

**III.A. Update on Modification to State Plan for
PY 2012 to PY 2017**

810529

U.S. Department of Labor

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



JUL 14 2014

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

Dear Governor Abercrombie:

The Employment and Training Administration (ETA) is pleased to respond to your request for waivers of statutory and regulatory requirements under the Workforce Investment Act (WIA). 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. The original request was written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c), and meets the standard for approval at 20 CFR 661.420(e). The following is the disposition of the State's request for waivers.

Waiver of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) to exempt the state from the requirement to conduct evaluations.

The State is requesting an extension of a waiver of the requirement to conduct evaluations of workforce investment activities for adults, dislocated workers, and youth in order to establish and promote continuous improvement of the statewide workforce investment system. The State is granted this waiver effective through June 30, 2015.

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 workforce investment area incentive grants.

The State is requesting an extension of a waiver of the requirement to provide local workforce investment 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, 2015.

Waiver of WIA Section 129(b)(2)(C) and 20 CFR 665.200(h) to exempt the state from the requirement to provide additional assistance to local areas that have a high concentration of eligible youth.

The State is requesting an extension of a waiver of the requirement to provide additional assistance to local areas that have a high concentration of eligible youth. The State is granted an extension of this waiver through June 30, 2015.

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. 06-13, 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 Carol Padovan, the Federal Project Officer for Hawaii, at 415-625-7946 or Padovan.Carol@dol.gov.

Sincerely,



Portia Wu
Assistant Secretary

Enclosure

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

**Modification No. 01-14 to Hawaii 2012-2017
Integrated Workforce Investment Act and Wagner-Peyser State Plan (5/20/14)**

Purpose

This modification proposes to do the following:

1. Extend three (3) waivers that expire June 30, 2014; and
2. Revise the WIA organizational structure on the Counties of Maui and Kauai.

Waivers

It is requested that the following waivers expiring June 30, 2014 be extended until June 30, 2017:

1. Waiver of Requirement to Provide Assistance to Local Areas with High Concentration of Eligible Youth;
2. Waiver to Eliminate the Distribution of Incentive Grants to Local Areas for Regional Cooperation and Local Coordination; and
3. Waiver to Eliminate the Requirement of Evaluation of Workforce Activities for Adults, Dislocated Workers, and Youth.

The current waiver requests, with the USDOL approval letter dated September 30, 2013, are provided as Attachment 1. All information included in the waiver requests still apply. As part of the modification, the waivers were posted for public comment and distributed to LWIBs, Counties, and the State Workforce Development Council for review as described below.

Revision of Organizational Structure on Counties of Maui and Kauai

In collaboration with Maui County, Maui County WIB, Kauai County, and Kauai WIB, this waiver requests to revise the local grant recipients and fiscal agents for the WIA Adult and Dislocated Worker programs on those Counties to the State of Hawaii, Department of Labor and Industrial Relations. More information on this waiver request is provided in Attachment 2.

Publication and Comment

The proposed modification was posted on the State Workforce Development Council site at <http://labor.hawaii.gov/wdc/reports/> effective May 20, 2014 for public comment and made available to the Local WIBs, Counties, and State Workforce Development Council for their review at that time. The public comment period will end on June 4, 2014. After the comment period, any comments received regarding the waivers or the revised organizational structure will be forwarded to U.S. Department of Labor with a description of how the comments were addressed.

U.S. Department of Labor



Employment and Training Administration

Region 6 San Francisco

90 7th Street, Suite 17300

San Francisco, CA 94103

10 JUN 2014

Dwight Takamine
Director
Department of Labor and Industrial Relations
830 Punchbowl St, R 321
Honolulu, HI 94280-0001

Dear Mr. Takamine:

A handwritten signature in black ink that reads "Dwight Takamine".

This letter finalizes the agreed-upon Workforce Investment Act (WIA) and Wagner-Peyser (WP) performance targets for Program Year (PY) 2014. After a review of the data and information supporting the proposed performance targets, and subsequent discussions with State staff, we are confirming the final performance targets as follows:

WIA Adult

Entered Employment	65.0%
Employment Retention	86.0%
Average Earnings	\$12,200

WIA Dislocated Worker

Entered Employment	78.0%
Employment Retention	92.5%
Average Earnings	\$14,759

WIA Youth

Placement in Employment/Education	63.0%
Attainment of Degree/Certificate	68.5%
Literacy/Numeracy Gains	45.0%

Wagner-Peyser

Entered Employment	53.0%
Employment Retention	83.0%
Average Earnings	\$14,000

This letter constitutes a modification to your Five Year, PY2012 – PY 2016, WIA/WP State Plan.

If you have any questions, please contact Bryan Rogers at (415) 625-7951 or rogers.bryan@dol.gov.

Sincerely,

A handwritten signature in black ink that reads "Virginia Hamilton".
Virginia Hamilton
Regional Administrator

HAWAII STATE 10-15-14 -ACTUAL PERFORMANCE FROM PY 2008 TO PY 2013

Total State	Actual Annual Outcomes										PY 14 Federal Guides			PY 14 State Proposed Goals	PY 14 Negotiated Levels
	PY08	PY09	PY10	PY11	PY12	PY13	PY14	PY15	GPRA	Regression Model					
WIA Adults															
Entered Employment	75.8%	59.8%	67.4%	68.9%	63.5%	67.5%					62.5%	63.9%	65.0%	65.0%	65.0%
Employment Retenti	83.2%	86.3%	88.3%	88.4%	86.9%	81.3%					82.1%	87.4%	85.0%	86.0%	86.0%
Average Earnings	\$13,403	\$12,626	\$11,550	\$11,106	\$11,883	\$10,826					\$13,945	\$13,517	\$12,200	\$12,200	\$12,200
Employment and Credential Rate					74.2	44.44									
Workers															
Entered Employment	83.8%	77.6%	72.9%	76.4%	77.9%	72.9%					62.3%	79.1%	78.0%	78.0%	78.0%
Employment Retenti	92.5%	93.7%	90.6%	89.3%	93.7%	89.5%					84.6%	93.2%	92.0%	92.0%	92.5%
Average Earnings	\$15,885	\$15,734	\$15,854	\$15,087	\$14,227	\$15,250					\$16,694	\$14,759	\$14,759	\$14,759	\$14,759
Employment and Credential Rate					75.0	43.56									
WIA Youth															
Placement in Empl o	51.1%	44.3%	46.0%	48.4%	73.4%	60.3%					66.8%	72.5%	63.0%	63.0%	63.0%
Attain Degree or Cer	55.6%	61.5%	63.0%	68.4%	73.6%	67.8%					62.2%	70.1%	65.0%	65.0%	68.5%
Literacy/Numeracy	25.5%	43.0%	27.4%	26.4%	43.3%	46.3%					46.2%	39.1%	44.0%	44.0%	45.0%
GPRA = Government Performance and Results Act															
Wagner Peyser															
Entered Employment	35.0%	41.0%	45.0%	46.0%	51.0%	52.0%					54.7%	53.0%	53.0%	53.0%	53.0%
Employment Retenti	63.0%	76.0%	78.0%	78.0%	81.0%	81.0%					81.1%	83.0%	82.5%	82.5%	83.0%
Average Earnings	\$13,390	\$12,631	\$12,320	\$12,717	\$13,109	\$13,681.00					\$14,937	\$14,000	\$14,000	\$14,000	\$14,000
Unemployment Rates - Seasonally Adjusted															
United States	7.5	7.5	7.5	7.3	7.2	7.2	7.2	7.2	7.2	7.2	6.7	6.6	6.7	6.7	6.7
State of Hawaii	4.8	4.7	4.7	4.7	4.8	4.7	4.7	4.7	4.7	4.7	4.7	4.6	4.6	4.6	4.5
GPRA = Government Performance and Results Act															
	April 2013	May	June	July	August	September	October	November	December	January 2014	February	March			

OAHU 10-14-14 - ACTUAL PERFORMANCE FROM PY 2008 TO PY 2013

Measures	Actual Annual Outcomes											PY 14 Federal Guides		PY 14 C&C Oahu Goals			
	PY08	PY09	PY10	PY11	PY12	PY13	PY14	PY15	GPRA	Regression Model							
WIA Adults																	
Entered Employment	83.70%	70.70%	77.10%	79.50%	85.20%	81.00%			62.5%	79.7%				65.0%			
Employment Retention	82.80%	86.00%	89.80%	91.60%	86.60%	79.00%			82.1%	86.5%				86.0%			
Average Earnings	\$13,648.50	\$13,768.00	\$13,122.60	\$11,400.40	\$13,787.00	\$14,379.00			\$13,945	\$14,841.40				\$12,200.00			
Workers																	
Entered Employment	89.80%	77.40%	76.40%	79.30%	75.30%	78.00%			62.3%	75.6%				78.0%			
Employment Retention	94.10%	92.50%	91.40%	92.00%	94.30%	87.00%			84.6%	93.5%				92.5%			
Average Earnings	\$16,928.90	\$16,821.00	\$16,610.10	\$15,841.80	\$14,871.00	\$17,891.00			\$16,694	\$15,082.40				\$14,759.00			
WIA Youth																	
Placement in Empl or E	46.80%	41.50%	30.70%	67.10%	81.00%	78.00%			66.8%	82.3%				63.0%			
Attain Degree or Cert.	55.70%	65.10%	66.00%	86.50%	89.00%	97.00%			62.2%	90.4%				68.5%			
Literacy/Numeracy	33.30%	54.50%	30.60%	44.20%	48.00%	53.00%			46.2%	46.1%				45.0%			
Wagner Peyser																	
Entered Employment						51.0%			54.7%	INA				53.0%			
Employment Retention						80.0%			81.1%	INA				83.0%			
Average Earnings						\$14,745.00			\$14,937	INA				\$14,000.00			

(PY13) Wagner Peyser local area reports are from HireNet Hawaii
 GPRA = Government Performance and Results Act

Unemployment Rates - Seasonally Adjusted	Actual Annual Outcomes												January 2014	February	March
	April 2013	May	June	July	August	September	October	November	December	January 2014	February	March			
United States	7.5	7.5	7.5	7.3	7.2	7.2	7.2	7.2	7	6.7	6.6	6.7	6.7	6.7	
State of Hawaii	4.8	4.7	4.7	4.7	4.8	4.7	4.7	4.7	4.7	4.7	4.6	4.6	4.6	4.5	
Oahu County	4.4	4.3	4.1	4	3.8	3.8	4	4.1	4.2	4.2	4.2	4.2	4.2	na	

HAWAII COUNTY 10-14-14 Worksheet - ACTUAL PERFORMANCE FROM PY 2008 TO PY 2013

Measures	Actual Annual Outcomes										PY 14 Federal Guides		PY 14 Hawaii County Goals	
	PY08	PY09	PY10	PY11	PY12	PY13	PY14	PY15	GPRA	Regression Model				
WIA Adults														
Entered Employment	69.70%	54.1%	50.00%	64.10%	58.20%	65.00%			62.5%	61.30%	65.0%			
Employment Retention	83.30%	85.7%	87.00%	82.10%	84.80%	82.00%			82.1%	85.20%	86.0%			
Average Earnings	\$10,982.40	\$10,364	\$9,761.80	\$10,478.60	\$10,237.00	\$10,468.00			\$13,945	\$12,001.60	\$12,200.00			
Workers														
Entered Employment	74.00%	77.1%	66.10%	74.70%	79.00%	75.00%			62.3%	81.90%	78.0%			
Employment Retention	88.20%	94.2%	89.10%	85.90%	93.80%	92.00%			84.6%	94.30%	92.5%			
Average Earnings	\$13,968.50	\$13,603	\$14,173.90	\$13,053.70	\$13,350.00	\$12,375.00			\$16,694	\$14,231.20	\$14,759.00			
WIA Youth														
Placement in Empl or E	57.90%	45.2%	74.40%	38.10%	32.00%	42.00%			66.8%	38.70%	63.0%			
Attain Degree or Cert.	56.80%	45.7%	76.70%	50.00%	11.00%	34.00%			62.2%	12.50%	68.5%			
Literacy/Numeracy	18.80%	38.1%	27.80%	21.40%	33.00%	30.00%			46.2%	36.00%	45.0%			
Wagner Peyser														
Entered Employment						53.0%			54.7%	INA	53.0%			
Employment Retention						81.0%			81.1%	INA	83.0%			
Average Earnings						\$12,186			\$14,937	INA	\$14,000.00			

(PY13) Wagner Peyser local area reports are from HireNet Hawaii

GPRA = Government Performance and Results Act

Unemployment Rates - Seasonally Adjusted	Actual Annual Outcomes											
	April 2013	May	June	July	August	September	October	November	December	January 2014	February	March
United States	7.5	7.5	7.5	7.3	7.2	7.2	7.2	7	6.7	6.6	6.7	6.7
State of Hawaii	4.8	4.7	4.7	4.7	4.8	4.7	4.7	4.7	4.7	4.6	4.6	4.5
Hawaii Cty - Not Seas Adj	6.6	6.7	7.8	7.1	6.4	6.7	6.7	6.3	5.9	6.1	6.1	5.9

MAUI COUNTY 10-14-14 Worksheet-- ACTUAL PERFORMANCE FROM PY 2008 TO PY 2013

Measures	Actual Annual Outcomes												PY 14 Federal Guides		PY 14 Maui County Goals		
	PY08	PY09	PY10	PY11	PY12	PY13	PY14	PY15	GPRA	Regression Model							
WIA Adults																	
Entered Employment	50.00%	100.0%	70.00%	85.70%	100.00%	88.00%					88.00%			62.5%	98.90%		65.0%
Employment Retention	93.90%	80.0%	100.00%	80.00%	100.00%	89.00%					89.00%			82.1%	97.30%		86.0%
Average Earnings	\$13,570.10	\$7,963	\$8,165.70	\$10,575.00	\$15,252.00	\$8,262.00					\$8,262.00			\$13,945	\$13,497.50		\$12,200.00
Workers																	
Entered Employment	77.80%	85.7%	85.70%	84.20%	96.00%	65.00%					65.00%			62.3%	85.40%		78.0%
Employment Retention	93.90%	100.0%	91.70%	100.00%	100.00%	92.00%					92.00%			84.6%	97.00%		92.5%
Average Earnings	\$14,918.10	\$12,285	\$13,205.00	\$15,167.10	\$14,685.00	\$17,490.00					\$17,490.00			\$16,694	\$15,799.20		\$14,759.00
WIA Youth																	
Placement in Empl or E	50.00%	16.7%	60.00%	58.80%	50.00%	50.00%					50.00%			66.8%	47.70%		63.0%
Attain Degree or Cert.	62.50%	60.0%	44.40%	61.50%	86.00%	79.00%					79.00%			62.2%	99.40%		68.5%
Literacy/Numeracy	38.50%	57.9%	38.10%	31.30%	31.00%	50.00%					50.00%			46.2%	37.30%		45.0%
Wagner Peyser																	
Entered Employment						52.0%					52.0%			54.7%	INA		53.0%
Employment Retention						81.0%					81.0%			81.1%	INA		83.0%
Average Earnings						\$12,929.00					\$12,929.00			\$14,937	INA		\$14,000.00

(PY13) Wagner Peyser local area reports are from HireNet Hawaii
 GPRA = Government Performance and Results Act

Unemployment Rates - Seasonally Adjusted State of Hawaii	April 2013		May	June	July	August	September	October	November	December	January 2014	February	March
	7.5	4.8	4.7	4.7	4.7	4.8	4.7	4.7	4.7	4.7	6.6	6.7	6.7
Maui Cty - Not Seas Adj	4.8	4.8	4.9	5.6	5.1	5.0	5.3	5.3	5.1	4.7	5.0	5.1	4.9

KAUAI COUNTY 10-14-14 - ACTUAL PERFORMANCE FROM PY 2008 TO PY 2013

Measures	Actual Annual Outcomes												PY 14 Federal Guides			PY 14 Kauai County Goals	
	PY08	PY09	PY10	PY11	PY12	PY13	PY14	PY15	GPRA	Regression Model							
											January 2014	February	March				
WIA Adults																	
Entered Employment	81.30%	44.4%	100.00%	66.70%	44.40%	45.00%			62.5%	48.90%							65.0%
Employment Retentic	81.40%	93.8%	71.40%	83.30%	100.00%	69.00%			82.1%	105.40%							86.0%
Average Earnings	\$16,371.10	\$12,237	\$13,172.60	\$9,169.60	\$9,596.00	\$12,286.00			\$13,945	\$14,935.80							\$12,200.00
WIA Dislocated Workers																	
Entered Employment	62.50%	66.7%	58.30%	57.10%	66.70%	66.00%			62.3%	73.20%							78.0%
Employment Retentic	90.00%	100.0%	75.00%	58.30%	80.00%	82.00%			84.6%	81.10%							92.5%
Average Earnings	\$14,980.80	\$16,874	\$19,649.30	\$17,388.00	\$14,245.00	\$17,296.00			\$16,694	\$15,169.60							\$14,759.00
WIA Youth																	
Placement in Empl or	66.70%	72.7%	60.00%	30.80%	79.00%	80.00%			66.8%	73.00%							63.0%
Attain Degree or Cerf	40.00%	57.1%	39.10%	38.50%	57.00%	90.00%			62.2%	46.90%							68.5%
Literacy/Numeracy	na	0.0%	7.70%	11.10%	50.00%	33.00%			46.2%	35.90%							45.0%
Wagner Peyser																	
Entered Employment						58.0%			54.7%	INA							53.0%
Employment Retention						82.0%			81.1%	INA							83.0%
Average Earnings						\$13,222.00			\$14,937	INA							\$14,000.00

(PY13) Wagner Peyser local area reports are from HireNet Hawaii
 GPRA = Government Performance and Results Act

Unemployment Rates - Seasonally Adjusted	April 2013	May	June	July	August	September	October	November	December	January 2014	February	March
United States	7.5	7.5	7.5	7.3	7.2	7.2	7.2	7	6.7	6.6	6.7	6.7
State of Hawaii	4.8	4.7	4.7	4.7	4.8	4.7	4.7	4.7	4.7	4.6	4.6	4.5
Kauai Cty - Not Seas Adj	5.5	5.4	6.1	5.5	5.4	5.7	5.8	5.7	5.2	5.4	5.6	5.3