



WORKFORCE IMPLEMENTATION GUIDANCE (WIG) LETTER

DATE: July 8, 2015
NO: PS-15-001
TO: LOCAL WORKFORCE SYSTEM STAKEHOLDERS
FROM: ODIE DONALD, WIA Services Director
SUBJECT: ON-THE-JOB TRAINING

1. **Purpose.** To provide guidance for the usage of the 75% employer wage reimbursement.

2. **References.**

- [Workforce Implementation Guidance](#)
- [TEGL No. 1-15](#)

3. **Definitions.**

OJT - On-the-Job Training
WIOA - Workforce Innovation and Opportunity Act
LWDB - Local Workforce Development Board
TEGL – Training and Employment Guidance Letter
OWD – Office of Workforce Development

4. **Background.** OJT provides a wage reimbursement for the employers of eligible participants during the determined training period. The eligible participant must have a skills gap, as defined by local policy. The training period may last no more than six months. The current maximum wage reimbursement is 50%. According to TEGL No. 115, “waivers allowing a sliding employer reimbursement scale for on-the-job training that support activities funded with obligated PY 2013 or 2014 funds may continue until such funds are liquidated. Unobligated PY 2013 and 2014 funds will become subject to WIOA requirements, effective July 1, 2015 and the WIA waivers must be discontinued.” WIOA allows for up to a 75% reimbursement rate if companies meet certain conditions that are to be outlined in state policy. Those conditions are outlined below.



5. **75% Employer Wage Reimbursement.** In order for an employer to be eligible for a wage reimbursement rate of over 50% and up to 75%, that employer must meet one of the four following criteria:
 - a. The employer must be a small business as defined by the Small Business Administration. Small business size standards by industry can be found at https://www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf.
 - b. The OJT must lead to the participant's attainment of an industry recognized credential.
 - c. The participant must be determined to be an individual "with barriers to employment," as listed in WIOA Section 3 (24), to include individuals who are long-term unemployed.
 - d. The participant's job title must be on the state's in-demand occupations list.

6. **Action Requested.** OWD requests that local areas incorporate the 75% employer wage reimbursement opportunity into local policy. Furthermore, OWD requests that local areas use this wage reimbursement increase as a tool to increase the use of work-based learning services offered by the local area.

7. **Inquiries.** Inquiries regarding this guidance should be directed to the designated programmatic technical assistance representative.

8. **Expiration.** Continuing.