

## State of Nevada Waiver Request WIOA Youth Work-based Learning Priority

**Federal statutory/regulatory requirements to be waived:** Pursuant to the Workforce Innovation and Opportunity Act (WIOA) sec. 129(c)(4); 20 CFR §681.590, local youth programs must expend **not less than 20 percent** of the funds allocated to the local areas to provide in-school and out-of-school youth work-based learning opportunities that fall under the categories listed in 20 CFR §681.460(a)(3) and further defined in 20 CFR §681.600.

The Nevada Department of Employment Training and Rehabilitation (DETR), the designated state workforce agency for the State of Nevada, is requesting to waive the minimum 20 percent expenditure threshold, and reduce it to **not less than 10 percent** of the funds allocated to the local areas to provide youth with work-based learning opportunities.

This request is for a statewide waiver to grant local areas additional resources and flexibility for the workforce system to continue serving youth participants in an effective and meaningful way. Due to the drastic economic impacts resulting from the Coronavirus pandemic (COVID-19) and the sensitivity of Nevada's economy, which is highly reliant upon tourism and leisure activities, Nevada is the hardest hit state in the nation with respect to employment. Non-essential business closures in Nevada have caused unprecedented levels of job losses as demonstrated in the significant increase in Nevada's unemployment insurance (UI) initial claims totaling 462,396 from January 1, 2020 to May 16, 2020, WARN Act notices filed with DETR totaling 228 as of May 28, 2020, and Nevada's current unemployment rate, which is the highest in the nation at 28.2 percent statewide<sup>1</sup>. Las Vegas, where approximately 70 percent of Nevada's population resides, has surpassed the statewide unemployment rate at 33.5 percent based on the U.S. Bureau of Labor Statistics April 2020 report.

Nevada's Governor, Steve Sisolak, issued *Declaration of Emergency Directive 010: Stay at Home Order* on March 12, 2020 and is still in effect. As of June 4, 2020, Nevada has entered Phase 2 of the state's emergency response plan, which allows for the reopening of some of Nevada's businesses with precautionary safety measures and reduced capacities in place. However, the state continues to see significant UI initial claim levels, and the likelihood of the state's businesses reopening to pre-pandemic levels is improbable for the next several years. Similarly, access to work-based learning opportunities for youth has diminished significantly due to extensive business closures. Thus, it is improbable that local youth programs will expend at least 20 percent of the funds allocated to the local areas to provide youth work-based learning activities.

This waiver would allow Nevada to reduce its required minimum expenditure rate from 20 percent to 10 percent for WIOA Title I PY2020 through PY2021 (July 1, 2020-June 30, 2022).

**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.

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<sup>1</sup> State Policy Report, 2020. *Covid-19 Job Losses: The Dominoes Begin to Fall*. Volume 30, Issue 10.), [https://mcusercontent.com/16c4868c51f1ec364e11316a2/files/3eb962e8-448c-425d-9ded-b77c2a243acd/V38\\_10.pdf](https://mcusercontent.com/16c4868c51f1ec364e11316a2/files/3eb962e8-448c-425d-9ded-b77c2a243acd/V38_10.pdf)

## State of Nevada Strategic Goals:

1. **Continue to provide work-based learning opportunities:** Nevada recognizes the value of work-based learning, but believes the flexibility obtained through the waiver will allow the State to continue to provide meaningful work-based learning opportunities to youth while also allowing the State to serve more youth and provide them with the necessary supportive services.
2. **Sustain Youth access to available work-based learning opportunities:** Reduction of the minimum expenditure aligns with current waivers which are in place or being requested:
  - a. Waiver on minimum OSY expenditure rate.
  - b. Waiver on prohibition of ITAs for ISY.

Reduction of the minimum expenditure will allow local areas to reduce expenditures on ISY who have not met secondary educational goals and allow for the reallocation of work-based learning resources to support ITAs for ISY who have met secondary educational goals.

3. **Decrease negative impacts:** The minimum expenditure rate on work-based learning for youth is a compliance burden due to the current economic conditions.
  - a. Nevada has the highest unemployment rate in the nation and many local businesses are expected to be closed for the foreseeable future resulting in fewer opportunities limiting potential worksites for youth work-based learning opportunities.
  - b. The current expenditure requirement limits the number of youth which can be served when the need for services is at its greatest level.
4. **Restore statutory level in WIOA PY2022:** The state intends to restore the statutory level of not less than 20 percent in WIOA PY2022.

**U.S. Department of Labor (U.S. DOL) Priorities:** This waiver supports and aligns with the U.S. DOL's priorities in the following ways:

1. **Provide access and opportunities for ISY and OSY work-based learning opportunities:** Nevada recognizes the value of work-based learning and intends to continue to provide access to these opportunities as warranted.
2. **Expand program options and increase local area flexibility:** Increased flexibility with the work-based learning requirements will allow the State the flexibility to leverage current and proposed waivers to enhance programmatic offerings for youth.

**Projected programmatic outcomes from waiver:** This waiver is expected to:

1. Increase programmatic elements associated with ISY educational goals.
2. Provide more flexibility to utilize resources to obtain post-secondary outcomes.
3. Allow local areas to focus resources more effectively and efficiently.

**Individuals, groups or populations impacted by the proposed waiver:** DETR intends for this waiver to positively impact:

1. Eligible ISY and OSY in all eligibility and barrier categories by:
  - a. Leveraging proposed waivers.
  - b. Allowing for the reallocation of resources to better align and support youth program activities with youth educational and workplace goals.
2. Local boards and areas seeking a more flexible workforce system that is poised to meet the short and long-term needs of their communities.
3. One-stop partners seeking to align their service delivery to youth with the one-stop system, and leverage resources to meet customer needs.

**Long-term benefit to participants:** DETR intends that this waiver will result in long-term benefits and gains to ISY and OSY youth by:

1. Increasing emphasis on educational goals for ISY and OSY.
2. Increasing alignment of youth programs to individualized educational and workplace goals.
3. 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 and expenditure percentages are met and results are accurately reported. DETR will provide necessary technical assistance to the local workforce 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 local workforce boards that the agency is seeking this waiver request and sought their input before submitting this request to USDOL ETA.