

**WIOA Regional and Local Area Designation and Redesignation  
Steering Committee Meeting**

*January 16, 2015*

*1:00 pm*

**AGENDA**

- ✓ **Welcome and Introductions**
  
- ✓ **Purpose of Today's Meeting**
  
- ✓ **Timeline of Process**
  
- ✓ **Regional and Local Area Designation / Redesignation**
  - **WIOA Summary**
  - **Section 106**
  - **Required Elements and Other Factors Leading to Region and Local Designation and Redesignation Roles**
  - **Existing Labor Market Information and Other Resources**
  
- ✓ **Discussion on Data Format Needed for Review of Steering Committee**
  
- ✓ **Action Steps Needed**

## Regional and Local Designation and Redesignation Steering Committee

Member	Organization	Email	Telephone
Nick Brake	Owensboro Public Schools	Nick.brake@owensboro.kyschools.us	270.686.1000
Representative Leslie Combs	Kentucky State House of Representatives	leslie.combs@LRC.KY.GOV	502.564.8100, x669
Erik Dunnigan	Cabinet for Economic Development	Erik.dunnigan@ky.gov	502.782.1953
Larry Ferguson	Kentucky Community and Technical College System	Larry.ferguson@kctcs.edu	859.256.3467
Tim Gibbs	Ashland Alliance	Tim@ashlandalliance.com	606.324.5111
Greg Higdon	Kentucky Association of Manufacturers	G.Higdon@kam.us.com	502.352.2485
Senator Jimmy Higdon	Kentucky State Senate	jimmy.higdon@lrc.ky.gov	502.564.8100, x623
Beth Kuhn	Department of Workforce Investment	Beth.kuhn@ky.gov	502.564.0141
Wendell Lawrence	Lincoln Trail ADD	Wendell@ltadd.org	270.769.2393
Malcolm Ratchford	Community Action Council	Malcolm.ratchford@commaction.org	859.244.2213
Gary Robertson	County Judge Executive/CLEO for Cumberland LWIA	grobertson@rckygov.com	270.343.2112
Dana Russell	Local WIB Chair and J.M. Smucker Co.	Dana.Russell@jmsmucker.com	270.239.6051
Reecie Stagnolia	Kentucky Adult Education/CPE	Reecie.stagnolia@ky.gov	502.573.5114, x124
Diana Taylor	Kentucky Chamber of Commerce	Diana@taylor-gray.com	502.226.8307
Jeff Whitehead	Local Workforce Investment Board Association	Jwhitehead@ekcep.org	606.435.8480
Steve Wimsatt	Louisville Electrical JATC	wimsatt.steven@gmail.com	502.969.4461

## **Regional and Local Area Designation/Redesignation Process**

### **Background:**

The Workforce Innovation and Opportunity Act (WIOA), Title 1, Chapter 2, Section 106 outlines the requirements and process for the determination of regions and local areas including identification, types, initial designation, subsequent designation, process, considerations, designation of recommendation by the State Board, and appeals. Section 106 of WIOA is attached.

### **Process:**

WIOA charges the State with the establishment of regions as well as the designation/redesignation of local areas. The process will be consultative in nature including input from critical system partners at the state and local levels. The Commonwealth will use the structure that has proven successful in carrying out the Kentucky Workforce Investment Board's (KWIB) WorkSmart Kentucky plan.

A Steering Committee will be formed including KWIB members, state partners, local partners, core programs and stakeholders. The Steering Committee will utilize the criteria outlined in Section 106 and other relevant factors to make an initial recommendation on regions and local areas for designation and redesignation.

Once draft recommendations are formed, a meeting with the current Chief Local Elected Officials will be held by the Department of Workforce Investment (DWI). Then a series of three regional convenings in the Eastern, Western and Central part of the Commonwealth will be conducted by DWI. The three convenings will include a Local Elected Officials (LEOs) session, a Local Workforce Investment Board (LWIB) members session and a Stakeholders session open to system customers, staff, partners and stakeholders. In addition, the recommendations will be posted for public comment at the same time.

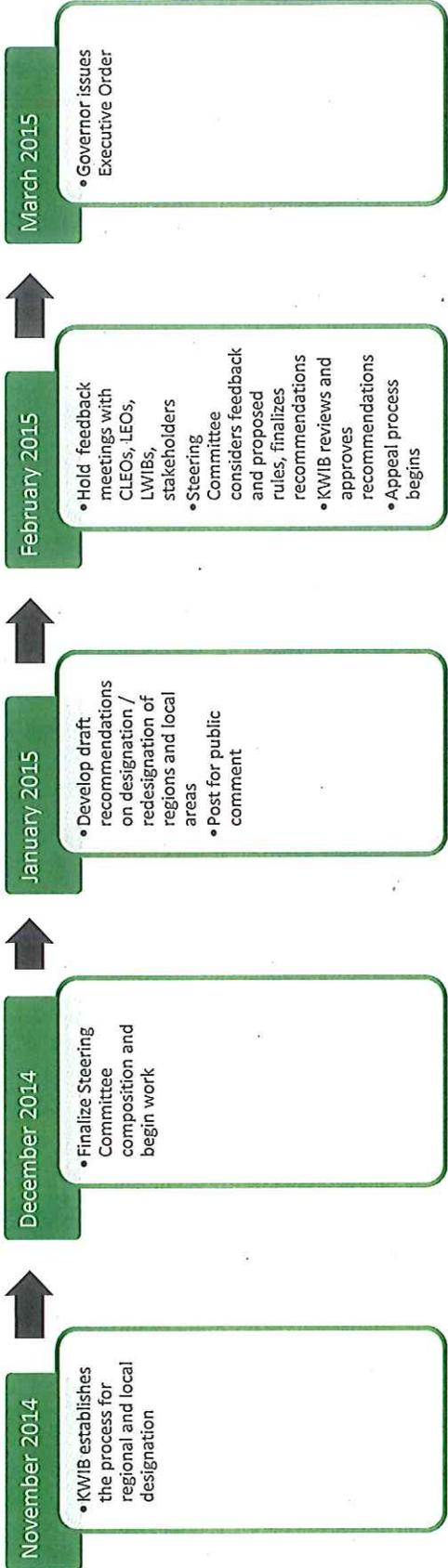
After the input sessions have been completed by DWI, the Steering Committee will reconvene to consider the input received through the multiple forums and insights from the proposed rules and make any final adjustments to the recommendations. This will include the steps for designation and/or redesignation as well as appeal.

The KWIB will then review the final recommendations and processes for approval. Actions approved by the KWIB will be subject to the appeal process and then go to the Governor for review and final action.

### **Timeline:**

11/17/14	KWIB establishes the process for regional and local designation
12/19/14	Finalize Steering Committee composition
01/23/15	Steering Committee develops draft recommendations
02/07/15	DWI completes local input process on recommendations
02/23/15	Steering Committee considers feedback, proposed rules and finalizes recommendations
02/26/15	KWIB reviews the final recommendations from the Steering Committee subject to the appeals process
03/30/15	Governor issues Executive Order on regions and local area designation/redesignation

# WIOA Regional and Local Area Designation/Redesignation Process



**Workforce Innovation and Opportunity Act**  
**Regional and Local Area Designation and Redesignation Process**  
**Stakeholder Sessions**

The Kentucky Workforce Investment Board is in the process of developing a recommendation to the Governor regarding the designation and/or redesignation of regions and local workforce areas as required in the federal Workforce Innovation and Opportunity Act. These stakeholder sessions are being held to share the initial recommendations and the process used to develop them and gather feedback from key partners and customers of the public workforce system. The feedback gathered in these sessions and other public comment processes will be taken into consideration in finalizing the recommendation. The logistics for each location are provided below:

**February 3, 2015: Hopkinsville, KY**

**Location:** James E. Bruce Convention Center  
303 Conference Center Drive - Hopkinsville, KY 42240

Link to map and directions: <http://www.bruceconventioncenter.com/contact-us/map-directions/>.

**Schedule of meetings for February 3<sup>rd</sup> will be as follows:**

- 9:30 - 11:30: Local Elected Officials Special Session
- 12:30 - 2:30: Local WIB Members Special Session
- 3:00 - 5:00: Community Stakeholders Open Session

**February 4, 2015: Frankfort, KY**

**Location:** Kentucky Transportation Cabinet  
200 Mero Street - Frankfort, KY 40601

Link to Cabinet homepage: <http://transportation.ky.gov/Pages/default.aspx>. From there, click on "Map it" link.

**Schedule of meetings for February 4<sup>th</sup> will be as follows:**

- 9:30 - 11:30: Local Elected Officials Special Session
- 12:30 - 2:30: Local WIB Members Special Session
- 3:00 - 5:00: Community Stakeholders Open Session

**February 6, 2015: Hazard, KY**

**Location:** Hazard Community and Technical College  
1 Community College Drive - Hazard, KY 41701

Link to college location page: [http://hazard.kctcs.edu/About\\_HCTC/Maps\\_and\\_Directions.aspx](http://hazard.kctcs.edu/About_HCTC/Maps_and_Directions.aspx). From there, click on the Hazard Campus link.

**Schedule of meetings for February 6<sup>th</sup> will be as follows:**

- 9:30 - 11:30: Local Elected Officials Special Session
- 12:30 - 2:30: Local WIB Members Special Session
- 3:00 - 5:00: Community Stakeholders Open Session

# The Workforce Innovation and Opportunity Act - July 22, 2014

The **Workforce Innovation and Opportunity Act (WIOA)** will help job seekers and workers access employment, education, training, and support services to succeed in the labor market and match employers with skilled workers they need to compete in the global economy. Congress passed WIOA, the first legislative reform of the public workforce system in more than 15 years, by a wide bipartisan majority. In doing so, Congress reaffirmed the role of the American Job Center (AJC) system, a cornerstone of the public workforce investment system, and brought together and enhanced several key employment, education, and training programs. In recent years over 20 million people annually turn to these programs to obtain good jobs and a pathway to the middle class. WIOA continues to advance services to these job seekers and employers.

## HIGHLIGHTS OF WIOA REFORMS TO THE PUBLIC WORKFORCE SYSTEM

### **Aligns Federal Investments to Support Job Seekers and**

**Employers:** At the State level, WIOA establishes unified strategic planning across “core” programs, which include Title I Adult, Dislocated Worker and Youth programs; Adult Education and Literacy programs; the Wagner-Peyser Employment Service; and Title I of the Rehabilitation Act programs.

### **Strengthens the Governing Bodies that Establish State, Regional**

**and Local Workforce Investment Priorities:** WIOA streamlines membership of business-led, state and local workforce development boards. The Act emphasizes the role of boards in coordinating and aligning workforce programs and adds functions to develop strategies to meet worker and employer needs.

**Helps Employers Find Workers with the Necessary Skills:** WIOA emphasizes engaging employers across the workforce system to align training with needed skills and match employers with qualified workers. The Act adds flexibility at the local level to provide incumbent worker training and transitional jobs as allowable activities and promotes work-based training, for example by increasing on-the-job training reimbursement rates to 75 percent. The law also emphasizes training that leads to industry-recognized post-secondary credentials.

### **Aligns Goals and Increases Accountability and Information for**

**Job Seekers and the Public:** WIOA aligns the performance indicators for core programs, and adds new ones related to services to employers and postsecondary credential attainment. Performance goals must reflect economic conditions and participant characteristics. It makes available data on training providers’ performance outcomes and requires third party evaluations of programs.

## WIOA PROGRAMS

WIOA supersedes the Workforce Investment Act of 1998 and amends the Adult Education and Family Literacy Act, the Wagner-Peyser Act, and the Rehabilitation Act of 1973.

WIOA authorizes the Job Corps, YouthBuild, Indian and Native Americans, and Migrant and Seasonal Farmworker programs, in addition to the core programs.

## EFFECTIVE DATES FOR IMPLEMENTATION

President Barack Obama signed WIOA into law on July 22, 2014.

In general, the Act takes effect on July 1, 2015, the first full program year after enactment, unless otherwise noted. The State Unified Plans and Common Performance Accountability provisions take effect July 1, 2016. The U.S. Department of Labor (DOL) will issue further guidance on the timeframes for implementation of these changes.

DOL will issue proposed regulations reflecting the changes in WIOA soon after enactment.



**Fosters Regional Collaboration to Meet the Needs of Regional Economies:** WIOA requires states to identify economic regions within their state, and local areas are to coordinate planning and service delivery on a regional basis.

**Targets Workforce Services to Better Serve Job Seekers:** WIOA promotes the use of career pathways and sector partnerships to increase employment in in-demand industries and occupations. To help local economies target the needs of job seekers, WIOA allows 100 percent funds transfer between the Adult and Dislocated Worker programs. WIOA adds basic skills deficient as a priority category for Adult services. WIOA also focuses Youth program services to out-of-school youth. The Act strengthens services for unemployment insurance claimants. It also merges WIA core and intensive services into a new category of career services, clarifying there is no required sequence of services. The Act allows Governors to reserve up to 15 percent of formula funds for activities such as innovative programs.

**Improves Services to Individuals with Disabilities:** WIOA increases individuals with disabilities' access to high-quality workforce services to prepare them for competitive integrated employment. It requires better employer engagement and promotes physical and programmatic accessibility to employment and training services for individuals with disabilities. Youth with disabilities receive extensive pre-employment transition services to obtain and retain competitive integrated employment. It creates an Advisory Committee on strategies to increase competitive integrated employment for individuals with disabilities.

**Supports Access to Services:** To make services easier to access, the WIOA requires co-location of the Wagner-Peyser Employment Service in AJCs and adds the Temporary Assistance for Needy Families program as a mandatory partner. WIOA establishes dedicated funding from AJC partner programs to support the costs of infrastructure and other shared costs that support access to services. It asks the Secretary of Labor to establish a common identifier for the workforce system to help workers and employers find available services. In addition, WIOA allows local areas to award pay for performance contracts so providers of services get paid for results. It also allows direct contracts to higher education institutions to provide training.

## **STAKEHOLDER ENGAGEMENT AND TECHNICAL ASSISTANCE**

DOL, in coordination with the U.S. Departments of Education (ED) and Health and Human Services (HHS), is working diligently to ensure that states and local areas, other grantees, and stakeholders are prepared for implementation of WIOA. DOL will provide technical assistance, tools, and resources to States and local areas through the WIOA Resource Page ([www.doleta.gov/WIOA](http://www.doleta.gov/WIOA)), Webinars, and virtual and in-person discussions.

DOL will actively engage stakeholders in the implementation of WIOA. Opportunities to provide input will be communicated through the WIOA Resource Page.

### **WIOA RESOURCE PAGE**

Visit [www.doleta.gov/WIOA](http://www.doleta.gov/WIOA) to learn more and access relevant guidance and technical assistance tools and resources developed by the Employment and Training Administration (ETA). All relevant guidance will also be posted on the ETA Advisory Website (<http://wdr.doleta.gov/directives/>) Please email questions to [DOL.WIOA@dol.gov](mailto:DOL.WIOA@dol.gov) or contact your ETA regional Office.



Secretary, that portion of the combined plan, covering a program or activity, shall be implemented by the State pursuant to that portion of the combined plan, and the Federal law authorizing the program or activity:

(2) Approval of core programs.--No portion of the plan relating to a core program shall be implemented until the appropriate Secretary approves the corresponding portions of the plan for all core programs.

(3) Timing of approval.--

(A) In general.--Except as provided in subparagraphs (B) and (C), a portion of the combined State plan covering the core programs or a program or activity described in subsection (a)(2) shall be considered to be approved by the appropriate Secretary at the end of the 90-day period beginning on the day the plan is submitted.

(B) Plan approved by 3 or more appropriate secretaries.--If an appropriate Secretary other than the Secretary of Labor or the Secretary of Education has authority to approve a portion of a combined plan, that portion of the combined plan shall be considered to be approved by the appropriate Secretary at the end of the 120-day period beginning on the day the plan is submitted.

(C) Disapproval.--The portion shall not be considered to be approved if the appropriate Secretary makes a written determination, during the 90-day period (or the 120-day period, for an appropriate Secretary covered by subparagraph (B)), that the portion is not consistent with the requirements of the Federal law authorizing or applicable to the program or activity involved, including the criteria for approval of a plan or application, if any, under such law, or the plan is not consistent with the requirements of this section.

(4) Special rule.--In paragraph (3), the term "criteria for approval of a plan or application", with respect to a State and a core program or a program under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.), includes a requirement for agreement between the State and the appropriate Secretaries regarding State performance measures or State performance accountability measures, as the case may be, including levels of performance.

(d) Appropriate Secretary.--In this section, the term "appropriate Secretary" means--

(1) with respect to the portion of a combined plan relating to any of the core programs (including a description, and an assurance concerning that program, specified in subsection (b)(3)), the Secretary of Labor and the Secretary of Education; and

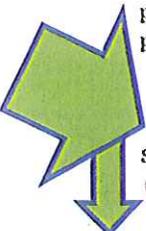
(2) with respect to the portion of a combined plan relating to a program or activity described in subsection (a)(2) (including a description, and an assurance concerning that program or activity, specified in subsection (b)(3)), the head of the Federal agency who exercises plan or application approval authority for the program or activity under the Federal law authorizing the program or activity, or, if there are no planning or application requirements for such program or activity, exercises administrative authority over the program or activity under that Federal law.

## CHAPTER 2--LOCAL PROVISIONS

### SEC. 106. WORKFORCE DEVELOPMENT AREAS.

(a) Regions.--

(1) Identification.--Before the second full program year after



the date of enactment of this Act, in order for a State to receive an allotment under section 127(b) or 132(b) and as part of the process for developing the State plan, a State shall identify regions in the State after consultation with the local boards and chief elected officials in the local areas and consistent with the considerations described in subsection (b) (1) (B).

(2) Types of regions.--For purposes of this Act, the State shall identify--

(A) which regions are comprised of 1 local area that is aligned with the region;

(B) which regions are comprised of 2 or more local areas that are (collectively) aligned with the region (referred to as planning regions, consistent with section 3); and

(C) which, of the regions described in subparagraph (B), are interstate areas contained within 2 or more States, and consist of labor market areas, economic development areas, or other appropriate contiguous subareas of those States.

(b) Local Areas.--

(1) In general.--

(A) Process.--Except as provided in subsection (d), and consistent with paragraphs (2) and (3), in order for a State to receive an allotment under section 127(b) or 132(b), the Governor of the State shall designate local workforce development areas within the State--

(i) through consultation with the State board; and

(ii) after consultation with chief elected officials and local boards, and after consideration of comments received through the public comment process as described in section 102(b) (2) (E) (iii) (II).

(B) Considerations.--The Governor shall designate local areas (except for those local areas described in paragraphs (2) and (3)) based on considerations consisting of the extent to which the areas--

(i) are consistent with labor market areas in the State;

(ii) are consistent with regional economic development areas in the State; and

(iii) have available the Federal and non-Federal resources necessary to effectively administer activities under subtitle B and other applicable provisions of this Act, including whether the areas have the appropriate education and training providers, such as institutions of higher education and area career and technical education schools.

(2) Initial designation.--During the first 2 full program years following the date of enactment of this Act, the Governor shall approve a request for initial designation as a local area from any area that was designated as a local area for purposes of the Workforce Investment Act of 1998 for the 2-year period preceding the date of enactment of this Act, performed successfully, and sustained fiscal integrity.

(3) Subsequent designation.--After the period for which a local area is initially designated under paragraph (2), the Governor shall approve a request for subsequent designation as a local area from such local area, if such area--

(A) performed successfully;

(B) sustained fiscal integrity; and

(C) in the case of a local area in a planning region, met the requirements described in subsection (c) (1).

(4) Designation on recommendation of state board.--The Governor

may approve a request from any unit of general local government (including a combination of such units) for designation of an area as a local area if the State board determines, based on the considerations described in paragraph (1) (B), and recommends to the Governor, that such area should be so designated.

(5) Appeals.--A unit of general local government (including a combination of such units) or grant recipient that requests but is not granted designation of an area as a local area under paragraph (2) or (3) may submit an appeal to the State board under an appeal process established in the State plan. If the appeal does not result in such a designation, the Secretary of Labor, after receiving a request for review from the unit or grant recipient and on determining that the unit or grant recipient was not accorded procedural rights under the appeals process described in the State plan, as specified in section 102(b) (2) (D) (i) (III), or that the area meets the requirements of paragraph (2) or (3), may require that the area be designated as a local area under such paragraph.

(6) Redesignation assistance.--On the request of all of the local areas in a planning region, the State shall provide funding from funds made available under sections 128(a) and 133(a) (1) to assist the local areas in carrying out activities to facilitate the redesignation of the local areas to a single local area.

(c) Regional Coordination.--

(1) Regional planning.--The local boards and chief elected officials in each planning region described in subparagraph (B) or (C) of subsection (a) (2) shall engage in a regional planning process that results in--

(A) the preparation of a regional plan, as described in paragraph (2);

(B) the establishment of regional service strategies, including use of cooperative service delivery agreements;

(C) the development and implementation of sector initiatives for in-demand industry sectors or occupations for the region;

(D) the collection and analysis of regional labor market data (in conjunction with the State);

(E) the establishment of administrative cost arrangements, including the pooling of funds for administrative costs, as appropriate, for the region;

(F) the coordination of transportation and other supportive services, as appropriate, for the region;

(G) the coordination of services with regional economic development services and providers; and

(H) the establishment of an agreement concerning how the planning region will collectively negotiate and reach agreement with Governor on local levels of performance for, and report on, the performance accountability measures described in section 116(c), for local areas or the planning region.

(2) Regional plans.--The State, after consultation with local boards and chief elected officials for the planning regions, shall require the local boards and chief elected officials within a planning region to prepare, submit, and obtain approval of a single regional plan that includes a description of the activities described in paragraph (1) and that incorporates local plans for each of the local areas in the planning region. The State shall provide technical assistance and labor market data, as requested by local areas, to assist with such regional planning and subsequent service delivery efforts.

(3) References.--In this Act, and the core program provisions that are not in this Act:

(A) Local area.--Except as provided in section 101(d) (9), this section, paragraph (1)(B) or (4) of section 107(c), or section 107(d) (12) (B), or in any text that provides an accompanying provision specifically for a planning region, the term "local area" in a provision includes a reference to a planning region for purposes of implementation of that provision by the corresponding local areas in the region.

(B) Local plan.--Except as provided in this subsection, the term "local plan" includes a reference to the portion of a regional plan developed with respect to the corresponding local area within the region, and any regionwide provision of that plan that impacts or relates to the local area.

(d) Single State Local Areas.--

(1) Continuation of previous designation.--The Governor of any State that was a single State local area for purposes of title I of the Workforce Investment Act of 1998, as in effect on July 1, 2013, may designate the State as a single State local area for purposes of this title. In the case of such designation, the Governor shall identify the State as a local area in the State plan.

(2) Effect on local plan and local functions.--In any case in which a State is designated as a local area pursuant to this subsection, the local plan prepared under section 108 for the area shall be submitted for approval as part of the State plan. In such a State, the State board shall carry out the functions of a local board, as specified in this Act or the provisions authorizing a core program, but the State shall not be required to meet and report on a set of local performance accountability measures.

(e) Definitions.--For purposes of this section:

(1) Performed successfully.--The term "performed successfully", used with respect to a local area, means the local area met or exceeded the adjusted levels of performance for primary indicators of performance described in section 116(b) (2) (A) (or, if applicable, core indicators of performance described in section 136(b) (2) (A) of the Workforce Investment Act of 1998, as in effect the day before the date of enactment of this Act) for each of the last 2 consecutive years for which data are available preceding the determination of performance under this paragraph.

(2) Sustained fiscal integrity.--The term "sustained fiscal integrity", used with respect to a local area, means that the Secretary has not made a formal determination, during either of the last 2 consecutive years preceding the determination regarding such integrity, that either the grant recipient or the administrative entity of the area misexpended funds provided under subtitle B (or, if applicable, title I of the Workforce Investment Act of 1998 as in effect prior to the effective date of such subtitle B) due to willful disregard of the requirements of the provision involved, gross negligence, or failure to comply with accepted standards of administration.

#### SEC. 107. LOCAL WORKFORCE DEVELOPMENT BOARDS.

(a) Establishment.--Except as provided in subsection (c) (2) (A), there shall be established, and certified by the Governor of the State, a local workforce development board in each local area of a State to carry out the functions described in subsection (d) (and any functions specified for the local board under this Act or the provisions establishing a core program) for such area.

(b) Membership.--

(1) State criteria.--The Governor, in partnership with the State board, shall establish criteria for use by chief elected officials in the local areas for appointment of members of the local boards in such local areas in accordance with the

## Existing Labor Market Information and Other Resources

By WIOA law, local areas are to be based on three considerations:

1. Labor Market Areas
2. Regional Economic Development Areas
3. Have available the federal and non-federal resources necessary to effectively administer activities including whether the areas have appropriate private education and training providers, such as institutions of higher education and area career and technical education schools.

### *Other information available as requested:*

- Job openings in the County
- Labor Force Participation Rate
- Commuting Patterns: Where Workers Live and Work
- Other as Requested or Needed

## Initial Designation Factors

Region	Has Not Failed the Same Performance Measure(s) the Last Two Years	Sustained Fiscal Integrity Issues	Adequate Federal / Non Federal Funding	Other Issues / Explanation
Barren River	yes	no*	yes	Four County Judge Executives and one Mayor have made a formal request to the Governor to designate a new workforce area effective July 1, 2015. *They have asserted fiscal mismanagement issues by the fiscal agent.
Bluegrass	yes	yes	yes	The Auditor of Public Accounts has completed a special examination of the Bluegrass Area Development District and a state Corrective Action Plan for the Bluegrass LWIA is in process. The Lexington-Fayette Urban County Government has made a formal request to the Governor to designate a new workforce area effective July 1, 2015.
Cumberlands	yes	no	yes	
EKCEP	no	no	yes	PY12- Adult earnings, Youth literacy/ numeracy PY13- Adult earnings, Youth literacy/ numeracy
Green River	yes	no	yes	
KentuckianaWorks	no	no	yes	PY12- Adult earnings PY13- Adult earnings
Lincoln Trail	yes	no	yes	
Northern Kentucky	no	no	yes	
TENCO	yes	no	yes	
West Kentucky	yes	no	yes	

Friday, January 16, 2015