

**State of Washington  
Waiver Request  
Out of School Youth Expenditure Requirement**

**Federal statutory/regulatory requirements to be waived:** The Washington State Training and Education Coordinating Board (WTECB) is requesting a waiver of the requirements of the Workforce Innovation and Opportunity Act (WIOA) Section 129 (a)(4) and 20 CFR 681.410 that mandate that a minimum of 75% of youth program funds be used to serve out-of-school youth (OSY). WTECB is requesting a waiver to allow the State the opportunity to reduce the OSY expenditure requirement to a minimum of 50% to increase service delivery to in-school youth (ISY).

**Action for the removal of state or local statutory or regulatory barriers:** There are currently no State nor local statutory or regulatory barriers to implementation. WTECB compliance policies meet current federal program requirements. Relevant state policies referencing expenditure requirements will be amended to be in alignment with the waiver, if approved.

**State strategic goals/US Department of Labor (USDOL) priorities to be supported by waiver request:** This request supports the USDOL policy priorities of:

- Secondary and post-secondary educational attainment for more ISY
- Increase youth access to educational, training, employment, and support services for marginalized, highly barriered youth
- Support the development of career pathways that align with in-demand career areas identified by USDOL and WTECB.

To date, the State has been successful with meeting or exceeding the current OSY expenditure regulatory requirements. The State has achieved this success in part because multiple local workforce boards (LWBs) focus service delivery exclusively on OSY, in part due to the administrative burden on LWBs in navigating re-engagement programming funding models and resulting eligibility statuses for youth seeking services. Modifying the current OSY expenditure requirement of 75% to 50% would allow LWBs to continue serving their existing OSY populations and expand service to additional youth at risk of disconnection and ultimately increase the total number of youth served.

The State believes that local areas, and the State overall, will benefit from the OSY waiver because:

**Local workforce boards are limited in serving youth who will benefit from early intervention strategies to prevent further disengagement from high school.**

The State's K-12 education re-engagement programming, called Open Doors, recognizes a range of models or approaches with varying degrees of school or school district engagement. This variability is mirrored in the funding strategies that support re-engagement programming and consequently results in many youths in Open Doors re-engagement programming to be eligiblized under the ISY category. But many youths in the State who are ISY are at risk from disconnecting, if not already disconnected, from K-12 educational pathways, and engaged in Open Doors programming. The variability within Open Doors means that not all programs offer comprehensive re-engagement services to youth. Some Open Doors programs focus exclusively on high school diploma pathways, others include GED alternatives. Few Open Doors programs offer workforce or career pathway

support without LWB involvement. Some regions of the state have no Open Doors programming opportunities whatsoever. Additionally, there are some LWBs that see young adults close to completion of post-secondary credentials or certificates yet who will not complete without additional support and are limited in providing resources necessary to those young adults considered ISY. To plan for mitigation of these barriers, the State's 2024-2028 Statewide Talent and Prosperity for All Plan (TAP)<sup>1</sup> youth program articulates the goal, "partnership between workforce pathway providers and the Open Doors program is a continual process of refining and iterating on existing state and local policies to ensure we are continuing to remove barriers at the administrative level so youth do not experience disconnection or disruption in engagement with education and workforce preparation activities."

Because of this issue, multiple LWBs currently operate an ISY waitlist. These LWBs, representing both rural and urban communities, have a total waitlist of 175 ISY per quarter. Allowing a greater percentage of ISY enrollments will not only ensure more youth in need are served. It will also aid in reducing the administrative burden of case managers who must track OSY and ISY youth enrollments to ensure compliance with required expenditure ratios while balancing effective case management strategies. Expanding the number of eligible youths to be served will decrease delays in service delivery. As one LWB states:

The administrative burdens significantly impacts service delivery to participants, particularly for at-risk youth. The delays in engaging and re-engaging youth who have dropped out of traditional high school pathways create a bottleneck in our ability to provide timely support...rapid re-engagement is crucial; it directly correlates with the likelihood of youth enrolling in these programs.

**Projected programmatic outcomes from waiver:** Approval of this waiver request will support the State in most effectively supporting youth by preventing additional disengagement from education and workforce pathways and ensuring youth with the greatest risk are prioritized while complying with expenditure targets and negotiated performance measures and will allow local areas the opportunity to design service delivery specifically for youth needs in their region. If we get this waiver approved, we anticipate enrolling around 350 additional youth in WIOA, per program year.

**Individuals, groups, or populations impacted by the proposed waiver:** This waiver will be open to LWBs who do not struggle to achieve outreach to OSY yet have ISY that are not actively receiving nor eligible for school-based supports with career and education goals. Seven out of twelve LWBs have expressed interest in adopting this waiver to better serve the marginalized youth in their communities, many of whom are disconnecting from educational pathways prior to age 16.

The waiver will increase the overall number of ISY students accessing appropriate education, training, and employment supports while the State continues to serve OSY as a primary, priority population. However, increases in ISY enrollment will largely be reflected in: regions in the State that prioritize service to marginalized rural youth; Latine communities; urban and suburban youth that are ISY yet participating in re-engagement programming towards secondary credentials; refugee and immigrant youth; and, youth experiencing homelessness.

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<sup>1</sup> [Narrative-Summary-Talent-and-Prosperity-For-All-4.25.2024.pdf \(wa.gov\)](#)

WTECB intends for this waiver to allow greater local design of program delivery and increased benefit to employer partners, especially in rural areas. The youth who receive occupational trainings and work experience pathways that offer direct entry into regional, in-demand industries will benefit from greater integration of these services into existing career and technical education programs in high schools, as well as Open Doors engaged youth. When rural areas increase ISY support, we expect to see an overall increase in expenditures related to occupational training and work experience.

**Procedure for monitoring progress of waiver implementation/collection of outcome**

**information:** WTECB will continue to monitor state and local area performance using both federal and state accountability systems, including quarterly monitoring of contracts and expenditure ratios, in alignment with current policy and procedure.

**Assurance of state posting of the request for public comment and notification of affected local workforce development boards:** WTECB will ensure a 30-day public comment period for review and comment, consistent with all revisions to policy or procedure in the State.