



JUN 21 2011

The Honorable Brian Schweitzer
Governor of Montana
State Capitol Building
Helena, Montana 59620-0801

Dear Governor Schweitzer:

This letter provides approval of an extension of Montana's current Workforce Investment Act (WIA) and Wagner-Peyser Act (W-P) State Plan for Program Year (PY) 2011. This letter also responds to Montana's request(s) for new and extended waivers. Training and Employment Guidance Letter (TEGL) No. 17-10, issued on December 30, 2010, provides guidance for states to secure approval of their WIA/W-P State Plans and waivers for PY 2011.

Extension of State Plan

Montana's existing State Plan will expire on June 30, 2011. This letter constitutes a written determination under WIA Section 112 (29 USC 2822) that the Employment and Training Administration (ETA) is extending the approval of Montana's State Plan for WIA Title I and the Wagner-Peyser Act for PY 2011, July 1, 2011 through June 30, 2012. The State has already received its formula allotment for the WIA Youth program for PY 2011. The State is eligible to receive WIA formula allotments for Adult and Dislocated Worker programs and W-P initial base program allotments under the PY 2011 annual funding agreement for WIA and the PY 2011/Fiscal Year 2012 annual funding agreement for W-P.

Performance Levels

Each year, the Regional Administrator negotiates the forthcoming Program Year's performance goals with each state. Negotiations are completed by June 30th each year. Once the final goals are established, the Regional Administrator's letter advising the State of the PY 2011 WIA and W-P final performance goals constitutes a modification to the State Plan. ETA will incorporate Montana's final performance goals for PY 2011 into the Regional and National Office copies of the State Plan. Please include these final PY 2011 goals in the State's official copy of the State Plan.

Waivers

As part of the State's extension of the WIA/W-P State Plan, and as described in TEGL No. 17-10, the State requested extensions of Montana's PY 2010 waivers of statutory and regulatory requirements under WIA for PY 2011. The State also submitted a request for a new waiver (copy enclosed). The State's request for a new waiver is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c). The disposition of the State's waiver extensions as well as its submission of a new waiver request is outlined below. This action is taken under the Secretary's authority at WIA Section 189(i) to waive certain requirements of WIA Title I, Subtitles B and E, and Sections 8-10 of the Wagner-Peyser Act.

Extension of Waivers

Waiver to permit the State to replace the performance measures at WIA Section 136(b) with the common measures.

The State was previously granted a waiver that allows the State to replace the 17 performance measures under WIA Section 136(b) with the common measures. The State is granted an extension of this waiver through June 30, 2012.

This waiver permits the State to negotiate and report WIA outcomes against the common performance measures only, rather than the performance measures described at WIA Section 136(b). The State will no longer negotiate and report to ETA on the following WIA measures: WIA adult and dislocated worker credential rates; participant and employer customer satisfaction; older youth measures; and younger youth measures. The State will use the three adult common performance measures to negotiate goals and report outcomes for the WIA Adult and WIA Dislocated Worker programs. The State will use the three youth common performance measures to negotiate goals and report outcomes for the WIA Youth program. Workforce Investment Act Standardized Record Data system (WIASRD) item 619, Type of Recognized Credential, should be completed for each individual as appropriate, regardless of this waiver to report on common performance measure outcomes only.

Waiver of the provision at 20 CFR 663.530 that prescribes a time limit on the period of initial eligibility for training providers.

The State was previously granted a waiver of the time limit on the period of initial eligibility of training providers provided at 20 CFR 663.530. The State is granted an extension of this waiver through June 30, 2012. Under the waiver, the State is allowed to postpone the determination of subsequent eligibility of training providers. The waiver also allows the State to provide an opportunity

for training providers to re-enroll and be considered enrolled as initially eligible providers.

Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) to exempt a state from the requirement to provide local area incentive grants.

The State is granted an extension of the waiver through June 30, 2012 to exempt it from the requirement to provide local areas incentive grants to reward regional cooperation, local coordination of activities, and exemplary performance.

Application of WIA regulations at 20 CFR 661.300(f) to allow the State Board to carry out the roles of a Local Board.

The State was previously granted a waiver to permit the state to apply 20 CFR 661.300(f) to the statewide regional planning area described in its State Plan. This provision allows states that operate as a single local workforce investment area to use the state workforce investment board to carry out the requirements of the local workforce investment board. The State is seeking to continue to use its State Board to carry out the roles and responsibilities of the Local Boards in the designated region encompassing the state.

We are granting an extension of this waiver through June 30, 2012. Under the waiver, the Governor may designate the State Board to carry out the roles and responsibilities of the Local Boards in the designated region encompassing the state, in the same manner as permitted in single service delivery area states.

New Waiver Requests

Waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts for older and out-of-school youth.

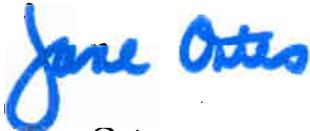
The State is requesting a waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts (ITAs) for older youth and out-of-school youth program participants. The State is granted this waiver through June 30, 2012. Under this waiver, the State can use ITAs for older youth and out-of-school youth program participants. The State must continue to make the 10 youth program elements available as described at WIA Section 129(c)(2). The State should ensure that funds used for ITAs are tracked and that the ITAs are reflected in the individual service strategies for these youth.

The approved waivers are incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and this constitutes a modification of the State Plan. A copy of this letter should be

filed with the State's WIA Grant Agreement and the approved State Plan. In addition, as described in TEGL No. 09-10, page 3, the State should address the impact these waivers have had on the State's performance in the WIA annual performance report, due on October 1 of each year.

We look forward to working together as you implement your State Plan for PY 2011. If you have any questions related to the issues discussed above, please contact Jesús Morales, the Federal Project Officer for Wyoming, at 972-850-4616 or Morales.jesus@dol.gov.

Sincerely,



Jane Oates
Assistant Secretary

Enclosure

cc: Joseph C. Juarez, Regional Administrator, ETA Dallas Regional Office
Jesús Morales, Federal Project Officer for Wyoming



Montana

Department of Labor and Industry

Workforce Services Division - Statewide Workforce Programs & Oversight Bureau

Governor Brian Schweitzer

May 17, 2011

Division of Workforce System Support
Employment and Training Administration
U.S. Department of Labor
200 Constitution Avenue, NW, Room S-4231
Washington DC 20210
ATTN: Janet Sten

RE: Montana WIA/Wagner-Peyser State Plan Waivers

Dear Ms. Sten:

Montana submitted a State Plan and Waiver Extension Request to the US Department of Labor on April 13, 2011 which was signed by Governor Schweitzer. Please accept this letter that details the correct waivers that Montana wishes to renew as well as one new waiver request for Program Year 2011.

Waiver Requests (extensions)

1. Statewide Regional Planning Area – State Workforce Investment Board

a) Montana applied for and was awarded a Waiver in October 2005 and again in the 2007 Modified State Plan to apply 20 CFR 661.300(f), which permits a state board to carry out the roles of a local board in a single local area, to a statewide regional planning area. **Montana is formally seeking a Waiver renewal to apply 20 CFR 661.300(f), which permits a state board to carry out the roles of a local board in a single local area, to a statewide regional planning area.**

2. Eligible Training Providers

a) In April 2005, the State was awarded an extension of the waiver for a **time limit on period of initial eligibility for training providers** at 20 CFR 663.530 thru June 30, 2007. The waiver was again approved in the 2007 Modified State Plan. **Montana is formally seeking a Waiver renewal to apply 20 CFR 663.530.**

3. Performance Measures

a) Montana applied for and was granted a waiver in 2007 to apply 20 CFR 666.100 (WIA Law Section 136(b)) which specifies the performance measures that must be included in state plans. This waiver allows Montana to stop reporting on the current 17 performance measures (15 core and 2 customer satisfaction) and to implement the nine common measures for WIA Title IB adult, youth and dislocated worker delineated in TEGL 17-05. MDLI will continue to track customer satisfaction. **Montana is formally seeking a Waiver renewal to apply 20 CFR 666.100.**



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4. Incentive Grants

a) Montana applied for and was granted a waiver January 30, 2009 to apply 20 CFR 665.200 WIA 134(a)(2)(B)(iii) (Incentive Grants to Local Areas for Exemplary Performance Requirement). **Montana is formally seeking a Waiver renewal to apply 20 CFR 665.200.**

Waiver Request (new)

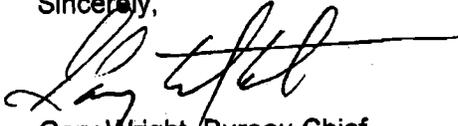
5. Individual Training Accounts for WIA Eligible Youth

The status effected by this requests are at Sec 122, Sec 123, Sec 129(c)(2) & (3)(A)(iii). The WIA statute at 129 does not provide youth access to ITAs. Regulations at 20 CFR Part 664.510 specifically prohibit the use of ITAs for youth participants unless the youth are 18 years of age and co-enrolled in either the Adult or Dislocated Worker programs set forth in 20 CFR Part 664.500. This waiver request has been vetted by the State Workforce Investment Board's WIA Committee, Youth Council and Executive Committee. In addition, the waiver request has been posted for a two week public comment period (attached). Montana's Regional Administrator will be notified regarding our waiver requests. **Montana is formally seeking a Waiver renewal to apply 20 CFR 664.500.**

Please direct further questions on the contents of this letter to:

Leisa Smith, Director
State Workforce Investment Board
406-444-1609
lsmith@mt.gov

Sincerely,



Gary Wright, Bureau Chief
Statewide Workforce Programs and Oversight Bureau