's request to waive the requirement that the State expend 75 percent of Governor's reserve youth funds on OSY. ETA reviewed North Dakota'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. The State may lower the expenditure requirement of Governor's reserve funds to 50 percent for OSY.

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,

A handwritten signature in blue ink that reads "José Javier Rodríguez". The signature is written in a cursive style with a large initial "J" and "R".

José Javier Rodríguez

Enclosure

cc: Nathan Svihovec, Commissioner, North Dakota Department of Labor and Human Rights
Nicholas Lalpui, ETA Regional Administrator – Dallas Region
Monica Moguel, ETA Federal Project Officer

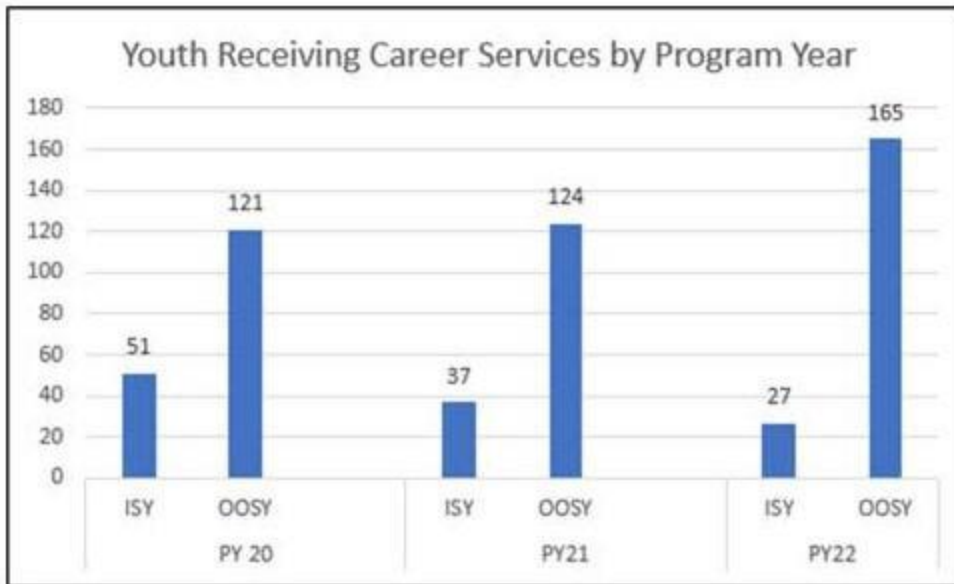
North Dakota 2024 State Plan Waivers

The State of North Dakota is requesting the following two waivers for use with PY 22, PY 23 and PY 24 funds:

1. Section 129 (a)(4)(A) and 20 CFR 681.410, which requires not less than 75% of funds allotted to states under Section 127(b)(1)(C), reserved under Section 128(a), shall be used to provide youth workforce investment activities for Out-of-School youth. North Dakota is requesting a waiver to reduce the 75% funding requirement for out-of-school youth to 50%.

Strategies and Goals:

- Allow flexibility to provide services for In-School Youth to complete secondary education, enter post-secondary education, or enter the workforce.
- Allows ND to be responsive and agile to support all youth for access to opportunities for quality, life-long education connected to the future of work.
- Intended to benefit at-risk youth, regardless of school status, with an emphasis on youth at risk of dropping out of High School, GED, alternative, and post-secondary education programs.
- Address the talent pipeline shortages faced by many employers by ensuring the State's youth have the skills and preparation needed to enter the workforce and become contributing members of the local and State economy.
- Allow the State to expand opportunities for recruitment and enrollment of at-risk In-School Youth who could benefit from the services of the workforce system.
- Allow the State to serve Out-of-School Youth and In-School Youth in a way that best meets the needs of the local workforce areas according to populations, resources, and other labor market factors.



- Currently, North Dakota is expending PY 21 youth training funds. These waivers will ensure timely spending of WIOA Title 1 funds.
- The ND High School dropout rate of 5% or less is demonstrated by the following data. This statistic supports our request for each of the waiver requests noted above.

North Dakota

Dropout Rate

Overview

Demographics

Explanation

This graph shows the dropout rate for students in the state of North Dakota.

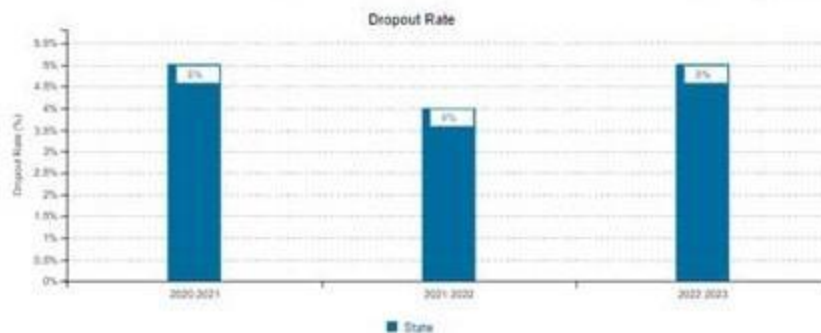
Dropouts are defined as students who:

- Were enrolled in school at some time during the school year, were not enrolled the following school year, but were expected to have returned to continue.
- Did not graduate from high school (graduates include students who received a GED without dropping out of school).
- Did not complete a state or district-approved educational program.
- Did not meet any of the following exclusionary conditions:
 - Transfer to another public school district, private school, or state- or district-approved educational program;
 - Temporary school-recognized absence due to suspension or illness;
 - Death

To protect student privacy, data for schools who have less than 10 students will not be displayed.

In some cases, when appropriate for the purpose of transparency, information involving 10 or more students may be displayed in ranges to avoid potential identification of students in small demographic populations. When utilized, ranges may be represented visually with diagonal lines or open circles in lightly shaded colors.

Please contact North Dakota's Department of Public Instruction with any questions and feedback via email to the following address: doe@nd.gov



2. 20 CFR 681.550, to allow WIOA individual training accounts for in-school youth.

Strategies and Goals:

- Increase post-secondary options to disadvantaged In-School Youth
- Increase WIOA youth program participants' access to innovative student retention strategies including dual college enrollment, occupational training, pre-apprenticeship and/or registered apprenticeship programs – During PY22, 448 In-School Youth were involved in some type of postsecondary or pre-apprenticeship training while enrolled in K12
- Ensure that at-risk In-School Youth do not fall into a regulatory gap that could prevent them from receiving the education and training necessary to secure meaningful work and economic self-sufficiency and supports WIOA's goals to expand program options, increase program flexibility and enhance customer choice

- Encouraging transition of youth to postsecondary education and supporting entry into career pathways, including those with low skill levels
- Increase the number of WIOA youth program participants that utilize an ITA to receive an industry recognized and/or some other postsecondary credential, thereby increasing both credential attainment and MSG performance accountability measures

North Dakota does not have statutory or regulatory barriers related to either of these waiver requests.

Strategies and Goals Waiver #1:

- Allow flexibility to provide services for In-School Youth to complete secondary education, enter post-secondary education, or enter the workforce.
- Allows ND to be responsive and agile to support all youth for access to opportunities for quality, life-long education connected to the future of work.
- Intended to benefit at-risk youth, regardless of school status, with an emphasis on youth at risk of dropping out of High School, GED, alternative, and post-secondary education programs.
- Address the talent pipeline shortages faced by many employers by ensuring the State's youth have the skills and preparation needed to enter the workforce and become contributing members of the local and State economy.
- Allow the State to expand opportunities for recruitment and enrollment of at-risk In-School Youth who could benefit from the services of the workforce system.
- Allow the State to serve Out-of-School Youth and In-School Youth in a way that best meets the needs of the local workforce areas according to populations, resources, and other labor market factors.

Strategies and Goals Waiver #2:

- Increase post-secondary options to disadvantaged In-School Youth
- Increase WIOA youth program participants' access to innovative student retention strategies including dual college enrollment, occupational training, pre-apprenticeship and/or registered apprenticeship programs – During PY22, 448 In-School Youth were involved in some type of postsecondary or pre-apprenticeship training while enrolled in K12

- Ensure that at-risk In-School Youth do not fall into a regulatory gap that could prevent them from receiving the education and training necessary to secure meaningful work and economic self-sufficiency and supports WIOA's goals to expand program options, increase program flexibility and enhance customer choice
- Encouraging transition of youth to postsecondary education and supporting entry into career pathways, including those with low skill levels
- Increase the number of WIOA youth program participants that utilize an ITA to receive an industry recognized and/or some other postsecondary credential, thereby increasing both credential attainment and MSG performance accountability measures

ND expect increases in Work Based Learning/Work Experience with local employers with the adjustment of 75% requirement for OOSY spending.

Occupational skills training enrollments will increase for In-School Youth. In-School Youth will have increased connections to education with the flexibility to use ITAs for postsecondary training.

ND expects increased in Work Based Learning/Work Experience with local employer with the adjustment of 75% requirement for OOSY spending.

The flexibility to use ITAs for In-School Youth will improve job and career opportunities due to the training this population will now receive.

The flexibility to apply additional Youth funds to the In-School Youth population, including disadvantaged and individuals with multiple barriers, will allow for additional services provided to this population. The expectation is to enroll more Youth in the In-School Youth category due to the increased funding available; from 25% to 50%. The flexibility to use ITAs for In-School Youth will result in fewer Youth using Adult funding, increasing the number of adults able to be served.

Progress will be monitored quarterly through the PIRL, demonstrating increases in occupational skills training and resulting in increased credential attainment rates.

The waiver requests were discussed with the Workforce Development Council during the WIOA State Plan development and review period. Both waivers were supported.

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Public comment will occur during the upcoming WIOA State Plan comment period.

Information related to the waiver outcomes will be reported in future WIOA Annual Reports.

North Dakota is not requesting a renewal of a waiver.