

## State of Florida Waiver Request Workforce Innovation and Opportunity Act (WIOA) Increasing On-the-Job Training Reimbursement Limits for Businesses in Opportunity Zones

### Statutory and/or Regulatory Requirements to be Waived

The State of Florida is requesting a waiver from the requirements outlined in WIOA Section 134(c)(3)(H)(i) and 20 CFR 680.720(b) that states “employers may be reimbursed up to 50 percent of the wage rate of an OJT participant, and up to 75 percent using the criteria in § 680.730, for the extraordinary costs of providing the training and additional supervision related to OJT.”

For Program Years 2025 and 2026, Florida requests to increase on-the-job training (OJT) wage reimbursements up to 90 percent statewide and up to 100 percent for OJT opportunities with businesses located in areas designated as Opportunity Zones or residents within an Opportunity Zone. According to the [Training and Employment Notice 24-25](#), released on May 5, 2025, nine jurisdictions – California, Colorado, Illinois, Maryland, Missouri, Nevada, Puerto Rico, Rhode Island, Wisconsin – are already approved for OJT wage reimbursements up to 90 percent statewide.

Opportunity Zones represent economically distressed census tracts identified by state governors and certified by the U.S. Department of the Treasury. Nationally, there are 8,764 Opportunity Zones, which are in all 50 states, five territories and the District of Columbia. These communities have historically faced significant barriers to economic growth and have often been overlooked for investment and job creation. As well, these areas continue to face chronic underinvestment and disproportionately high barriers to employment. In Florida, there are a total of 427 Qualified Opportunity Zones, covering every county in the state. These Opportunity Zones equate to 40,292 business establishments, representing 936,691 jobs statewide.

Over the last four years, Florida has seen a decline in businesses taking advantage of OJTs as a tool to hire and train talent, while offsetting costs associated with onboarding and training new staff. As seen in the chart below, the decline is slightly more than 50 percent for the number of participants served. Additionally, there was a 75 percent decline in the number of positions created through OJT. Furthermore, the number of local workforce development boards that employ OJT as a work-based training encountered fluctuations over this period, resulting in a slight decline, even while using OJT as a means to support the training costs associated with apprenticeship’s “earn and learn” model.

| Program Year(s) | Participants Served | Employers Served | Job Orders Created | Positions Created | LWDB Usage   |
|-----------------|---------------------|------------------|--------------------|-------------------|--------------|
| 2021            | 566                 | 221              | 221                | 1423              | 18/24 (75%)  |
| 2022            | 462                 | 158              | 158                | 277               | 20/24 (83%)  |
| 2023            | 439                 | 238              | 238                | 372               | 19/24 (79%)  |
| 2024            | 277                 | 241              | 241                | 350               | 15/21 (71%)* |

\*Florida consolidated its workforce development boards from 24 to 21 effective July 1, 2024.

### Actions the State Has Undertaken to Remove State or Local Barriers

There are no state, local, statutory, or regulatory barriers to implementing the waiver.

### Strategic Goals of the Waiver

The strategic goals associated with this waiver are to:

1. Provide a targeted incentive to employers in Opportunity Zones to drive job creation and improve access to work-based learning opportunities for job seekers in need.
2. Address the talent pipeline shortages faced by many employers in Opportunity Zones by ensuring participants have the skills and preparation needed to enter the workforce and be contributing members of the local and State economy.
3. Attract additional private investment in Opportunity Zones.
4. Expand access to work-based learning in Opportunity Zones, particularly those individuals residing within the Opportunity Zone with limited experience or credentials, to gain access to hands-on training and career pathways, improving their long-term earning potential and job stability.
5. Accelerate hiring and job placements, reduce unemployment durations and increase workforce participation in Opportunity Zones.
6. Improve WIOA performance outcomes statewide.

#### **Alignment with U.S. Department of Labor/Employment and Training Administration Policy Priorities**

WIOA places an emphasis and priority on work-based learning opportunities, and this waiver will enable Florida to create more of these opportunities with businesses in the state so workers can advance. USDOL's Fiscal Year 2022-26 Strategic Plan established ETA's Performance Goal 1.1 to "create customer-focused workforce solutions that serve all workers, including underserved communities." Approval of this waiver allows Florida to support businesses in building or rebuilding their workforce through work-based learning opportunities and target businesses in Opportunity Zones for OJT to participate in the workforce system, and thus increase opportunities for jobseekers to access high quality training and employment.

This waiver will meet the following ETA strategies outlined in goal 1.1:

1. Preparing America's workers for the jobs of the 21st century by investing in high-quality workforce training programs and expanding access to underserved communities; and,
2. Strengthening training and employment services by supporting the workforce system to provide critical employment and training services in a rapidly changing environment.

The flexibility to provide an increased wage reimbursement for OJTs ensures that scarce workforce dollars are allocated to strengthen the local talent pipeline, especially in communities with the greatest barriers to employment and economic growth. Employers operating in distressed areas often cite training costs as a deterrent to hiring. Offering an increased reimbursement mitigates that disincentive and strengthens public-private collaboration in workforce development. The waiver enables scalable, employer-driven training approaches that are essential for building pipelines in in-demand industries, especially for youth, dislocated workers, and individuals with limited formal education. By targeting OJT reimbursements to employers in Opportunity Zones, this waiver helps ensure a higher return on investment through improved employment outcomes and stronger community economic resilience.

#### **Projected Programmatic Outcomes Resulting from Implementation of the Waiver**

The State expects to achieve the following goals and programmatic outcomes as a result of this waiver:

1. Increased number of OJT placements for businesses, particularly in Opportunity Zones.

2. Increased employment retention rates in the 2nd and 4th quarters after exit.
3. Increased number of unique employer work sites using OJT.

**Description of Individuals, Groups, or Populations Impacted by the Waiver**

1. Employers.
2. Small and mid-size businesses in Opportunity Zones.
3. WIOA participants (Adult, Dislocated Workers, Youth).
4. The State's career centers and the one-stop delivery system.

**The Process to Monitor the Waived Activities and Collect Waiver Outcome Information**

Annual WIOA on-site and remote programmatic reviews will include an evaluation of how the waiver is being utilized locally and the success of achieving the stated goals and outcomes. Local workforce development boards will also be responsible for assessing the use and effectiveness of the waiver. Local areas will also be required to report on implementation and performance as a result of the waiver in their local and regional plans.

**Most Recent Data Available Regarding the Results and Outcomes Observed Through the Implementation of the Existing Waiver**

The State of Florida does not have an OJT waiver in place at present.

**Opportunity for Local Workforce Development Board and Public Comment on the Waiver**

Workforce development stakeholders, including LWDBs, businesses, and Chief Local Elected Officials, were notified of the State's waiver request through an email alert and post on CareerSource Florida's website. This included instructions on how to submit comments. In addition, both the public and stakeholders had access to the waiver request on CareerSource Florida's website, CareerSourceFlorida.com, in the WIOA combined plan. The public comment period was open for 30 calendar days.

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|---|----------------------------|
| <b>TRAINING AND EMPLOYMENT<br/>NOTICE</b> | <b>NO .</b><br>25-24       |
|   | <b>DATE</b><br>May 6, 2025 |

**TO:** STATE WORKFORCE AGENCIES  
STATE WORKFORCE LIAISONS  
STATE WORKFORCE DEVELOPMENT BOARDS AND STAFF  
LOCAL WORKFORCE DEVELOPMENT BOARDS AND STAFF

**FROM:** LORI FRAZIER BEARDEN   
Acting Assistant Secretary

**SUBJECT:** Leveraging Workforce Innovation and Opportunity Act Waivers to Increase Labor Force Participation and Worker Productivity

1. **Purpose.** To encourage state and local Workforce Innovation and Opportunity Act (WIOA) title I grantees to leverage waivers that may increase labor force participation and enhance worker productivity in response to the Presidential Memorandum of January 20, 2025, titled, “Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis.”
2. **Action Requested.** All state and local grantees are encouraged to request waivers as necessary, such as those outlined in this Training and Employment Notice (TEN), to ensure WIOA funds are being used effectively to increase labor force participation by drawing discouraged workers into the labor force, and to upskill the workforce to enhance worker productivity.
3. **Summary and Background.**
  - Summary – This TEN shares information about four WIOA waiver options that grantees may use to help improve labor force participation rates and productivity to increase the prosperity of the American worker.
  - Background – President Trump issued the Presidential Memorandum on January 20, 2025, which is available at: <https://www.whitehouse.gov/presidential-actions/2025/01/delivering-emergency-price-relief-for-american-families-and-defeating-the-cost-of-living-crisis/>.<sup>1</sup> All federal agencies are taking steps to implement this memo, which calls upon the Federal Government to create employment opportunities for American workers, including drawing discouraged workers into the labor force, with the goal of lowering America’s cost of living.

<sup>1</sup> Also available in the Federal Register at: <https://www.federalregister.gov/documents/2025/01/28/2025-01904/delivering-emergency-price-relief-for-american-families-and-defeating-the-cost-of-living-crisis> and <https://www.govinfo.gov/content/pkg/FR-2025-01-28/pdf/2025-01904.pdf>.

WIOA section 189(i) provides states the opportunity to request waivers of some statutory or regulatory requirements for Secretary of Labor approval. A full description of what does and does not fall under that waiver authority can be found in WIOA Section 189(i)(3) and at [20 CFR 679.610](#) and [20 CFR 679.620](#). State and local areas have used WIOA waivers to respond creatively to economic pressures and business needs in their communities. Waivers modify a state's Unified or Combined State Plan and, therefore, are generally approved for the length of the approved State Plan (four years). Youth waivers and some disaster related business capitalization waivers, however, are tied to the length of funding and are approved for two-year increments.

This TEN provides examples of ways in which states can leverage the waiver authority to increase labor force participation and employment opportunities for American workers, but this is not an exhaustive list of waiver authority. More information about waivers can be found at <https://www.dol.gov/agencies/eta/wioa/waivers>.

4. **Leveraging WIOA Waivers to Enhance Labor Force Participation and Worker Productivity.** WIOA is intended to help American workers receive the training and career services necessary to take advantage of employment opportunities in their communities. Section 134 of WIOA allows states and local areas to fund a variety of training approaches, including several types of work-based training. Some states use waivers to provide even more flexibility within the allowable training opportunities. Following are some waiver options states can use to engage discouraged workers and assist in their re-entering the workforce. Waivers may also support employers in delivering training and upskilling to close skills gaps that improve worker productivity and generally enhance employment opportunities for Americans.

- ***Increasing On-the-Job Training (OJT) reimbursement for Local Workforce Development Boards (Local Boards).***

OJT is a work-based learning strategy that helps individuals to build or update their skills or establish themselves in emerging, high-demand fields. It also incentivizes businesses to hire individuals and invest in their skill development by providing wage reimbursement to program participants. OJT programs can be particularly successful for individuals who are unable or unlikely to obtain employment without retraining; individuals who are low income, receiving unemployment insurance or public assistance, or need to earn a wage while learning occupational skills; and individuals who can learn the skills necessary for the occupation more easily and thoroughly on the job. OJT may also be a good option for currently employed individuals who are not earning a family-sustaining wage.

Under Section 134(c)(3)(H)(i) of WIOA and the implementing regulation at [20 CFR 680.720](#), a Local Board may reimburse an employer up to 50 percent of the wage rate of an OJT participant for the extraordinary costs of providing the training and additional supervision related to the training. In limited circumstances, the reimbursement may be up to 75 percent of the wage rate of the participant. The Secretary has the authority to waive this provision, and has previously approved waivers to allow up to 90 percent of OJT employer reimbursement for businesses with less than 50 employees. This allows for

more small businesses to take advantage of OJT reimbursement while training new employees in their communities, bringing new opportunities to previously discouraged workers.

As of March 2025, nine states have taken advantage of this waiver.

- ***Increasing Transitional Jobs.***

Transitional jobs are a type of service that Local Boards may provide to help discouraged workers to re-enter the labor force. Transitional jobs are time-limited and wage-paid work experiences that are subsidized up to 100 percent by WIOA funding. Transitional jobs are particularly useful for discouraged workers who are chronically unemployed, may not have robust work experience, have large gaps in their employment history, or experience other barriers to employment. Transitional jobs provide an individual with work experience, generally for a fixed time period, during which the worker develops on-the-job skills while receiving a wage and supportive services. Transitional jobs also assist employers, particularly small businesses, who may be experiencing worker shortages or need to hire additional staff to rebuild their business operations after experiencing economic impacts, by reimbursing a greater portion of their training and wage costs.

Under Section 134(d)(5) of WIOA and its implementing regulation at [20 CFR 680.195](#), a Local Board may use up to 10 percent of its combined total of Adult and Dislocated Worker allocations for these transitional jobs. The Secretary has the authority to waive this provision, and has previously approved an increase in allowable use of funds for transitional jobs up to 50 percent of Adult and Dislocated Worker allocations. This waiver allows states to fund more transitional jobs, which can be used as tools to re-engage workers in the American economy.

As of March 2025, only one state has ever taken advantage of this waiver.

- ***Increase Funds Available for Incumbent Worker Training (IWT)***

States interested in helping lower costs by increasing a worker's wage through career advancement may choose to leverage IWT. IWT consists of work-based training designed to ensure that workers of a company can acquire the skills necessary to retain employment and advance within the company, or to acquire the skills necessary to avert a layoff, while remaining employed. IWT can also be used for underemployed workers, or workers who would prefer full-time work but are working part-time for economic reasons. For instance, IWT training may focus on increasing skills for frontline workers in an effort to advance those workers to more skilled positions with the same employer or industry sector, leading to an increase in earnings through more work hours or an increase in pay.

Under WIOA Section 134(d)(4) and the implementing regulation at [20 CFR 680.800\(a\)](#), a Local Board may reserve up to 20 percent of their combined total of Adult and Dislocated Worker allocations funds for IWT. The Secretary has authority to waive this provision, and has previously approved an increase of the allowable threshold available for IWT from 20 to 50 percent.

By increasing allowable funding from 20 to 50 percent, a Local Board can invest in its existing businesses and workforce, assisting businesses to upskill workers, which increases retention and worker productivity.

As of March 2025, three states have taken advantage of this waiver.

- ***Increasing Work Experience Opportunities for In-School Youth (ISY)***

Work Experiences are a planned, structured learning experience that takes place in the workplace for a limited period of time. In the WIOA Youth program, there are a variety of work experiences including: summer employment opportunities and other employment opportunities throughout the school year; pre-apprenticeship programs and Registered Apprenticeship programs; internships; job shadowing; and OJT.

Under Section 129(a)(4) of WIOA and the implementing regulation at 20 CFR 681.410, local areas must spend not less than 75 percent of local area WIOA Youth funds on out-of-school youth (OSY). The Secretary has authority to waive this provision, and has previously approved waivers to reduce the OSY expenditure requirement from 75 percent to 50 percent. By reducing the OSY expenditure minimum to 50 percent, Local Boards can spend up to 50 percent of WIOA Youth funds on ISY, thereby providing additional work experience opportunities for ISY, including pre-apprenticeship and Registered Apprenticeship programs. Evidence shows that work experience and work-based learning interventions improve several outcomes related to success in the labor market including short-term annual earnings, long-term annual earnings, short-term employment, and long-term employment.<sup>2</sup> By increasing opportunities for ISY to participate in work experience, WIOA Youth programs can help set them up for short- and long-term success in the labor market.

As of March 2025, 28 states have taken advantage of this waiver and the majority of states requesting this waiver report using it primarily to expand work experience opportunities for ISY.

5. **Inquiries.** For further information, please contact the appropriate Regional Office.

6. **References.**

- Workforce Innovation and Opportunity Act (WIOA), Sec. 189(i), 29 U.S.C. § 3249
- WIOA Regulations at 20 CFR parts 679, 680, and 681
- Training and Employment Guidance Letter No. 08-18, *Workforce Innovation and Opportunity Act (WIOA) Title I and Wagner-Peyser Act Waiver Requirements and Request Process*, December 19, 2018, available at

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<sup>2</sup> Pathways to Work Evidence Clearinghouse prepared for the Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services; and available at: [https://pathwaystowork.acf.gov/pathways\\_publications/work-experience-and-work-based-learning](https://pathwaystowork.acf.gov/pathways_publications/work-experience-and-work-based-learning)

<https://www.dol.gov/agencies/eta/advisories/training-and-employment-guidance-letter-no-08-18>.

- Training and Employment Guidance Letter No. 19-16, *Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyser Act Employment Services (ES), as amended by title III of WIOA, and for implementation of the WIOA Final Rules*, March 1, 2017, available at <https://www.dol.gov/agencies/eta/advisories/training-and-employment-guidance-letter-no-19-16>.
- Presidential Memorandum, “Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis,” January 20, 2025, available at <https://www.federalregister.gov/documents/2025/01/28/2025-01904/delivering-emergency-price-relief-for-american-families-and-defeating-the-cost-of-living-crisis> and <https://www.govinfo.gov/content/pkg/FR-2025-01-28/pdf/2025-01904.pdf>.

7. **Attachment(s)**. N/A