

U.S. Department of Labor

Employment and Training Administration
200 Constitution Avenue, N.W.
Washington, D.C. 20210



April 20, 2023

The Honorable Henry McMaster
State House
1100 Gervais Street
Columbia, South Carolina 29201

Dear Governor McMaster:

Thank you for your waiver request submission to the U.S. Department of Labor (Department) regarding several statutory and regulatory provisions of the Workforce Innovation and Opportunity Act (WIOA) and the accompanying plan to improve the statewide workforce development system (enclosed). The waiver request was received on March 13, 2023. This letter provides the Employment and Training Administration's (ETA) official response to your request and memorializes that South Carolina will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by South Carolina 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).

Requested Waiver: Waiver associated with the requirement at WIOA Section 129(a)(4)(A) and 20 CFR 681.410 that the State and local areas expend 75 percent of Governor's reserve youth funds and local formula youth funds on out-of-school youth (OSY).

ETA Response: ETA approves for Program Year (PY) 2022 and PY 2023, which includes the entire period for which states are authorized to spend those funds, the State's request to waive the requirement that the State expend 75 percent of the Governor's reserve youth funds on OSY. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of South Carolina to implement its plan to improve the workforce development system. South Carolina may lower the expenditure requirement of the Governor's reserve funds to 50 percent for OSY.

In addition, ETA approves for PY 2022 and PY 2023, which includes the entire time period for which states are authorized to spend those funds, the State's request to waive the requirement that local areas expend 75 percent of local youth formula funds on OSY. South Carolina may lower the local youth funds expenditure requirement to 50 percent for OSY. As a result of this waiver, ETA expects that the number of in-school youth (ISY) served will increase, and performance accountability outcomes for overall WIOA Youth (including both ISY and OSY) will remain steady or increase for the majority of the WIOA Youth performance indicators.

The State must report its waiver outcomes and implementation of the approved waiver in the WIOA Annual Report. ETA will use this information to assess continued waiver approval and to identify promising practices that may be adopted more widely. ETA is available to provide

technical assistance to you in support of your goals. If you have questions, feel free to contact my office at (202) 693-2772.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brent Parton', with a stylized flourish at the end.

Brent Parton
Acting Assistant Secretary

Enclosure

cc: William Floyd, Acting Executive Director, South Carolina Department of Employment
and Workforce
Renata Adjibodou, Acting Regional Administrator, ETA
Jeffrey Patton, Federal Project Officer, ETA