



MAY 17 2019

The Honorable Jay Robert "JB" Pritzker
Governor of Illinois
207 Statehouse
Springfield, Illinois 62706

Dear Governor Pritzker:

Thank you for Illinois' waiver request dated March 6, 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 Illinois will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Illinois 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 20 CFR 681.550 to allow individual training accounts (ITAs) for in-school youth.

The State's request to waive the requirement limiting ITAs to only out-of-school youth ages 16–24 is approved. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of Illinois to implement its plan to improve the workforce development system. Therefore, ETA approves the requested waiver for Program Years 2018 and 2019 (July 1, 2018 through June 30, 2020).

ETA is available for further discussion and to provide technical assistance to the State to support achieving 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 will continue to propose these additional flexibilities in future fiscal years.

Should you have questions or wish to explore additional flexibility, feel free to contact my office at (202) 693-2772.

Sincerely,



Molly E. Conway
Acting Assistant Secretary

Enclosure

cc:

Erin Guthrie, Director, Illinois Department of Commerce and Economic Opportunity

Julio Rodriguez, Deputy Director, Office of Employment and Training

Christine Quinn, Chicago Regional Administrator, Employment and Training Administration

Arlene Charbonneau, Federal Project Officer, Employment and Training Administration



Illinois
Department of Commerce
& Economic Opportunity

OFFICE OF EMPLOYMENT & TRAINING

JB Pritzker, Governor

March 6, 2019

Christine Quinn
Regional Administrator, Employment and Training Administration
United States Department of Labor
230 South Dearborn Street, 6th Floor
Chicago, IL 60604

Dear Ms. Quinn:

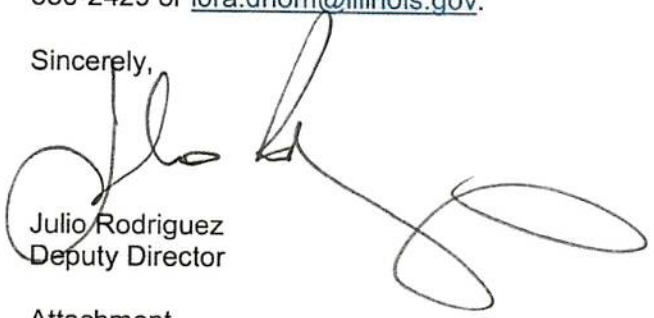
Under the Secretary of Labor's waiver authority outlined in Section 189(i)(3)(A) of the Workforce Innovation and Opportunity Act (WIOA) and 20 CFR 679.600, the Secretary may waive certain provisions of the WIOA Title I Subtitle A, B, and E. The Illinois Department of Commerce and Economic Opportunity Office of Employment and Training is requesting that the Secretary grant a waiver of 20 CFR 681.550 to allow local areas to provide in-school youth with individual training accounts.

Providing occupational training to youth via an ITA will maximize the service delivery capacity of the WIOA Youth Program by allowing those youth that are focused on employment to have the same access as adults and dislocated workers to the advantages of ITAs. In addition, this waiver will maximize flexibility based on youth customers' assessed needs in terms of training that leads to employment in high growth industries and occupations.

The attached waiver plan provides further details on this request in keeping with DOL guidelines in TEGL 8-18. If the waiver is granted, Illinois' WIOA Combined State Plan will be revised to incorporate this change.

We thank you for considering this request. If you have any questions, please contact Lora Dhom at (217) 558-2429 or lora.dhom@illinois.gov.

Sincerely,


Julio Rodriguez
Deputy Director

Attachment

CC: Erin Guthrie, Director Department of Commerce and Economic Opportunity

Providing ITAs to WIOA In-School Youth

Workforce Innovation and Opportunity Act Waiver Request Tool

Under the Secretary of Labor's waiver authority outlined in Section 189(i)(3)(A) of the Workforce Innovation and Opportunity Act (WIOA) and 20 CFR and 679.600, the Secretary may waive certain provisions of WIOA Title I Subtitle A, B, and E and provisions found in Sections 8-10 of the Wagner-Peyser Act. WIOA Section 189(i)(3)(B) and 20 CFR 679.620 identify elements that must be included in a waiver request. A State may request a waiver in its overall Unified or Combined State Plan submission or modification. Or, if submitting separate from the State Plan submission, States may use this document as a tool to assist in developing and requesting a waiver. States may use their own format or form for a request, as long as elements required by WIOA and the regulations noted above are addressed. After reviewing a State's initial request, the Employment and Training Administration (ETA) may ask the State for additional information if necessary to complete its review.

To submit a waiver request, e-mail this completed form or State-developed document along with a cover letter to WIOA.Plan@dol.gov and the appropriate ETA regional office. ETA will also accept hard copy submissions.

Date: February 13, 2019

State: Illinois

Agency: Illinois Department of Commerce and Economic Opportunity

Provide narrative for the following elements:

The statutory and/or regulatory requirements the state would like to waive

The state must clearly cite the statute and/or regulation(s) in its request and ensure that the citations refer to the specific elements the state wishes to waive.

The State of Illinois is seeking a waiver from the following Section(s):

Illinois requests a waiver on the requirement of providing Individual Training Accounts (ITAs) to only out-of-school youth (OSY) ages 16-24 enrolled in the WIOA Youth program.

20 CFR 681.550 states "In order to enhance individual participant choice in their education and training plans and provide flexibility to service providers, the Department allows WIOA Individual Training Accounts (ITAs) for OSY, ages 16 to 24 using WIOA youth funds when appropriate."

Providing ITAs to WIOA In-School Youth

Background

The request is made to permit LWIBs to use the state's list of eligible training providers to secure training for all youth including the in-school youth who are preparing to graduate and extend their educational goals into post-secondary opportunities. The waiver is designed to increase program flexibility, enhance informed customer choice, allow all youth to benefit from services provided by Illinois' certified training providers, and expand training options without requiring Illinois workNet (One-Stop) operators to register in-school youth participants 18 years old or older in the adult program. Funds used for ITAs would be tracked separately for each funding stream.

Using ITAs also allows youth service provider an opportunity to promote and encourage training as another option to entry into an increasingly tough labor market. Approval of this waiver would allow youth to select approved training programs from Illinois' list of demand occupation training programs.

Actions the state has undertaken to remove state or local statutory or regulatory barriers

The state must provide a discussion of the steps it has taken to remove any potential obstacles in the waiver request as appropriate. Quite often, state or local policies do not present a conflict for the request, and a simple statement indicating that there are no state or local barriers is sufficient.

There are currently no state or local statutory or regulatory barriers to implementing the requested waiver. State of Illinois regulations and policy align with current federal law.

State strategic goal(s)

The state must precisely articulate the goals it seeks to achieve by requesting a waiver. The state must also discuss how these goals relate to its Unified or Combined State Plan.

Providing occupational training to youth via an ITA will maximize the service delivery capacity of the WIOA Youth Program by allowing those youth that are focused on employment to have the same access as adults and dislocated workers to the advantages of ITAs. In addition, this waiver will maximize flexibility based on youth customers' assessed needs in terms of training that leads to employment in high growth industries and occupations.

Projected programmatic outcomes resulting from implementation of the waiver

The state must provide an estimate of how the waiver will improve outcomes or provide other tangible benefits for jobseekers or employers. States have the discretion to determine how to measure a waiver's success and the specific data sources it intends to use to evaluate its impact.

Providing ITAs to WIOA In-School Youth

The state estimates that the waiver will improve outcomes and provide other tangible benefits for jobseekers and employers in the following ways:

1. Increase in number of youth that utilize an ITA to receive an industry recognized and/or some other post-secondary credential.
2. Increase in performance accountability measures for youth as found in section 116(b)(2)(A)(ii) of WIOA (e.g., increases in credential attainment and measurable skills gains).
3. Increase innovative strategies to address student retention, such as dual college enrollment, occupational training, or pre-apprenticeship to apprenticeship programs.

Alignment with Department of Labor's policy priorities

Describe how the waiver will align with the Department's policy priorities, such as:

- *Supporting employer engagement;*
- *Connecting education and training strategies;*
- *Supporting work-based learning;*
- *Improving job and career results; and*
- *Other priorities as articulated in guidance.*

This waiver aligns with not only the Department of Labor's priorities, but also with those of the State of Illinois. Within the Illinois Unified Plan are examples of initiatives demonstrating the importance of ensuring career and work readiness at all levels, and how Illinois is moving toward strategies that integrally tie education to workforce development. Through allowing both in-school and out-of-school youth to use ITAs to access training services, in-school youth will be able to use the Eligible Training Provider List (ETPL) of approved programs, which include registered apprenticeships. Expanding the training program opportunities for in-school youth will allow them to better connect to training programs that match their interest, support their learning style and better prepare them for employment and work-based learning. Youth who complete occupational skills or adult education programs may be better prepared to obtain employment. Serving in-school and out-of-school youth with the same policy and procedures allows for a continuity of services for all youth.

Individuals, groups, or populations affected by the waiver

States must describe the potential impact of a waiver on various system stakeholders, including how the waiver will impact services for disadvantaged populations, persons with barriers to employment, or businesses.

The waiver will positively impact the eligible youth population, youth service and eligible training providers, and the workforce system through access to a wider variety of providers for youth in pursuit of post-secondary education and training opportunities and

Providing ITAs to WIOA In-School Youth

the flexibility of services offered by those providers. Current eligible training providers will have the opportunity to expand the population served by including all eligible youth.

State plans for monitoring waiver implementation, including collection of waiver outcome information

States must describe how they intend to oversee effective waiver implementation and any unique protocols that may be used in their waiver requests.

The State will use the following approach for monitoring progress in implementation:

1. State staff who administer youth programming will provide ongoing technical assistance and oversight as it relates to the appropriateness and the effectiveness of this waiver. This information will be submitted regularly to the IWIB Evaluation and Accountability Committee.
2. Annual WIOA on-site programmatic reviews will include an evaluation of the impact the waivers have on programmatic goals and outcomes.
3. Additionally, the IWIB Evaluation and Accountability Committee will have the responsibility of ensuring the specific goals and outcomes achieved by the waiver are realized. Furthermore, the information gathered from the waiver will inform new or changes to policy as well as provide best practices.

This strategy ensures that the goals described above, as well as those outlined in the State's Unified Plan and the IWIB Strategic Plan, are consistent with established objectives of the WIOA and federal and state regulations.

Assurance of state posting of the request for public comment and notification to affected local workforce development boards

WIOA does not prescribe a specific amount of time for states to post a potential waiver for comment, but it does require the state to demonstrate a reasonable opportunity for public review and comment by all stakeholders, including businesses and organized labor. Submit any comments or concerns collected in this manner and the outcome of the state's review of the public comments received. The state must also provide affected local boards with notice and opportunity to comment on the proposed waiver.

In accordance with the WIOA Regulations at 20 CFR 676.135, Illinois is submitting a modification to its Unified State Plan, which is subject to the requirements outlined in the WIOA Regulations at 20 CFR 676.130(d) for public review and comment. As such, Illinois's waiver request posted on our website for comment and review by required parties and the public.

Providing ITAs to WIOA In-School Youth

Local Boards via Board members and/or Board staff as well as WIOA partners and other interested stakeholders participate in policy development. Additionally, LWIBs receive the opportunity to participate in the public comment period that includes informational webinars.