

Workforce Investment Act Waiver Request

Date: July 14, 2014

State: Florida

Agency: Department of Economic Opportunity (DEO)

Statutory and/or regulatory requirements to be waived

WIA Section 133(b)(4) and 20 CFR Part 667.140 state that a Local Board may transfer, if such a transfer is approved by the Governor, not more than 20 percent of the funds allocated to the local area for a fiscal year between Adult employment and training activities and Dislocated Worker employment and training activities. Subsequent appropriation language has, in some cases, increased the percentage to 30 percent. Florida had a waiver in the past that allowed regional boards to transfer up to 100% between the two programs and, for the past program year, a waiver that allowed authority to transfer 75%. This request is for reconsideration of the state's original waiver request for authority to transfer 100% of the funding between the Adult and Dislocated Worker Programs.

Actions undertaken to remove state or local barriers

There is no State or local statutory or regulatory barrier to implementing the proposed waiver.

Goals and expected programmatic outcomes of waiver

The state identified in its 2012-2016 State Strategic Workforce Plan its intent to embrace and support the following national strategic priorities:

- Implementation of a demand-driven system
- System reform to eliminate duplicative administrative costs and to enable increased training investment;
- Enhanced integration of service delivery through one-stop career centers; and,
- Enhanced use of waivers to provide greater flexibility to local areas in structuring their workforce investment systems.

The requested waiver will provide increased flexibility for the local areas in allocating and expending Adult and Dislocated Worker funds. The waiver is consistent with the recently approved WIA reauthorization legislation that will establish in statute 100% transfer authority between these two programs. This waiver will enable local areas to

better serve the needs of their customers and will heighten their ability to respond to changes in the local labor market and meet the needs of their local communities. Funding from the adult program and Wagner-Peyser programs are the primary support for the operation of local career centers that provide access for both job applicants and employers to engage the workforce system and receive services. During the recent recession and the continuing tight labor market, the regional workforce boards have indicated that most dislocated workers want to return to employment as quickly as possible and do not want training. In this tight labor market, more customers are asking for basic core and intensive services to help them return to work. The Adult funding stream is more flexible in using to help support the infrastructure and operating costs of local career centers that provide the core and intensive services necessary to assist all adults (including dislocated workers) with job placement assistance.

Individuals impacted by the waiver

Florida experienced a 12% decrease in its WIA funding; a 20% decrease in its TANF funding; and, a 6% decrease in its Wagner-Peyser funding for the program year that began July 1, 2013. For the new program year that began July 1, 2014, the state had a 7.3% reduction in its WIA funding.

Florida has a state requirement to use a minimum of 50% of its combined adult and dislocated worker training funding for training services so funding will remain available for dislocated workers (whether from the dislocated worker or the adult funding streams) who chose to enroll in that service. Approval of the waiver will allow the system to increase the funding available through the WIA adult program to help offset the loss of funding from TANF. It also will allow the continued provision of services to assist businesses and employed workers in need of training to either obtain (get a better job) or sustain employment at a self-sufficient wage.

Process for monitoring progress in implementation

A review of last year's financial information shows that many boards used the waiver granted last year that allowed boards to transfer up to 75% of funding between the Adult and Dislocated Worker Programs. CareerSource Florida (the state workforce board) and the Department of Economic Opportunity will continue to monitor all WIA performance and the progress toward goals and objectives expressed in the State Plan. Information contained in the State's management information system and financial management tracking system is reviewed and reported to the local areas and CareerSource Florida on a regular basis. Regular monthly expenditure reports of formula WIA funding by region is provided to the State Board. Performance

information on customers served and outcomes are regularly posted on several dashboards that are available to the state, local managers, and the public.

Notice to affected local boards

Local boards were fully engaged in the initial process when the state developed a waiver request to allow the local boards to transfer 100% of their funding between the adult and dislocated worker program funding streams. That request was denied although the USDOL did approve a waiver to allow a 50% transfer and, last year, approved a one year waiver for some boards of up to 75%. The state initially was going to request continuation of the waiver grant last year for those boards who demonstrated use of that authority. However, the recent Congressional approval of the new Workforce Innovation and Opportunity Act with its 100% transfer authority has prompted this request for reconsideration of the state's original request to increase the transfer authority to 100%.

Public Comment

The state published on its web site its earlier request for a waiver to transfer up to 100% of the funding between the adult and dislocated worker funding streams. No public comments were received. The state has published this new waiver request on both the DEO and the CareerSource Florida (the state workforce board) web sites. The earlier waiver request for a 100% transfer authority was adopted by the state workforce board (WFI) at a public meeting.