

## **WIOA Statutory and/or Regulatory Requirements to be Waived–Eligible Training Provider List Requirements**

### **State of Hawaii**

The State of Hawaii is seeking a waiver from the requirements outlined in WIOA at Sections 116 and 122, and at 20 CFR 677.230 and 20 CFR 680.400 through 680.530, which require the collection and reporting of performance related data on all students participating in training programs listed on the state's Eligible Training Provider List (ETPL).

### **Background**

Since the passage of WIOA in 2014, the State of Hawaii has been working diligently to implement the new law's Eligible Training Provider (ETP) provisions. On July 3, 2018 a new ETP site was launched on the Workforce Development Council's (WDC) website. The old site was stand-alone, difficult for users to find, and was built on an outdated platform that could not be adapted to new WIOA regulations; it was finally determined to be unsustainable. The new process was created as an interim solution and is simpler for potential eligible providers to use.

The State of Hawaii Department of Labor and Industrial Relations is currently in the process of issuing a Request for Proposals (RFP) for a new Management Information System and Case Management System for the State's workforce system. The RFP includes an ETPL module so that the ETPL is part of that system and easier to access by both case managers, participants, and partners. The new system is expected to be operational by July 1, 2020.

The University of Hawaii Community Colleges (UH) are the largest providers of training programs in the State. The colleges have cited the performance reporting requirements as a reason that they are reluctant to participate in the program. To overcome this obstacle, WDC has been working with the University of Hawaii's Data Exchange Program<sup>1</sup> (DXP) to create a process by which all the performance data from the UH system (universities and colleges) will be transmitted to WDC by the DXP. Thus, eliminating each instructor or program from the burden of manually submitting the data. Unfortunately, most of the programs on the ETPL are non-credit courses and although the UH system has been working to develop a database for those programs, the database is not yet able to provide the necessary data.

Despite these efforts, Hawaii has faced several challenges while working to implement the WIOA ETPL requirements, which include:

- Ensuring that local areas have sufficient numbers of, and diversity of training providers necessary to create an effective marketplace of training programs for WIOA participants using Individual Training Accounts (ITAs).
- There already exists a lack of training provider options on neighbor islands (Kauai, Maui, and Hawaii Island); reporting requirements have been cited by potential providers as a barrier to their participation.
- Ensuring fairness in the process of determining training provider eligibility.
- Reducing the burden of the requirement for training providers to submit performance information to the State, which may not be readily accessible.
- Social security numbers are not required for UH registration making the wage and employment data incomplete or inaccurate.
- UH is reluctant to transmit Personally Identifiable Information (PII) to WDC.

---

<sup>1</sup> DXP also houses the State Longitudinal Data System

- DXP is in the process of drafting a new Memorandum of Agreement with the Unemployment Compensation Division for wage match data.
- Proprietary schools would have to collect sensitive information, such as social security numbers and other PII on all students for the State to match wage and earnings information on students utilizing the ETPL programs, which increase security liabilities for those organizations.
- Students funded by WIOA programs at UH Community Colleges represent a small portion of the community college enrollment. ETPL students are more likely to enter training-related employment after an entire suite of courses over a longer period of time. Therefore, including all students in the cohort that counts toward that course's performance unfairly skews the outcome in a negative direction.

### **Actions Undertaken to Remove State of Local Statutory or Regulatory Barriers**

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

### **Waiver Goals and Outcomes**

Goals and outcomes related to this waiver request include:

- Remove the most significant disincentive for schools and training providers to participate in the ETPL in anticipation of maximizing the available marketplace of training curricula.
- More numerous and varied training offerings for individuals using Individual Training Accounts (ITAs) in Hawaii's workforce system.
- Increased participation by the UH Community Colleges will lead to lower cost options.
- Greater utilization of the ETPL by participants pursuing training in Hawaii related to jobs that are in-demand.
- Improved overall performance outcomes for individuals pursuing training via ITAs.
- Stronger partnerships and relationships between training providers both public and private by Hawaii's workforce system.
- Enhanced ability of local boards (especially those on neighbor islands) to respond quickly and efficiently to immediate local job seeker and employer needs.

### **Individuals Impacted by the Waiver**

Individuals who access training services in Hawaii via ITAs, Workforce Development Council (WDC) staff, local workforce development board staff, WIOA partner staff, American Job Center Hawaii staff, subcontracted service provider staff, and training providers will benefit from this waiver.

### **Monitoring Progress and Implementation**

Annual WIOA on-site programmatic reviews will include an evaluation of the impact of the waiver on local programs to ensure programmatic goals and outcomes are being met. WDC staff will also review the collection of pertinent information such as updated licenses, financial statements, certificates of insurance and appropriate State of Hawaii certifications; and will periodically examine the appropriateness and effectiveness of this waiver. This strategy ensures that the goals described above, as well as those outlined in the State's Unified State Plan, are consistent with established objectives of WIOA and federal and state regulations.

**Notice to Local Boards and Public Comment**

In accordance with the WIOA regulations at 20 CFR 676.135, Hawaii 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. This waiver request is currently posted on WDC's website for comment and review by required parties and the general public.

A copy of the request has been provided to all four local workforce development boards. Any comment received will be forwarded to the USDOL and included as a modification to the state's Unified State Plan. The impact of this waiver on the state's performance will be included in the state's WIOA Annual Report.