

Attachment 1

June 11, 2013 – Approval letter
(Includes Common Measures Waiver)



JUN 11 2013

The Honorable Neil Abercrombie
Governor of Hawaii
Executive Chambers
State Capitol
Honolulu, Hawaii 96813

Dear Governor Abercrombie:

In a letter dated December 13, 2012 (enclosed), the Employment and Training Administration (ETA) provided Hawaii conditional approval of its State Integrated Workforce Plan for Title I of the Workforce Investment Act (WIA), the Wagner-Peyser Act (W-P), including the W-P Agricultural Outreach Plan, plans for coordination with Trade Adjustment Assistance (TAA), and the State's waiver requests. ETA approved the State Plan on the condition that the State address the following concerns to meet the State Integrated Workforce Plan requirements:

- The State Plan must include Labor Market Information (LMI) and analysis tied to the Governor's vision, including occupational information resulting from the State Workforce Skills Panel. The LMI data must incorporate that information into the description of the projected trends in the State's economy, industries and occupations, and assessment of the workforce skills necessary for economic growth.
- The State Plan must describe how the State will use program funds to leverage other Federal, state, local and private resources, in order to effectively and efficiently provide services.
- The section in the State Plan entitled Priority of Services to Low Income Individuals, as written, does not conform to the regulations at 20 CFR 663.600. This section of the Plan must be revised for compliance with this regulation.
- The State Plan must describe how WIA youth activities are coordinated with the services provided by the Job Corps program. The description must include outreach and admissions, center operations, and career placement and transition services.
- The State Plan must describe in detail how funds will be used to expand the participation of business in the statewide workforce investment system.
- Assurance 4: The State Plan (Wagner Peyser – Agricultural Outreach Plan) must provide the organizations from which the State solicited information and suggestions, the comments received, and the State's responses.

- Assurances 10, 11, 12, 16: The State must provide accessible links to all documents embedded in the State Plan submission and the current policies that cover each of the assurances.

ETA received the State's modified State Plan on March 15, 2013, including the above required items.

Plan Review and Approval

ETA has reviewed the modified Hawaii State Integrated Workforce Plan in accordance with Title I of WIA, the Wagner-Peyser Act, the Trade Act (as amended), the corresponding regulations, the State Integrated Workforce Plan Requirements for Workforce Investment Act Title I/Wagner-Peyser Act and Department of Labor Workforce Programs (<http://www.doleta.gov/usworkforce/wia-planning/docs/integrated-planning-guidance.pdf>), and Training and Employment Guidance Letter (TEGL) No. 21-11 and the corresponding Change 1. Pursuant to 20 CFR 661.230(e), this letter constitutes a written determination under WIA Section 112 (29 USC 2822) that ETA is approving the WIA Title I, W-P and TAA portions of Hawaii's State Plan for the period July 1, 2012 through June 30, 2017, PY 2012-PY 2016. The annual W-P Agricultural Outreach Plan (AOP) is approved through June 30, 2012. The PY 2013 AOP must be developed and submitted in accordance with guidance in TEGL No. 23-12. The State is eligible to receive WIA formula allotments for Adult, Dislocated Worker, and Youth programs, and W-P program allotments, effective July 1, 2012 through June 30, 2017.

Waivers

As part of Hawaii's State Plan submission on March 15, 2013, the State submitted a request for a waiver of statutory and regulatory requirements under WIA (copy enclosed). The State's waiver request is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c). The disposition of the State's waiver request is outlined below. This action is taken under the Secretary's authority at WIA Section 189(i) to waive certain requirements of WIA Title I, Subtitles B and E, and Sections 8-10 of the W-P.

Waiver to permit the State to replace the performance measures at WIA Section 136(b) with the common measures.

The State requested a waiver that allows the State to replace the 17 performance measures under WIA Section 136(b) with the common measures. The State is granted this waiver effective July 1, 2013 through June 30, 2017.

This waiver permits the State to negotiate and report WIA outcomes against the common performance measures only, rather than the performance measures described at WIA Section 136(b). The State will no longer negotiate and report to ETA on the following WIA measures: WIA adult and dislocated worker credential rates; participant and employer customer satisfaction; older youth measures; and younger youth measures.

The State will use the three adult common performance measures to negotiate goals and report outcomes for the WIA Adult and WIA Dislocated Worker programs. The State will use the three youth common performance measures to negotiate goals and report outcomes for the WIA Youth program. Workforce Investment Act Standardized Record Data system (WIASRD) item 619, Type of Recognized Credential, should be completed for each individual as appropriate, regardless of this waiver to report on common performance measure outcomes only.

The approved waiver is 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 described in TEGL No. 29-11, the State should address the impact this waiver has had on the State's performance in the WIA annual performance report, due on October 1 of each year.

We look forward to working together as you implement your State Integrated Workforce Plan for PY 2012 and beyond. If you have any questions related to the issues discussed above, please contact Thou Ny, the Federal Project Officer for Hawaii, at (415) 625-7953 or Ny.Thou@dol.gov.

Sincerely,



Gerri Fiala
Acting Assistant Secretary

Enclosure

cc: Virginia Hamilton, Regional Administrator, ETA San Francisco Regional Office
Thou Ny, Federal Project Officer for Hawaii

HAWAII STATE REQUEST FOR A WAIVER:

To Replace Performance Measures With Common Measures

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"), is submitting a waiver to allow the State to replace the performance measures required under Title I of WIA with common measures delineated in TEGL 17-05.

If approved, Hawaii will be allowed to report outcomes solely under the nine common measures for all required federal reports for the Program Year which will begin July 1, 2013. The use of common measures will apply to programs under the Workforce Investment Act, the Wagner-Peyser Act, the Jobs for Veterans Act and Trade Adjustment Assistance (TAA) programs. These nine common measures as outlined in the TEGL are: Entered Employment, Retention, Average Earnings, Youth Placement In Employment or Education, Youth Attainment of a Degree or Certificate, and Youth Literacy and Numeracy Gains.

This waiver will allow Hawaii to avoid the inconsistencies and complexities inherent in the current WIA performance reporting requirements. It would allow the state to effectively align accountability across all programs within the workforce development system. The common measures better support the State's goals of promoting on-the-job training and customized training for adult workers including incumbent workers and allow the targeting of services to out-of-school youth and those most in need as identified by USDOL's Youth Vision statement.

The State has consulted with the LWIBs and the Local Areas regarding the need for this waiver and have their concurrence and support in moving toward this effort.

Identify the statutory or regulatory requirements to be waived.

Section 136(b)(2) and ©(1) of the Workforce Investment Act (WIA) of 1998, as well as accompanying regulations at 20 CFR 666.100(a) and 666.300(a), which specify the required state and local performance measures for WIA, Title IB programs.

Hawaii also requests a waiver of the seventeen indicators of performance for activities authorized under sections 129 and 134 of the Workforce Investment Act. Specifically, with approval of this request, the State would not be required to report on the seventeen performance measures.

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 state or local barriers to implementing the requested waiver.

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.

This Waiver to allow Hawaii to apply Common Measures will achieve the following outcomes:

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- Provide for a simplified and streamlined performance measure system to ensure successful integration of workforce development programs
 - Provides cohesion across workforce development programs.
 - Provides for demand-driven performance outcomes.
 - Provides clear and consistent information to Congressional and Legislative leaders and the general public concerning the use of public dollars and return on investment.
 - Provides an opportunity for Hawaii to better focus on Youth programs and their relative outcomes in relation to performance measures.

Describe the individuals impacted by the waiver.

For the Adult and Dislocated Worker Programs, this waiver will encourage the provision of training by removing the current disincentive for OJT and customized training delivery and allowing the focus to be on post-program earnings outcomes and training for high-paying jobs in skill shortage areas.

For the Youth Program, common measures would have a significant positive impact on the delivery of services to individuals. The focus will be on basic skills and educational outcomes rather than labor market outcomes, such as employment and earnings. This move will encourage more training, including academic remediation for older out of school youth. There will be an increased emphasis on out-of-school youth, skill attainments and verifiable improvements in basic skills levels.

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

The Workforce Development Division currently produces quarterly performance tracking for all WIA programs. WDD will monitor the implementation and impact of the waiver through a combination of performance reporting, evaluations, and discussions with stakeholders regarding the progress toward expected outcomes.

Notice and Opportunity to Comment.

The waiver was posted on the State Plan Website set up for LWIBs and board review, with notice to both the Board and LWIBs, on March 7, 2013, and continued to be posted until The Plan was submitted. No comments were received regarding this waiver.