

Reduction in DWG Incremental Funding Request Threshold

Workforce Innovation and Opportunity Act Waiver Request Tool

Under the Secretary of Labor's waiver authority outlined in Section 189(i)(3)(A) of the Workforce Innovation and Opportunity Act (WIOA) and 20 CFR and 679.600, the Secretary may waive certain provisions of WIOA Title I Subtitle A, B, and E and provisions found in Sections 8-10 of the Wagner-Peyser Act. WIOA Section 189(i)(3)(B) and 20 CFR 679.620 identify elements that must be included in a waiver request. A State may request a waiver in its overall Unified or Combined State Plan submission or modification. Or, if submitting separate from the State Plan submission, States may use this document as a tool to assist in developing and requesting a waiver. States may use their own format or form for a request, as long as elements required by WIOA and the regulations noted above are addressed. After reviewing a State's initial request, the Employment and Training Administration (ETA) may ask the State for additional information if necessary, to complete its review.

To submit a waiver request, e-mail this completed form or State-developed document along with a cover letter to WIOA.Plan@dol.gov and the appropriate ETA regional office. ETA will also accept hard copy submissions.

Date: May 5, 2020

State: Illinois

Agency: Illinois Department of Commerce and Economic Opportunity

Provide narrative for the following elements:

The statutory and/or regulatory requirements the state would like to waive

The state must clearly cite the statute and/or regulation(s) in its request and ensure that the citations refer to the specific elements the state wishes to waive.

The State of Illinois is seeking a waiver from the following Section(s) so that the State may request subsequent funding increments for National Dislocated Workers Grants (DWG) grants when reaching 50% expenditure, rather than 70%, of the total DWG funds awarded to date:

TEGL 12-19, Section 3; Incremental Funding which requires that DWG Grantees expend 70 percent of the total DWG funds awarded to date before they may submit a modification request for subsequent funding increments.

Background

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The State has operated DWG/NEG projects in disaster situations where the requirement to wait until expenditures reach 70% was harmful to project operations because of funds nearly running out and the uncertainty as to when additional fund would be awarded to the State. This resulted in the uncertainty of Project Operators' ability to continue worksite operations and keeping workers on payroll. Although no workers were laid off when this situation occurred, Project Operators and worksites had to plan for and provide layoff notices to workers while informing every one of the pending additional funding request and the State's belief that the additional project funds would soon be awarded; nonetheless, there was uncertainty and no ability to guarantee additional funding.

Once disaster worksites are operational and fully staffed, grant expenditures grow quickly and grow steadily. The State's need for additional funds can effectively be demonstrated when reaching 50% expenditures rather than waiting until reaching the 70% level to demonstrate need. At the 50% expenditure point in the project, the project and its worksites are well established with expenditures (mostly wages and benefits) increasing steadily and rapidly. Submitting a modification request at 70% expenditures means that expenditures could likely be at the 90% - 95% level by the time an official grant modification is awarded to the State, followed by the additional time it takes to process and execute subgrant modifications making funds available at the local level for Project Operators.

The State requests that Illinois be allowed to submit a DWG grant modification request to DOL when total expenditures reach 50% rather than 70% so that project operations can continue uninterrupted without work stoppages or the threat of work stoppages, and that Project Operators, worksites, and workers can continue with disaster efforts without interruption or delay.

Actions the state has undertaken to remove state or local statutory or regulatory barriers

The state must provide a discussion of the steps it has taken to remove any potential obstacles in the waiver request as appropriate. Quite often, state or local policies do not present a conflict for the request, and a simple statement indicating that there are no state or local barriers is sufficient.

There are currently no state or local statutory or regulatory barriers to implementing the requested waiver. State of Illinois regulations and policy align with current federal law and TEGL 12-19 operating guidance.

State strategic goal(s)

The state must precisely articulate the goals it seeks to achieve by requesting a waiver. The state must also discuss how these goals relate to its Unified or Combined State Plan.

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Illinois' request will allow the State to progress unimpeded in achieving DWG project goals related to expenditures, participant enrollment, and the delivery of comprehensive project services, removing barriers associated with delayed modification requests. This waiver request is consistent with a national focus to develop a workforce system that is more responsive to the needs of customers and with Illinois' strategic direction, goals and priorities as outlined in the Unified State Plan.

Projected programmatic outcomes resulting from implementation of the waiver

The state must provide an estimate of how the waiver will improve outcomes or provide other tangible benefits for jobseekers or employers. States have the discretion to determine how to measure a waiver's success and the specific data sources it intends to use to evaluate its impact.

The State will improve outcomes related to DWG project expenditures, participant enrollment, and service delivery. Certainty of project funding resulting from an earlier grant modification request will benefit disaster relief workers, worksites, Project Operators, local communities, and the State.

Alignment with Department of Labor's policy priorities

Describe how the waiver will align with the Department's policy priorities, such as:

- *Supporting employer engagement;*
- *Connecting education and training strategies;*
- *Supporting work-based learning;*
- *Improving job and career results; and*
- *Other priorities as articulated in guidance.*

The waiver aligns with the Department of Labor's priorities as well as the State's priorities to maximize positive outcomes for participants that will occur with uninterrupted project services and certainty of service continuation and adequate project funding. Uninterrupted funding will support and improve job and career results and work-based learning opportunities and will support local communities with continuity of services.

Individuals, groups, or populations affected by the waiver

States must describe the potential impact of a waiver on various system stakeholders, including how the waiver will impact services for disadvantaged populations, persons with barriers to employment, or businesses.

The waiver will positively impact DWG project participants, disaster worksites and employers, local communities, Project Operators, and the State.

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State plans for monitoring waiver implementation, including collection of waiver outcome information

States must describe how they intend to oversee effective waiver implementation and any unique protocols that may be used in their waiver requests.

The State will use the following approach for monitoring progress in implementation:

1. State staff will provide ongoing technical assistance and oversight as it relates to the appropriateness and the effectiveness of this waiver. This information will be submitted regularly to the IWIB Continuous Improvement Committee.
2. Annual WIOA on-site programmatic reviews will include an evaluation of the impact the waivers have on programmatic goals and outcomes.
3. Additionally, the IWIB Continuous Improvement Committee will have the responsibility of ensuring the specific goals and outcomes achieved by the waiver are realized. Furthermore, the information gathered from the waiver will inform new or changes to policy as well as provide best practices.

This strategy ensures that the goals described above, as well as those outlined in the State's Unified Plan and the IWIB Strategic Plan, are consistent with established objectives of the WIOA and federal and state regulations.

Assurance of state posting of the request for public comment and notification to affected local workforce development boards

WIOA does not prescribe a specific amount of time for states to post a potential waiver for comment, but it does require the state to demonstrate a reasonable opportunity for public review and comment by all stakeholders, including businesses and organized labor. Submit any comments or concerns collected in this manner and the outcome of the state's review of the public comments received. The state must also provide affected local boards with notice and opportunity to comment on the proposed waiver.

Following the WIOA Regulations at 20 CFR 676.130(d) related to public review and comment of the Unified State Plan, Illinois posted this request on our website for comment and review by required parties and the public.

Local Boards via Board members and/or Board staff as well as WIOA partners and other interested stakeholders participate in policy development. Additionally, LWIBs receive the opportunity to participate in the public comment period that includes informational webinars.