

Requested Waiver

The Commonwealth of Kentucky is requesting a waiver of the required collection and reporting of performance-related data on all students participating in training programs listed on the Commonwealth's Eligible Training Provider List (ETPL), as outlined in the Workforce Innovation and Opportunity Act (WIOA) Sections 116 and 122.

Background

Since the passage of WIOA in 2014, Kentucky has worked diligently to understand and implement the new provision regarding Eligible Training Providers. To this end, on July 1, 2016 the Commonwealth released the attached ETPL policy and subsequently created a user-friendly online portal for the submission, review, and approval of eligible training programs and providers. While we recognize the value and importance of monitoring provider performance and sharing this information with our customers, requiring training providers to produce data on all individuals instead of just WIOA-funded customers places an undue burden on providers to collect, enter, and report excessive data. Despite our efforts, we have faced numerous challenges while working to fully implement the WIOA ETP requirements, which include:

- Requiring training providers to provide data on all individuals instead of simply WIOA-funded participants has dissuaded some providers from seeking inclusion on the ETPL to the detriment of customer choice.
- Local workforce board lack of commitment and adoption of cohort and/or customized to ensure that each area has sufficient numbers of, and diversity of, training providers necessary to create an effective marketplace of training programs that are responsive to employer needs and provide high-growth jobs in targeted sectors for customers.
- Reducing the burden on training providers to submit performance information to the state which may not be readily accessible.
- Lack of control or oversight of non-WIOA students attending training, so complete and accurate information is very difficult to ascertain.
- Proprietary schools do not currently have a statewide system to report student data, and as such, there is no way to automatically match students with other data sources to calculate outcomes. This results in a large reporting burden on these types of training providers.
- Proprietary schools would have to collect sensitive information, such as social security numbers, etc., on all students for the state to match wage and earnings information on students utilizing ETPL programs, which may leave students open to identity theft, privacy considerations, etc.
- Many of the students attending Kentucky's career and technical college system, as well as other training providers, may do so on an episodic basis and not necessarily with the sole intent of achieving a degree or credential. If these students are not WIOA-funded, it is unfair for these students to lower the training providers overall performance data.
- Collecting, validating, and providing information on eligible training programs to WIOA participants in a way that helps them make good decisions about how to use their individualized training accounts or other federal training dollars.

Actions to Remove Barriers

Currently there are no state or local statutory or regulatory barriers to implementing the requested waiver. Kentucky regulations and policy statements are in compliance with current federal law.

Proposed Goals and Outcomes of Waiver

The Commonwealth firmly believes that, if granted, this waiver will greatly improve the quality and selection of training available to our customers.

- Greater utilization of the ETPL by individuals pursuing training in Kentucky related to high demand jobs in targeted sectors.
- Better overall performance outcomes, including obtained employments, for individuals pursuing training via ITAs.
- Increased usage and success of cohort and/or customized training to improve relationship between training received and high-growth job in a targeted sector thereby increasing “consumer choice”.
- Enhanced ability of local boards to respond quickly and efficiently to immediate local job seeker and employer needs.
- More training providers will likely lead to greater choice, increased competition, and lower cost options.

Individuals Impacted by the Waiver

Individuals who:

- access WIOA training services at one of the Commonwealth’s Kentucky Career Centers via individual training account (ITA),
- Trade Adjustment Assistance (TAA) or other federal funds,
- KCC partners and staff,
- subcontracted service provider staff, and
- training providers will benefit from this waiver.

Monitoring Progress and Implementation

Annual WIOA on-site programmatic reviews will include an evaluation on adherence to state and federal policies, as well as how waivers are impacting local programs to ensure programmatic goals and outcomes are being met.

State staff involved with the administration of the ETPL and performance reporting will periodically examine the appropriateness and the effectiveness of this waiver. This strategy ensures that the goals described above, as well as those outlined in the State’s Unified Plan, are consistent with established objectives of the WIOA and federal and state regulations.

Notice to Local Boards and Public Comment

In accordance with the WIOA Regulations at 20 CFR 676.135, Kentucky is submitting its Unified State Plan by April 1, 2020, which is subject to the requirements outlined in the WIOA Regulations at 20 CFR 676.130(d) for public review and comment. As such, Kentucky’s waiver is currently posted on our website for comment and review by required parties and the general public.

A copy of this waiver request was provided to all local workforce development boards and their associations. Any comment received will be forwarded to the USDOL and included as a modification to the state’s Unified Plan. Further, the impact of this waiver on the state’s performance will be addressed in the State’s WIOA Annual Report.