Subject: Provision of Incentive Grants to Local Workforce Investment Areas
Date: April 24, 2013
State: Commonwealth of Pennsylvania
Agency: PA Department of Labor and Industry (L&I)

Statutory and/or regulatory requirements to be waived:
Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) to exempt Pennsylvania from the requirement to provide incentive grants to local workforce investment areas.

Actions undertaken to remove state or local barriers:
There are no state or local barriers.

Goals and expected programmatic outcomes of waiver:
The waiver is being requested to exempt Pennsylvania from the requirement to provide local workforce investment areas incentive grants to reward regional cooperation, local coordination of activity, and exemplary performance.

The reduction to five percent in the WIA allotment for Governor's Reserve funds restricts the state's ability to effectively fund and carry out all of the required statewide workforce investment activities and is therefore insufficient to cover the cost of local workforce area incentives. The commonwealth's reduced funds are being used to cover the following requirements:

- Required statewide administrative activities; and
- Technical assistance to local areas.

The programmatic outcome of the waiver is to ensure that the commonwealth may prioritize the use of Governor's Reserve funds for the required activities that Pennsylvania deems most essential to the basic functions of the workforce investment system.

This waiver aligns with the commonwealth's goal of developing a competitive workforce that has the skills necessary to fill available jobs. Pennsylvania's anticipates an increased administrative burden in training escalating numbers of workers and providing technical assistance to local areas as they best serve local industries needing qualified employees.

Individuals impacted by the waiver:
The waiving of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) requiring the provision of incentive grants to local areas will impact on local areas that have achieved exemplary performance. However, this waiver will provide the state agency with more flexibility in directing limited Governor's Reserve funds to those activities that best preserve basic functions of the statewide workforce investment system, thereby maintaining services for all eligible individuals, as well as the five key populations outlined in the commonwealth's approved state plan: Dislocated Workers, Welfare Recipients, Youth, Incumbent Workers and Older Workers.

Process for monitoring progress in implementation:
The commonwealth will monitor progress and ensure accountability for federal funds in connection with these waivers by reviewing monthly expenditure, performance, and other reports; contacting the ETA Regional Office liaisons regularly; and using its monitoring and performance accountability system.

Notice to affected local boards:
The proposed waiver request has been posted to the commonwealth's official website for 30 days. Concurrently, notification of the posting has been emailed to the commonwealth's 22 local board chairs; executive directors have been copied.

Public comment:
The proposed waiver request has been posted to the commonwealth's official website for 30 days. Any comments or concerns collected due to the posting, along with the commonwealth's review of the public comments received, has been submitted with the waiver request.