U.S. Department of Labor

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

NOV 9 - 2009

2009 NOV 17 P 2:10

The Honorable Linda Lingle
Governor of Hawaii
State Capitol
Executive Chambers
Honolulu, Hawaii 96813

Dear Governor Lingle:

As part of Hawaii's modification to the State Plan for Title I of the Workforce Investment Act (WIA) and the Wagner-Peyser Act, the State submitted waiver plans to request that the State's waiver of statutory and regulatory requirements under WIA be approved for the remainder of Program Year (PY) 2009 (copy enclosed). This request is written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c) and appears to meet the standard for approval at 20 CFR 661.420(e). The following is the disposition of the State's submission. This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, Subtitles B and E, and sections 8-10 of the Wagner-Peyser Act.

In a letter dated June 29, 2009, ETA granted Hawaii approval of the following waiver through June 30, 2010:

- Waiver of the provision at 20 CFR 663.530 that prescribes a time limit on the period of initial eligibility for training providers.

The approval for this waiver remains in effect. The letter dated June 29, 2009 granted temporary extensions of the remainder of Hawaii's waiver requests. The previous approval of the extensions is hereby terminated and replaced by decisions set forth in this letter. Unless otherwise indicated, all waiver approvals that follow apply to both WIA formula funds and funds made available under the American Recovery and Reinvestment Act of 2009.

Requested Waivers

Requested Waiver: Waiver of WIA Section 123 that requires that providers of Youth program elements be selected on a competitive basis.

The State is requesting a waiver of the requirement for competitive procurement of service providers for [four of ten] youth program elements. The State is granted this waiver through June 30, 2010. Under this waiver, the State is permitted to allow its One-Stop Career Centers or partner agencies to directly provide the youth program elements of guidance and counseling, supportive services, follow-up services, and work

experience. In utilizing this waiver for these elements, the State and local areas must still meet Office of Management and Budget requirements (codified in 29 CFR 95.40-95.48 and 97.36) and all State and local procurement laws and policies. ETA believes that regular competitive procurement is the most efficient and cost-effective way to ensure the development of high-quality service providers.

Requested Waiver: Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) to exempt a State from the requirement to provide local area incentive grants.

The State is requesting an extension of the waiver to exempt it from the requirement to provide local areas incentive grants to reward regional cooperation, local coordination of activities, and exemplary performance. The State is granted an extension of this waiver through June 30, 2010.

Requested Waiver: Waiver of WIA Section 133(b)(4) to increase the allowable transfer amount between Adult and Dislocated Worker funding streams allocated to a local area.

The State is requesting a waiver to permit an increase in the amount a state is allowed to transfer between the Adult and Dislocated Worker funding streams. The State is granted this waiver through June 30, 2010. Under the waiver, transfer authority is limited to 50 percent. This limitation provides states flexibility while ensuring consistency with Congressional intent regarding the level of funding appropriated for the WIA Adult and Dislocated Worker programs. As stated in ETA Training and Employment Guidance Letter (TEGL) No. 14-08, Section 19, issued on March 18, 2009, this waiver does not apply to funds made available through the American Recovery and Reinvestment Act of 2009. However, the State is permitted to transfer up to 30 percent of ARRA funds between programs under WIA and under the Department of Labor Appropriations Act of 2009. This authority is discussed in TEGL No. 14-08, change 1.

Requested Waiver: Waiver of the required 50 percent employer contribution for customized training at WIA Section 101(8)(C).

The State is requesting a waiver of the required 50 percent employer contribution for customized training to permit the use of a sliding scale for the employer contribution based on the size of the business. The State is granted this waiver through June 30, 2010. Under the waiver, the following sliding scale is permitted: 1) no less than 10 percent match for employers with 50 or fewer employees, and 2) no less than 25 percent match for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent contribution) continue to apply. When determining the funding source for customized training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The

State may provide customized training to low-income adults with WIA Adult funds, and may provide customized training to dislocated workers with WIA Dislocated Worker funds. Customized training provided with statewide funds must serve WIA eligible individuals.

The approved waivers are incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and this constitutes a modification of the State Plan. A copy of this letter should be filed with the State's WIA Grant Agreement and the approved State Plan. In addition, as required by TEGL No. 14-00, Change 3, the State should address the impact these waivers have had on the State's performance in the WIA annual performance report, due on October 1 of each year.

We look forward to continuing our partnership with you and achieving better workforce outcomes. If you have any questions related to the issues discussed above, please contact Richard Trigg, the Regional Administrator for Region VI, at (415) 625-7900 or Trigg.Richard@dol.gov.

Sincerely,

Jane Oates

Jane Oates
Assistant Secretary

Enclosure

cc: Janice Shardike, Federal Project Officer for Hawaii, ETA San Francisco Regional Office

To Director: Dir

☐ COORDINATE with

___ Final reply for Gov. sig.
___ Direct reply (cc/bc: Gov.)
✓ Appropriate action
___ FYI/file
___ Comment/Recommendation
___ Other

___ Follow up
___ Submit copy of response
✓ Keep enclosure(s)
___ Return enclosure(s)

Due
Please refer to: 09:1113219

ATTACHMENT 4

HAWAII WAIVER REQUEST PLAN
For July 1, 2009 to June 30, 2010

PART 1

Waiver Requests Continuing from 2007-2009 WIA State Plan

Hawaii State Request for Waiver:
To Eliminate Incentive Grants to Local Areas for
Regional Cooperation and Local Coordination

Originally submitted March 9, 2007

1. **Statutory and Regulatory Requirements to be Waived.**

   WIA §134(a)(2)(B)(iii) and WIA Regulations at 20 CFR §665.200(c)(1) and (2) require, as statewide workforce investment activities, providing incentive grants (1) to local areas for regional cooperation among Local Boards and (2) for local coordination of activities carried out under WIA.

   Furthermore, under 20 CFR §661.290, it states that the State may require Local Boards within a designated region (1) Participate in a regional planning process that results in regional performance measures for workforce investment activities under title I of WIA. Regions that meet or exceed the regional performance measures may receive regional incentive grants; (2) Share, where feasible, employment and other types of information that will assist in improving the performance of all local areas in the designated region on local performance measures; and (3) Coordinate the provision of WIA title I services, including supportive services such as transportation, across the boundaries of local areas within the designated region.

   The Hawaii Department of Labor and Industrial Relations (DLIR), the state administrative entity for the Workforce Investment Act (WIA), requests a waiver to eliminate the requirement to provide incentive grants to local areas for regional cooperation among local boards and for local coordination of WIA activities.

   In implementing this waiver, the DLIR will ensure that local areas' performance information is recorded accurately, One-Stop operations are made more efficient and responsive to customers, and the youth programs receive additional technical assistance.

   This waiver request follows the format identified in WIA §189(i)(4)(B) and WIA Regulations at 20 CFR §661.420(c).

2. **State or Local Statutory and/or Regulatory Barriers.**

   There are no state or local statutory or regulatory barriers to implementing the award or the waiver.

3. **Goals to be achieved by the Waiver.**

   The following goals will be achieved with the approval of the waiver request:

   - The funds will be put to better, more productive use by streamlining (1) the management accountability information system and (2) providing more technical assistance to youth service providers and local monitors in local areas having poor performance; and

- Data entry by the local areas will be more accurate, which will improve the performance measures. Historically, Hawaii's poor data entry has meant successful outcomes have not been consistently reported. Local workforce investment boards and their staff will eliminate the Coordination/Cooperation incentive application process from their workload.

4. **Programmatic Outcomes by the Waiver.**

   The waiver will create administrative efficiencies for both the DLIR and the local areas by eliminating the incentive award application process and requiring fewer contract amendments and modifications.

5. **Impacts on Individuals by the Waiver.**

   Employers and WIA participants will be empowered to select and use the services of the One-Stops more independently. Through the HireNet Hawaii system, potential WIA participants can self-identify and access WIA services. Individual youth will receive better service and outcomes due to technical assistance targeted toward them.

6. **Monitoring the Waiver's Implementation.**

   Upon notification of the approval of this waiver, Section X.D.5 of the State WIA Plan will be amended to reflect the terms of the waiver. A WIA Bulletin will be issued to notify local areas of the new policy.

   Hawaii will continue to emphasize coordination at the local level through monitoring of local areas. The WDC Education and Training committee will work on collaborative delivery of youth services, negotiation of interagency agreements, and promulgation of technical assistance materials from the federal and region VI levels.

7. **Notice and Opportunity to Comment.**

   Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 10, 2009 and end on June 17, 2009. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.

Hawaii State Request for Waiver:
To Eliminate 20% Limit on Fund Transfer Between
Adult and Dislocated Worker Programs

Originally submitted March 9, 2007

1. **Statutory and Regulatory Requirements to be Waived.**

   WIA §133(b)(4) and WIA Regulations at 20 CFR §667.140(a) limit the amount of funds that can be transferred between the Adult and the Dislocated Worker employment and training programs. The limits are 20% of the fiscal year allocations to the respective programs.

   The Hawaii Department of Labor and Industrial Relations ("DLIR"), the state administrative entity for the Workforce Investment Act (WIA), requests a waiver to eliminate the 20% limitation on transferring local WIA funds between the Adult and Dislocated Worker programs so that, with State approval, 100% of the Adult and Dislocated Worker formula funding is available to meet the workforce needs of the local area.

   This waiver request follows the format identified in WIA §189(i)(4)(B) and WIA Regulations at 20 CFR §661.420(c).

2. **State or Local Statutory and/or Regulatory Barriers.**

   There are no state or local statutory or regulatory barriers to implementing the current WIA provision or the waiver.

3. **Goals to be Achieved by the Waiver.**

   The following goals will be achieved with the approval of the waiver request:

   - Funds will be directed to where they are most needed for Adult and/or Dislocated Worker clients;
   - Greater flexibility for local workforce investment boards and their staff in designing and implementing programs;
   - Increased efficiency of local workforce investment boards and their staff who will be able to plan for a year at a tie; and
   - Improved responsiveness to local need and demand.

4. **Programmatic Outcomes by the Waiver.**

   The waiver will allow local areas to direct funds to where and when they are needed to serve clients. Although new funding streams, with increased appropriations, are being allocated to Dislocated Worker clients through the American Recovery and Reinvestment Act ("ARRA"), the increase in clients will still mean that Dislocated Worker funds could fluctuate to a point

where a lurching pattern may occur, due to the continuation of the requirement that funds are determined by past unemployment and layoff history. This waiver will increase efficiency and introduce more flexibility and creativity into designing and implementing employment and training activities for all Adult and Dislocated Worker clients.

5. **Impacts on Individuals by the Waiver.**

Dislocated Workers will be better served even though, without the waiver, the history for the previous period would mean a lower amount of funds are allocated for their program. Adults will benefit when unused funds for Dislocated Workers are utilized for the Adult program. In other words, the funds will follow the needs of individual clients.

6. **Monitoring the Waiver's Implementation.**

Upon notification of the approval of this waiver, Section VIII.K.6 of the State WIA Plan will be amended to reflect the terms of the waiver. A WIA Bulletin will be issued to notify local areas and WIA practitioners of the new policy.

The DLIR will track the transferred funds and annually review the impact of this waiver provision.

7. **Notice and Opportunity to Comment.**

Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 10, 2009 and end on June 17, 2009. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.

Hawaii State Request for Waiver:
To Change Required 50% Employer Match For
Customized Training to a Sliding Scale

Originally submitted March 9, 2007

1. **Statutory and Regulatory Requirements to be Waived.**

   WIA §101(8) defines customized training as training (a) that is designed to meet the special requirements of an employer (including a group of employers) and (b) that is conducted with a commitment by the employer to employ an individual upon successful completion of the training. Employers are required to pay not less than 50% of the cost of the customized training.

   The Hawaii Department of Labor and Industrial Relations (DLIR), the state administrative entity for the Workforce Investment Act (WIA), requests a waiver to change the required 50% employer match for customized training to a sliding scale.

   This waiver request follows the format identified in WIA §189(i)(4)(B) and WIA Regulations at 20 CFR §661.420(c).

2. **State or Local Statutory and/or Regulatory Barriers.**

   There are no state or local statutory or regulatory barriers to requiring the 50% employer match for customized training or applying a sliding scale for employer contributions.

3. **Goals to be achieved by the Waiver.**

   The following goals will be achieved with the approval of the waiver request:

   - Increase employer participation in WIA customized training programs at the local level, as the sliding scale will correspond to the employer's cost benefit ratio to hire and retain skilled employees. The sliding scale will address employers' primary objection of paying too much (50%) to participate in customized training;
   - Equip workers with relevant job training and transferable skills that lead to high-skill, high-wage occupations and industries. The sliding scale will favor training for high skills; as it will be more feasible for employers who pay higher salaries to participate in customized training; and
   - Improve the local areas' business services and employers' customer satisfaction.

4. **Programmatic Outcomes by the Waiver.**

   - Increase the number of employers who use customized training as a means to train, hire, and retain skilled employees; and
   - Increase the number of workers trained and hired through customized training programs.

5. **Impacts on Individuals by the Waiver.**

The reduced match requirement will benefit employers financially and result in increased participation in customized training which will prepare individuals for higher skilled jobs. WIA eligible individuals with multiple barriers to employment, low basic skills, and English language proficiency stand to gain the most from customized training.

6. **Monitoring the Waiver's Implementation.**

Upon notification of the approval of this waiver, a WIA Bulletin will notify local areas and WIA practitioners of the new policy, sliding scale, procedures, and the need to amend local WIA plans at Section IV.9(a).

The Workforce Development Division will annually review the impact of this waiver provision.

7. **Notice and Opportunity to Comment.**

Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 10, 2009 and end on June 17, 2009. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.

Hawaii State Request for Waiver:
To Waive subsequent Eligibility
For Eligible Training Providers

1. **Statutory and Regulatory Requirements to be Waived.**

   WIA section 122(c) and (d)(1) and WIA regulations at 20 CFR section 663.530-550 requires and describes the subsequent eligibility process for eligible training providers ("ETPs"). Most WIA training services are provided through Individual Training Accounts ("ITAs"), which may be used to purchase training from only ETP.

   The Hawaii Department of Labor and Industrial Relations ("DLIR"), the state administrative entity for the Workforce Investment Act ("WIA"), requires a waiver to eliminate the subsequent eligibility process thus allowing providers that the local areas found eligible initially to continue under the initial eligibility process and safeguards.

   The waiver request follows the format identified in WIA section 189(i)(4)(B) and WIA regulations at 20 CFR section 661.420(c).

2. **State or Local Statutory and/or Regulatory Barriers.**

   There is no state or local barriers to implementing the requested waiver.

3. **Describe the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver and expected programmatic outcomes.**

   The following goals will be achieved with the approval of this waiver request:

   - Reduce a significant amount of staff time and resources in implementing the subsequent eligibility process, which Congress is very likely to eliminate anyway in WIA reauthorization;
   - Increase customer choice and number of Eligible Training Providers by removing onerous data collection requirements on the ETP's; and
   - Streamline the information for customers by removing meaningless, empty and/or untimely data cells.

4. **Programmatic outcomes by the Waiver.**

   The waiver will reduce a significant amount of staff time and resources currently directed toward the collection of performance data and calculation of performance outcomes by provider and program. Freeing staff and resources from this task will enable us to improve the management information system and provide more technical assistance toward performance outcomes. The onerous date collection requirements also have discouraged providers, including some community colleges, from applying for subsequent eligibility, and removal of this requirement will encourage more providers to apply, thereby giving customers more choices in training.

5. **Impacts on individuals by this Waiver.**

- WIA clients will have grater customer choice; and
- Information will be straightforward and useful for individuals.

6. **Monitoring of the Waivers implementation**

Upon notification of the approval of this waiver, a WIA Bulletin will be issued to local areas and WIA practitioners will delete the subsequent eligibility process for ETPs and will clarify the impact of the change.

7. **Notice and opportunity to comment**

Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 10, 2009 and end on June 17, 2009. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.

PART 2

New Waiver Requests Submitted for Plan Period 2009-2010

These include Waivers being submitted for the first time

to the USDOL for approval.

Enclosure

Hawaii State Request for New Waiver
Request to Waive Procurement Requirements for Youth Summer Employment Providers under the Recovery Act

Submitted April 23, 2009

The Hawaii Workforce Development Council ("WDC"), as well as the Workforce Development Division ("WDD") of the Department of Labor and Industrial Relations, as the State of Hawaii's administrator for the Workforce Investment Act ("WIA") and the American Recovery and Reinvestment Act ("ARRA"), is submitting a waiver related to procurement requirements for youth services in WIA section 123 for approval from the U.S. Department of Labor ("DOL"). This waiver is a request to conduct an expedited, limited competition to select service providers.

The WDC has consulted with the LWIBs and the WDD regarding the need for this waiver. The City and County of Oahu will not be utilizing this waiver as they are local grant recipients to administer the summer youth employment program themselves. However, the Counties of Hawaii, Kauai, and Maui, as well as the WDD, have expressed concern over their ability to implement the competitive procurement for summer youth funds within the timeframe required under ARRA. This request is meant to give greater flexibility to the LWIBs in procurement process in order to ensure the LWIBs are successful in their effort to quickly implement the procurement process within the allotted time frame. This effort will make certain that enrollment of youth into the summer work programs will not be unnecessarily delayed.

Justification:

Certain LWIBs, as well as the WDD, have expressed concern that in some areas of the state there are barriers to rapid implementation of the summer youth employment program. This is due in large part to insufficient time to make a selection on a competitive basis. Therefore, we are asking for flexibility in how they procure when there may be only one or two service providers in the local area.

1. Identify the statutory or regulatory requirements to be waived.

The Workforce Investment Act ("WIA") Section 123, provides that all WIA youth service providers shall be selected on a competitive basis. 20 CFR 664.610 further provides that if summer employment opportunities are provided other than by the grant recipient or fiscal agent, the service provider must be selected on a competitive basis.

The total youth funds allocated to all counties is $2,480,322. With the exception of the City and County of Honolulu, all other county WIB's will be participating in the waiver. With the subtraction of $1,483,081 from the total to account for the portion the City and County of Honolulu receives, the three counties participating are receiving a total of

$997,241. The total amount of youth program funding each participating county will use of the total to all counties is:

Maui County: 8.9%
Hawaii County: 26%
Kauai County: 5.1%

It is with the upmost urgency we ask for this waiver request to be approved as quickly as possible so that Hawaii can quickly provide the WIBs with procurement guidelines that meet current state and local law, and comply with OMB requirements codified in 29 CFR Parts 95.40- 95.48 and 97.36. The state is not looking to circumvent the process, but rather to provide assistance to a local WIB when they have demonstrated a unique need to utilize a particular service provider.

2. **Describe the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers.**

There are no barriers because state and local procurement laws allow for expedited procurement under the timeframe imposed by ARRA for the selection of youth grants.

3. **Describe the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver and expected programmatic outcomes.**

If approved, the waiver will enable neighbor island counties to select an operator quickly without a competitive selection process. The summer break in Hawaii for public school students is only six weeks long this year beginning in mid-June. To implement the summer employment program by the beginning of the summer break requires that the summer employment operator be selected immediately. There will be insufficient time to prepare, conduct, and complete a Request for Proposals solicitation.

However, the counties will be required to comply with their county procurement requirements in selecting a summer employment operator. . The waiver requested will apply to the WIA youth summer employment program authorized under ARRA 2009.

The ARRA and the directives from the United States Department of Labor ("USDOL") issued in response to the ARRA 2009 make clear that transparency and accountability are absolutely required as to the expenditure of ARRA 2009 funds. Hawaii assures USDOL that a goal is to be sure that the ARRA monies are accounted for through a transparent manner.

4. **Describe the individuals impacted by the waiver.**

A granting of this waiver would be in alignment with the WIBs strategic goal of streamlining the procurement process so there is an increased focus on the enrollment of youth into the summer program under the Recovery Act.

5. **Describe the process used to monitor the progress in implementing such a waiver.**

Implementation of the waiver will be monitored through site visits to ensure compliance with all applicable requirements. The Hawaii Workforce Development Council has been apprised of the waiver request and supports the waiver.

6. **Describe the process used to give local boards the opportunity to comment on the waiver request.**

This waiver request is initiated by the Counties of Hawaii, Maui, and Kauai and their WIBs. The Workforce Development Council reviews the comments from the boards to ensure that they are in agreement with the request.

7. **Describe the process for public comment.**

A discussion piece on waivers in general and this waiver in particular will be disseminated with the meeting packet for the next Council meeting. The agenda is posted on the Council website prior to the meeting and the public may comment.

Hawaii State Request for New Waiver:
Request to Waive Competitive Procurement for Selected Youth Elements Required Under WIA

Submitted June 18, 2009

The Hawaii Workforce Development Council ("WDC"), as well as the Workforce Development Division ("WDD") of the Department of Labor and Industrial Relations, as the State of Hawaii's administrator for the Workforce Investment Act ("WIA") and the American Recovery and Reinvestment Act ("ARRA"), is submitting a waiver to competitive procurement for selected youth elements, as stated in WIA section 123 for approval from the U.S. Department of Labor ("DOL"). The State of Hawaii requests a waiver of the competitive procurement requirements for just the following four youth program elements: follow up services; guidance and counseling; support services; and paid and unpaid work experience.

The WDC has consulted with the LWIBs and the WDD regarding the need for this waiver. The City and County of Oahu will be utilizing this waiver as they are local grant recipients to administer the youth programs for Oahu local workforce development area.

The City and County of Honolulu, which is the grant recipient/fiscal agent of the WIA programs for the Oahu local workforce development area, has been using competitive procurement methods to provide nine of the eleven youth elements. The interpretation of design framework is that it includes a comprehensive array of services under case management, and should include guidance and counseling and follow up services. Therefore, the City has also been providing follow up services, and guidance and counseling in addition to intake, objective assessment and development of individual service strategy as services within the design framework

1. Identify the statutory or regulatory requirements to be waived.

The State of Hawaii requests a waiver to those statutory and regulatory requirements that require the local areas to conduct a competitive procurement for all of its Youth program elements. According to Section 123 of the Workforce Investment Act (WIA) of 1998, Identification of Eligible Providers of Youth Activities requires that all eleven of the essential elements of any successful youth program be competitively procured. The section reads as follows:

From funds allocated under paragraph (2)(A) or (3) of section 128(b) to a local area, the local board for such area shall identify eligible providers of youth activities by awarding grants or contracts on a competitive basis, based upon the recommendations of the youth council and on the criteria contained in the State plan, to the providers to carry out the activities, and shall conduct oversight with respect to the providers, in the local area.

Notwithstanding the above, Section 664.405 of the WIA Rules and Regulations states that competitive procurement does not apply to the design framework component:

The requirement in WIA section 123 that eligible providers of youth services be selected by a awarding a grant or contract on a competitive basis does not apply to the design

framework component, such as services for intake, objective assessment and the development of individual service strategy, when these services are provided by the grant recipient/fiscal agent.

The City and County of Honolulu, which is the grant recipient/fiscal agent of the WIA programs for the Oahu local workforce development area, has been using competitive procurement methods to provide nine of the eleven youth elements. Our interpretation of **design framework** is that it includes a comprehensive array of services under case management, and should include guidance and counseling and follow up services. Therefore, the City has also been providing follow up services, and guidance and counseling in addition to the above examples of intake, objective assessment and development of individual service strategy as services within the design framework.

Support services are procured. However, for those youth service vendors who do not provide support services, the City assists them in providing support services directly to the youth.

Paid and unpaid work experience is procured. However, beginning in PY 09, the City would like to supplement the delivery of paid and unpaid work experience by youth service vendors by adding this element as part of the design framework to strengthen the case management model. With the waiver, the City will have the flexibility in procuring this element for vendors to provide paid and unpaid work experience as well as in operating this program element in-house within the design framework.

The State of Hawaii requests a waiver of the competitive procurement requirements for just the above four youth program elements: follow up services; guidance and counseling; support services; and paid and unpaid work experience.

2. **Describe the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers.**

The State of Hawaii has implemented WIA under federal law and did not include any additional requirements or limitations on the design of WIA youth activities. Local workforce development boards have adopted state policies without any additional requirements or limitations. Since no additional state or local barriers have been imposed, there is none to remove.

3. **Describe the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver and expected programmatic outcomes.**

The goals for the youth program under the waiver will be greater effectiveness and efficiency. There will be increased flexibility and continuity of program delivery to better meet customers' needs.

By keeping guidance and counseling, follow-up, support services, and paid and unpaid work-experience together with other functions such as intake, assessment, and the development of employment plans, one stop case management is facilitated.

Simplification and integration of coordination allows more resources to be focused on the youth that are served.

4. **Describe the individuals impacted by the waiver.**

The individuals impacted by this waiver are older and younger youth customers. Youth customers will benefit by receiving a streamlined array of services allowing for greater coordination and implementation of individual service strategies. With greater continuity and consistency, youth will receive complementary services enabling them to better address barriers and work toward fulfilling their education and training plans.

In addition, Hawaii's Workforce Development Council and the local areas will receive greater flexibility in the design of their youth programs. Local areas under the waiver will have a choice as to whether to contract out these youth elements or to do them in house. The local areas will also have the flexibility of supplementing the work performed by the youth service vendors.

5. **Describe the process used to monitor the progress in implementing such a waiver.**

The Workforce Development Division within the Department of Labor and Industrial Relations currently produces quarterly performance tracking for all WIA programs including the youth activities. This division will gather information on the implementation of the waiver, such as which areas are choosing to exercise the new flexibility afforded by the waiver, to redesign their youth programs, what the performance data from these changes shows, and which, if any, service providers seem to be negatively affected. Regular on-site monitoring of all WIA activities will continue just as prior to the waiver.

6. **Describe the process used to give local boards the opportunity to comment on the waiver request.**

The City and County of Honolulu and its local workforce board submitted this waiver request to the State Workforce Development Council (WDC). The WDC reviews the comments from the boards to ensure that they are in agreement with the request

7. **Describe the process for public comment.**

Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 10, 2009 and end on June 17, 2009. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.

Hawaii State Request for New Waiver:
Request to Waive Regular WIA Performance Measures for Youth
Who Participate in Work Experience Only

Submitted June 18, 2009

The Hawaii Workforce Development Council (WDC), along with the Hawaii State Department of Labor and Industrial Relations ("DLIR") requests permission from the U.S. Department of Labor to waive the seven statutory youth performance measures for youth ages 18 to 24 served with Recovery Act funds who participate in work experience only beyond the summer months (e.g. May 1 to September 30). This waiver would use the Work Readiness Indicator as the only indicator of performance for youth ages 18 to 24 served with Recovery Act funds who participate in work experience only during the time period October 2009 to March 2010.

The WDC and DLIR also request that the same program design flexibility that is articulated in TEGL 14-08, section 16.A for summer youth, apply to youth ages 18 to 24 served with Recovery Act funds who participate in work experience only beyond the summer months.

1. **Identify the statutory or regulatory requirements to be waived.**

   The State of Hawaii requests waiver of WIA Section 136(b)(2)(A) which defines the WIA statutory performance measures for youth participants.

2. **Describe the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers.**

   There is no state or local barriers to implementing the requested waiver.

3. **Describe the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver and expected programmatic outcomes.**

   The Waiver is intended to facilitate implementation of WIA Youth services under the Recovery Act and support the intent of Congress to serve 18-24 year old through work experience in a time of difficult employment for young people.

4. **Describe the individuals impacted by the waiver.**

   Approval of this waiver will give youth service provider's grater flexibility in determining appropriate services for the older youth population, ages 18-24, served with Recovery Act funds. This increased flexibility will maximize the number of older youth served with these funds.

5. **Justification for the waiver**

   Extending the program design flexibility articulated in section 16.A. of TEGL 14-08 from the summer component to those older, out-of-school youth beyond September 30 would allow local service providers to devote more time and resources to the specific needs of these customers. Many local areas are looking to establish local partnerships to serve 22- to

24-year-olds and expect those youth to continue in age-appropriate projects beyond October 1. By securing the waiver, local staff would be better positioned to work with youth customers to determine which program(s) would best meet their needs.

During the time the waiver is in effect, local areas will be actively working to connect these youth to further education and training opportunities through the WIA Youth, WIA Adult and/or other programs as appropriate.

6. **Describe the process used to monitor the progress in implementing such a waiver.**

The Workforce Development Division within the Department of Labor and Industrial Relations currently produces quarterly performance tracking for all WIA programs including the youth activities. This division will gather information on the implementation of the waiver, such as which areas are choosing to exercise the new flexibility, afforded by the waiver, to redesign their youth programs, what the performance data from these changes shows, and which, if any, service providers seem to be negatively affected. Regular on-site monitoring of all WIA activities will continue just as prior to the waiver.

7. **Describe the process used to give local boards the opportunity to comment on the waiver request.**

Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 10, 2009 and end on June 17, 2009. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.