

## **Reduce Out of School Youth Expenditure from 75% to 50%**

### **Workforce Innovation and Opportunity Act Waiver Request Template**

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 template to request a waiver. States may also request a waiver using their own format or form, as long as elements required by WIOA are addressed in the request. After reviewing a state's initial request, the Employment and Training Administration (ETA) may request additional information if necessary to complete its review.

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

**Date: March 15, 2018**

**State: Illinois**

**Agency: Illinois Department of Commerce and Economic Opportunity**

Provide narrative for the following elements:

#### **Statutory and/or regulatory requirements to be waived**

*Indicate which part of the WIOA or the regulations the state would like to waive.*

The State of Illinois is seeking a waiver from the following Section(s):

1. Section 129(a)(4)(A) and 20 CFR 681.410, which require not less than 75 percent of funds allotted to states under Section 127(b)(1)(C), reserved under Section 128(a), and available for statewide activities under subsection (b), and not less than 75 percent of funds available to local areas under subsection (c), shall be used to provide youth workforce investment activities for OSY.

## **Reduce Out of School Youth Expenditure from 75% to 50%**

Specifically, Illinois is requesting to waive the following requirements:

- a. A waiver of the requirement to expend 75 percent of funding on the OSY population. Illinois is requesting that this percentage be lowered to 50 percent.
- b. A waiver of the requirement that local funding must meet the 75 percent minimum expenditure requirement. It is requested to allow a state-level Out-of-School Youth target (See #1 above) instead of requiring individual areas to each meet the minimum expenditure requirement.
- c. A waiver of the requirement to expend 75 percent of Statewide Activities funding on the OSY population. It is requested to eliminate this percentage to allow flexibility of funding for special projects that meet the vision and mission of the State.
- d. A waiver of the limitation of only 25 percent of funding to support in-school youth.
- e. A waiver to use funding over the 25 percent limitation in WIOA to provide pre-apprenticeship programs services to this population.

### **Background**

Illinois' current efforts for aligning education, workforce and economic development is laying a solid foundation for promoting leading career pathway models and best practices. Career pathway development in Illinois is being expanded to encompass every level of the education system as well as across the needs of our diverse populations including those that face multiple barriers to achieving self-sufficiency.

Of importance to the Governor's vision, the IWIB Strategic Plan and the Unified State Plan is the expansion of career pathway systems into the secondary system for opportunity youth. This waiver will allow Illinois to support these visions and provide targeted strategies to the estimated 1.8 million youth ages 15-24 living in Illinois in 2013 and particularly focus on those within that number of which approximately 18.3% were in poverty and 19.3% were unemployed – more than twice the rate of the entire labor force.

## **Reduce Out of School Youth Expenditure from 75% to 50%**

### **Actions undertaken to remove state or local barriers**

*Describe the actions undertaken to remove state or local barriers.*

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.

### **Goals and expected programmatic outcomes of waiver**

*Describe and specify how the waiver will help the state achieve an identified strategic goal or set of goals that it has outlined in its State Plan. If possible and appropriate the type of waiver requested, provide quantifiable projections for programmatic outcomes that will result from the waiver.*

In support of the expansion of career pathway systems across the education system, Illinois will use this waiver to provide youth with barriers the necessary supports to successfully equip them with the academic and technical skills necessary to improve their employability. Furthermore, Illinois anticipates that this waiver will provide greater opportunity for blending funds at the federal, state, and local levels across the partners to increase innovative strategies for improving career pathway opportunities for youth.

Potential Outcomes resulting from these goals:

1. Increase in number of youth that receive a credential (i.e. diploma or high school equivalency) and continue to receive industry recognized and/or some other post-secondary credentials.
2. Decrease in the number of youth disconnecting from the education system, particularly those transitioning out of foster care or those with a disability transitioning from high school.
3. Increase innovative strategies to address student retention, such as dual college enrollment, occupational training, or pre-apprenticeship to apprenticeship programs

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### **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.*

This waiver aligns with not only the Department of Labor's priorities, but also with those of the State of Illinois. Within the Illinois Unified Plan, are examples of initiatives demonstrating the importance of ensuring career and work readiness at all levels, and how Illinois is moving toward strategies that integrally tie education to workforce development. Expanding the career pathway opportunities across the education and workforce system by allowing additional funds toward in-school youth, supports our common goal to expand career pathway opportunities through more accelerated work-based training while aligning and integrating programs of study that lead to industry-recognized credentials and improved employment and earnings. This alignment will truly address the P-20 pipeline by providing necessary career readiness and occupational skills necessary to succeed in the job market.

As Illinois continues the engagement of educational institutions to create a job-driven education and training system, the state will be making significant and strategic system improvements that address workforce development needs through flexible, responsive, and progressive programs informed by labor market information. Not only will this continue to occur through the 48 comprehensive community colleges and multi-college centers, but the state will also be expanding the reach to integrate meaningful career readiness programs and work-based learning models that focus on high demand occupations for students and workers at all levels.

### **Individuals impacted by the waiver**

*Describe which populations the waiver will benefit, including how the waiver will impact services for disadvantaged populations or individuals with multiple barriers to employment.*

Both the education and workforce system will be able to provide the benefits of this waiver to our youth with barriers. This includes at-risk youth population, educational entities, American Job Centers (AJC) and subcontracted service provider staff, employers, parents, and school counselors.

## **Reduce Out of School Youth Expenditure from 75% to 50%**

### **Process for monitoring progress in implementation**

*Describes the processes used to monitor the progress in implementing the waiver.*

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

1. State staff involved with the administration of youth programming 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 Evaluation and Accountability 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 Evaluation and Accountability 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.

### **Notice to affected local boards**

*Address how local boards affected by the waiver were notified of the request.*

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 public comment period that includes webinars.

### **Public Comment**

*Provide a description of the proactive solicitation of public comments. At a minimum, post the proposed waiver request to the state's official website for comment. Ideally, develop a targeted outreach strategy to collect input and comment from all affected*

## **Reduce Out of School Youth Expenditure from 75% to 50%**

*stakeholders. Submit any comments or concerns collected in this manner and the outcome of the state's review of the public comments received.*

In accordance with the WIOA Regulations at 20 CFR 676.135, Illinois 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. As such, Illinois's waiver request posted on our website for comment and review by required parties and the public.

### **Waiver Impact**

*Collect and report information about waiver outcomes in the State's WIOA Annual Report. The Secretary may require that States provide the most recent data available about the outcomes of the existing waiver in cases where the State seeks renewal of a previously approved waiver.*

The IWIB Evaluation and Accountability 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. Outcomes of the waiver will be reported in the WIOA Annual Report.