



November 10, 2021

Workforce Innovation and Opportunity Act Policy Letter No. 21-01

To: Local Workforce Development Boards Directors, Fiscal Agents, and OhioMeansJobs Center Operators

From: Matt Damschroder, Director

Subject: Waiver to Allow Local Areas to Reserve More Than 20 Percent of Adult and Dislocated Worker Funds for Incumbent Worker Training

I. Purpose

The purpose of this policy is to provide guidance on the use of waivers of Workforce Innovation and Opportunity Act (WIOA) laws and regulations that have been approved by the United States Department of Labor (USDOL) approved.

II. Effective Date

July 1, 2021 – June 30, 2022

III. Background

In April 2021, Ohio sought to obtain a statewide waiver of WIOA §134(d)(4) and 20 CFR 680.800(a), to allow local areas to reserve more than 20 percent of Adult and Dislocated Worker (DW) funds for incumbent worker training (IWT) to assist in its response to the impacts of the COVID-19 pandemic:

On June 23, 2021, the Ohio Department of Job and Family Services received a letter from USDOL conditionally approving Ohio's requested waiver to increase the allowable threshold available for IWT from 20 to 35 percent through June 30, 2022.

IV. Requirements

- A. Waiver to allow local areas to reserve more than 20 percent of Adult and Dislocated Worker funds for IWT to assist in its response to the impacts of the COVID-19 pandemic**

This waiver has been approved through June 30, 2022 for any Adult and DW funds available during the period the period from July 1, 2021 through June 30, 2022. With this waiver, local areas may reserve up to 35 percent of Adult and DW funds for IWT.

Local areas may only use IWT to provide the skills needed to advance in the employee's job or get skills to stay in a job (layoff aversion). Guidelines for IWT can be found in WIOAPL 15-23.1.

Local Workforce Development Area Requirements

For local areas implementing this IWT waiver, the local policy must be updated to include the following:

- The percentage of Adult and DW funds reserved for IWT (up to 35%).
- Criteria to prioritize services for unemployed customers before incumbent workers when the local area is experiencing levels of unemployment exceeding the State's average.

State Requirements

To meet the conditions of this waiver, OWD will:

- Review labor market information and local policy to ensure local areas prioritize services for unemployed customers before incumbent workers when the local area is experiencing levels of unemployment exceeding the State's average.
- Report individual records based on the Participant Individual Record Layout (PIRL) for all IWT participants through the Workforce Integrated Performance System (WIPS).
- Track employment retention and earnings outcomes to measure whether use of this waiver has a positive effect.
- Monitor local area IWT expenditures to not exceed 35 percent and to assess appropriate adjustments to serving unemployed workers versus incumbent workers as unemployment evolves in each local area.

V. Technical Assistance

Requests for technical assistance may be sent to ODJFS, Office of Workforce Development: WIOAQNA@jfs.ohio.gov.

VI. References

Workforce Innovation and Opportunity Act, § 134(d)(4), Public Law 113-128.

20 C.F.R. §680.800