Notification for Local Workforce Development Boards and Public Comment

In accordance with the Workforce Innovation and Opportunity Act (WIOA), Public Law 113-128 and its implementing regulations at 20 Code of Federal Regulations (CFR) 676.135, the State of Missouri is submitting a modification to its Unified State Workforce Development Plan, which is subject to the requirements outlined in 20 CFR 676.130(d) for public review and comment. Missouri’s request for a waiver of implementing procedures is currently posted on its workforce development website: [http://jobs.mo.gov](http://jobs.mo.gov) for comments from the impacted parties and the general public.

A copy of this waiver request was provided to all local workforce development boards and their professional development association, the Training and Employment Administrators of Missouri (TEAM).

Any comments received will be forwarded to the United States Department of Labor and included as a modification to the State’s Unified Workforce Development Plan. Further, the impact of these waivers, should they be approved, will be assessed and their performance impact reported and summarized in the State’s WIOA Annual Report.

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Waiver Request #1

1. **The statutory and/or regulatory requirements the State would like to waive:**
   WIOA Section 129(a)(4)(A) and 20 CFR 681.410; Missouri is requesting to waive the requirement that states and local areas expend 75 percent of all Governor’s reserve and local formula youth funds on out-of-school youth under the age of 18. Missouri is requesting that this percentage be lowered to 50 percent for both local and statewide funded activities.

2. **Actions the State has undertaken to remove State or local barriers:**
   There are currently no state or local statutory or regulatory barriers to implementing the requested waiver. The state of Missouri regulations, policy guidance and issuances are in compliance with federal law.

3. **State strategic goal(s) and Department of Labor priorities (i.e. expansion of apprenticeship, improved employer engagement, etc.) supported by the waiver:**
   The State of Missouri has demonstrated its commitment to emerge as a leader in the country with the expansion of its apprenticeship program. In 2016, Missouri received a federal grant of $1.5 million dollars to support Missouri’s registered apprenticeship program and continues to expand the program with statewide funds. The agency has pledged to support opportunities for students and workers in high growth industries in the state including the healthcare, information technology, and advanced manufacturing sectors.
The Office of Workforce Development (OWD) and the Missouri Department of Elementary and Secondary Education (DESE) are developing registered apprenticeships for youth and young adults aged sixteen and older. Both pre-apprenticeships and apprenticeships allow high school junior and seniors to simultaneously further education options and earn wages. Youth apprentices face a lower risk of dropping out of high school, and are engaged in a transition to post-secondary education. The Missouri Research and Information Center (MERIC) has found that job openings that require education and skill level beyond high school are in high growth occupational fields and pay higher salaries.

4. Projected programmatic outcomes resulting from implementation of the waiver:
This waiver request will assist Missouri to further enhance its existing efforts designed to establish a talent pipeline that will address the labor market needs of local Missouri businesses and attract new business to the state supported by a skilled workforce.

To increase the number of youth and young adults prepared to enter post-secondary training or registered apprenticeships. With the approval of this waiver, it will create a supply of workers introduced in high school to apprenticeship models that will serve as a springboard to the state’s high growth industries and occupations. The United States Department of Labor and the state of Missouri have identified the apprenticeship model as a priority and a key mechanism to train a skilled workforce.

To increase the number of youth and young adults enrolled in pre-apprenticeship and apprenticeship, regardless of school status. With the approval of this waiver, the state of Missouri and Local Workforce Development Boards will have the flexibility to utilize federal funding to increase the number of youth and young adults enrolled in pre-apprenticeship and apprenticeship activities. Local Boards and youth staff will also have the ability to provide the comprehensive services needed and personal contact required to ensure student success.

5. Individuals, groups or populations benefitting from the waiver:
This waiver request will provide Local Workforce Development Boards (LWDBs) the flexibility to serve more youth and young adults in work-based learning and the apprenticeship model regardless of school status. It will facilitate the provision of the necessary funding and the ease of current regulations essential to designing programs that will aid youth and youth adults in the preparation for long-term participation in the Missouri labor force. Economic growth in Missouri and its high-growth industries will be sustained with the infusion of skilled workers ready to fill current job openings and adequately trained for future openings.

Missouri students and eligible youth population, Missouri’s employers and high-growth industries will benefit from this waiver.
6. How the State plans to monitor waiver implementation, including collection of waiver outcome information:

The Office of Workforce Development will monitor the implementation and outcomes of this waiver through a combination of reporting through the statewide case management system and through quarterly programmatic & financial monitoring.

Waiver Request #2

1. The statutory and/or regulatory requirements the State would like to waive:

20 CFR 681.550: Missouri is requesting a waiver to allow local areas to provide in-school youth, ages 14-21 with Individual Training Accounts (ITAs). This will allow the local Workforce Development Boards to collaborate with education to prepare students for employment or college post-graduation.

2. Actions the State has undertaken to remove State or local barriers:

There are currently no state or local statutory or regulatory barriers to implementing the requested waiver. The state of Missouri regulations, policy guidance and issuances are in compliance with federal law.

3. State strategic goal(s) and Department of Labor priorities (i.e. expansion of apprenticeship, improved employer engagement, etc.) supported by the waiver:

Missouri would like to waive this requirement in order to allow ITAs for out of school youth and expand the flexibility to in-school youth, ages 14-21. This will expand training options and allow these youth to explore career pathways and assist them with making good career decisions. This would reduce duplication of effort by removing co-enrollment into the adult funding.

4. Projected programmatic outcomes resulting from implementation of the waiver:

- Increased learning opportunities for in-school youth;
- Improve coordination of services with education and workforce agencies & co-enrollment of students
- Prepare emerging workforce for post high-school careers and/or training
- Increased credential attainment for youth
- Promotes dual college enrollment
- Program flexibility

5. Individuals, groups or populations benefitting from the waiver:

This waiver will benefit the WIOA in-school population, ages 14-21, which includes disadvantaged youth and youth with multiple barriers to employment.
6. How the State plans to monitor waiver implementation, including collection of waiver outcome information:

The Office of Workforce Development will monitor the implementation and outcomes of this waiver through a combination of reporting through the statewide case management system and through quarterly programmatic monitoring.

Waiver Request #3

1. The statutory and/or regulatory requirements the State would like to waive:

WIOA, Sections 116 (related to performance) and 122 (related to the Eligible Training Provider List), and at 20 Code of Federal Regulations (CFR) 677.3230 and 20 CFR 680.400-680.530; Missouri is requesting to waive the obligation of eligible training providers to collect performance data on all students in a training program. In whole these regulations constitute a burdensome requirement for the collection and reporting of performance outcomes for all students, above and beyond WIOA participant students, participating in training programs listed on Missouri’s Eligible Training Provider System.

Missouri is working toward efforts to incorporate Non-WIOA students that are required for ETPL reporting, but we are unclear if we will be ready for the October 2021 reporting deadline.

2. Actions the State has undertaken to remove State or local barriers:

There are currently no state or local statutory or regulatory barriers to implementing the requested waiver. The state of Missouri regulations, policy guidance and issuances are in compliance with federal law.

3. State strategic goal(s) and Department of Labor priorities (i.e. expansion of apprenticeship, improved employer engagement, etc.) supported by the waiver:

Missouri has been innovative in the implementation of significant improvements to its ETPL—denoted as the Eligible Training Provider System (ETPS) in Missouri. Since 2013, the workforce agency discontinued contracting with the Missouri Department of Elementary and Secondary Education agency to bring the ETPS in-house.

The ETPS was taken from a paper application process to one fully completed on-line, including the online approval denotation and enabling local workforce development boards to select specific schools approved for their area. Missouri ETPS is recognized by school staff as a fully enhanced customer friendly user experience. In June of 2017 Missouri’s ETPS policy guidance was launched for WIOA compliance. Since January 2018 the system is being enhanced to integrate with Missouri’s new case management system to automate participant outcome reporting with the WIPS federal software.
The Office of Workforce Development has developed close leadership and working relationships with the Missouri Community College Association throughout this ETPS deployment process. Several significant challenges remain:

- Ensuring there is sufficient diversity of training programs to provide a robust market place for WIOA participants.
- Developing a fair and equitable approach to setting performance thresholds using context provided by providers and observed behavior of students.
- Reducing the burden on training providers to submit performance information which they do not uniformly research, follow-up with and verify outcomes.
- Significant proprietary schools that are effective training providers, but do not have the resources to develop follow-up research, surveys or other outcome validation with students.
- Providers are hesitant to be placed on the ETPS given this reporting burden for all students.
- While Missouri is fully prepared to report WIOA student outcomes and to begin to establish reasonable performance thresholds, subsequent years of actual data are needed for normalizing this information. The training providers themselves are reliant upon our case management system to provide reliable outcomes. Requiring the same oversight of all other, non-WIOA participants, is an unfunded burden that schools and not the workforce system should be responsible for eventually providing in collaboration with developing the context of the results for WIOA participants.

4. Projected programmatic outcomes resulting from implementation of the waiver:

- Remove the most significant disincentive for schools and training providers to participate on the ETPS, in anticipation of maximizing the available market place of training curriculum.
- Developing contextual research and establishing performance thresholds of individual public and proprietary schools, and other labor market analysis to truly create engaged sector strategy connections to the ETPS.
- Enhanced ability of staff at local job centers to more effectively respond in meeting the needs of job seekers and employers alike.

5. Individuals, groups or populations benefiting from the waiver:

Missouri job seekers, the Job Center and DHEWD staff, and subcontracted service providers, especially the training provider staff will benefit from this waiver.

6. How the State plans to monitor waiver implementation, including collection of waiver outcome information:
This is an internal monitoring by the Workforce Research staff. The monitoring consists of developing an incremental plan to reach the final goal of reporting the WIOA and non-WIOA participants on the Eligible Training Provider List (ETPL) report. The increments are:

1. Determine who will be creating the report to submit to USDOL.
2. Identify where to locate all needed data for the ETPL report.
3. Review the data and the format it is in to determine if IT assistance is needed.
4. Prepare the ETPL report and test before submission date deadline.

The outcome will be a finished report that includes both WIOA and non-WIOA participants.