



OCT 02 2018

The Honorable Jeff Colyer
Governor of Kansas
Capitol Building
300 SW 10th Avenue, Suite 212S
Topeka, Kansas 66612

Dear Governor Colyer:

Thank you for your waiver request on July 9, 2018, regarding certain statutory and regulatory provisions of the Workforce Innovation and Opportunity Act (WIOA) and the accompanying plan to improve the statewide workforce development system (copy enclosed). This letter provides the Employment and Training Administration's (ETA) official response to the State's request and memorializes that Kansas will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Kansas and ETA. This action is taken under the Secretary's authority to waive certain requirements of WIOA Title I, Subtitles A, B, and E, and Sections 8 – 10 of the Wagner-Peyser Act in WIOA Section 189(i).

Requested Waiver: Waiver associated with the requirement at WIOA Section 129(a)(4)(A) and 20 CFR 681.410 that each local area expend 75 percent of local formula youth funds on out-of-school youth (OSY).

The State's request to waive the requirement that local areas expend 75 percent of local formula youth funds on OSY is approved. ETA reviewed the State's waiver request and plan and determined that the requirements requested to be waived impede the ability of Kansas to implement its plan to improve the workforce development system. Therefore, ETA approves the requested waiver for Program Years (PYs) 2018 and 2019 (July 1, 2018 through June 30, 2020). Kansas may decrease the target expenditure rate for local youth funds to 50 percent.

You indicated in your request that if ETA approved the State's waiver, you would submit a proposed State Plan modification for public comment to reflect approval of the waiver. This step is not necessary.

ETA is available for further discussion and to provide technical assistance to the State to support achieving its goals. The Department of Labor proposed additional flexibility in its Budgets to give governors more decision-making authority to meet the workforce needs of their states.

If you have questions or wish to explore additional flexibility, feel free to contact my office at (202) 693-2772.

Sincerely,


Molly E. Conway
Acting Assistant Secretary

Enclosure

cc:

Mike Beene, Director, Kansas Employment Services

Christine Quinn, Chicago Regional Administrator, Employment and Training Administration

James Lambert, Federal Project Officer, Employment and Training Administration

September 10, 2018

Subject: Kansas Waiver Request

Date Received: July 11, 2018

Signature Required: The 90 day deadline falls on Sunday, October 7, 2018. ETA must reply by the prior business day, Friday, October 5, 2018.

Description: Kansas is requesting a waiver to lower the local WIOA out-of-school youth expenditure requirement from 75 to 50 percent. The Department granted this waiver to several states and recommends approval for Kansas.

STATE OF KANSAS



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GOVERNOR JEFF COLYER, M.D.
ROBERT NORTH, INTERIM SECRETARY

July 9, 2018

Christine Quinn, Regional Administrator
USDOL Employment & Training Administration, Region V
John C. Kluczynski Building
230 South Dearborn, 6th Floor
Chicago, IL 60604-1505

Ms. Quinn:

Kansas is requesting the Secretary of Labor's waiver under authority outlined in Section 189(i)(3)(A) of the Workforce Innovation and Opportunity Act(WIOA) from that part of Section 129(a)(4)(A) and 20 CFR 681.410, which requires not less than 75 percent of funds allotted to states under Section 127(b)(1)(C) and available to local areas under subsection (c), shall be used to provide youth workforce investment activities for OSY. Please see attached.

Kansas is requesting that this (75%) percentage be lowered to 50 percent in order to allow local workforce development boards to:

- Increase services to at-risk youth in local schools.
- Increase support for dropout prevention and recapture programming.
- Support students through successful graduation while equipping them with academic and technical skills necessary to improve their employability
- Improve flexibility of state and local funding to best meet the needs of our citizens and businesses.

This waiver request was developed with input from local workforce boards in the State and the final version has been posted for comment and review by the required parties and the general public. There were no comments received other than support. In accordance with the WIOA Regulations at 20 CFR 676.135, Kansas will be submitting a modification to its Unified State Plan should this waiver be granted; which will also require an additional posting for public comment. Any subsequent comments received will be forwarded to the U.S. Department of Labor as part of the modification to the State's Unified Plan. Further, the impact of this waiver on the state's performance will be addressed in the state's WIOA Annual Report.

An advance copy of the waiver request was previously submitted to our FPO, James Lambert.

We trust this is a request you and the Region V staff can support.

If you or your staff have questions, comments, or require additional information; please contact Dennis Cooper at dennis.cooper@ks.gov or 316-771-6810.

Thank you

A handwritten signature in blue ink that reads "Mike Beene".

Mike Beene
Director, Employment Services

Waiver of WIOA 75% Out-of-School Youth Minimum Expenditure Requirement

This waiver request will assist Kansas to further develop its workforce system while continuing to focus on creating a demand-driven system.

Statutory and/or Regulatory Requirements to be Waived

The State of Kansas is seeking a waiver from that part of Section 129(a)(4)(A) and 20 CFR 681.410, which requires not less than 75 percent of funds allotted to states under Section 127(b)(1)(C) and available to local areas under subsection (c), shall be used to provide youth workforce investment activities for OSY.

Kansas is requesting a waiver of the requirement Local Areas expend not less than 75 percent of the Formula Youth funding available to the Local Area to provide youth workforce investment activities for out-of-school youth. Kansas is requesting that this percentage be lowered to 50 percent.

Actions Undertaken to Remove State or Local Statutory or Regulatory Barriers

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

Waiver Goals and Outcomes

Goal: Increase services to at-risk youth in local schools.

Outcome: Approval of this waiver request will allow Local boards to direct more local funds to serving youth at-risk of disconnecting from education. It is more cost-effective to keep youth enrolled in school and engaged in a career pathway which leads to meaningful and satisfying careers.

Forty-six percent of Kansas K-12 students were approved for free or reduced lunches in the 2017-18 school year; meeting the WIOA definition of low-income. This cohort of Kansas students is nearly 10 percent more likely to not graduate high-school; 77% vs 86%. In Kansas, students with disabilities also have the same 77% graduation rate. The ability to serve more economically disadvantaged and disabled youth while they are still attached to an educational institution gives the five Kansas Local Workforce Development Areas the chance to reduce the impact of high-risk factors including poverty and disability and provide equitable resources to meet the needs of all students to ensure that they have access to quality educational and career exploration opportunities.

Goal: Increase support for dropout prevention and recapture programming.

Outcome: Data for dropout prevention programs demonstrates graduation rates equivalent to those of no-economically disadvantaged students. Considering these services are targeted toward at-risk and hard-to-serve youth with multiple barriers such as living in single-parent or economically disadvantaged households, low academic performance due to certified special education needs or a lack of maturity or motivation, emotional or physical disabilities, runaway youth or homelessness, one or more years behind their peers and/or repeating grades, excessive absences, a record of suspensions, being expelled or put on probation, lack of transportation, limited English proficiency, substance abuse, pregnancy or parenting, little or no work

experience due to a lack of marketable skills; investment in these services are critical to assuring a skilled workforce in a tight labor market.

Goal: Supporting students in school through successful graduation while equipping them with academic and technical skills necessary to improve their employability.

Outcome: Ensuring a young person's success in a job and/or in post-secondary education during the time when the student is most at-risk of failure. Additional follow up and contact with participants following high school completion ensures satisfactory progress is made while employed or enrolled in post-secondary or vocational training programs.

Approval of this waiver will provide greater opportunity for youth to finish high school and continue on a pathway toward multiple career and educational opportunities, such as entering a Registered Apprenticeship program, earning recognized credentials, associates and/or a bachelor's degree necessary for obtaining sustainable employment. Employers will have an opportunity to build a talent pipeline earlier in the career pathway continuum, reduce training costs, and employee turnover.

Goal: Improved flexibility of state and local funding to best meet the needs of our citizens and businesses.

Outcomes: Approval of this waiver will allow for innovative strategies to address barriers facing at-risk youth on an individualized basis and encourage innovative strategies to address student retention, such as dual college enrollment, work-based learning opportunities, occupational training, or pre-apprenticeship to apprenticeship programs that will keep students engaged in school through graduation. This waiver will improve the ability of Workforce Development Boards to develop strategies to align with workforce and economic realities within their service delivery areas and to design programs in direct response to the needs of youth.

Alignment with Department Policy Priorities

The WIOA encourages strong partnerships to leverage resources and increase opportunities for youth. The Kansas workforce development system is designed to help improve student access to career pathways, close the talent gap in professional trades and continue building a stronger talent base in Kansas. Local Boards brings together leaders, including employers, educators, K-12 districts, higher education institutions, union leaders, and businesses – all to ensure our youth can reach their potential and make Kansas stronger. The state and local Workforce Development Boards should be a strong partner, both in terms of program design and the fiscal support necessary to meet this need.

The WIOA places a heavy emphasis on work experience for youth participants. The expansion of work-based learning opportunities for in-school youth through increased flexibility of funding not only aligns with this priority but also fosters greater employer engagement from businesses and industries.

Individuals Impacted by the Waiver

Kansas's at-risk young adult population, American Job Centers (AJC) and subcontracted service provider staff, employers, parents, and school counselors will benefit from the waiver.

Monitoring Progress and Implementation

Annual WIOA on-site programmatic reviews will include an evaluation of how local waivers are being utilized to ensure programmatic goals and outcomes are being met.

The Youth Services state coordinator, dedicated to the administration of the WIOA Youth program, will continually examine the effectiveness of waivers throughout the program year. This strategy ensures that the goals described above, as well as those outlined in the existing state and local WIOA plans, are consistent with established objectives of the WIOA, and federal and state regulations.

Notice to Local Boards and Public Comment

A copy of the preliminary draft waiver request was provided to all local workforce development boards through their respective Executive Directors for input during development of the request. This final version of the request for waiver has been posted for comment and review by the required parties and the general public with no comments received other than support. In accordance with the WIOA Regulations at 20 CFR 676.135, Kansas will be submitting a modification to its Unified State Plan should this waiver be granted; which will also require an additional posting for public comment. Any subsequent comments received will be forwarded to the U.S. Department of Labor as part of the modification to the State's Unified Plan. Further, the impact of this waiver on the state's performance will be addressed in the state's WIOA Annual Report.