



JUN 12 2018

The Honorable Charles Baker  
Governor of Massachusetts  
Massachusetts State House  
24 Beacon Street  
Office of the Governor, Room 280  
Boston, Massachusetts 02133

Dear Governor Baker:

Thank you for your waiver request of certain statutory and regulatory provisions of the Workforce Innovation and Opportunity Act (WIOA) and the accompanying plan to improve the statewide workforce development system, submitted as part of your WIOA State Plan modification on March 28, 2018 (copy enclosed). This letter provides the Employment and Training Administration's (ETA) official response to the Commonwealth's request, and memorializes that Massachusetts will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Massachusetts and ETA. This action is taken under the Secretary's authority to waive certain requirements of WIOA Title I, Subtitles A, B, and E, and sections 8 – 10 of the Wagner-Peyser Act in WIOA section 189(i).

Waiver: The Commonwealth is requesting a waiver of WIOA Section 134(c) (3)(H)(i) and 20 CFR 680.720 (b) in order to increase on-the-job training (OJT) employer reimbursement up to 90 percent for businesses with 50 or fewer employees.

The Department approves the Commonwealth's waiver request through June 30, 2020, for the WIOA Title I Adult, Dislocated Worker, and Youth formula funds. ETA reviewed the Commonwealth's waiver request and plan and has determined that the requirements requested to be waived impede the ability of Massachusetts to implement its plan to improve the workforce development system. Existing statutory authority permits the Commonwealth and its local workforce areas to increase the reimbursement rate for OJT contracts up to 75 percent.

The Secretary's waiver authority extends only to WIOA Title I, Subtitles A, B, and E and sections 8 – 10 of the Wagner-Peyser Act, so we are not able to approve this waiver for discretionary grant funds. To apply this approved waiver to the Commonwealth's National Dislocated Worker Grants, the Commonwealth may request a modification to its grant agreements. See 20 CFR 687.190.

ETA is available for further discussion and to provide technical assistance to the Commonwealth to support achieving its goals. Also, the Department proposed additional flexibility in its Fiscal Year 2019 Budget to give governors more flexibility to meet the workforce needs of their states. If you have questions or wish to explore additional flexibility, feel free to contact my office at (202) 693-2772.

Sincerely,



Rosemary Lahasky  
Deputy Assistant Secretary

Enclosure

cc:

Rosalin Acosta, Secretary, Executive Office of Labor and Workforce Development

Timothy Martin, Acting Boston Regional Administrator, Employment and Training Administration

Carmen Rodriguez, Federal Project Officer, Employment and Training Administration