



**JUN 12 2018**

The Honorable Ralph Deleon Guerrero Torres  
Governor of Northern Mariana Islands  
Caller Box 10007  
Saipan, MP 96950

Dear Governor Torres:

Thank you for your waiver request of certain statutory and regulatory provisions of the Workforce Innovation and Opportunity Act (WIOA) and the accompanying plan to improve the Commonwealth-wide workforce development system, submitted as part of your WIOA State Plan modification on March 23, 2018 (copy enclosed). This letter provides the Employment and Training Administration's (ETA) official response to the Commonwealth's request, and memorializes that the Northern Mariana Islands will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by the Commonwealth 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 associated with the requirement that local areas expend 75 percent of all formula WIOA youth funds on out-of-school youth (OSY) and 75 percent of any statewide youth funds on OSY required by WIOA Sec. 129(a)(4)(A) and 20 CFR 681.410.

The Commonwealth's request to waive the requirement that state and local workforce areas spend a minimum of 75 percent of statewide and youth formula funds on youth workforce activities for OSY is approved, with conditions noted below. ETA reviewed the Commonwealth's waiver request and plan and has determined that the requirements requested to be waived impede the ability of the Commonwealth to implement its plan and improve the workforce development system. The Commonwealth is permitted to lower the OSY expenditure requirement of the Governor's reserve funds and local WIOA youth funds to 50 percent. The Commonwealth's plan indicates that youth funding would be best used to serve in-school youth through summer programs that help students with work based learning experiences that provide them with exposure to the world of work. Therefore, ETA approves this waiver for Program Years 2018 and 2019 (July 1, 2018 – June 30, 2020) on the condition that the Commonwealth submits, and ETA accepts, the following items as part of the fully developed waiver plan that the Commonwealth will submit:

- a justification for shifting a portion of resources from serving OSY to youth in school.
- assurance that the Commonwealth will continue to track services, expenditures, and performance metrics for OSY.

ETA is available for further discussion and to provide technical assistance to the Commonwealth to support achieving its goals. Also, the Department proposed additional flexibility in its Fiscal Year 2019 Budget to give governors more flexibility to meet the workforce needs of their states. If you have questions or wish to explore additional flexibility, feel free to contact my office at (202) 693-2772.

Sincerely,



Rosemary Lahasky  
Deputy Assistant Secretary

Enclosure

cc:

J. Victoria I. Benavente, Secretary, CNMI Department of Labor  
John Bailey, Acting San Francisco Regional Administrator, Employment and Training Administration  
Marian Esver, Federal Project Officer, Employment and Training Administration

## WIOA State Plan Modification 2018 Waiver Request

### The Commonwealth of Northern Mariana Islands

1. The CNMI SWDB requests a waiver for to lower the Out-of-School Youth Expenditure requirement to 50% and increase the In-School-Youth requirement to 50% of total funds received.
2. The CNMI continues to promote youth employment in hopes of reducing the CNMI's dependency on CW workers (non U.S. eligible workers).
3. The CNMI historically has used youth funding to server In-School-Youth through summer programs that helped students with work based learning experiences that provided them with their first ever exposure to jobs in their young lives. This opportunity not only benefitted the students but employers too as the employers were able to maximize the opportunity and train the individuals so that they would be prepared to enter their respective industries. This request would help the CNMI serve and prepare more In-School-Youth to help reduce the CNMI's dependency on CW workers (non U.S. eligible workers).
4. Through the waiver, more In-School-Youth will have the opportunity to experience work based learning opportunities as well as be exposed to work place environments and employer engagement. This will provide the students with first hand experiences into the fields of their choice and to see whether or not they should pursue such career, enter into a career pathway program, enter into higher education or technical trades preparation or switch choices and pursue other fields.
5. A majority of the youth in the CNMI are recipients of the FREE Lunch program and have parents who are of low income or meet NAP/SNAP requirements or have never been to college or worked in a livable wage paying job. These students work hard in-school in hopes of advancing not only their lives but the lives of their families. This opportunity will be more of a reward system for students to stay in school and complete or seek higher education.
6. Progress of the students will be monitored according to establish performance standards and requirements.