

Statutory and/or regulatory requirements the state requests to waive:

The Workforce Innovation and Opportunity Act (WIOA) in Sections 116 and 122, and at 20 CFR 677.230 and 20 CFR 680.400 thru 680.530 requires states to collect and report performance data on all students participating in training programs listed on the state's Eligible Training Providers List (ETPL). The State of South Carolina is requesting a waiver of this requirement for Program Years (PYs) 2024 through 2027.

Actions the State has undertaken to remove state or local barriers:

There are no state or local statutory or regulatory barriers to implementing the requested waiver. South Carolina's regulations and policies are in compliance with current federal law.

South Carolina is requesting a waiver to exempt Eligible Training Providers (ETPs) from the requirement to report performance information for all students in each approved program of study on the state's ETPL. While South Carolina acknowledges the importance of monitoring performance of the ETPL, data of students who do not receive WIOA support is not relative to WIOA program performance. Without a waiver of the requirement to collect and report performance related data on all-students participating in training programs, South Carolina will be forced to remove all ETPs and their programs of study from the state's ETPL that fail to submit the required data.

To ensure compliance with the priorities set by the U.S. Department of Labor (USDOL) and to maintain alignment with current regulations, South Carolina has continued to enhance its ETPL in accordance with the WIOA regulations and performance reporting standards. The Palmetto Academic and Training Hub (PATH) improves consumer choice by featuring 89 ETPs and 683 programs of study. Additionally, South Carolina has 127 Registered Apprenticeship sponsors, offering 203 occupational training programs. Enhancements made to PATH include the publication of individual program performance data for WIOA participants, as well as outcomes for all-student participants during PY 2022 and 2023. These reports provide detailed information on training completion rates, employment outcomes, median wages, and credential attainment for approved training providers and their programs of study. Updated annually, these resources serve as valuable tools for participants, students, job seekers, and employers, helping them make informed training decisions. Furthermore, local workforce development areas utilize this information to determine which programs of study should receive funding based on local training needs.

The removal of ETPs and their programs of study will reduce consumer choice, hinder our ability to train the workforce, and negatively impact the effectiveness of WIOA. Due to the reduction of ETPs and their programs of study, we anticipate that the Individual Training Account (ITA) exceptions mentioned in 20 CFR 680.320 will become the standard practice, which would undermine the progress South Carolina has made in publicly displaying program performance data.

As an illustration of the ongoing negative impact that this federal mandate has on ETPs, South Carolina's 16 technical colleges play an important role in local workforce development strategies and often serve as the primary training providers in our rural communities. However, many of the state's technical colleges have expressed concerns about the challenges of collecting and reporting data on the all-student population and as a result many of the state's technical colleges have withdrawn from or significantly reduced the number of programs of study, they offer to WIOA participants.

At the conclusion of PY 2020, before the USDOL discontinued the use of waivers for states regarding all-student data reporting, all 16 of South Carolina's technical colleges were approved as ETPs, offering approximately 67% (721 out of 1,072) of programs of study on the state's ETPL. However, at the conclusion of PY 2021, after the expiration of the all-student data reporting waiver, the number of technical colleges approved as ETPs were reduced to 11 out of 16, with those colleges offering 46% (325 out of 709) of programs of study on the ETPL. By the end of PY 2023, 11 out of the 16 state technical colleges in South Carolina participated as ETPs, offering 43% (293 out of the 683) of programs of study listed on the ETPL. This represents a 41% reduction (293 out of 721) in the number of programs of study over a three-year period.

At the end of PY 2023, it was estimated that 160 of the 683 programs of study, 23% in continued eligibility status, would be denied inclusion on the ETPL due to the all student data reporting requirement. Approximately 31% (27 out of 89) of ETPs, including seven technical colleges, would have one or more programs of study denied inclusion on the ETPL if all student data reporting is enforced. The removal of these ETPs would place a significant burden on local workforce development areas to provide quality and cost-effective training and would be limiting to consumer choice. Consequently, local areas may be compelled to rely on ITA exceptions, which could hinder the progress South Carolina has made in collecting and displaying program performance data. *Please note that the quantities provided are based on all training providers and programs of study that were published in South Carolina's ETPL, regardless of whether they submitted student Social Security Numbers in their performance data. Therefore, these values will not equate to those reported in the USDOL's Employment & Training Administration 9171.*

South Carolina's situation is unique, as the state's technical colleges receive funding for workforce training through other state training funds, such as the South Carolina Workforce Industry Needs Scholarship (SC WINS). This state-funded program is designed to address workforce shortages in the state. Residents of South Carolina pursuing training in a high-demand occupations can receive up to \$5,000 per academic year to help cover tuition, fees, and related expenses at technical colleges. The General Assembly requires colleges within the South Carolina Technical College System to provide annual data to ensure compliance with educational and financial accountability resulting from this funding. It's important to note that many students at these technical colleges do not participate in WIOA, and the demand for WIOA funding is usually low. This situation, combined with the all-student reporting mandate, creates additional ongoing reporting burdens for the technical colleges that disincentivizes participation on the ETPL.

Under this waiver, South Carolina will continue to collect and report performance data for all WIOA funded participants as outlined in 20 CFR 677.230.

Projected Programmatic Outcomes Resulting from Implementation of the Waiver

South Carolina is seeking to reduce the burden on ETPs regarding the requirement to collect and report performance-related data for all students in a program of study listed on the state's ETPL. By limiting the reporting obligations to only those participants who are funded by the WIOA, ETPs will save a significant amount of time. This allows ETPs to focus on delivering high-quality training programs and achieving better outcomes.

Additionally, this waiver creates several benefits:

- Increased availability and variety of training options for individuals utilizing an ITA through the state's workforce system, leading to greater consumer choice.
- Improved utilization of the ETPL by participants pursuing training through ITAs.
- A wider selection of ETPs may result in lower training cost and more demand-driven occupational training options.
- Improved capacity for Local Workforce Development Boards to respond quickly and effectively to the immediate needs of local employers and jobseekers by offering training programs related to the high-growth and in-demand industries through the ETPL.

Individuals, Groups, or Populations Impacted by the Waiver

This waiver positively impacts all stakeholders involved. This ensures that South Carolina can continue to offer high-quality, in-demand training services that meet the needs of employers, workers, and job seekers. Recent trends regarding the workforce skill gap in the rural counties of South Carolina as defined by the U.S. Department of Agriculture, indicate that there are over 700 skill types in which candidates from these counties are lacking in relation to the openings that necessitate those skills. If this waiver is not granted, ETPs will continue to withdraw or be removed from the ETPL, limiting consumer choice across South Carolina, particularly in rural areas where access to in-demand training is already limited.

Monitoring Waiver Implementation

- South Carolina will continue to collect and report WIOA funded participant data annually to the USDOL.

- Annual WIOA on-site reviews will include an evaluation of how waivers are impacting local programs to ensure programmatic goals and outcomes are being met.
- Personnel responsible for administering the ETPL and Performance and Reporting will regularly evaluate the relevance and effectiveness of this waiver.
- ETPs will have the option to submit and will be encouraged to submit student data for all students if they choose to do so.

Notice to Local Workforce Development Boards and Public Comment

A copy of this waiver request is being provided to all local workforce development boards and their association for evaluation and is also accessible for public review on the PATH and the SC Works websites. Comments will be accepted through Monday, August 11, 2025. Any comment received will be forwarded to the USDOL. Further, the impact of this waiver on the state's performance will be addressed in the state's WIOA Annual Report.