

TRANSMITTAL # 6

MEMORANDUM

May 11, 2005

TO: Workforce Development Council

FROM: Roger B. Madsen, Director

SUBJECT: USDOL Waiver for Time Limit on Training Provider's Initial Eligibility, Eligible Training Provider List

ACTION REQUESTED: Approval of USDOL Waiver Request

BACKGROUND:

WIA regulations require establishment and maintenance of an Eligible Training Provider List (ETPL) to ensure informed customer choice regarding training providers for those served under the Adult and Dislocated Worker programs. Individual Training Account vouchers (ITAs) may only be authorized for those training institutions reflected on the ETPL.

With WIA implementation, the Council established initial eligibility criteria and application processes for a training provider's inclusion on the ETPL. The Council also requested waiver of the subsequent eligibility provisions as outlined in Section 122 (c) and (d) of the WIA legislation, which require training institutions to provide verifiable, program specific performance data for all individuals in each applicable program. Although the U.S. Department of Labor did not approve this request, it did waive the time limit on the period of initial training provider eligibility through June 30, 2004. A request for an extension of this provision was granted and extended for the period of initial eligibility through June 30, 2005.

The state's training providers have expressed strong concerns with the implementation of subsequent eligibility requirements, including the following:

- (1) confidentiality (FERPA compliance),
- (2) excessive administrative burden and costs associated with tracking all students,
- (3) time delays with UI wage records,
- (4) the difficulty in establishing statistically valid processes for adjusting UI wage record data based on economic, geographic, and demographic factors of the local area and characteristics of the population being served, and

- (5) establishing a consumer report based on a wage record system that underreports employment rates for training programs.

STAFF RECOMMENDATION:

Staff recommends the Council support the request for USDOL's extension of the existing waiver to defer implementation of subsequent eligibility criteria which would limit providers from participating in WIA and limit the state's ability to provide the broadest range of training options for its WIA participants. Pending WIA reauthorization is expected to provide new guidelines and opportunities to streamline training providers' subsequent eligibility.

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