

U.S. Department of Labor

Employment and Training Administration
200 Constitution Avenue, N.W.
Washington, D.C. 20210



JUN 18 2009

The Honorable Donald L. Carcieri
Governor of Rhode Island
State Capitol
Providence, Rhode Island 02903

Dear Governor Carcieri:

As part of Rhode Island's request for an extension of the State Plan for Title I of the Workforce Investment Act (WIA) and the Wagner-Peyser Act, the State requested an extension of its waivers of statutory and regulatory requirements under WIA (copy enclosed). We are pleased to be able to respond positively to your request to extend the State's waivers into Program Year (PY) 2009. This action is taken under the Secretary's authority at WIA section 189(i) to waive certain requirements of WIA title I, Subtitles B and E, and sections 8-10 of the Wagner-Peyser Act.

Unless otherwise specified, the Employment and Training Administration (ETA) temporarily approves the requested waivers for PY 2009, until such time as ETA provides notice of our determination upon review of the State Plan modification required to be submitted by June 30, 2009, under Training and Employment Guidance Letter (TEGL) No. 14-08 to address changes in economic conditions and the utilization of funds provided by the American Recovery and Reinvestment Act of 2009. As outlined in TEGL No. 14-08, states seeking approval of their waivers for the remainder of PY 2009 must submit a waiver plan for each waiver as part of the State Plan modification. Upon approval of the modified PY 2009 State Plan, the waivers approved with the modified Plan will take effect and the waivers extended in this letter will terminate.

The State also submitted a request for a new waiver (copy enclosed). The State's request for a new waiver is written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c). The disposition of the State's submission of a new waiver request is outlined below.

Extension of Waivers

Requested Waiver: Extension of the waiver to permit the use of Individual Training Accounts for older and out-of-school youth program participants.

The State is requesting an extension of the waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts (ITAs) for older and out-of-school youth program participants. The State is granted an extension of this waiver through June 30,

2010. Under this waiver, the State can use ITAs for older and out-of-school youth program participants. The State should ensure that funds used for ITAs are tracked and reflected in the individual service strategies for these youth.

Requested Waiver: Waiver of the provision at 20 CFR 663.530 that prescribes a time limit on the period of initial eligibility for training providers.

The State is requesting an extension of the waiver of the time limit on the period of initial eligibility of training providers provided at 20 CFR 663.530. The State is granted an extension of this waiver through June 30, 2010. Under the waiver, the State is allowed to postpone the determination of subsequent eligibility of training providers. The waiver also allows the State to provide an opportunity for training providers to re-enroll and be considered enrolled as initially eligible providers.

Requested Waiver: Extension of the waiver of the State workforce investment board membership requirements at WIA Section 111(b).

The State wishes to continue operating with streamlined State workforce investment board. The State is granted a waiver extension of the State board membership requirements at WIA Section 111(b). The State is granted an extension of this waiver into PY 2009. The State will continue to meet the requirement for a business majority and a business chairperson, described in WIA Sections 111(b)(3) and 111(c), respectively.

Requested Waiver: Waiver of the requirement at WIA Section 123 that providers of youth program elements be selected on a competitive basis.

The State is requesting an extension of the waiver of the requirement to competitively select providers of all 10 youth program elements. The State is granted an extension for this waiver into PY 2009. The waiver allows for the direct provision of these services by One Stop Career Centers or partner agencies. The state will apply the waiver to local areas on a case-by-case basis and monitor the use of the waiver. In utilizing this waiver, the State and local areas must still meet Office of Management and Budget requirements (codified in 29 CFR Parts 95.40-95.48 and 97.36) and all state and local procurement laws and policies.

To take advantage of the waiver, a local area must continue to document that there are no viable youth providers or that all current providers are underperforming. This condition applies to all of the youth program elements, except follow-up and supportive services. Because follow-up and supportive services are similar to WIA youth framework services, the waiver permits local areas to provide these services directly without meeting this condition.

New Waiver Request

Requested Waiver: Waiver of the required 50 percent employer match for customized training at WIA Section 101(8)(C).

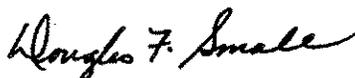
The State is requesting a waiver of the required 50 percent employer match for customized training to permit the use of a sliding scale for the employer match based on the size of the business. The State is granted this waiver through June 30, 2010. Under the waiver, the following sliding scale is permitted: 1) no less than 10 percent match for employers with 50 or fewer employees, and 2) no less than 25 percent match for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent match) continue to apply. Rhode Island may use a scale such as described in the State's waiver plan that considers multiple characteristics of the customized training program in setting the level of employer match, so long as the scale utilized is consistent with the sliding scale described above.

ETA is increasing the size of the business that qualifies for a lower match under the waiver, from 100 employees to 250 employees, given the current state of the economy and the recognition that customized training may be an important strategy for economic recovery. At the end of PY 2009, ETA will reassess the appropriate business size that qualifies for a lower match under the waiver.

The approved waivers are incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and this constitutes a modification of the State Plan. A copy of this letter should be filed with the State's WIA Grant Agreement and the approved State Plan. In addition, we encourage the State to address the impact this waiver has had on the State's performance in the WIA annual performance report, due on October 1 of each year.

We look forward to continuing our partnership with you and achieving better workforce outcomes. If you have any questions, please do not hesitate to call me at (202) 693-2700, or contact your State's Federal Project Officer in the Regional Office.

Sincerely,



Douglas F. Small
Deputy Assistant Secretary

Enclosure

cc: Bert Camarata, Federal Project Officer for Rhode Island, ETA Boston Regional Office