

**State of Rhode Island  
Workforce Investment Act  
Waiver Request  
CUSTOMIZED TRAINING:  
50% OF COST OF TRAINING EMPLOYER MATCH**

The Rhode Island Department of Labor and Training, the state operational entity for the Workforce Investment Act (WIA), is requesting a waiver to change the required 50% employer match to a match based on a sliding scale. Through this approach, the employer match would range from a minimum of 10% to a maximum of 50%. The match would be based on a particular business or industry's cost/benefit ratio of contributing to a match amount to receive skilled employees and the transferability of skills to be attained by the proposed employees.

This waiver request adheres to the format identified in WIA Section 189(i)(4)(B) and WIA Final Regulations at 20 CFR Section 661.420(c).

**1. Statutory Requirements to be Waived:**

WIA Section 101(8) and WIA Final Regulations at 20 CFR Section 663.715 defines customized training and requires employers to pay not less than 50% of the cost of training.

**2. Goals of the Waiver and Expected Programmatic Outcomes:**

Customized training optimizes the resources available under workforce development initiatives to meet the needs of employers and job seekers. However, the current 50% percent employer match requirement limits the ability to market customized training programs to local employers. Local employers too often conclude that the 50% match requirement creates costs that outweigh the benefits of participating in a WIA customized training program.

The proposed sliding scale for the employer match will create the necessary flexibility for employers to provide the required match at a rate that more appropriately represents a particular business' or industry's cost benefit ratio of contributing to a match amount to receive skilled employees. Allowing businesses and industries to apply the sliding scale to determine the match amount will increase employer participation in WIA customized training programs at the local level. The sliding scale will answer employers' primary reason for not participating in the customized training. Boards will increase their participation rates for skilled job seekers that received training and found employment. Employers will benefit by having a labor pool with the marketable skills they require.

### **Proposed Employer Match Sliding Scale:**

The proposed employer match sliding scale, which is attached, will range from 10 to 50 percent, based on the following characteristics of the customized training program:

- the number of employees to be hired;
- the company size;
- the hourly wage at employment and
- the length of the training

The State Workforce Investment Board is committed to ensuring that participants in customized training programs acquire skills to meet workplace requirements for long term employment and work toward sustaining employment in high-skill, high wage occupational areas. Therefore, it was decided through discussions with state and local board members and staff to determine the percentage of the match by assigning values to characteristics of the training plan (rather than basing it solely on the size of the company). In this way, the State would be better positioned to reach the goal of training workers in high growth / high demand jobs and encourage employers to provide longer term training resulting in higher paying jobs, even in this period of extremely high unemployment and financial uncertainty.

### **3. State Statutory Barriers:**

There are no existing state statutory or regulatory barriers to implementation of this waiver request.

### **4. Description of the Individuals Impacted by the Waiver:**

The waiver will positively affect all of the State's WIA customers, employers and job seekers.

### **5. Description of the Process to Monitor Waiver Progress:**

The State Workforce Investment Office of the Rhode Department of Labor and Training will monitor customized training programs as part of its annual WIA local program monitoring. The State will also evaluate the LWIB's monitoring process as part of each local area's sub-recipient contract monitoring responsibilities.

**6. Opportunity to Comment on the Waiver Request:**

This request was developed at the request of local areas. As with all major workforce policies and procedures, the State has solicited dialogue and input from the local workforce boards and staff concerning the impact of this request. The local workforce areas support this request. This waiver request will be published on the State Workforce Investment Office (SWIO) Website at <http://www.DLT.RI.Gov/WIO>. A copy of the waiver request will be sent directly to local area boards.

**7. Public Comment on the Waiver Request:**

As noted in item six above, we will publish the waiver request at <http://www.DLT.RI.Gov/WIO> which is the State web site. Copies of this waiver request will be forwarded to the local workforce areas.

## Customized Training Program Company Cost Benefit Ratio Rating Scale

Program Elements:	Rating Scores / Qualifiers			Totals
	3	2	1	
Number of Commitment to Hire: (based on company size)	21% or more	11-20%	Up to 10%	
*Company Size: (# of employees in RI)	Up to 25 employees	26 to 100 employees	More than 100 employees	
Hourly Wage at Employment:	Over \$11.10 Plus employer-supported Health Care Benefits	\$7.40 hr – 11.10 Plus employer-supported Health Care Benefits	\$7.40 hr – 11.10 (100%-150% of minimum wage)	
Length of Training:	More than 100 hours	61-100 hours	60 hours or less	
<b>Total Score:</b>				

### Match Requirement Table:

Total Score	Match Requirement
11-12	10%
9-10	20%
7-8	30%
5-6	40%
4	50%

### \*Company Size for Customized Training Programs with a Consortium of Companies:

To encourage partnerships among employers with common employment needs, Customized Training programs developed with a consortium of companies (two or more participating companies) will receive a rating score of 3 (three) for the Company Size element.