

NOV 14 2019



The Honorable Mark Gordon  
Governor of Wyoming  
State Capitol Building, Room 124  
Cheyenne, WY 82002

Dear Governor Gordon:

Thank you for your waiver request received on September 3, 2019, 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 (copy enclosed). This letter provides the Employment and Training Administration's (ETA) official response to the State's request and memorializes that Wyoming will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Wyoming 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 Waivers: Waivers associated with the requirement at WIOA Section 129(a)(4)(A) and 20 CFR § 681.410 that the State expend 75 percent of all Governor's reserve and local formula youth funds on out-of-school youth (OSY).

ETA Response: ETA approves, through June 30, 2020, the State's request to waive the requirement that the State expend 75 percent of all Governor's reserve and local formula youth funds on OSY. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of Wyoming to implement its plan to improve the workforce development system. Wyoming may lower the target rate for expenditure of Governor's reserve and local youth formula funds to 60 percent for OSY. This waiver applies to funds allotted in Program Year 2019. The State must track expenditures over the three-year life of the grant funds.

ETA is available for further discussion and to provide technical assistance to the State to support its goals. The Department of Labor proposed additional flexibility in its Fiscal Year 2018, 2019, and 2020 budgets to give governors more decision-making authority to meet the workforce needs of their states and anticipates proposing these additional flexibilities in future fiscal years. If you have questions, feel free to contact my office at (202) 693-2772.

Sincerely,

John Pallasch

Enclosure

cc: Robin Sessions Cooley, Director, Wyoming Workforce Services  
Nick Lalpui, Dallas/San Francisco Regional Administrator, ETA  
Eva Drinkwine, Federal Project Officer, ETA



**Mark Gordon**  
Governor

## State of Wyoming Department of Workforce Services

Office of the Director  
614 South Greeley Highway  
Cheyenne, Wyoming 82007  
307.777.8650 • Fax: 307.777.5857  
[www.wyomingworkforce.org](http://www.wyomingworkforce.org)



**Robin Sessions Cooley**  
Director

September 3, 2019

U.S. Department of Labor  
Employment and Training Administration  
Attn: Nicholas E. Lalpui, Regional Administrator  
525 S. Griffin Street, Suite 317  
Dallas, TX 75202

**Re: WIOA Waiver Request – Out-of-School Youth Expenditures**

Dear Mr. Lalpui:

Please consider this request for waiver of the requirement to expend 75 percent (75%) of funding on the out-of-school youth population. Wyoming is requesting that this percentage be lowered to 60 (60%) percent for Program Years 2018 and 2019.

The state of Wyoming is requesting a waiver from Section 129(a)(4)(A) and 20 CFR 681.410, which requires not less than 75 percent (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.

This waiver was posted on the Wyoming Workforce Development Council website, (<http://wyowdc.wyo.gov/>), for public comment on July 27, 2019, and posted on Wyoming Press Association from July 27, 2019, through August 28, 2019. We did not receive any public comments during this time.

Should you or your staff have questions about the waiver, please feel free to contact Christina West at (307)777-8712 or by email at [christina.west@wyo.gov](mailto:christina.west@wyo.gov). Thank you for your time and consideration.

Sincerely,

  
Robin Sessions Cooley, JD  
Director

RSC:cw  
Enclosures  
File Reference: RSC-19-037

As public servants, we work hard every day to help ensure  
safe and fair workplaces with qualified workers

## **WIOA Waiver Request**

### ***Requirement to Expend 75 Percent of Funding on Out-of-School Youth Expenditures to be Reduced to 60 Percent for Program Years 2018 and 2019***

#### **The State of Wyoming**

~~The state of Wyoming is requesting a waiver from Section 129 (a)(4)(A) and 20 CFR 681.410, which requires not less than 75 percent 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.~~

Wyoming is requesting a waiver of the requirement to expend 75 percent of funding on the out-of-school youth population. Wyoming is requesting that this percentage be lowered to 60 percent for Program Years 2018 and 2019.

#### **Background**

There are two inter-related workforce problems in Wyoming. From the perspective of businesses and employers, our state does not have enough workers in many skilled fields, and this is a barrier to economic growth. We have companies that do not expand, or that turn away business, because they cannot hire enough skilled workers to do the work. Almost any business owner will identify workforce as a significant concern.

While this situation is not unique to Wyoming, it is being amplified by the state's low unemployment rate, low population, and lack of skilled workers. The Research and Planning section of the Wyoming Department of Workforce Services reported that the state's seasonally adjusted unemployment rate fell from 3.7% in March 2019 to 3.6% in April 2019. Wyoming's unemployment rate was lower than its April 2018 level of 4.0% and the same as the current U.S. unemployment rate of 3.6%. Most of the state's unemployment is associated with either geographic or skill gaps. Wyoming's labor force (the sum of all employed and unemployed individuals) continues to decline. In April 2018 the total labor force was 287,157 and dropped to 285,303 in April 2019 for a decrease of 1,854 individuals.

On the other side of this, high school graduation rates in Wyoming increased for the fifth consecutive year during the 2017-18 school year. Students achieved an "on-time" graduation rate of 81.7 percent in 2017-18, an increase of 1.5% over last year. The Wyoming Department of Education has put a focus on long-term planning for youth and are inviting postsecondary programs (Colleges, Universities, and Trade Schools) to meet with students as early as their junior year in High School. With this focus, approximately 60% of Wyoming high school graduates enroll in a postsecondary schools prior to graduation.

Even though many students are enrolling into postsecondary programs, the number of people aged 25 years or older who have graduated from college with a Bachelor's degree is low with only 27% with a bachelor's degree or higher. This is the 2<sup>nd</sup> smallest percentage with a bachelor's degree or higher of all the other states in the Rocky Mountain Region.

In Wyoming, 70% of public school districts employ certified school counselors with services provided to high school students. In these schools, the average student to school counselor ratio is 215:1. With such a large case load, many school counselors spend a majority of their time addressing students' social/emotional needs, which leaves little time to assist students with purposeful career exploration and planning. As such many students do not have access to coordinated career exploration and work-based learning experiences. Without these career-related experiences, students are unaware of the full-range of regional employment opportunities available to them and they are left to make plans for their future with limited knowledge about the skills needed to achieve their goals. As a result, many students leave the state in search of opportunities or enroll in a college or university without a clear career path or understanding of business' employment needs.

The number of youth between the ages of 18-20 in Wyoming's workforce has declined by 22% over the last decade. From 2004 to 2014, the number of youth, ages 18-20 working in Wyoming dropped from 17,846 to 13,817, a decline of 4,029. The peak quarter for hiring workers ages 18-20 in the last decade was 2005 with 11,708 young people hired in the state. In 2010, the number of young people hired fell to 3,749. Part of the reason for the decline in hiring activity over the past decade may be due to a decrease in population of youth ages 18-20 residing in Wyoming. Since 2010, the hiring trend for all ages increased 14.4%, while the hiring trend for youth only increased 3.8%. According to the U.S. Census Bureau (2014), the population of 18-20 year olds in Wyoming from 2003 to 2013 decreased from 24,941 to 23,506 (-1,435, or -5.8%).

If Wyoming wants to continue to grow and prosper economically the state needs to build a better workforce, starting with the next generation. Providing youth the chance to connect their education to careers is critical in meeting workforce needs across the state. This is particularly important for juniors and senior as they finalize their academic and career plans. To ensure youth are provided with the chance to solidify the connection between education and a future career path, it is essential that they are given the opportunity to work with a local American Job Center. Here they would be able to work with a workforce specialist who can provide them with in-person and virtual support to increase the youth's career awareness and develop meaningful work experiences.

In November 2016, Governor Matt Mead announced a comprehensive approach to diversify the Wyoming Economy by creating the ENDOW (Economically Needed Diversity Options) initiative. The initiative has coordinated and continues to expand efforts across the state, to produce measurable results expanding the Wyoming economy. Part of this initiative is to assist in growth opportunities that focus on keeping our young people in Wyoming.

Wyoming faces significant challenges in serving its youth population. These difficulties are evident in Wyoming's percentage of out-of-school youth expenditures in PY16 and in PY17. In PY16 Wyoming's out-of-school expenditures were 66.10%. We are working hard to implement new strategies and have seen some slight growth as the PY17 out-of-school expenditures were reported at 68.80%.

1. **Describes the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers;**

There are currently no state or local statutory or regulatory barrier to implementing the requested waiver. State of Wyoming regulations and policy statements are in compliance with current federal law.

2. **Describes the goals of the waiver and the expected programmatic outcomes if the request is granted;**

Goal: Enhance Partnerships with community partners, other State agencies (Department of Family Services, Department of Education, and Division of Vocational Rehabilitation) schools and businesses to increase youth opportunities.

Outcome: Wyoming continues to implement new and improved strategies in an effort to recruit and serve the state's out-of-school youth populations. These efforts include, but are not limited to strengthening referral processes and increasing collaboration among youth service organizations, organizing and participating in youth career fairs, strengthening the current partnership with Adult Education programs. Although many new out-of-school youth applicants are referred by a previous participant, we are continuing to work with partner agencies such as the Division of Vocational Rehabilitation, Department of Family Services for regular referrals and to continue to provide wraparound services to the State's out-of-school youth.

Approval of this waiver, will increase partnerships and open doors for additional WIOA services to be provided to youth throughout Wyoming. The result is increased the number of young people being served in WIOA and to ensure youth have the education, training, and work experiences to meet employer's needs.

Goal: Increase Work-Based Learning Services to youth despite their education status. This includes: work experiences, internships, pre-apprenticeships, on-the-job training and job shadows.

Outcome: Approval of this waiver, will increase work-based learning opportunities for youth. This will increase youth's relevance of their education to their future career and increase community engagement and provide them with the ability to make informed decisions related to their career pathway. This waiver will also increase opportunities for Wyoming to meet the 20 percent work-based learning expenditure requirement under WIOA and potentially increase youth (16-24) engagement in the workforce.

Goal: Increase Career Exploration and Employability Services to youth despite their educational status.

Outcome: Approval of this waiver, will allow for an increased partnership with youth community partners, other State agencies, and school districts to provide youth in Wyoming the exposure to various employment opportunities and knowledge of business' needs. This increase in career awareness will allow youth to make informed decisions about their education and career pathway.

3. **Describes how the waiver will align with the Department's policy priorities, such as:**

1. **Prepare all Wyoming youth to be both career and college ready;**
  2. **Support employer engagement;**
  3. **Connect education and training strategies;**
  4. **Support work-based learning;**
  5. **Improve job and career results, and**
  6. **Other guidance issued by the Department.**
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As of June 2019, Wyoming has not been able to reach the 20% priority for work experience as required under Section 129(b)(4). This waiver would not only allow Workforce Centers throughout the state to offer work experiences to a larger consortium of youth but be able to provide necessary support services to encourage a successful completion of such work experiences.

Work experiences increase opportunities for both students and businesses in Wyoming. Work experiences offer youth career exposure and the ability to gain soft skills required for all types of employment. Work experiences are the first step towards a career pathway that can lead to employment with promotional opportunities right here in Wyoming. We also understand that in order for our state and nation to build a better workforce, we need to engage businesses in this process. Offering work experiences allows businesses to take a hands-on approach creating and developing tomorrow's workforce.

4. **Describes the individuals affected by the waiver, including how the waiver will impact services for disadvantaged populations or individuals with multiple barriers to employment; and**

This waiver would impact Wyoming's opportunity for in-school and out-of-school youth populations, Wyoming Workforce Centers (American Job Centers), community partners, employers, other state agencies, parents, and the K-12 schools system in Wyoming.

**Describes the process used to:**

5. **Monitor the progress in implementing the waiver;**

Reports will be pulled in hopes of seeing:

- A. **Increased participation of Out-School Youth,**
- B. **Increased Career Exploration, Employability Skills, and Work-based Learning Services for youth,**

6. **Provide notice to any local board affected by the waiver;**

As a single area state, Wyoming's only Workforce Investment Board, the Workforce Development Council, has been briefed in regards to this waiver request.

- 7. Provide any local board affected by the waiver an opportunity to comment on the request;**

As a single area state, Wyoming's only Workforce Investment Board, the Workforce Development Council, has been briefed in regards to this waiver request.

- 8. Ensure meaningful public comment, including comment by business and organized labor, on the waiver.**
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This waiver was put out for public comment, which was a 30-day period.

- 9. Collect and report information about waiver outcomes in the State's WIOA Annual Report**

Being a single area state, Wyoming is able to monitor programmatic goals and outcomes quarterly. If granted this waiver, Wyoming will monitor how the waiver is impacting each American Job Center when we hold on-site programmatic reviews, once every three years.