

Quarterly Meeting

Wednesday, September 9, 2026
10:00 am- 1:30 pm

Arkansas Workforce Center at Little Rock
Livestreamed by Arkansas Citizens Access Network

ARKANSAS WORKFORCE DEVELOPMENT BOARD

ARKANSAS DEPARTMENT OF COMMERCE

ARKANSAS WORKFORCE CENTERS
Bringing People and Jobs Together.

AGENDA



FULL BOARD QUARTERLY MEETING

September 9, 2026
10:00 am

Call to Order .... Col. (Ret.) Thomas Anderson Jr., Chairman
Roll Call………………………………………………………………………...……………..Board Staff

<u>Agenda Item 1: Approval of Minutes- *Action*</u>

Minutes of May 21, 2026, Board Meeting............................... …………Thomas Anderson Jr., Chairman

<u>Agenda Item 2: Administrative Remarks- *Informational*</u>

Chairperson Remarks…………………………….……………………….……...... Thomas Anderson Jr., Chairman

- Standing Committee Appointments
- Interest Survey

State Workforce Agency Director Remarks…………..,,,,,,,,,,,,,,,,,,,………......Cody Waits, Executive Director
Arkansas Workforce Connections

State Board Staff Remarks……………………….……………………………….…………......Eddie Thomas, Director
Arkansas Workforce Connections- Office of Employment and Training

<u>Agenda Item 3: Governors' Workforce Initiatives- *Informational*</u>

Workforce Cabinet & Workforce Strategy Updates……....……….…Mike Rogers, Chief Workforce Officer
Office of Governor Sarah Huckabee Sanders

Agenda Item 4: WIOA Combined State Plan PY' 26-27 Modification & Waiver Requests – *Informational*

State Plan Approval & Waiver Approvals……...……..……Eddie Thomas, Director
Arkansas Workforce Connections- Office of Employment and Training

- Transition/Implementation Plan & Timeline
- State Board & Local Board Functions
- Committees

Board Open Discussion

Agenda Item 5: WIOA Waivers Interim Program Policies – *Action*

Policy Review……...……..……Angela Cook, Assistant Director
Marcia Moore, Assistant Director- Field Operations
Stephanie Blair, WIOA Policy Manager
Arkansas Workforce Connections- Office of Employment and Training

- *Interim Policy - Reallocation of Recaptured Local Funds (Waiver 2)*
- *Interim Policy - Affiliate Site Network in Lieu of Comprehensive Center (Waiver 3)*
- *Interim Policy - Training and Supportive Services Funding Flexibility (Waiver 4)*
- *Interim Policy - Youth Program Element Coordination (Waiver 7)*

Agenda Item 6: Employer Insights & Board Development Training – *Informational*

(Working Lunch)

"Riceland Foods Training, Culture and Workforce Development Strategies"
KC Capers, Ph.D. MBA
Director of Training & Culture
Riceland Foods

"Leading and Managing Transition"
Founder & Principal Consultant
KTC Leadership Consulting, LLC

Agenda Item 7: Expanding Apprenticeship in Arkansas – *Informational*

American Manufacturing Apprenticeship Incentive Fund ……..……Cody Waits, Executive Director
Arkansas Workforce Connections

Agenda Item 8: Arkansas In-Demand Occupations – *Action*

In-Demand Occupation Rating System …Susan Price, Workforce Economics & Labor Statistics Manager
Arkansas Department of Commerce- Reemployment Division

Eligible Training Provider Criteria ……..Gary Do, Systems and Strategic Initiatives Manager
Arkansas Workforce Connections- Office of Employment and Training

PY 26-01 – Interim Guidance for PY 26 Demand Occupation Determinations for ETPL Programs

Public Opportunity to Address the Board

Announcements

Adjournment

Resources:

- USDOL WIOA Waiver Website
- Training and Employment Notice (TEN) 04-26 Promoting High-Quality Industry-Recognized Credentials
- Training and Employment Guidance Letter (TEGL) 04-26: Using Workforce Innovation and Opportunity Act Governor's Reserve Funding to Advance Workforce Development Priorities
- Training and Employment Notice (TEN) 03-26: Workforce Innovation and Opportunity Act (WIOA) Core Program Performance Accountability Assessment for Program Year (PY) 2025
- Training and Employment Notice (TEN) 02-26: Announcing the Publication of the Wagner-Peyser Act Employment Service Staffing Final Rule
- America's Talent Strategy: Building the Workforce for the Golden Age

Arkansas Policies/Issuances- *Recently Published*

PY 26-03 Guidance on Uploading Documents in AJL

PY 26-02 Allocations Issuance

- Title | PY26 Allocation Planning Estimates
- Youth Calculations – Planning Estimates
- Adult Calculations – Planning Estimates
- Dislocated Worker Calculations – Planning Estimates
- Local Area Overview – Planning Estimates Only

PY 25-06 2026 HHS Poverty Guidelines and USDOL LLSIL Information

Agenda Item 1: ACTION

MINUTES from May 21, 2026 Meeting

Arkansas Workforce Development Board
Minutes

May 21, 2026

Virtual

The Arkansas Workforce Development Board convened virtually, beginning at 1:36 pm. Chairman Thomas Anderson called the meeting to order and asked staff to conduct the roll call. The following members voiced their presence: Mike Rogers, proxy for Governor Sarah Sanders, Mr. Len Blaylock, Mayor Ray Bowman, Ms. Karen Breashears, Mr. Miles Crawford, Judge Brandon Ellison, Mr. Randy Henderson, Ms. Rebecca Ives, Ms. Candice Lawrence, Dr. Trenia Miles, Fred Lewis, proxy for Mr. Clint O'Neal, Ms. Latanyua Robinson, Mr. Barry Sellers, Mr. Kelley Sharp, Mr. Timothy Thorne, Mr. Cody Waits, Dr. Ken Warden, and Mr. Nathan Winter.

Commissioner Joseph Baxter, Mr. Aaron Chastain, Dr. Teri Cox-Meadows, Mr. Brian Marsh, and Mr. George Nunnally were unable to attend. A quorum was established.

Agenda Item 1: ACTION-Approval of Minutes: Chairman Anderson asked whether any corrections/revisions needed to be made to the March 26, 2026, minutes. Ms. Karen Breashears noted that a correction was needed to Agenda Item 4 regarding Waiver Requests. The minutes should be corrected to reflect that a motion was made by Dr. Ken Warden and seconded by Mr. Len Blaylock. The motion carried, with one opposed.

A motion was made by Judge Brandon Ellison and seconded by Ms. Rebecca Ives to approve the March 26, 2026, minutes with the noted correction. The motion carried unanimously, with none opposed.

Agenda Item 2: INFORMATIONAL-Administrative Remarks

Remarks of Chairperson: Chairman Anderson yielded his remarks to Dr. Charisse Childers, Director of the Arkansas Workforce Development Board.

Remarks of AWDB Director: Dr. Charisse Childers thanked all staff and individuals who worked tirelessly to write the WIOA State plan and also thanked everyone who provided comments during the submission period. Dr. Childers also gave appreciation to the board members for their engagement throughout the process and for their interest in carrying out their roles and responsibilities as board members. Dr. Childers concluded her remarks by acknowledging and requesting the board members to offer thanks to Chairman Thomas Anderson for 25 years of service to the Arkansas Workforce Development Board.

Remarks of State Workforce Agency Director: Executive Director Cody Waits thanked Chairman Anderson for his service to the Arkansas Workforce Development Board. He also thanked the board members for their hard work and for their involvement in workforce development.

Agenda Item 3-ACTION-Workfore Pell Implementation: Dr. Tina Moore provided information on the Workforce Pell Implementation Plan and explained the requirement to consult the state workforce board. As outlined in the H.R. 1-One Big Beautiful Bill Act of 2025, the Workforce Pell Program expands Pell Grant eligibility to high-quality, short-term workforce programs aligned to labor market demand. The Workforce Pell Program extends traditional Pell eligibility to include individuals with a bachelor's degree, allowing qualified students to use funds for short-term programs that satisfy the guardrails established in H.R. 1. Student eligibility is based on need, as determined by the Free Application for Federal Student Aid (FAFSA). The program is scheduled to launch on July 1, 2026.

Dr. Moore explained that the Workforce Pell Program must meet federal requirements and should include only programs expected to produce value-added earnings, even though those earnings metrics will not be calculated for three years. The Arkansas Department of Higher Education and the Governor's representative will first submit a proposed list of programs for board review and approval before anything is sent to the U.S. Department of Education.

Dr. Moore emphasized that the Workforce Pell Program is mainly focused on defining high-wage and high-demand thresholds and the evidence institutions and training providers must provide to show they meet those standards. Dr. Moore also highlighted the governance structure established in legislation: the governor, working with the state workforce board, is the approving authority.

The Arkansas Division of Higher Education and the Arkansas Department of Commerce are collaborating on implementation, alongside community colleges and other state leaders.
Dr. Moore concluded her presentation on program evaluation. For evaluating programs, Arkansas plans to use a new five-star employment methodology based on growth, demand, retention, and earnings. Programs eligible under the proposal would generally need a rating of three stars or higher or a two-star rating with a demand threshold over 60. An exception to the above exists because some occupations are critically needed by communities even if entry-level wages are lower than the standard wage threshold.

Chairman Anderson asked for a motion to approve the Workforce Implementation Plan as presented by Dr. Moore.

A motion was made by Mr. Miles Crawford and seconded by Dr. Trenia Miles. The motion carried unanimously, with none opposed.

Agenda Item 4-ACTION-WIOA Combined State Plan PY 26-27 Modification:

Executive Director Cody Waits provided an overview of the PY 2026-2027 WIOA Combined State Plan. The 2026-2027 State Plan outlines a transformative vision for a more unified, efficient, and demand-driven workforce development system that reduces administrative complexity, maximizes public investment in direct services, and strengthens alignment with employers and career seekers alike. The plan is grounded in the principles of the Governor's Workforce Strategy and the America's Talent Strategy: Building the Workforce for the Golden Age and its five pillars, and new flexibilities provided through USDOL TEGL 05-25; this plan advances a bold restructuring of governance, service delivery, educational alignment, and business engagement to ensure a more responsive and integrated workforce.

Director Eddie Thomas provided an overview of the public comments received and shared general themes of concerns and responded to each. He also acknowledged that several letters of opposition and support had been received.

During a presentation of the proposed transition and implementation plan, some of the key points from the discussion were as follows:

- Staffing Changes:
    - Arkansas Workforce Connections expects to hire approximately 30-40 new state employees to support the new model.
    - Nearly 100 positions currently tied to the local workforce development areas could be affected, though not all would be replaced because part of the goal is to reduce administrative costs and direct more funding to participants.
    - Director Thomas hopes to recruit experienced staff from local workforce development areas into these new positions.
- Transition Plan (if waivers are approved):
    - Local workforce boards would receive at least 90 days' notice before transition activities begin.
    - The state will conduct:
        - Comprehensive participant case-file reviews.
        - Worksite visits.
        - Financial and expenditure reviews.
        - Closeout and reconciliation of grants and reports.
        - Job openings would be posted, and recommendations from local leadership would receive priority consideration.
        - All staff would be trained on updated policies and procedures.
        - Participants would be notified of any service provider or case manager changes.
        - Agreements and monitoring findings would be updated and resolved before closeout.

        - Any remaining funds would be returned to the State after the closeout process.
- Timeline:
    - The State must submit the State Plan by May 29, 2026.
    - The U.S. Department of Labor would have 90 days to approve or deny the proposed waivers.
    - If approved, implementation could begin as early as September using a phased rollout.
    - Director Thomas and his team plan to spend the summer engaging local workforce boards, elected officials, and stakeholders to gather local input and feedback and answer questions.
- State's Position:
    - Director Thomas emphasized that the proposal is not intended as an attack on local workforce boards or local control.
    - Director Thomas acknowledged the contributions and successes of local boards over many years.
    - Director Thomas believes that a centralized model would create greater efficiency and allow more resources to be directed towards services for Arkansans.
    - Director Thomas expressed a desire to work collaboratively with local stakeholders during the transition.

Board Open Discussion
Chairman Anderson thanked everyone for their presentations and opened the floor for questions, comments, and discussion from board members regarding the proposal and public comments received. After board deliberation, Chairman Anderson asked for a motion to move forward with a voice roll call vote, in which each board member's name will be called to cast a vote for or against the approval of the WIOA Combined State Plan PY26-27 Modification inclusive of waiver requests to USDOL.

The motion was made by Mr. Len Blaylock and seconded by Mr. Kelley Sharp. The motion passed unanimously with none opposed.

The Board roll call vote went as follows:
Governor Sarah Sanders, proxy Mike Rogers: **In favor**
Commissioner Joseph Baxter: **No vote (absent)**
Dr. Trenia Miles: **In favor**
Mr. Clint O' Neal: **No vote (absent)**
Mr. Cody Waits: **In favor**
Dr. Ken Warden: **In favor**
Mr. Nathan Winter: **In favor**

Mr. Len Blaylock III: **In favor**
Mayor Ray Bowman: **Against**
Ms. Karen Breashears: **Against**
Mr. Aaron Chastain: **No vote (absent)**
Dr. Teri Cox-Meadows: **No vote (absent)**
Mr. Miles Crawford: **In favor**
Judge Brandon Ellison: **In favor**
Mr. William French: **No vote (absent)**
Mr. Randy Henderson: No **vote (connectivity issues)**
Ms. Rebecca Ives: **In favor**
Ms. Candice Lawrence: **In favor**
Mr. Brian Marsh: **No vote (absent)**
Mr. George Nunnally: **No vote (absent)**
Ms. Latanyua Robinson: **No vote (no response)**
Mr. Barry Sellers: **In favor**
Mr. Kelley Sharp: **Against**
Mr. Timothy Thorne: **In favor**

12: In Favor, 3 Against

With the majority in favor, the board formally agreed to proceed with the plan submission and waiver requests as presented.

Announcements: Chairman Anderson announced that Dr. Charisse Childers is retiring, with her final day being June 30, 2026. Chairman Anderson thanked Dr. Childers for her many years of service to the Arkansas Workforce Development Board and for her leadership while serving as Director of the Arkansas Division of Workforce Services.

Adjournment: Chairman Anderson entertained a motion to adjourn the meeting.
The motion was made by Mr. Kelley Sharp and seconded by Ms. Karen Breashears. The motion was carried unanimously with none opposed, and the meeting adjourned at 3:30 p.m.

_____ _____
Thomas Anderson, Jr., Chairman Date

Minutes recorded by Victoria Hall
AWDB Staff to the Board

Agenda Item 2: Informational

Administrative Remarks

Committees

Current

Executive Committee

- Governor Sanders
- Thomas Anderson – Chair
- Karen Breashears – Vice Chair
- Miles Crawford
- Brandon Ellison
- Randy Henderson
- Candice Lawrence
- Cody Waits
- Dr. Ken Warden

Strategic Planning Committee

- Karen Breashears – Chair
- Mayor Ray Bowman
- Aaron Chastain
- Randy Henderson
- Rebecca Ives
- Brian Marsh
- Dr. Terri Cox- Meadows
- Latanyua Robinson
- Nathan Winter

Program & Performance Evaluation Committee

- George "Gan" Nunnally – Chair
- Commissioner Joseph Baxter
- Len Blaylock
- Miles Crawford
- Dr. Trenia Miles
- Kelley Sharp
- Barry Sellers
- Timothy Thorne

Ad Hoc- Waiver Transition and Implementation Committee

- Miles Crawford
- Candice Lawrence
- Latanyua Robinson

Governance under State Board Waivers

Tier	Role	Authority
Arkansas Workforce Development Board	All state board functions and all local board functions for the single statewide planning region.	Full policy and budget authority. Sets policy, approves the plan, selects providers, certifies centers.
Standing Committees	Carry out the delegated duties of the 29 combined functions and report recommendations to the full board.	Recommending authority. Final action rests with full board unless the bylaws delegate expressly.
Arkansas Department of Commerce- Workforce Connections	WIOA Title I-B service provider. Operate service delivery, convene area employers, and administer the one-stop centers throughout the state.	Fiscal agent, board staff and service provider role designated by the Governor and state workforce development board.
Regional business councils	Advisory arm making recommendations regarding local workforce development area. Report in-demand occupations, skill gaps, hiring needs, and work-based learning capacity to the Industry Alignment Committee.	N/A

Committees the restructure requires

Carrying out state board and local board functions

Committee	Charge
Executive Committee	Acts between quarterly meetings; sets the agenda; recommends action on the WIOA four-year combined state and strategic plan; approves the budget.
One-Stop System Committee	Certifies the comprehensive and affiliate centers, assesses each center annually for physical and programmatic accessibility, monitors infrastructure funding, and oversees the one-stop delivery system statewide. Competitively selects and, where warranted, terminates providers.
Targeted Populations Committee	Advises on youth service design. Addresses services to individuals with disabilities, WIOA § 188 and ADA compliance, and staff training on accommodations and placement. Advises on all services impacting individuals with barriers to employment.
Performance, Data and Accountability Committee	Monitors state performance levels, oversees fund use and performance outcomes, prepares the annual reports, and directs labor market research and the workforce information system. Also oversees the allocation formulas that ensure local area funds are distributed and tracked for proportionate service delivery resources across the state.
Industry Alignment and Career Pathways Committee	Convenes sector partnerships, builds employer linkages, develops career pathways with secondary and postsecondary partners and receives the regional business council reports.
***Ad Hoc*- Waiver Transition and Implementation Committee**	Manages the statewide shift to new WIOA flexibilities by guiding planning, ensuring employer-driven input, stakeholder feedback, and addressing operational and compliance challenges that arise as the state board assumes local board responsibilities. Works closely with and provides oversight to the Department of Commerce's WIOA transition and implementation team.

Please Complete: AWDB Committee Interest Survey

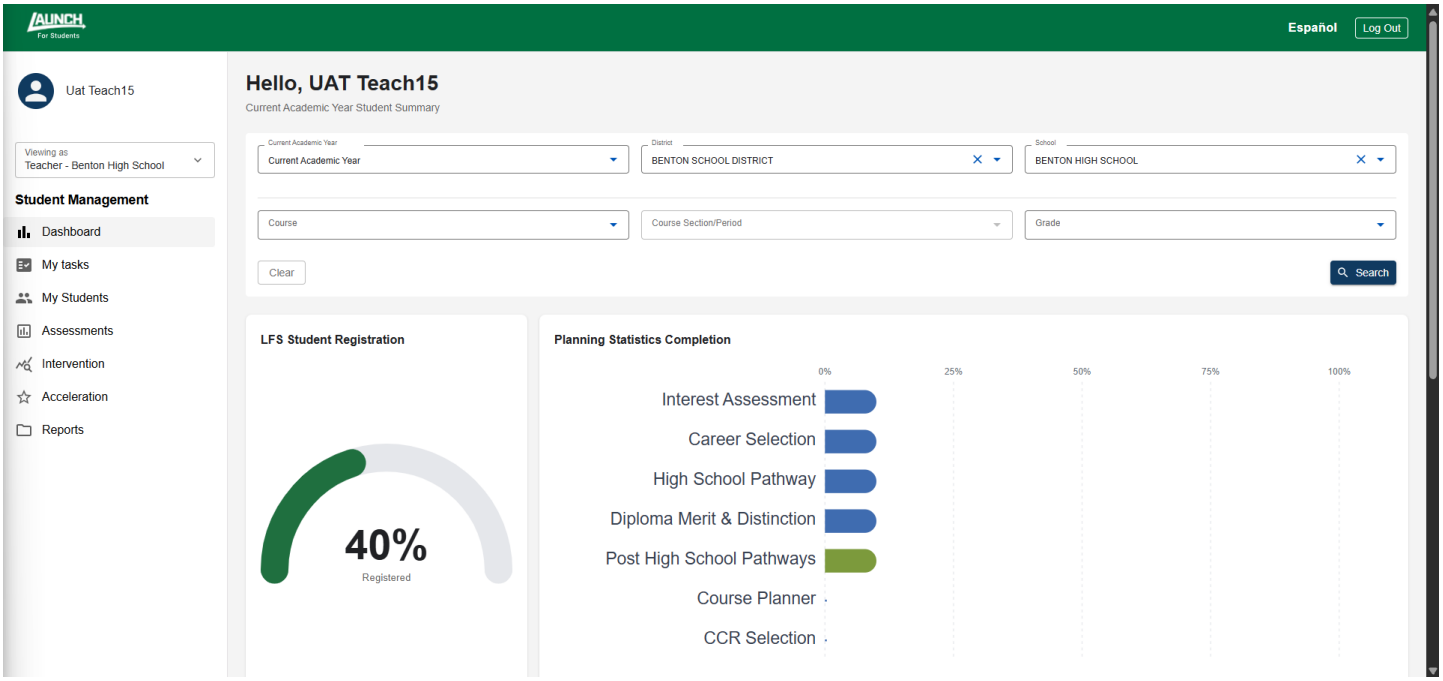


Agenda Item 3: Informational

Governors' Workforce Initiatives

LAUNCH Updates – August 2026

- **LAUNCH for Students**
  - LAUNCH is now live for ~250K 5th-12th grade students and their parents/guardians, counselors/advisors, teachers, principals, superintendents, and ADE staff.
  - Students have access to interest inventory, career exploration, school choice, postsecondary pathway planning, secondary pathway planning, course selection, community engagement and experiential learning reporting, academic assessment scores (ATLAS, ASVAB, ACT, SAT, IB, ELPA, DLM, etc.), success planning and navigation.
  - 18,938 students have already completed interest assessments.
  - 8,021 students have already created student success plans.
  - Parents/guardians have trusted navigator access and success plan review/signature.
  - Staff have student-level advising views as well as high-level dashboards of registration, student success plan progress, assessment scores, acceleration, and remediation.



- **LAUNCH for Jobseekers**
  - 898,995 work search activities have been completed to date and session activity is increasing.

Location	Sessions in Past 30 Days
Arkansas	89,091
Texas	9,282
Tennessee	8,484
Missouri	4,712
Oklahoma	3,436
Kansas	1,131

Illinois	713
Florida	702
Louisiana	611
Colorado	541
California	537
Georgia	495

- New features are going live in LAUNCH for Jobseekers next week.
    - Military onboarding questions
    - Joint Service Transcript (JST) entry
    - Military badge on resume
    - Learning and Employment Record (LER) import

- **LAUNCH for Employers**
    - New features are going live in LAUNCH for Employers next week.
        - Ability to indicate military hiring preference and participation in the Arkansas Military Hiring Initiative
        - Military badges and ability to filter on military-connected candidates
        - New candidate summary and detail views
- **Connecting Talent to Opportunity (CTO) Challenge**
    - Arkansas was one of ten states who received awards in the US DOE CTO Challenge.
    - The focus will be on course-level skills publishing, employer skills validation, stackable career pathways, verified credential issuance, and skills data governance.
    - The initial geographic focus is the Southern Arkansas "Golden Triangle" including advanced manufacturing, critical minerals, and healthcare.
- **RAISE US**
    - RAISE US is a newly launched national nonprofit formed to help Americans make a successful transition to an AI economy.
    - Arkansas, Connecticut, Maryland, and Utah are the initial pilot states.
    - RAISE US is funding additional capacity and infrastructure development for LAUNCH.
- **Walmart Foundation**
    - The Walmart Foundation has granted 2.5M for LAUNCH for Jobseekers enhancements, which is a significant increase from their typical annual grant of 750K.
- **AR Ready America**
    - ACOM, SAS, and ADE have partnered on a submission to the National Science Foundation's AI Ready America grant, which will establish one AI hub in every state to boost AI readiness and help every individual, community, and business thrive in an AI-driven economy.
    - We have many partners across Arkansas and beyond. Robert is principal investigator (PI).
    - LAUNCH is included as the delivery vehicle for AI readiness resources in Arkansas.
- **Burgess Owens Visit**
    - Congressman Burgess Owens (UT) is visiting Little Rock on Wednesday, August 19th to learn more about LAUNCH and the Arkansas workforce ecosystem.
    - He is the sponsor of the MATCH Act, which incorporates talent marketplaces (like LAUNCH), credential registries, and LERs into WIOA and the WDQI.
    - The visit will include military navigator training on LAUNCH and the workforce advisory group for the study called for by Act 145 of 2025.
- **Google**
    - Google has expressed commitment for providing additional support for Arkansas in terms of both funding and technology fellows.

Agenda Item 4: Informational

WIOA Combined State Plan & Waivers

From: Wioa, Plan - ETA <wioa.plan@DOL.gov>
Sent: Monday, August 24, 2026 2:40 PM
Subject: Arkansas WIOA State Plan Modification Conditional Approval
Importance: High

Dear Governor Sanders:

The U.S. Departments of Labor and Education are pleased to inform you that we have approved, subject to the condition below, Arkansas' modification to the program year (PY) 2024 Workforce Innovation and Opportunity Act (WIOA) Combined State Plan submitted on May 29, 2026, pursuant to section 102(c)(3)(A) of WIOA. The State Plan modification covers PYs 2026 and 2027. If your modification included requests for waivers of WIOA Title I or Wagner-Peyser requirements, you will receive a separate email communication from the Department of Labor with the disposition of those requests.

This decision constitutes a written determination that covers the joint planning elements, or "common elements," as well as the program-specific requirements for the six core programs under WIOA. During the Departments' review of the Combined State Plan, we identified items needing revision, which Arkansas addressed. However, items remain that require additional revision prior to full approval of the Combined State Plan; these items are identified in the WIOA State Plan Portal as "Needs Correction." Please address the specified items no later than September 30, 2026.

This decision also constitutes a written determination that covers the program-specific requirements for the programs that Arkansas included in its Combined State Plan that are administered by the U.S. Department of Labor and the U.S. Department of Education:

- the Jobs for Veterans State Grants program authorized under 38 U.S.C. 4100, et. seq.;
- the Unemployment Insurance program authorized under state unemployment compensation laws in accordance with applicable Federal law;
- the Trade Assistance Adjustment program; and
- the Career and technical education programs authorized under the Carl D. Perkins Career and Technical Education Act of 2006, as amended by the Strengthening Career and Technical Education Act for the 21st Century Act (Perkins V).

This decision does not constitute a determination on the program-specific requirements of the Combined State Plan for those programs administered by Federal agencies other than the U.S. Departments of Labor and Education:

- the Employment and Training programs under the Supplemental Nutrition Assistance Program authorized under section 6(d)(4) of the Food and Nutrition Act of 2008 administered by the U.S. Department of Agriculture.

You will receive information about the approval status of these portions of the Combined State Plan from the U.S. Department of Agriculture within the 120-day timeframe for approval of these portions of your Combined State Plan.

We value Arkansas' commitment to work together with stakeholders and the Departments to support the public education and workforce systems. The Departments will provide

technical assistance and monitor Arkansas' progress on an ongoing basis as we work together to help Arkansas implement the vision and goals described in its Combined State Plan and its innovations to improve the quality and effectiveness of services to jobseekers and employers.

If you have any questions, please contact your regional representative or State liaison for assistance.

Sincerely,

Marek Laco
Acting Assistant Secretary
Employment and Training Administration
U.S. Department of Labor

Casey K. Sacks, Ph.D.
Acting Assistant Secretary
Office of Career, Technical, and Adult Education
U.S. Department of Education

Kelly S. Rogers
Deputy Assistant Secretary and Acting Assistant Secretary
Office of Special Education and Rehabilitative Services
U.S. Department of Education

Christopher Pope
Director, State Monitoring and Program Improvement Division,
delegated the authority to perform the functions
and duties of the Commissioner
Rehabilitation Services Administration
U.S. Department of Education

Jeremiah Workman
Assistant Secretary
Veterans' Employment and Training
U.S. Department of Labor

Patrick A. Penn
Acting Administrator, Food and Nutrition Service
Deputy Under Secretary, Food, Nutrition, and Consumer Services
U. S. Department of Agriculture

U.S Department of Labor Approves Arkansas' Combined Workforce Innovation and Opportunity Act and Perkins State Plan and Waiver Requests

Press release 2026-09-03 10:00



LITTLE ROCK, Ark. (September 3, 2026) – The U.S. Department of Labor has approved Arkansas' Workforce Innovation and Opportunity Act (WIOA) State Plan, supporting the state's continued efforts to strengthen workforce development, expand career opportunities for Arkansans, and help employers meet their workforce needs.

The Combined WIOA-Perkins State Plan is the first combined plan in the state's history, and it establishes Arkansas' vision and strategies for delivering workforce services and coordinating programs that help individuals prepare for and succeed in the workforce. The plan brings together key workforce and education partners to create a more connected and effective workforce system.

"Arkansas taxpayers deserve a workforce system that spends its money on people, not paperwork," **said Governor Sanders**. "By consolidating ten boards into one statewide system, we are moving millions of dollars out of overhead and into training and serving hundreds more Arkansans every year. This is what conservative government looks like: less paperwork; better results."

The plan provides a framework for strengthening coordination among workforce partners and ensuring programs and services are aligned with the needs of Arkansas workers and employers. Through continued collaboration across the workforce system, Arkansas will work to improve access to training, employment services, and career opportunities while supporting businesses as they build and grow their workforce.

"The approval of our WIOA State Plan is a major turning point for Arkansas, enabling the state to modernize our workforce development efforts to better meet the needs of Arkansans and industry partners," **said Secretary of Commerce Hugh McDonald**. "We are committed to delivering results to prepare Arkansans for the workforce and to help businesses thrive, and the new State Plan provides the framework that will guide us to future success."

As part of the new plan, Arkansas will transition to a single statewide planning area, with the Arkansas Workforce Development Board carrying out the functions of local workforce development boards while Arkansas Workforce Connections carries out service delivery provisions through an integrated staffing model, creating a “No Wrong Door” service approach. This will modernize the state’s workforce system, reduce administrative and overhead costs, and remove unnecessary risk from local governments. Arkansas is expected to redirect approximately $6 million from duplicative operating and overhead expenses to direct services for Arkansans and employers.

“Arkansas is committed to building a workforce system that connects people to opportunity and gives employers access to the talent they need,” **said Cody Waits, Executive Director of Arkansas Workforce Connections.** “This plan strengthens our ability to work together across the state, respond to the needs of employers and communities, and help more Arkansans prepare for and succeed in meaningful careers.”

Arkansas Workforce Connections, a division of the Arkansas Department of Commerce, will work with workforce partners across the state to implement the approved plan and continue strengthening Arkansas’ workforce system with an anticipated implementation date of July 1, 2027. Workforce Connections will also work in partnership with employers and industry association partners to create and stand up business workforce councils across the state, ensuring that employers have a voice in the workforce system and that the state is delivering services and funding to the career pathways that benefit Arkansas businesses.

The approval represents another step in Arkansas’ efforts to build a workforce system that is more coordinated, flexible, and responsive to the needs of Arkansas employers, communities, and workers. Implementation of the plan will continue through collaboration with workforce, education, and partners across the state. You may read Arkansas’ draft WIOA Combined State Plan modification here.

Contacts



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Communications & Media Relations
Arkansas Department of Commerce
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zoe.dell@arkansas.gov

About The Arkansas Department of Commerce
The mission of the Arkansas Department of Commerce is to champion the economic health of every Arkansas citizen and business. Its divisions and regulatory boards include the Waterways Commission, Economic Development Commission, Division of Aeronautics, Workforce Connections, Division of Reemployment, State Bank Department, Insurance Department, Securities Department, and Development Finance Authority.

U.S. Department of Labor

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

August 26, 2026

The Honorable Sarah Huckabee Sanders
Governor of Arkansas
500 Woodlane Street
Little Rock, AR 72201

Dear Governor Sanders:

Thank you for your waiver request submission to the U.S. Department of Labor (Department) regarding certain 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 requests were received on April 29, 2026, as part of your recent WIOA State Plan modification submission. This letter provides the Employment and Training Administration's (ETA) official response to your request and memorializes that Arkansas will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Arkansas and ETA. This action is taken under the Secretary of Labor'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 of the requirements outlined in WIOA Section 107(b), to allow a state workforce development board to carry out the roles and responsibilities of a local board.

ETA Response: ETA approves, through June 30, 2028, the State's request for a waiver to allow the state board to carry out the roles of the local workforce development boards in the State. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the State's ability to implement its plan to improve the workforce development system.

The State provided a strong rationale for this waiver. Specifically, ETA acknowledges that the request:

- Demonstrates early and consistent stakeholder engagement;
- Establishes a structured 10-month transition process; and
- Provides clear, measurable programmatic outcomes, including an anticipated $6 million dollars redirected from administrative costs to direct participant services resulting in an additional 200 participants served, a centrally-directed business outreach strategy through Arkansas Industry Connect, and a more seamless integration of WIOA Title I and Wagner-Peyser Employment Services.

Under this waiver, the Governor may designate the state board to carry out the roles and responsibilities of the local boards in the state. In implementing this waiver, the State must:

- Continue to solicit local input into its activities;
- Allocate funding by formula to the local areas for which the state board is carrying out local board functions; and

- Carry out all other required local board roles and responsibilities described in WIOA Section 107(d).

The State's request indicates that Arkansas is currently in the planning phase with the chairman of the state board to establish a board transition committee and that the State intends to develop additional policies to support this waiver. Prior to implementation of the waiver, ETA requests any additional planning milestones developed by the transition committee, as well as any subsequent policies that would provide additional details on how the State intends to execute the waiver.

Arkansas also requested a waiver related to a specific local workforce development board function that it is seeking to carry out at the state level. ETA has determined that, given the approval of this waiver to allow a state workforce development board to carry out the roles and responsibilities of a local board, that the following waiver is unnecessary for each local area in which the state board is assuming the role of the local board:

- Waiver of the requirements at WIOA Section 106(c) and 20 CFR 679.510 and WIOA Section 106(a)(2) and 20 CFR 679.210 to allow the combined state plan to act as a regional planning framework.

Requested Waiver: Waiver of the reallocation provisions at WIOA Sections 128(c)(3) and 133(c)(3) to allow the state workforce development board to develop different criteria than required by statute for the reallocation of recaptured funds among local workforce areas.

ETA Response: ETA approves, through June 30, 2028, Arkansas' request to waive the reallocation provisions at WIOA Sections 128(c)(3) and 133(c)(3). Arkansas may reallocate recaptured funds according to State-developed criteria. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede its ability to implement its plan to improve the workforce development system. Under this waiver, Arkansas has the discretion to consider additional factors described in its waiver plan in determining local workforce development area eligibility for reallocation of recaptured funds.

Requested Waiver: Waiver associated with the requirement at WIOA Section 121(e) and 20 CFR 678.300(c) to establish and maintain a comprehensive American Job Center (AJC) in each of the State's local workforce development areas.

ETA Response: ETA approves, through June 30, 2028, the State's request to waive the requirement that each local area maintain a comprehensive AJC. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of the State to implement its plan to improve the workforce development system. As the State implements this waiver, the State must inform ETA when a comprehensive AJC is transitioned to an affiliate site.

Requested Waiver: Waiver of the requirements at 20 CFR 680.210(c), 680.230, and 680.910 to allow local workforce development boards discretion in demonstrating the availability of other resources and the sufficiency of those resources to meet a participant's needs before using WIOA

funds for training and supportive services for WIOA-eligible Adults and Dislocated Workers, and to permit participants to self-attest when no additional grant assistance is accessible or sufficient.

ETA Response: ETA approves, through June 30, 2028, the State's request for the discretion to use WIOA Adult and Dislocated Worker funds before establishing that other grant assistance is not available or is insufficient to meet a participant's needs. In implementing this waiver, the State must develop a policy outlining when the WIOA-first funding approach is appropriate and must monitor to prevent the unnecessary substitution of WIOA funds when other sources such as State-funded training funds, Trade Adjustment Assistance (TAA), and Federal Pell Grants are available and sufficient. ETA reviewed the State's waiver request and plan and determined that the requirements requested to be waived impede the ability of the State to implement its plan to improve the workforce development system.

Requested Waiver: Waiver of the state workforce development board membership requirements at WIOA Section 101(b)(1) and (c) and the corresponding regulations at 20 CFR 679.110(b)-(c).

ETA Response: The State is requesting a waiver to substitute the WIOA state board membership requirements with alternate requirements. The State affirms that this waiver will streamline board size, increase coordination between employers and state government, and improve board accountability. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of the State to implement its plan to improve the workforce development system. Therefore, ETA approves this waiver through June 30, 2028, with a condition. The State must include quantifiable projected outcomes and a projected structure of which membership categories will be seated on the board.

Requested Waiver: Waiver of the requirement that local youth programs make available each of the 14 youth programs elements required under WIOA Section 129(c)(2).

ETA Response: ETA approves, for PYs 2026 and 2027, the State's request to waive the requirement that local youth programs make available each of the 14 youth program elements listed in WIOA Section 129(c)(2) and 20 CFR 681.460. Under this approval, local areas are not required to make available all 14 program elements. ETA reviewed the State's request and plan and determined that the requirements requested to be waived impede the State's ability to implement its plan to improve youth workforce development service delivery.

The State is reminded that WIOA Title I waivers may not be used for any discriminatory purposes. All activities and waiver plan provisions must comply with Section 188 of WIOA, the implementing regulations at 29 CFR Part 38, and all applicable federal nondiscrimination laws.

The State must report its waiver outcomes and implementation of the approved waivers 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,



Marek Laco
Acting Assistant Secretary

Enclosures

cc: Cody R. Waits, Executive Director, Arkansas Department of Commerce
M. Frank Stluka, Dallas Acting Regional Administrator, ETA
Monica Moguel, Federal Project Officer, ETA

WIOA Waiver Implementation Timeline

Consolidating local board functions under the Arkansas Workforce Development Board

ARKANSAS WORKFORCE CONNECTIONS | Arkansas Department of Commerce

PREPARED FOR
Arkansas Workforce Development Board
Issued September 9, 2026

JULY 1, 2027	9 MILESTONES	~10 MONTHS	AUG 31, 2027
Statewide go-live	**Across four workstreams**	**Preparation runway**	**Closeout complete**
Full implementation of all approved waivers, or sooner	Policy, training, legislation, monitoring and closeout	From planning underway now to go-live readiness	45-day liquidation period, then funds recaptured

IMPLEMENTATION SEQUENCE

KEY: UNDERWAY | PLANNED | LEGISLATIVE / EXTERNAL GATE | GO-LIVE & CLOSEOUT

NOW
Aug 2026

GOVERNANCE UNDERWAY — AWDB chairman | AWC state staff

Transition and implementation committee stood up

Arkansas Workforce Connections is in planning phases with the chairman of the Arkansas Workforce Development Board to seat a transition and implementation committee of the state board. The committee will work with state staff to map the timelines and activities needed to implement all waivers by July 1, 2027 or sooner.

OCT 31
2026

POLICY PLANNED — AWC policy unit | AWDB

State policy revisions adopted by the Arkansas Workforce Development Board

State policies are under review now for proposed revision in anticipation of approval. Once the Department of Labor acts, revisions go to the state board for review and approval. Scope includes terms previously defined by local boards.

DEC 31
2026

TRAINING PLANNED — AWC | AWDB members

State board members trained on assumed local board duties

Training outlines the added responsibilities the state board assumes acting in the capacity of local workforce development boards. Topics may include budget approval, convening local workforce system stakeholders, promising service delivery strategies for both jobseekers and employers, oversight responsibilities, MOU and IFA negotiations, and center certification.

JAN
2027

LEGISLATIVE GATE — AWC | General Assembly

Legislative session convenes; proposed legislation available

Legislation is being drafted now to confirm that no state statute would challenge implementation of the waiver as it concerns the designation and duties of the state workforce development board. The next session of the Arkansas General Assembly begins in January 2027, and the proposal is available for consideration upon commencement.

MAR 31
2027

LEGISLATIVE GATE — General Assembly | AWC

Statutory conformity secured and staffing authority approved

Target completion for the legislation, which may include an emergency clause to take effect immediately. In parallel, Arkansas Workforce Connections will seek approval to hire the additional staff required for adequate service delivery coverage in all local areas statewide.

MAR 31 2027

MONITORING PLANNED, CONCURRENT — AWC monitoring unit

Closeout monitoring engagements resolved for every local area

Running simultaneously with the tracks above, the AWC monitoring unit conducts in-depth closeout monitoring of every local workforce development area. Each engagement covers, at minimum, a programmatic review of all active participant case files and all work experience work sites, a financial review of a sample of expenditures, and reconciliation of financial reports.

JUN 30 2027

STAFFING PLANNED — AWC human resources | regional teams

Local staff hired and trained for a no-gap transition

Assuming the milestones above are met, Arkansas Workforce Connections hires and trains additional local staff to ensure adequate coverage and a seamless transition with no gap in service delivery. AWC aims to recruit a portion of existing local board staff who are well qualified to provide case management services in their respective regions.

JUL 1 2027

GO-LIVE GO-LIVE — Statewide | AWDB and AWC

Statewide implementation of all approved waivers

The consolidated service delivery model takes effect statewide, with the Arkansas Workforce Development Board carrying the functions previously held by local workforce development boards.

AUG 31 2027

CLOSEOUT CLOSEOUT — AWC grants management

Subaward closeout completed and residual funds recaptured

Subaward closeout is initiated with a 45-day period for local workforce development areas to liquidate outstanding obligations. On completion of the closeout process, all remaining funds are recaptured.

GOALS, SUPPORTING POLICIES AND OPEN DEPENDENCIES

Goals the waiver is intended to achieve

- Implement all approved waivers statewide by July 1, 2027 or sooner.
- Transition service delivery with no gap in coverage for jobseekers or employers.
- Maintain adequate service delivery coverage in every local area statewide.
- Retain regional expertise by recruiting qualified existing local board staff into AWC case management roles.
- Close out every local area cleanly, with obligations liquidated and residual funds recaptured.

Policies and instruments to be established

- State definitions replacing local board definitions, including “requires additional assistance.”
- Supportive services, referral and ITA limitation policies.
- State board procedures for budget approval and oversight.
- MOU and infrastructure funding agreement negotiation practice.
- One-stop center certification process.
- Stakeholder convening model for local workforce and industry groups.

Dependencies and items still to be supplied

- Enactment during the session that convenes January 2027, possibly with an emergency clause.
- Approval of additional AWC staff positions.

FEDERAL AUTHORITY AND CONSTRAINTS

General waiver authority: WIOA sec. 189(i)(3); 20 CFR 679.600 through 679.620. The Secretary issues a decision within 90 days of receiving the original request, and a waiver may be approved for no longer than the duration of the state's existing Unified or Combined State Plan (20 CFR 679.620(e), (g)).

Waiver Requested	Purpose	Issue / Problem It Addresses
State Workforce Board Functions as Local Workforce Development Board *(Implement July 1, 2027)*	Allows the Governor to designate the Arkansas Workforce Development Board to carry out the roles and responsibilities of the local boards for the purpose of operating as a single statewide planning area in accordance with 20 CFR 679.310(f).	Ten separate local boards create fragmentation, duplicated administration, uneven capacity, and slowed decision-making. A statewide board streamlines governance and improves accountability. Arkansas's proposal will generate substantial and measurable improvements in service delivery and fiscal efficiency redirecting approximately $6M annually from duplicative operating and administrative structure expenses to direct participant services.
State Plan Serving as Regional Plan *(Implement July 1, 2027)*	Permits the WIOA Combined State Plan to also function as the regional plan, consistent with Arkansas' move to a single planning region.	Separate state, regional and local plans are duplicative and unnecessary in a single planning area model. This waiver reduces paperwork and aligns planning with the new governance and operation structure, while still maintaining unique regional data within the state plan.
State Workforce Board Composition Flexibility *(Implement July 1, 2027)*	Allows the state to change the structure and operation of the state board to streamline overall state board membership and better address the employment and skills needs of the state.	Prioritizes employer-driven representation addressing the lack of industry insight needed to align workforce strategies with real labor-market demand.
Reallocation of Funds Across Local Workforce Areas *(Implement September 9, 2026)*	Provides flexibility in redistributing funds among workforce areas, only if funds are unspent or unobligated.	Arkansas will continue to use a formula funding methodology to allocate funds to ten local workforce development areas. This waiver gives the state the flexibility to shift resources where they are most needed, addressing the persistent issue of uneven demand and funding imbalances that limit timely responsiveness to employer and jobseeker needs.

Waiver Requested	Purpose	Issue / Problem It Addresses
WIOA Training & Supportive Services Dollars- Last Dollar Flexibility *(Implement September 9, 2026)*	Allow WIOA Title I programs to fund training/supportive services without first verifying whether participants can obtain other grant assistance (e.g., Pell).	The required verification process creates delays, administrative burden, and barriers for participants needing rapid enrollment in training or supportive services. Removes barriers for low-income participants, and reduce complexity of funding provisions.
Network of Affiliate Workforce Centers in lieu of required Comprehensive Centers *(Implement September 9, 2026)*	Allows Arkansas to leverage virtual and remote services as well as utilize a robust network of affiliated sites that leverage strategic co-location with partners to minimize infrastructure costs while maximizing reach.	Reduces the financial and administrative burden on the partners required to support the infrastructure costs of (at least one) comprehensive centers in each of the ten workforce development areas.
14 Youth Program Elements *(Implement September 9, 2026)*	Enables increased flexibility in providing the services most needed. Allows Arkansas to focus on work-based learning and occupational skills training opportunities while remaining agile and responsive to emerging needs.	Eliminates the one-size-fits-all rigid requirement to establish separate MOUs with a network of multiple providers who may not necessarily offer services and resources needed by youth. Allows Arkansas to prioritize activities that most effectively engage and support youth.
Renewal- Waiver to Reduce Out-of-School Youth (OSY) Expenditure Requirement Below 75% *(Pending- Implement immediately once approved)*	Provide flexibility to invest more in in-school youth populations, targeting career pathways aligned with Perkins V.	The 75% OSY requirement restricts Arkansas' ability to support early career exposure, dual credit, and CTE-aligned pathways.
Renewal- Individual Training Accounts (ITAs) for In-School Youth *(Pending- Implement immediately once approved)*	Expands access to employer- aligned training options and funding to support youth enrolled in traditional educational programs.	Current WIOA regulations limit the use of ITAs for participants enrolled as in-school-youth.

FUNCTIONS OF STATE BOARD & LOCAL WORKFORCE BOARD

20 CFR § 679.130 What are the functions of the State Workforce Development Board?

Under WIOA sec. 101(d), the State WDB must assist the Governor in the:

(a) Development, implementation, and modification of the 4-year State Plan;

(b) Review of statewide policies, programs, and recommendations on actions that must be taken by the State to align workforce development programs to support a comprehensive and streamlined workforce development system. Such review of policies, programs, and recommendations must include a review and provision of comments on the State Plans, if any, for programs and activities of one-stop partners that are not core programs;

(c) Development and continuous improvement of the workforce development system, including—

(1) Identification of barriers and means for removing barriers to better coordinate, align, and avoid duplication among programs and activities;

(2) Development of strategies to support career pathways for the purpose of providing individuals, including low-skilled adults, youth, and individuals with barriers to employment, including individuals with disabilities, with workforce investment activities, education, and supportive services to enter or retain employment;

(3) Development of strategies to provide effective outreach to and improved access for individuals and employers who could benefit from workforce development system;

(4) Development and expansion of strategies to meet the needs of employers, workers, and job seekers particularly through industry or sector partnerships related to in-demand industry sectors and occupations;

(5) Identification of regions, including planning regions for the purposes of WIOA sec. 106(a), and the designation of local areas under WIOA sec. 106, after consultation with Local WDBs and chief elected officials;

(6) Development and continuous improvement of the one-stop delivery system in local areas, including providing assistance to Local WDBs, one-stop operators, one-stop partners, and providers. Such assistance includes assistance with planning and delivering services, including training and supportive services, to support effective delivery of services to workers, job seekers, and employers; and

(7) Development of strategies to support staff training and awareness across the workforce development system and its programs;

(d) Development and updating of comprehensive State performance and accountability measures to assess core program effectiveness under WIOA sec. 116(b);

(e) Identification and dissemination of information on best practices, including best practices for—

(1) The effective operation of one-stop centers, relating to the use of business outreach, partnerships, and service delivery strategies, including strategies for serving individuals with barriers to employment;

(2) The development of effective Local WDBs, which may include information on factors that contribute to enabling Local WDBs to exceed negotiated local levels of performance, sustain fiscal integrity, and achieve other measures of effectiveness; and

(3) Effective training programs that respond to real-time labor market analysis, that effectively use direct assessment and prior learning assessment to measure an individual's prior knowledge, skills, competencies, and experiences for adaptability, to support efficient placement into employment or career pathways;

(f) Development and review of statewide policies affecting the coordinated provision of services through the State's one-stop delivery system described in WIOA sec. 121(e), including the development of—

(1) Objective criteria and procedures for use by Local WDBs in assessing the effectiveness, physical and programmatic accessibility and continuous improvement of one-stop centers. Where a Local WDB serves as the one-stop operator, the State WDB must use such criteria to assess and certify the one-stop center;

(2) Guidance for the allocation of one-stop center infrastructure funds under WIOA sec. 121(h); and

(3) Policies relating to the appropriate roles and contributions of entities carrying out one-stop partner programs within the one-stop delivery system, including approaches to facilitating equitable and efficient cost allocation in the system;

(g) Development of strategies for technological improvements to facilitate access to, and improve the quality of services and activities provided through the one-stop delivery system, including such improvements to—

(1) Enhance digital literacy skills (as defined in sec. 202 of the Museum and Library Service Act, 20 U.S.C. 9101);

(2) Accelerate acquisition of skills and recognized postsecondary credentials by participants;

(3) Strengthen professional development of providers and workforce professionals; and

(4) Ensure technology is accessible to individuals with disabilities and individuals residing in remote areas;

(h) Development of strategies for aligning technology and data systems across one-stop partner programs to enhance service delivery and improve efficiencies in reporting on performance accountability measures, including design implementation of common intake, data collection, case management information, and performance accountability measurement and reporting processes and the incorporation of local input into such design and implementation to improve coordination of services across one-stop partner programs;

(i) Development of allocation formulas for the distribution of funds for employment and training activities for adults and youth workforce investment activities, to local areas as permitted under WIOA secs. 128(b)(3) and 133(b)(3);

(j) Preparation of the annual reports described in paragraphs (1) and (2) of WIOA sec. 116(d);

(k) Development of the statewide workforce and labor market information system described in sec. 15(e) of the Wagner-Peyser Act; and

(l) Development of other policies as may promote statewide objectives for and enhance the performance of the workforce development system in the State.

20 CFR § 679.370 What are the functions of the Local Workforce Development Board?

As provided in WIOA sec. 107(d), the Local WDB must:

(a) Develop and submit a 4-year local plan for the local area, in partnership with the chief elected official and consistent with WIOA sec. 108;

(b) If the local area is part of a planning region that includes other local areas, develop and submit a regional plan in collaboration with other local areas. If the local area is part of a planning region, the local plan must be submitted as a part of the regional plan;

(c) Conduct workforce research and regional labor market analysis to include:

(1) Analyses and regular updates of economic conditions, needed knowledge and skills, workforce, and workforce development (including education and training) activities to include an analysis of the strengths and weaknesses (including the capacity to provide) of such services to address the identified education and skill needs of the workforce and the employment needs of employers;

(2) Assistance to the Governor in developing the statewide workforce and labor market information system under the Wagner-Peyser Act for the region; and

(3) Other research, data collection, and analysis related to the workforce needs of the regional economy as the WDB, after receiving input from a wide array of stakeholders, determines to be necessary to carry out its functions;

(d) Convene local workforce development system stakeholders to assist in the development of the local plan under § 679.550 and in identifying non-Federal expertise and resources to leverage support for workforce development activities. Such stakeholders may assist the Local WDB and standing committees in carrying out convening, brokering, and leveraging functions at the direction of the Local WDB;

(e) Lead efforts to engage with a diverse range of employers and other entities in the region in order to:

(1) Promote business representation (particularly representatives with optimum policy-making or hiring authority from employers whose employment opportunities reflect existing and emerging employment opportunities in the region) on the Local WDB;

(2) Develop effective linkages (including the use of intermediaries) with employers in the region to support employer utilization of the local workforce development system and to support local workforce investment activities;

(3) Ensure that workforce investment activities meet the needs of employers and support economic growth in the region by enhancing communication, coordination, and collaboration among employers, economic development entities, and service providers; and

(4) Develop and implement proven or promising strategies for meeting the employment and skill needs of workers and employers (such as the establishment of industry and sector partnerships), that provide the skilled workforce needed by employers in the region, and that expand employment and career advancement opportunities for workforce development system participants in in-demand industry sectors or occupations;

(f) With representatives of secondary and postsecondary education programs, lead efforts to develop and implement career pathways within the local area by aligning the employment, training, education, and supportive services that are needed by adults and youth, particularly individuals with barriers to employment;

(g) Lead efforts in the local area to identify and promote proven and promising strategies and initiatives for meeting the needs of employers, workers and job seekers, and identify and disseminate information on proven and promising practices carried out in other local areas for meeting such needs;

(h) Develop strategies for using technology to maximize the accessibility and effectiveness of the local workforce development system for employers, and workers and job seekers, by:

(1) Facilitating connections among the intake and case management information systems of the one-stop partner programs to support a comprehensive workforce development system in the local area;

(2) Facilitating access to services provided through the one-stop delivery system involved, including access in remote areas;

(3) Identifying strategies for better meeting the needs of individuals with barriers to employment, including strategies that augment traditional service delivery, and increase access to services and programs of the one-stop delivery system, such as improving digital literacy skills; and

(4) Leveraging resources and capacity within the local workforce development system, including resources and capacity for services for individuals with barriers to employment;

(i) In partnership with the chief elected official for the local area:

(1) Conduct oversight of youth workforce investment activities authorized under WIOA sec. 129(c), adult and dislocated worker employment and training activities under WIOA secs. 134(c) and (d), and the entire one-stop delivery system in the local area;

(2) Ensure the appropriate use and management of the funds provided under WIOA subtitle B for the youth, adult, and dislocated worker activities and one-stop delivery system in the local area; and

(3) Ensure the appropriate use management, and investment of funds to maximize performance outcomes under WIOA sec. 116;

(j) Negotiate and reach agreement on local performance indicators with the chief elected official and the Governor;

(k) Negotiate with CEO and required partners on the methods for funding the infrastructure costs of one-stop centers in the local area in accordance with § 678.715 of this chapter or must notify the Governor if they fail to reach agreement at the local level and will use a State infrastructure funding mechanism;

(l) Select the following providers in the local area, and where appropriate terminate such providers in accordance with 2 CFR part 200:

(1) Providers of youth workforce investment activities through competitive grants or contracts based on the recommendations of the youth standing committee (if such a committee is established); however, if the Local WDB determines there is an insufficient number of eligible training providers in a local area, the Local WDB may award contracts on a sole-source basis as per the provisions at WIOA sec. 123(b);

(2) Providers of training services consistent with the criteria and information requirements established by the Governor and WIOA sec. 122;

(3) Providers of career services through the award of contracts, if the one-stop operator does not provide such services; and

(4) One-stop operators in accordance with §§ 678.600 through 678.635 of this chapter;

(m) In accordance with WIOA sec. 107(d)(10)(E) work with the State to ensure there are sufficient numbers and types of providers of career services and training services serving the local area and

providing the services in a manner that maximizes consumer choice, as well as providing opportunities that lead to competitive integrated employment for individuals with disabilities;

(n) Coordinate activities with education and training providers in the local area, including:

(1) Reviewing applications to provide adult education and literacy activities under WIOA title II for the local area to determine whether such applications are consistent with the local plan;

(2) Making recommendations to the eligible agency to promote alignment with such plan; and

(3) Replicating and implementing cooperative agreements to enhance the provision of services to individuals with disabilities and other individuals, such as cross training of staff, technical assistance, use and sharing of information, cooperative efforts with employers, and other efforts at cooperation, collaboration, and coordination;

(o) Develop a budget for the activities of the Local WDB, with approval of the chief elected official and consistent with the local plan and the duties of the Local WDB;

(p) Assess, on an annual basis, the physical and programmatic accessibility of all one-stop centers in the local area, in accordance with WIOA sec. 188, if applicable, and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 *et seq.*); and

(q) Certification of one-stop centers in accordance with § 678.800 of this chapter.

Agenda Item 5: ACTION

Waiver Interim Program Policies

Hugh McDonald
SECRETARY OF COMMERCE

Cody Waits
EXECUTIVE DIRECTOR OF WORKFORCE CONNECTIONS

ARKANSAS WORKFORCE CONNECTIONS
ISSUANCE NUMBER PY 26-XX

September 9, 2026

FROM: Arkansas Workforce Development Board
Cody Waits, Executive Director – Arkansas Workforce Connections
Eddie Thomas, Director – Office of Employment & Training

TO: Local Workforce Development Boards, Chief Elected Officials & Service Providers

SUBJECT: Reallocation of Recaptured Local Formula Funds Under Approved Waiver

Purpose

This issuance states Arkansas policy for the recapture and reallocation of Workforce Innovation and Opportunity Act (WIOA) Title I adult, dislocated worker, and youth formula funds among local workforce development areas. It implements the waiver of WIOA sections 128(c)(3) and 133(c)(3) approved by the U.S. Department of Labor for Program Years 2026 and 2027. It replaces the reallocation eligibility provisions of Issuance PY 22-07 and takes effect immediately.

Background

Arkansas requested this waiver as part of the PY 2026-2027 WIOA Combined State Plan modification under the Secretary of Labor's waiver authority at WIOA section 189(i)(3)(A) and 20 CFR 679.600. The waiver was approved.

Before the waiver, 20 CFR 683.140(c) allowed a local area to receive reallocated funds if it had obligated at least 80 percent of the prior program year's allocation for that funding stream, and required the Governor to reallocate under the formula provisions of WIOA sections 128(c) and 133(c). The waiver does not change how much money is recaptured; it changes how the recaptured money is redistributed.

What Is Waived and What Is Not

Waived

- WIOA section 128(c)(3) and WIOA section 133(c)(3), and the corresponding reallocation eligibility and distribution provisions at 20 CFR 683.140(a) and (c), to the extent they require Arkansas to distribute recaptured funds to every eligible local area according to the statutory formula.

Not waived and still in full effect

- The recapture calculation at 20 CFR 683.140(b). The amount recaptured from a local area is still the amount by which the prior year's unobligated balance of allocated funds exceeds 20 percent of that year's allocation for the program, less any amount reserved for administration, up to 10 percent. The amount is determined separately for each funding stream, and unobligated balances are determined on allocations adjusted for any allowable transfer between funding streams.
- The definition of obligation at 2 CFR 200.71.

- All Uniform Guidance requirements at 2 CFR part 200 governing the use, obligation, and liquidation of reallocated funds.
- The period of performance of the underlying grant. Reallocated funds carry the availability period of the program year from which they came.

Effective Date and Duration

This issuance is effective immediately and applies to every determination made while it remains in force. It remains in effect through June 30, 2028, and may be extended if the waiver is renewed.

Policy

A. Recapture determination

Arkansas Workforce Connections (AWC) determines the recapture amount for each local area, separately by funding stream, using the calculation at 20 CFR 683.140(b) described above. AWC will notify any affected local area in writing of the recapture determination. A local area may request reconsideration within ten (10) business days of the determination, in writing, and must identify the specific figures it disputes.

B. Threshold eligibility to receive reallocated funds

A local area remains ineligible to receive reallocated funds in a funding stream unless it obligated at least 80 percent of the prior program year's allocation for that funding stream, less any amount reserved for administration, up to 10 percent. Eligibility is determined separately for each funding stream. This threshold is retained as a matter of state policy under the waiver.

C. Application required

Meeting the 80 percent threshold no longer entitles a local area to a share of recaptured funds. A local area that would like to be considered for reallocated funds must apply. AWC will announce each reallocation cycle in writing and allow no fewer than fifteen (15) business days for applications. An application must contain all of the following:

1. The amount requested, stated separately by funding stream.
2. Demonstrated need for the additional funds, and the specific target population(s) the funds will serve.
3. Demonstrated capacity to expend the additional funds within the period of performance. The application must state current obligation and expenditure rates by funding stream, current and projected participant counts, and staffing available to serve the additional participants.
4. Alignment with Arkansas economic priorities, identified by industry. The application must name the target sector or sectors and connect the request to them. Priority sectors currently include advanced manufacturing, construction, healthcare, energy, and information technology.
5. Performance in the current and the prior program year against negotiated levels for each affected indicator.
6. A line item budget for the requested funds, showing the amount to be spent on training, supportive services, and any other cost category, and identifying the administrative cost, if any.
7. A signed certification by the local board director and the chief elected official or designee that the funds will be obligated within the period of performance and that the local area is not requesting funds for costs already covered by another source.

D. Review and award

AWC will review each application against the criteria in section C. AWC will also consider the local area's history of spending capacity and current economic conditions in the area, including announced or anticipated mass layoffs and known employer expansions. AWC may award all, part, or none of the requested amount. AWC may award funds to fewer than all applicants. AWC may decline to reallocate in a funding stream if no application demonstrates need and capacity, in which case the recaptured funds remain available for statewide activities as permitted by federal law.

AWC will issue a written award or denial to each applicant, stating the basis for the decision. AWC will provide the Arkansas Workforce Development Board with a summary of each reallocation cycle, including amounts recaptured, applications received, awards made, and the reason for any denial.

E. Conditions on reallocated funds

Reallocated funds will be awarded for the purposes stated in the approved line item budget. A local area must obtain written AWC approval before moving more than 10 percent of an awarded amount between cost categories. Reallocated funds may not be used to supplant funds already budgeted for the same activity.

F. Monitoring and recovery

A local area receiving reallocated funds must report obligations and expenditures in accordance with the existing system, on the schedule and form AWC prescribes. AWC will review these reports to determine whether the area is on pace to fully expend the award within the period of performance.

If a local area is not on pace, AWC will notify the area in writing and require a corrective action plan within fifteen (15) business days. The plan must state how the area will expend the remaining funds and by when. AWC will provide technical assistance upon request.

Funds not expended by the end of the second, or redistribution, year of the award will be recaptured to statewide funds and expended by the state in the third year of the award.

Local Board Action Required

1. Review any local policy governing recapture, reallocation, or receipt of additional formula funds. Where a local policy conflicts with this issuance, this issuance controls. Conform the local policy within thirty (30) days of the date of this issuance.
2. Ensure the fiscal agent can produce obligation and expenditure figures by funding stream on demand.
3. Distribute this issuance to board members, the chief elected official, fiscal staff, and any subrecipient whose budget could be affected.

Policies Superseded or Affected

- Issuance PY 22-07 is amended in accordance with this issuance.
- Any local board policy on reallocation is superseded to the extent of conflict.

Inquiries

WIOATA@arkansas.gov

Expiration Date

June 30, 2028, unless earlier superseded as described under Effective Date and Duration.

Hugh McDonald
SECRETARY OF COMMERCE

Cody Waits
EXECUTIVE DIRECTOR OF WORKFORCE CONNECTIONS

ARKANSAS WORKFORCE CONNECTIONS
ISSUANCE NUMBER PY 26-XX

September 9, 2026

FROM: Arkansas Workforce Development Board
Cody Waits, Executive Director – Arkansas Workforce Connections
Eddie Thomas, Director – Office of Employment & Training

TO: Local Workforce Development Boards, Chief Elected Officials & Service Providers

SUBJECT: Network of Affiliate Sites in Lieu of a Comprehensive Center Under Approved Waiver

Purpose

This issuance states Arkansas policy for the structure of the one-stop delivery system in each local workforce development area. It implements the waiver of WIOA section 121(e)(1) and 20 CFR 678.300(c) approved by the U.S. Department of Labor for Program Years 2026 and 2027. Under that waiver a local area may meet its one-stop delivery obligation through a network of affiliate sites, partner-embedded access points, mobile units, and virtual channels rather than through at least one comprehensive physical center. This issuance takes effect immediately.

Background

Under 20 CFR 678.300(c), the one-stop delivery system "must include at least one comprehensive physical center in each local area as described in § 678.305." Arkansas requested relief from that requirement because of falling foot traffic at fixed centers, rising property costs, the difficulty of finding rural real estate that can house all required partners in one location, and the success of the CONNECT virtual employment services hotline and the LAUNCH online labor exchange platform.

What Is Waived and What Is Not

Waived

- WIOA section 121(e) and 20 CFR 678.300(c) are waived, to the extent they require at least one comprehensive physical center in each local workforce development area. A local area may instead deliver required services through a network of affiliate sites described in this issuance.

Not waived and still in full effect

- Physical and programmatic accessibility for individuals with disabilities at every site, under WIOA section 188 and 29 CFR part 38, including 20 CFR 678.310(d).
- The affiliate site requirements at 20 CFR 678.310, including subsection (b). Wagner-Peyser Act employment services cannot be a stand-alone affiliated site, as described in 20 CFR 678.315.
- The requirement that required partner programs provide access to programs, services, and activities through electronic means where applicable and practicable, and that electronic delivery comply with WIOA section 188 and 29 CFR part 38 [20 CFR 678.300(e)].

- The obligation of each required one-stop partner to make its applicable career services available and to contribute to infrastructure costs in comprehensive centers [WIOA sec. 121(b); 20 CFR 678.400 through 678.435].
- The memorandum of understanding (MOU) and infrastructure funding agreement (IFA) requirements at 20 CFR 678.500 through 678.510 and 678.700 through 678.760. The design of the local area's one-stop delivery system must be described in the MOU [20 CFR 678.300(f)].
- One-stop certification under WIOA section 121(g) and 20 CFR 678.800. Every site in the network that is designated as an affiliate or comprehensive site must be certified.
- Priority of service, eligibility, performance accountability, and all program requirements. This waiver changes where services are delivered. It does not change what is delivered or to whom.

Effective Date and Duration

This issuance is effective immediately. It remains in effect through June 30, 2028, and may be extended if the waiver is renewed.

Policy

A. No center closes by operation of this issuance

This issuance does not close, consolidate, or decertify any existing Arkansas Workforce Center affiliated with the American Job Center network. Every comprehensive center operating on the date of this issuance continues to operate under its current certification unless or until the local board acts under section C below and Arkansas Workforce Connections (AWC) approves the change. AWC may also recommend changes to current certified locations for local board consideration. A local area that takes no action under this issuance continues under its current configuration with no further filing.

B. What the network must deliver

A local area operating without a comprehensive center must still make every required service available to every customer in the area. The network as a whole must provide:

1. All basic and individualized career services listed at 20 CFR 678.430.
2. Access to the programs, services, and activities of every required one-stop partner, whether by staff presence, cross-trained staff, direct linkage by technology, or scheduled staff rotation. Direct linkage means a real-time connection to a program staff member, not a brochure, a voicemail box, or an unstaffed phone line.
3. Wagner-Peyser Act employment services delivered from a site that also houses at least one other required partner program, consistent with 20 CFR 678.310(b) and 678.315.
4. Physical and programmatic accessibility at every physical site, and accessible electronic delivery, under 29 CFR part 38.

C. Service Access Plan required before conversion

A local board that intends to operate without a comprehensive center must submit a Service Access Plan to AWC at WIOA@arkansas.gov and receive written approval before the change takes effect. The plan must include:

1. A county-level coverage map showing every access point in the network and its type: affiliate site, partner-embedded site, specialized center, or scheduled mobile unit stop.
2. For each access point, the address, the days and hours of operation, the staff physically present, and the partner programs available there and by what method.
3. For each of the required one-stop partner programs, a statement of how a customer reaches that program from any access point in the network.
4. The agreed-upon mobile unit schedule, by location and frequency, for at least the next two quarters, if applicable.

5. An accessibility statement for each physical site and for the electronic channels, addressing 29 CFR part 38.
6. A description of how the local area will serve customers who lack broadband, a device, or the digital literacy to use virtual services.
7. The current MOU and infrastructure funding agreement, and a statement of what must be renegotiated and by when.
8. A budget comparison showing current infrastructure and facility cost and projected cost under the network, and identifying where the savings will be redirected.
9. A continuity plan showing that no customer loses access to a service during the transition, including how customers with open service plans at an affected site will be contacted and reassigned.
10. Documentation of consultation with the chief elected official and with each required partner, and any written objection received.

AWC will issue a decision on a Service Access Plan within thirty (30) days of submission. AWC may approve the plan, approve it with conditions, or deny it. A denial will state what is missing or inadequate.

D. Certification of sites

Every affiliate site in the network must be certified before it is open to the public as a place to receive workforce services. Certification uses the criteria adopted by the Arkansas Workforce Development Board under 20 CFR 678.800 as reflected in WIOA Title I-B Policy 6.4, Change 1. A partner location that is not currently in the American Job Center network, including an adult education center or a vocational rehabilitation office, may be certified as an affiliate site on the same criteria. A site that fails certification may not be listed as an access point.

E. Partner departure from a comprehensive center

When a required partner leaves a comprehensive center and the remaining partners cannot meet the comprehensive center standard at 20 CFR 678.305, the local board may convert the location to an affiliate site under this issuance rather than securing alternate provision of every required program at that location. The board must notify AWC in writing within fifteen (15) days of the partner's departure and submit or amend a Service Access Plan within sixty (60) days.

F. Memoranda of understanding and infrastructure funding agreements

A change in the configuration of the one-stop delivery system requires the local board to modify the MOU and the IFA with the required partners. The MOU must describe the network as it actually operates. Infrastructure cost contributions must be recalculated to reflect the sites that actually exist and the partners that actually use them. The local board must complete this negotiation within ninety (90) days of AWC approval of the Service Access Plan and provide the executed documents to AWC.

G. Branding and public notice

Every affiliate site must display the appropriate American Job Center branding. The local board must publish the full network, with locations, hours, and the mobile unit schedule (if applicable), on its public website and provide the same information to AWC for the statewide directory. Any change to a location, its hours, or the mobile schedule must be posted at least ten (10) business days in advance and, where a site closes, posted at that site.

Documentation and Monitoring

A local area operating under this issuance must report quarterly to AWC on:

- Program enrollments by access point and by county, with rural and urban breakout.
- Participant characteristics, sufficient to show whether service to individuals with barriers to employment is holding or improving.
- Time from first contact to first staff-assisted service.
- Infrastructure and facility costs, compared to the baseline in the approved Service Access Plan, and the actual

redirection of any savings.

- Customer satisfaction results, collected on an ongoing basis.
- Partner engagement, including referrals into and out of WIOA programs.

AWC will include the network configuration in its regular monitoring. AWC may require a local area to restore a physical access point, or to return to a comprehensive center configuration, if monitoring shows that access, enrollment, or service to a protected group has declined materially under the network model. Waiver outcomes will be reported in the Arkansas WIOA Annual Report as required by 20 CFR 679.620.

Local Board Action Required

1. Decide whether the local area intends to operate under this waiver. If a local board does not intend to convert any existing comprehensive centers to affiliate centers, send notification of that decision to WIOA@arkansas.gov.
2. A local board that intends to convert a center under this waiver must submit a Service Access Plan to WIOA@arkansas.gov under section C before making any change.
3. Review local policy on center certification, site designation, and hours of service, and conform it to this issuance within thirty (30) days.
4. Distribute this issuance to local board members, the chief elected official, one-stop operators, required partners, and center staff.

Policies Superseded or Affected

- Any local board policy requiring a comprehensive center in the local area is superseded to the extent of conflict.
- State policy on workforce center certification and affiliate sites is amended to the extent it requires a comprehensive physical center in every local area.

Inquiries

WIOATA@arkansas.gov

Attachments

Attachment A: Service Access Plan Template (to be issued)

Expiration Date

June 30, 2028, unless earlier superseded as described under Effective Date and Duration.

Hugh McDonald
SECRETARY OF COMMERCE

Cody Waits
EXECUTIVE DIRECTOR OF WORKFORCE CONNECTIONS

ARKANSAS WORKFORCE CONNECTIONS
ISSUANCE NUMBER PY 26-XX

September 9, 2026

FROM: Arkansas Workforce Development Board
Cody Waits, Executive Director – Arkansas Workforce Connections
Eddie Thomas, Director – Office of Employment & Training

TO: Local Workforce Development Boards, Chief Elected Officials & Service Providers

SUBJECT: Training and Supportive Services Funding Flexibility Under Approved Waiver

Purpose

This issuance states Arkansas policy for funding training services and supportive services for WIOA Title I adult, dislocated worker, and youth participants. It implements the waiver of WIOA section 134(c)(3)(B) and 20 CFR 680.210(c), 680.230, and 680.900 approved by the U.S. Department of Labor for Program Years 2026 and 2027. This issuance takes effect immediately.

Background

Federal law has limited WIOA training funds to participants who are unable to obtain grant assistance from other sources, or who need assistance beyond what those sources provide. Applying this rule required staff to collect documentation about other aid sources before WIOA funding could be utilized, which may have contributed to significant delays in the time it took for participants to start training.

What Is Waived and What Is Not

Waived

- WIOA section 134(c)(3)(B), which limits training services to participants who are unable to obtain grant assistance from other sources or who require assistance beyond that available from other sources.
- 20 CFR 680.210(c), to the same extent, as it applies the requirement to eligibility for training services.
- 20 CFR 680.230, governing coordination of WIOA training funds with other grant assistance, including the Pell Grant reimbursement mechanics at 680.230(c).
- 20 CFR 680.900, to the extent it conditions the funding of supportive services on those services not otherwise available from other sources.

Not waived and still in full effect

- The determination that training is appropriate for the participant under WIOA section 134(c)(3)(A). Staff must still determine, after an interview, evaluation or assessment, and career planning, that the participant is unlikely or unable to obtain or retain employment leading to self-sufficiency through career services alone, is in need of training to obtain or retain such employment, and has the skills and qualifications to participate successfully in the selected program.

- Selection of a program of training services directly linked to employment opportunities in the local area or a nearby area, made in consultation with the case manager and informed by participant choice [WIOA sec. 134(c)(3)(F)].
- The Individual Training Account requirements and the Eligible Training Provider List [20 CFR 680.300 through 680.340; 20 CFR part 680 subpart D].
- Eligibility determination and priority of service for the adult program [WIOA sec. 134(c)(3)(E); 20 CFR 680.600, 680.650].
- The prohibition on duplicate payment. WIOA funds may not pay a cost that another program has already paid for the same participant.
- Cost principles at 2 CFR part 200 subpart E. Every cost charged to WIOA must be necessary, reasonable, allocable, and adequately documented.
- For youth, the objective assessment and individual service strategy at WIOA section 129(c)(1).
- Needs-related payment rules at 20 CFR 680.930 through 680.970, including the eligibility and payment level requirements, which are unaffected by this waiver.

Effective Date and Duration

This issuance is effective immediately and applies to every training and supportive service funding decision made on or after the date of this issuance, including decisions for participants already enrolled. It remains in effect through June 30, 2028, and may be extended if the waiver is renewed.

Policy

A. No determination of other funding required

Staff must not delay a training enrollment or a supportive service decision in order to obtain proof that the participant cannot receive funding elsewhere. A determination that other grant assistance is unavailable is no longer a condition of funding training or supportive services with WIOA Title I funds. A pending Pell application, a pending FAFSA, or an unreturned call to another funder/program provider is not a reason to hold a training enrollment. Local boards should determine what combination of resources available supports the quickest path to training and employment for the participant.

It should be noted that continuing to leverage other available funding sources allows more participants to be served with limited WIOA funds. However, the attainment of other funding should not become a barrier to enrolling participants in training or providing supportive services to participants in need in a timely manner. In order to maintain the balance between the two extremes, staff should:

- Identify the combination of resources that enables the participant to reach the employment goal fastest and allows enrollment in training when the participant is ready, without waiting for another funder to act.
- Continue to assist participants in applying for Pell Grants and other aid, where it is feasible and where it does not delay service.

B. If other funding arrives later

When a participant receives Pell Grant funds or other aid after WIOA has paid for a cost, staff must review the award and adjust so that no cost is paid twice. Where the other source covers a cost WIOA has already paid, staff must reduce the remaining WIOA obligation by that amount, or recover the duplicate payment, and document the adjustment in the participant file. The portion of a Pell Grant disbursed to the participant for education-related living expenses is not a duplicate payment of a training cost.

Because 20 CFR 680.230 is waived, the automatic training provider reimbursement mechanism in that section no longer applies. Local areas must nonetheless include a duplicate-payment adjustment clause in training provider agreements executed on or after the date of this issuance and any applicable local policies.

C. Supportive services

A supportive service may be funded when it is necessary to enable the participant to take part in career services, training services, or work-based learning, and the participant is enrolled and receiving those services. Staff do not have to establish first that the service is unavailable from another source. Staff must still document in the case file: the service provided, the cost, why it is necessary to participation, and the period it covers.

The supportive service categories at 20 CFR 680.900(a) through (l) continue to describe what may be provided. Existing payment limits, frequency caps, and approval levels are not affected by this issuance.

D. Documentation minimums

The participant file must contain, at a minimum:

- The assessment and the integrated service plan showing why training is appropriate under WIOA section 134(c)(3)(A).
- The training program selected, the provider, and the ETPL verification.
- A case note recording any resource coordination being utilized, including any other funding being leveraged and how it is being used.
- For each supportive service, the documentation described in section C.
- Any later adjustment made under section B.

Records must be entered in Arkansas JobLink in accordance with the existing documentation standards.

Local Board Action Required

1. Amend any local policy, form, or checklist that requires proof of denial or exhaustion of other funding before WIOA training or supportive services may be approved.
2. Train all case management, career services, and fiscal staff on the updated workflow and documentation standards.
3. Maintain a current asset map of funding and service resources in the local area.
4. Add the duplicate-payment adjustment clause described in section B to training provider agreements executed on or after the date of this issuance and any applicable local policies.

Policies Superseded or Affected

- State policy provisions requiring a determination of inability to obtain other grant assistance before funding training or supportive services are suspended for the duration of this issuance.
- Any state form used to document exhaustion of other funding sources is retired.
- Local board policies on training funding limits, supportive services, and Individual Training Accounts are superseded to the extent of conflict.

Inquiries

WIOATA@arkansas.gov

Expiration Date

June 30, 2028, unless earlier superseded as described under Effective Date and Duration.

Hugh McDonald
SECRETARY OF COMMERCE

Cody Waits
EXECUTIVE DIRECTOR OF WORKFORCE CONNECTIONS

ARKANSAS WORKFORCE CONNECTIONS
ISSUANCE NUMBER PY 26-XX

September 9, 2026

FROM: Arkansas Workforce Development Board
Cody Waits, Executive Director – Arkansas Workforce Connections
Eddie Thomas, Director – Office of Employment & Training

TO: Local Workforce Development Boards, Chief Elected Officials & Service Providers

SUBJECT: Youth Program Element Flexibility Under Approved Waiver

Purpose

This issuance states Arkansas policy for making the fourteen Workforce Innovation and Opportunity Act (WIOA) youth program elements available to participants. It implements the waiver of WIOA section 129(c)(2), and the requirement at 20 CFR 681.470, approved by the U.S. Department of Labor for Program Years 2026 and 2027. A local area no longer needs a separate written agreement with a partner organization for each program element that is not funded with WIOA Title I youth funds. This issuance takes effect immediately.

Background

20 CFR 681.470 does not require local programs to spend WIOA youth funds on every program element. It does require that if a program element is not funded with WIOA title I youth funds, the local program must have an agreement in place with a partner organization to ensure that the program element will be offered.

Maintaining separate written agreements for every element in every local area is administratively burdensome. This waiver is not intended to reduce access to required elements, but to provide greater flexibility in how elements are coordinated and delivered.

What Is Waived and What Is Not

Waived

- The requirement at 20 CFR 681.470 that a local area have a written agreement in place with a partner organization for each of the fourteen youth program elements that is not funded with WIOA Title I youth funds.

Not waived and still in full effect

- All fourteen program elements at WIOA section 129(c)(2) and 20 CFR 681.460 must remain available to eligible youth participants. Availability is a service obligation, not a documentation obligation, and the waiver does not reduce it.
- The local board's duty under 20 CFR 681.470 to ensure that each program element is closely connected and coordinated with the WIOA youth program.
- The objective assessment and the individual service strategy at WIOA section 129(c)(1) and 20 CFR 681.420

and 681.430.

- The requirement that not less than 20 percent of youth funds be spent on work experience [WIOA sec. 129(c)(4); 20 CFR 681.590].
- Follow-up services for not less than twelve months after the completion of participation [WIOA sec. 129(c)(2)(M); 20 CFR 681.580].
- Procurement. Where WIOA Title I youth funds pay a provider for an element, a written, competitively procured agreement is still required under 2 CFR 200.317 through 200.327 and WIOA section 123. This waiver reaches only elements not funded with Title I youth funds.
- Eligibility, priority, performance accountability, and the separate renewal waivers governing out-of-school youth expenditure and Individual Training Accounts for in-school youth, which are addressed in their own issuances.

Effective Date and Duration

This issuance is effective immediately. It remains in effect through June 30, 2028, and may be extended if the waiver is renewed.

Policy

A. All fourteen program elements remain available

A local area must make each of the fourteen program elements available to a youth participant whose individual service strategy calls for it. A participant may not be told that an element is unavailable in the local area. If an element cannot be arranged locally, the case manager must escalate to Arkansas Workforce Connections (AWC), which will arrange access through a statewide resource or another local area.

B. The Element Availability Inventory replaces the agreements

In place of a written agreement for each element, each local area must maintain a single Element Availability Inventory. The inventory lists all fourteen elements, and for each one states:

1. How the element is made available: direct provision by local area staff, a procured contract paid with Title I youth funds, a partner program, or a community resource.
2. The name of each provider or partner, with a current point of contact and a working phone number or email.
3. The referral method, including whether the referral is made in a shared system, by warm handoff, or by direct scheduling.
4. Any geographic or capacity limit on availability, and how a participant outside that limit is served.
5. The date the entry was last verified.

The inventory must be reviewed and verified at least annually, and updated within thirty (30) days of any material change, including the loss of a provider. The inventory is a public document and must be provided to AWC upon adoption and after each update.

C. Coordination duty is unchanged

Removing the agreement does not remove the connection. For each program element delivered by a partner or community resource, the local board must be able to show that the element is closely connected and coordinated with the youth program. Evidence of coordination includes a point of contact, a referral pathway, documented follow-up on referrals made, and periodic contact with the provider recorded in the inventory.

A listing in the inventory with no contact, no referral pathway, and no follow-up does not adequately ensure availability of the program element.

D. Case file documentation

For each youth participant, the individual service strategy and case notes must show:

- Which elements were discussed with the participant and which elements the assessment identified the participant needs.
- Which elements the participant was referred to or received, with dates.
- For each referral, whether the participant connected with the provider, and if not, what the case manager did next.
- Any element the participant needed that could not be arranged, and the escalation under section A.

This documentation is what demonstrates compliance in the absence of the element agreements. Case managers should understand that the file now carries the evidentiary weight the agreements used to carry.

E. Elements paid with Title I youth funds

Nothing in this issuance permits payment to a provider without a written agreement. When WIOA Title I youth funds pay for an element, the local area must procure and execute a written agreement under 2 CFR 200.317 through 200.327 and WIOA section 123 before any payment is made. The waiver applies only where the element is provided without Title I youth funds.

F. Work-based learning

The purpose of this flexibility is to allow local areas to stand up work-based learning and occupational skills training quickly in response to employer demand. A local area may develop a new paid work experience, internship, pre-apprenticeship, or employer-designed work-based learning opportunity and begin serving youth in it without first negotiating an element agreement, provided that worksite agreements, wage and hour compliance, worksite safety, and workers' compensation coverage are in place before a youth begins at a worksite. Those requirements are not waived.

Local Board Action Required

1. Build the Element Availability Inventory under section B and submit it to AWC within forty-five (45) days of the date of this issuance.
2. Review existing element agreements. An agreement may be allowed to lapse at its term where the element is not funded with Title I youth funds and the inventory documents availability. An agreement that involves payment of Title I youth funds must remain in force.
3. Conform local youth services policy to this issuance.
4. Train youth case managers and program staff on the documentation standards.
5. Distribute this issuance to local board members, the youth standing committee if one exists, the chief elected official, youth service providers, and partner organizations named in the inventory. Utilize the One-Stop Operator to identify an appropriate network of service providers for all youth elements as needed.

Policies Superseded or Affected

- State youth services policy is amended to remove the requirement for a written agreement for each unfunded program element, and to add the Element Availability Inventory.
- Local board youth policies are superseded to the extent of conflict.

Inquiries

WIOATA@arkansas.gov

Expiration Date

June 30, 2028, unless earlier superseded as described under Effective Date and Duration.

Agenda Item 6: Informational

Employer Insights & Board Development Training

Agenda Item 7: Informational

American Manufacturing Apprenticeship Incentive Fund



US Department of Labor announces launch of American Manufacturing Apprenticeship fund, designed to support, expand registered apprenticeships

Project designed through cooperative agreement with Arkansas Department of Commerce

WASHINGTON – The U.S. Department of Labor today announced the launch of its American Manufacturing Apprenticeship Inventive Fund, designed through a cooperative agreement with Arkansas, to support the expansion of advanced manufacturing Registered Apprenticeships nationwide.

The department's $35.8 million cooperative agreement with the Arkansas Department of Commerce, Division of Workforce Services, will incentivize employers nationwide to develop, expand, or join existing advanced manufacturing Registered Apprenticeship programs through a pay-for-performance model. Through the program, employers will receive $3,500 for each new apprentice hired.

"President Trump and his entire administration are fully committed to ushering in a new age of American manufacturing, and that's why we're making significant investments in reaching and surpassing his goal of one million active apprentices nationwide," said U.S. Secretary of Labor Lori Chavez-DeRemer. "Our work with Arkansas will support manufacturing employers, particularly small- and mid-sized firms, to launch or scale Registered Apprenticeships that meet real-time industry needs for skilled labor."

"Every pathway to career success looks different, whether it's a four-year degree, military service, or gaining skills in a high-demand trade," said Arkansas Governor Sarah Huckabee Sanders. "President Trump understands that strong apprenticeship programs are essential

to equipping a skilled American workforce, and this new apprenticeship program allows Arkansas to lead the way. Arkansas' economy can rival any state's in the nation because we've invested in our education and workforce, and we look forward to adding this new initiative to the resources Arkansas' young people can use to invest in their career and future."

Administered by the Employment and Training Administration, the American Manufacturing Apprenticeship Incentive Fund supports America's Talent Strategy, as well as several of President Trump's executive orders related to expanding Registered Apprenticeships.

In an effort to expand Registered Apprenticeships and support implementation of the President's executive order on Registered Apprenticeships, the department issued a request for information about Registered Apprenticeship Industry Intermediaries.

AMERICAN MANUFACTURING APPRENTICESHIP INCENTIVE FUND

FREQUENTLY ASKED QUESTIONS (FAQ)

January 28, 2026

DISCLAIMER: This FAQ is intended to provide information about the American Manufacturing Apprenticeship Inventive Fund ("Incentive Fund"). The portal to apply for incentive funding is now open and may be accessed here: **American Manufacturing Apprenticeship Incentive Fund Application Portal**. Questions about the Incentive Fund may be directed to: **OSD.MFGfund@arkansas.gov**. Please allow 3-5 business days for a response.

1. WHAT IS THE AMERICAN MANUFACTURING APPRENTICESHIP INCENTIVE FUND?

- The "American Manufacturing Apprenticeship Incentive Fund" ("Incentive Fund") is managed and operated by the Arkansas Department of Commerce, Division of Workforce Services, which is 100% funded through a Cooperative Agreement with the U.S. Department of Labor.
- To address the urgent need to grow and modernize the U.S. manufacturing workforce and in direct response to Executive Order 14278: Preparing Americans for High-Paying Skilled Trade Jobs of the Future, to expand access to high-quality Registered Apprenticeship Programs, the Arkansas Department of Commerce, Division of Workforce Services will serve as the lead grantee and convener to establish the Incentive Fund. The Incentive Fund will support the expansion of advanced manufacturing Registered Apprenticeships nationwide, to include occupations in Advanced Manufacturing subsectors such as, but not limited to, Aerospace, Automotive, Biotechnology, Maritime Industrial Defense and Shipbuilding, Supply Chain & Automation, Nuclear Energy, and Semiconductors.
- Through an incentive funding model, the Arkansas Department of Commerce, Division of Workforce Services, will motivate sponsors on a national scale to develop, expand, and/or join existing advanced manufacturing Registered Apprenticeship Programs and hire apprentices.
- Incentive funding will be distributed through a "pay for performance" (sometimes also referred to as "pay for success") model, where payments are linked to specific performance criteria or predefined outcomes. The Incentive Fund aims to stimulate

innovation and reduce barriers that prevent sponsors from committing to Registered Apprenticeships, thus promoting program scale and sustainability.

2. WHO IS ELIGIBLE TO APPLY FOR INCENTIVE FUNDS?

- Eligible Incentive Fund applicants include:
    - Individual Registered Apprenticeship Program sponsors (i.e., apprenticeship programs operated by one business/employer for building its own skilled labor force); and
    - Group sponsors or consortia (i.e., apprenticeship programs operated by groups of employers, unions, industry intermediaries, trade associations, etc.).
    - Applicants may also refer to U.S. CFR § 29.2 for definitions of "Employer" and "Sponsor."

3. WHAT IS REQUIRED OF SPONSORS?

- Eligible sponsors must have an established Registered Apprenticeship Program **at the time of their intake application submission.**
- Eligible apprentices must be:
    - Newly enrolled apprentices;
    - Incumbent workers being up-skilled by their enrollment in an advanced manufacturing Registered Apprenticeship Program; and/or
    - Former registered apprentices enrolled in a new advanced manufacturing Registered Apprenticeship Program.
- ALL apprentices included in the intake application **must** be enrolled on or after the application submission date.
    - **Please note:** Any apprentices formally registered prior to the application submission date will be deemed ineligible for consideration for incentive payments.
- Sponsors must commit to incentivizing individual employers or groups of employers to hire apprentices in any number of U.S. states, territories, and/or the District of Columbia. Sponsors must maintain apprentice enrollment for a minimum of 90 days with the intent for apprentices to successfully complete the program. **Please note, there are no partial payments.**
- Sponsors must provide current information about total headcount (full-time and part-time equivalent) of the employer or employers that will receive incentive funds.
- Employer partner information must be available in the Registered Apprenticeship Partners Information Data System (RAPIDS) for sponsors of group programs to be

eligible to apply for incentive funding. If the sponsor is in an SAA that does not report in RAPIDS, the Arkansas Department of Commerce, Division of Workforce Services will work with SAA Director to confirm the employer and registered apprenticeship program connection.

- It is the sponsor's responsibility to provide the employer acceptance agreements during the intake application process.
- Sponsors agree to the terms and conditions established in a Memorandum of Understanding (MOU) with the Arkansas Department of Commerce, Division of Workforce Services, as an individual sponsor or as a group of sponsors (consortia) represented by an authorized lead designee. Sponsors will be provided with a hyperlink to the MOU after their intake application is approved.
- Sponsors who are MOU signatories, either individually or as lead designees for a consortium, are responsible for ensuring accurate entry of program and apprentice data into RAPIDS on behalf of Employers receiving incentive funds, in accordance with the MOU. Refer to **Question 8** for more information.
- Sponsors agree to complete the Grant Disclosure Document. It is provided by the Arkansas Department of Transformation and Shared Services, Office of State Procurement. Sponsors may access this form here: Contract and Grant Disclosure Form.
- Once the intake application is approved, sponsors are required to register as a vendor with Arkansas. The instructions for the vendor set-up are found here: Arkansas Vendor Set-up Instructions. **Please note:** the registration process is 4-6 weeks. Sponsors will receive an Arkansas Administrative Statewide Information System (AASIS) vendor ID number once the process is finished.

4. HOW MUCH INCENTIVE FUNDING WILL BE PROVIDED AND WHEN?

- An incentive amount of $3,500.00 USD (Three Thousand, Five-Hundred U.S. Dollars) will be awarded to the sponsor (up to 100 apprentices per employer and up to 10 employers per sponsor).
- Payment will not be made until satisfactory completion of an apprentice's 90-day retention period in an eligible Registered Apprenticeship Program.
- Arkansas will verify with SAA states, as needed, that the 90-day retention period has been fulfilled.
- Registered Apprenticeship Program Sponsors can retain up to 10% of the incentive payment, and the remaining 90% or more will be provided to the apprentice's employer(s) by the sponsor who received the payment.

- The sponsor **must** provide at least 90% of the total incentive payment received to the employer and be able to track and validate payment was made to the employer. The sponsor may retain up to 10% of the total incentive payment. During the first six-months of the Incentive Fund **January 28, 2026 – July 31, 2026**, funds may support up to 100 apprentices per employer and up to 10 employers per sponsor.
    - **Please note**: Employer partner information must be available in RAPIDS for sponsors of group programs to be eligible to apply. Please refer to **Question 3** for more information on what is required of sponsors. Based on utilization rates and other early outcomes, these funding caps may be reevaluated and/or removed after July 31, 2026.

5. WHEN AND HOW TO APPLY FOR FUNDS?

- The application portal is open and may be accessed here: American Manufacturing Apprenticeship Incentive Fund Application Portal.
- Applications will be accepted on a rolling basis until 100% of available incentive funds are obligated and in accordance with the pilot phase limitations mentioned in **Question 4** of this FAQ.
- Applicants will receive an automated message confirming the intake application was submitted.

6. HOW WILL APPLICATIONS BE DETERMINED ELIGIBLE?

- Application eligibility will be determined based on information included within the intake application form.

7. HOW WILL APPLICANTS KNOW IF THEY'VE BEEN APPROVED AND HOW LONG WILL IT TAKE?

- Once the intake application form is submitted, please allow for up to 15 business days for review.
- Following approval, an MOU will be drafted and sent for signature via DocuSign.
- If an application is not accepted, official correspondence will be sent by email, notifying the sponsor of the reason(s) for denial and the appeals process.

8. **WHAT ARE RESPONSIBILITIES AND EXPECTATIONS ASSOCIATED WITH THE RECEIPT OF INCENTIVE FUNDS?**
    - Sponsors will commit to the goals/mission of the Incentive Fund listed under **Question 1** of this FAQ.
    - Sponsors will adhere to all terms and conditions in the MOU, including the mitigation of fraud, waste, and abuse.
    - Sponsors will adhere to all required processes and procedures, including the use of RAPIDS, regarding the formal registration of apprentices and/or the registration or modification of existing apprenticeship programs under the jurisdiction of either the Office of Apprenticeship (OA) of the U.S. Department of Labor or the relevant State Apprenticeship Agency as recognized by OA (CFR § 29.3).
    - Sponsors will provide all necessary reporting data in the form of an Excel file ("Performance Reports") to the Arkansas Department of Commerce, Division of Workforce Services in accordance with the reporting process and timelines established in the MOU, along with an accompanying invoice before payment is released.
    - Sponsors operating in SAA states that do not use RAPIDS as their case management system are encouraged to apply for incentive funding. The Arkansas Department of Commerce, Division of Workforce Services will provide direct one-on-one support to SAA states that do not use RAPIDS to prepare and submit their performance reports and invoices.
    - Sponsors will adhere to specific requirements regarding the collection, storage, destruction, and overall protection of personal information as well as the exemptions of personal information from disclosure in public records requests.

9. **WHAT IS THE PAYMENT REQUEST/TRANSFER PROCESS?**
    - Upon receipt of an invoice and associated Performance Report, the Arkansas Department of Commerce, Division of Workforce Services will review and approve the amount of incentive funding to be paid.
    - Finance Shared Services will process these payments within a period of 10-15 business days.
    - If payment is not received after 15 business days, sponsors may be contacted for additional clarification or documentation. Sponsors may follow-up after 15 business days via the following contact email address: OSD.MFGfund@arkansas.gov

10. WHAT STEPS CAN A SPONSOR TAKE IF AN OCCUPATION IS NOT ON THE APPROVED LIST?

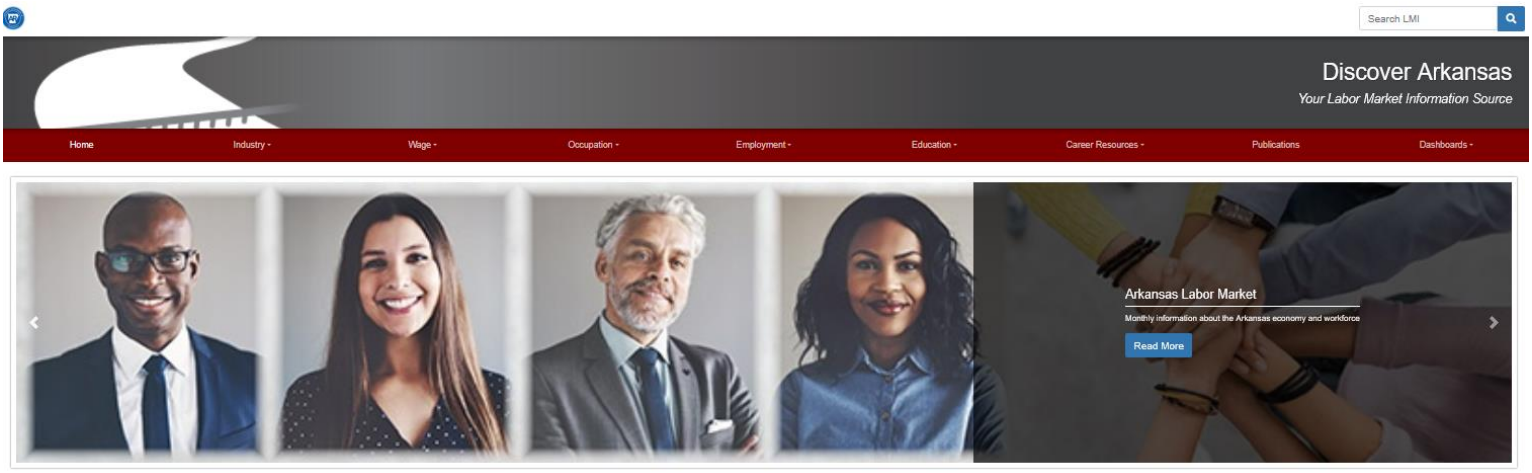
- During the application process, sponsors will be able to submit a justification on why an occupation should be allowed that is not on the approved list.
- For an occupation to be considered, it must encompass the majority of occupational skills reflected in the relevant O-net code.

11. NEED ANSWERS TO ADDITIONAL QUESTIONS NOT COVERED IN THIS FAQ?

- Email: OSD.MFGfund@arkansas.gov
- Phone: (501) 682-6546

Agenda Item 8: ACTION

Arkansas In-Demand Occupation Rating Tool & ETPL Criteria



Demand Occupations in Arkansas

Curious about which occupations are taking off in Arkansas? Check out our new [Demand Occupation Tool](#).

Whether you are a student selecting a career path, an employer optimizing your talent pipeline, or a policymaker planning regional economic growth, understanding which occupations offer the strongest opportunities in the current labor market is essential for guiding your decisions.



To help you in this endeavor, Arkansas has implemented a new, data-driven approach that evaluates occupations by assigning a one- to five-star rating based on four key performance areas: Demand, Growth, Earnings, and Retention. Each occupation's score is calculated using a weighted system that reflects what matters most in today's labor market. Explore this new tool, now available on the Discover Arkansas website, to discover the top occupations driving our state's economy!

Arkansas Occupations

Score Legend 0.0 – 100.0 | Area View: Arkansas | Sort Order: Occupations, A-Z | Education: (All) | Rating: (All) | Counties included: All Counties in Arkansas

Occupations	SOC	Employment	Average Wage	Education	Demand Score	Growth Score	Retention Score	Earning Score	Rating	Details
Accountants and Auditors	13-2011	8,499	$76,985	Bachelor's degree	74	73	55	57	★★★★	View
Actors	27-2011	125	N/A	Some college, no degree	31	33	64	1	★★	View
Actuaries	15-2011	175	$101,305	Bachelor's degree	33	55	56	57	★★★	View
Acupuncturists	29-1291	93	$87,020	Master's degree	23	46	36	54	★★	View
Adhesive Bonding Machine Operators and Tenders	51-9191	323	$51,907	High school diploma or equivalent	34	1	56	49	★★	View
Administrative Law Judges, Adjudicators, and Hearing Officers	23-1021	523	$74,665	Doctoral or professional degree	17	21	43	58	★	View
Administrative Services Managers	11-3012	1,077	$95,576	Bachelor's degree	51	52	48	61	★★★	View
Adult Basic Education, Adult Secondary Education, and English as a Second La..	25-3011	236	$44,301	Bachelor's degree	42	1	54	39	★★	View
Advertising and Promotions Managers	11-2011	219	$115,330	Bachelor's degree	35	52	63	60	★★★	View
Advertising Sales Agents	41-3011	1,075	$57,652	High school diploma	52	1	65	52	★★	View

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In-Demand Occupation Methodology for Eligible Training Provider List Eligibility

Purpose

This document presents two methodologies for determining in-demand occupations for Eligible Training Provider List (ETPL) eligibility under the state's new labor market information tool. Members of the state workforce board are encouraged to review the methodologies below and accompanying data, which reflect two scenarios of the estimated effect of programs currently on the ETPL. After board review and discussion- a policy will be developed to establish the new criteria.

Background

The Arkansas Labor Market Information (LMI) Occupation Ratings Dashboard [1] replaced the Projected Employment Opportunities List (PEOL) as the state's demand occupation tool effective July 1, 2026. The dashboard scores each occupation on demand, growth, retention, and earnings, and assigns an overall star rating. It does not designate occupations as in demand, so a defined threshold is required before the dashboard can be applied to ETPL eligibility.

State WIOA policy defines an in-demand industry sector or occupation as one of the following:[2]

- An industry sector that has a substantial current or potential impact, including through jobs that lead to economic self-sufficiency and opportunities for advancement, on the state, regional, or local economy, and that contributes to the growth or stability of other supporting businesses or the growth of other industry sectors; or
- An occupation that currently has or is projected to have a number of positions, including positions that lead to economic self-sufficiency and opportunities for advancement, in an industry sector so as to have a significant impact on the state, regional, or local economy, as appropriate.

The determination of whether an industry sector or occupation is in demand is made by the Arkansas Workforce Development Board or the Local Workforce Development Board, as appropriate, using state and regional business and labor market projections, including the use of labor market information.[3] Federal regulation assigns the establishment of ETPL criteria, information requirements, and procedures to the Governor or his/designee, in consultation with the State Workforce Development Board.[4]

State ETPL policy provides that "Local WDBs may approve a training provider program if there is a demand for an occupation," and that "using labor market information, a local WDB is responsible for determining occupational demand in its local area or in another local area to which a youth, adult or dislocated worker is likely to be willing to relocate." The same policy provides that an occupation is considered in demand for a local area if it appears on the state or local area demand occupation list published by the Division's Labor Market Information section, and that Registered Apprenticeship programs taking applications are automatically considered in demand.[5]

Federal law does not prescribe a specific numeric in-demand standard for training provider eligibility. The threshold is set by the state.

The Arkansas Department of Higher Education applies a threshold to the same dashboard for Workforce Pell eligibility purposes. Its Arkansas Workforce Pell High-wage and/or In-Demand Occupations List for academic year 2026–2027 requires programs to map to occupations rated three or more stars, or two stars with a demand score above 60.

That agency also maintains a written process by which an institution may request consideration of an occupation that does not meet the rating threshold on documentation of significant workforce need in its labor market area.[6]

Methodologies- Option 1 or Option 2: Common Elements

Both methodologies share the following elements; only the rating threshold differs:

- Determinations are made on occupation codes only. The PEOL included a training program (CIP) code section; the dashboard does not rate CIP codes.
- The PEOL provided that an occupation in demand statewide was automatically in demand in all ten local workforce areas. Both methodologies, as presented, continue the prior practice, so that each local area's list consists of the statewide occupations plus any additional occupations meeting the threshold in that area.
- All programs currently on the ETPL were reviewed against each threshold.

Option 1: Three Stars or Higher, or Two Stars with a Demand Score of 60 or Higher

An occupation is in demand if it has an overall rating of three (3) stars or higher, or an overall rating of two (2) stars with a Demand Score of 60 or higher.

Under this threshold, 289 occupations qualify statewide. Area totals range from 312 in Central to 409 in Northwest. Of the 870 ETPL programs, 785 meet the criteria and 85 do not.

Local area	Programs	Meet criteria	Do not meet
Central	38	34	4
East	40	34	6
Little Rock	84	73	11
North Central	112	100	12
Northeast	133	118	15
Northwest	112	102	10
Southeast	96	84	12
Southwest	124	113	11
West	77	73	4
West Central	54	54	0
Total	**870**	**785**	**85**

The programs that do not meet the criteria are concentrated rather than broadly distributed. Healthcare and human services accounts for 49 of the 85. Phlebotomy programs account for 23 and emergency medical technician programs for 10. The remainder are scattered across public safety, agriculture, and advanced manufacturing.

Option 2: Three Stars or Higher

An occupation is in demand if it has an overall rating of three (3) stars or higher, with no allowance for two-star occupations carrying a high Demand Score.

Under this threshold, 240 occupations qualify statewide. Of the 870 ETPL programs, 678 meet the criteria and 192 do not.

Local area	Programs	Meet criteria	Do not meet
Central	38	30	8
East	40	29	11
Little Rock	84	46	38
North Central	112	85	27
Northeast	133	112	21
Northwest	112	87	25
Southeast	96	72	24
Southwest	124	97	27
West	77	70	7
West Central	54	50	4
Total	**870**	**678**	**192**

The 107 programs affected under Option 2 but not under Option 1 are concentrated in healthcare and human services (73) and education (17). Nursing assistant programs account for 43 of them, medical assistant programs for 16, and preschool teacher programs for 15. Each of those occupations carries a two-star rating with a Demand Score above 60 statewide.

Comparison

- The two thresholds differ on a single question: whether an occupation with a moderate overall rating and a high current Demand Score is treated as in demand. Option 1 counts such occupations; Option 2 does not. Option 1 yields a broader list of qualifying occupations and affects fewer current programs. Option 2 yields a more selective list and affects more current programs, with the difference falling largely on entry-level healthcare and early childhood education programs.
- The impact figures reflect programs currently on the ETPL. They do not reflect programs that may be submitted for future consideration under either threshold.
- A working spreadsheet containing the comprehensive program-level analysis under each methodology will be provided separately to Board members for their review and consideration.

Board Action

The Board is asked to consider the two methodologies presented and to determine which methodology will be used in identifying in-demand occupations for ETPL eligibility.

References

1. Occupation Ratings by Area, Discover Arkansas, Arkansas Division of Workforce Services, Labor Market Information. https://www.discover.arkansas.gov/Dashboards/Occupation-Rating

2. Arkansas WIOA Title I Policy Manual, Section 1.2, Definitions, “In-demand industry sector or occupation.” https://dws.arkansas.gov/workforce-services/wioa/wioa-title-i-policy-manual/

3. Arkansas WIOA Title I Policy Manual, Section 1.2, Definitions. https://dws.arkansas.gov/workforce-services/wioa/wioa-title-i-policy-manual/

4. 20 C.F.R. § 680.430(a), Who is responsible for managing the training provider eligibility process. https://www.ecfr.gov/current/title-20/part-680/section-680.430

5. Arkansas Division of Workforce Services, Eligible Training Provider Policy, Policy Number WIOA I-B – 4.5, Change 3, effective September 29, 2023, Demand Occupations and Projected Employment Opportunities. https://dws.arkansas.gov/workforce-services/wioa/wioa-title-i-policy-manual/

6. Workforce Pell, Arkansas Department of Higher Education, including the Arkansas Workforce Pell High-wage and/or In-Demand Occupations List and the Workforce Pell Alternative Labor Market Information Consideration. https://adhe.edu/institutions/workforce-pell