

## **State of Nevada Waiver Request On-the-Job Training (OJT) Training Employer Reimbursement**

**Federal statutory/regulatory requirements to be waived:** Pursuant to the Workforce Innovation and Opportunity Act (WIOA) Title I and Wagner-Peyser Act waiver requirements and request process (WIOA sec. 189(i)(3)(B); 20 CFR §679.620; TEGL 8-18), the Nevada Department of Employment Training and Rehabilitation (DETR), designated state workforce agency for the State of Nevada, is requesting a waiver of the requirements of the Workforce Innovation and Opportunity Act (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 less than 50 employees. Pursuant to 20 CFR §680.720, 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 20 CFR §680.730, for the extraordinary costs of providing the training and additional supervision related to the OJT. This waiver request would allow for a sliding scale for OJT training employer reimbursements that ranges from 50 – 90 percent, dependent on the number of employees. The state is requesting this waiver for the WIOA Title I 2020 program year (July 1, 2020-June 30, 2021).

**Actions for the removal of state or local statutory or regulatory barriers:** There are no State of Nevada or local statutory or regulatory barriers to implementation. DETR compliance policies meet current federal program requirements.

**State strategic goals/US Department of Labor priorities supported by waiver request:** The DETR seeks to address and enhance critical business and workforce needs in the state through an incentivized industry sector-based approach to workforce training. On-the-job training is a proven, reliable method to instill work-based training in an effective and efficient way that meets the immediate workforce needs of the state, especially in times of recovery from natural or other disasters. Employers need a durable and trained workforce, but when one is not readily available, quick and effective turnaround training is critical for the state's economy.

With the impact of COVID-19, the State of Nevada needs the ability of such workforce training activities that provide immediate and effective relief to workforce shortages, especially in Nevada's industry sectors: tourism, gaming and entertainment; health care and medical services; construction; manufacturing and logistics; and, natural resources (e.g., solar). While general academic knowledge is important, learning skills through hands-on training allows for a quick ramp-up of the state's workforce. It allows employers to meet their immediate and long-term objectives, while providing jobseekers learning opportunities in an actual work environment that leads to a career pathway.

For smaller businesses and employers who do not typically have a large workforce on standby, this waiver will allow them opportunities to employ individuals who are dislocated from other employment due to the disaster, while still being able to utilize their limited resources for other critical aspects of business. The waiver will provide them the necessary resources for on-the-job training that will enable them to redirect other business resources to critical business needs.

On-the-job training strategies prioritized by the state match the USDOL's priority of work-based learning activities. It connects education and training pedagogies and fulfills the workforce gaps in industry sector-driven demand areas.

**Projected programmatic outcomes from waiver:** Approval of this waiver request would increase flexibility for smaller Nevada businesses to redirect their business resources to critical operational areas, and would increase their labor force, increasing their competitive position for jobs that are typically provided to larger companies and corporations that are able to absorb the cost of a larger workforce. The waiver would also build capacity for small Nevada businesses to draw from the local area's workforce talent, versus having to conduct costly and lengthy national recruitment activities. This waiver request's proposed scale for on-the-job training reimbursements is:

- < 50 employees: up to 90 percent on-the-job training employer reimbursement
- 50-250 employees: up to 75 percent on-the-job training employer reimbursement
- > 250 employees: up to 50 percent on-the-job training employer reimbursement

**Individuals, groups or populations impacted by the proposed waiver:** DETR intends for this waiver to benefit the large number of jobseekers who have been dislocated by the COVID-19 economic disaster. DETR further intends for this waiver to benefit a large number of Nevada employers who are in critical need for an immediate workforce to address the significant demands placed on those specific industry sectors as a result of the COVID-19 crisis. Finally, DETR intends for this waiver to benefit the state's economic condition, which has been devastatingly impacted as a direct result of COVID-19.

**Long-term benefit to OJT participants:** DETR intends that this waiver will result in long-term benefits and gains to jobseekers by creating gainful and sustainable career pathways, as well as creating a sustainable trained workforce for Nevada employers for the long recovery period.

**Procedure for monitoring progress of waiver implementation/collection of outcome information:** DETR will continue monitoring state and local area performance to assess the effectiveness of this waiver using both state and federal accountability systems to ensure that all negotiated performance measures are met including expenditure percentages, results are accurately reported and will provide necessary technical assistance to the Local Boards, one-stop operators and service providers. As part of the monitoring and performance accountability process, DETR will collect data on waiver outcomes which will be included in the Nevada WIOA Annual Report. Any waiver renewal requests will include the most recent available outcomes data.

**Assurance of state posting of the request for public comment and notification of affected local workforce development boards:** DETR will provide for meaningful public review and comment. It will publish the proposed waiver in compliance with Nevada statutory requirements and will review and develop a response to all comments received. DETR has notified all Boards that the agency is seeking this waiver request and sought their input before submitting this request to USDOL ETA.