

**WORKFORCE INVESTMENT ACT WAIVER REQUEST:
TO ALLOW THE STATE OF RHODE ISLAND TO INCREASE EMPLOYER
REIMBURSEMENT FOR ON THE JOB TRAINING**

The Rhode Island Department of Labor and Training, the state's Workforce Investment Act (WIA) administrative entity, requests a waiver to modify the requirements found in WIA Section 101 (31)(B) and 20 CFR 663.710. This waiver will allow the implementation of a sliding reimbursement scale, based on company size, for employers participating in the On the Job Training program. The following scale will be utilized:

- 1) no less than 10 percent match for employers with 50 or fewer employees
- 2) no less than 25 percent match for employers with 51- 250 employees
- 3) for employers with more than 250 employees, the current statutory requirements (50 percent contribution) will continue to apply

This waiver request applies to WIA formula and Recovery Act funds for the balance of Program Year 2010 and subsequent years, as appropriate.

This waiver request is written in the format identified in WIA Section 189(i)(4)(B) and in WIA Regulations 20 CFR 661.420 (c) of the Regulations. In addition, this waiver is identified in Training and Employment Guidance Letter (TEGL) # 26-09 as one that the Employment and Training Administration approved as a Program Year 2009 policy decision.

A. Statutory Regulations to be Waived:

Rhode Island requests a waiver of WIA Section 101(31)(B) and WIA Regulations 20 CFR 663.710 which states that employers may be reimbursed up to 50% of the wage rate of an OJT participant for the extraordinary costs of providing training and additional supervision related to the OJT.

B. Goals to be Achieved by the Waiver and Relationship to Strategic Plan:

Because of the waiver, the State expects that the OJT program services will expand to reach more employers and trainees alike. This goal directly aligns with the current WIA State Plan's target of providing access to training for an increased number of adults and dislocated workers. In addition, The Strategic Workforce Plan for Rhode Island 2009-2014 puts a high emphasis on the value of employer involvement in training.

C. State or Local Statutory or Regulatory Barriers

There is no existing state or local barrier to implementing the requested waiver.

D. Description of Waiver Goals and Programmatic Outcomes

The goal of the waiver is to provide the state a greater flexibility in responding to the local labor markets. WIA funds will be utilized in a manner that maximizes the state's response to the requests of businesses in need by delivering job training and workforce development services that are relevant to the local economy.

By increasing the current employer OJT reimbursement rate for businesses, the state workforce system will be able to more effectively market WIA funded on-the-job training. This increase will support job creation and create the necessary flexibility for

employers to be reimbursed at a level more suitable to their needs thus resulting in an increase of business participation and an improvement of the percentage of job seekers that receive training and training related employment.

The following goals and outcomes are expected:

1. Increase employment opportunities for harder to serve individuals such as the long term unemployed, older workers and those with limited or sporadic job histories
2. Increase percentage of employers using OJT as a means of hiring and retaining a skilled workforce
3. Increase number and percentages of workers trained and hired through OJT programs
4. Raise skill proficiencies for workers that will result in increased worker viability

E. Description of the Individuals Impacted by the Waiver

Adults and Dislocated Workers as well as participating employers will all be impacted by the waiver in that the OJT program will be more responsive to their needs.

F. Description of the Monitoring Process

DLT, as the state administrative entity of WIA, is responsible for the monitoring of all WIA funded activities and will incorporate the implementation of this waiver into existing procedures. The local workforce boards will also continue to monitor the activity.

G. Providing Notice to any Local Board affected by the Waiver

Both local boards have been notified of the waiver request and have participated in its development.

H. Opportunity for Local Boards to Comment on the Waiver Request

The local boards will have the opportunity to comment on the waiver request during the public comment period.

I. Public Comment on the Waiver Request

Rhode Island intends to place this waiver request on its web site, accept comments from the public either verbally at a public hearing or in writing, and discuss it at open meetings of the state and local workforce boards to ensure transparency and to allow for meaningful public comment and input from all interested parties, including, but not limited to, business and organized labor.