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DIRK KEMPTHORNE, GOVERNOR
Roger B. Madsen, Director

TRANSMITTAL # 1

MEMORANDUM

September 17, 2002

TO: Workforce Development Council

FROM: Roger B. Madsen, Director *Roger B. Madsen*

SUBJECT: Workforce Investment Act—Eligible Training Provider Waiver

ACTION REQUESTED: Information Only

BACKGROUND:

At its March 26, 2002 meeting, the Workforce Development Council agreed that the State should submit a waiver request to the United States Department of Labor (USDOL) regarding the Workforce Investment Act's (WIA) Eligible Training Provider requirements. This waiver request was submitted due to concerns with implementing the subsequent eligibility requirements outlined in Section 122 (c) and (d) of the WIA legislation. We had concluded that the WIA subsequent eligibility requirements could not be effectively or economically implemented in Idaho and that pursuing this course would result in a dramatic reduction in the number of training providers that would be willing to participate in the WIA system. On May 1, 2002, the Idaho Department of Labor submitted the approved waiver request to the USDOL.

On July 19, 2002 USDOL faxed us their response to the waiver. The USDOL rejected our proposed alternative process for determining subsequent eligibility. However, they did waive the 18-month time limit on initial eligibility and extended this period until June 30, 2004. During our phone conversations with the USDOL regarding the waiver, we asked for this time extension on initial eligibility.

While our request was not fully approved, we are appreciative of USDOL's waiver of the time period for initial eligibility. The extension of the initial eligibility period essentially provides us temporary relief on the subsequent eligibility issues and ensures that our training activities and expenditures are in compliance with federal requirements.

The subsequent eligibility concerns are a national issue and they are being reviewed as part of the WIA reauthorization process. We will continue to provide input encouraging these provisions be eliminated or significantly changed. In the interim, we will continue to utilize our current policies on initial eligibility to maintain our Eligible Training Provider list.

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