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Connecting Employers to a Ready Workforce

Technical Assistance Guidance	**TAG 50-2021**
Issued Date: July 2, 2021	

Subject: Waiver for 90 Percent Reimbursement for On-the-Job Training

Purpose
This TAG provides guidance regarding criteria where the reimbursement rate for on-the-job training (OJT) contracts may be increased to 90 percent for businesses with 50 or fewer employees.

References
Public Law P.L. 113-128; Secs. 3, 122, 134, 181, 189, 194, 503; 20 CFR Part 678; 20 CFR Part 680; 20 CFR Part 683; 29 CFR Part 38; 2 CFR Part 200; TEGL 19-16; State Compliance Policies 1.14 and 3.6; and WC Policy GEN-050-10

Background
On June 29, 2021, the Nevada Department of Employment, Training and Rehabilitation received approval of a waiver from the U.S. Department of Labor's Employment and Training Administration. This waiver granted approval to increase reimbursement for on-the-job training to 90 percent to businesses with 50 or fewer employees. Workforce Connections believes OJT is an effective tool for training and the higher reimbursement rate serves a dual purpose of aligning strongly with business needs below:

- By better addressing the training needs of businesses, particularly for small businesses, there is less turnover and fewer job losses. Layoffs and changes in job functions will drive the need for retraining.
- Rural communities have been hit particularly hard by COVID-19 because they have fewer businesses, and the businesses tend to be smaller in size.
- The reduced availability of training due to COVID-19 creates a need for more training opportunities as businesses reopen and industries change.

Guidance
WIOA Title I service providers may reimburse up to 90 percent for OJTs to businesses with 50 or fewer employees. This waiver will expire on June 30, 2022.

This guidance does not supersede the criteria provided in TAG 44-2020, Criteria for 75 Percent Reimbursement for On-the-Job Training. WC expects the utilization of OJTs to increase in the Southern Nevada Workforce Development Area as a result of this waiver.

Technical Assistance
Available upon request.