



WORKFORCE SYSTEM GUIDANCE No. 02-2014, June 30, 2015

TO: PENNSYLVANIA WORKFORCE INVESTMENT BOARD
BUREAU OF WORKFORCE DEVELOPMENT ADMINISTRATION
BUREAU OF WORKFORCE PARTNERSHIP AND OPERATIONS
CENTER FOR WORKFORCE INFORMATION AND ANALYSIS
LOCAL ELECTED OFFICIALS
LOCAL WORKFORCE INVESTMENT BOARD CHAIRS AND EXECUTIVE DIRECTORS
LABOR COMMISSIONERS

FROM: Diane Bosak
Deputy Secretary for Workforce Development

SUBJECT: Process and Timeline for Designation of Pennsylvania’s Local Workforce Development Areas—Initial Implementation of the Workforce Innovation and Opportunity Act of 2014

- I. **Purpose.** The purpose of this guidance is to provide technical assistance to Chief Elected Officials and other local workforce system stakeholders in the transition from local workforce investment areas that exist under the Workforce Investment Act of 1998 (WIA) to local workforce development areas that will comply with the requirements of the Workforce Innovation and Opportunity Act of 2014 (WIOA).
- II. **References.**
 - Workforce Innovation and Opportunity Act of 2014(WIOA), Public Law (Pub. L.) 113-128, enacted July 22, 2014
 - Workforce Innovation and Opportunity Act—Notice of Proposed Rulemaking, Part 679
 - Workforce Investment Act of 1998 (WIA), Pub. L. 105-220, *et seq.*
 - Training and Employment Guidance Letter (TEGL) No. 27-14, *Workforce Innovation and Opportunity Act Transition Authority for Immediate Implementation of Governance Provisions*, April 15, 2015
- III. **Background.** Section 106 of WIOA mandates that the State board shall assist the Governor in the designation of local workforce development areas. Per TEGL No. 27-14, the governor must develop a policy for initial and new designation of local workforce development areas.
- IV. **Designation of Local Workforce Development Areas.** For Program Years 2015 and 2016, WIOA provides that existing local workforce investment areas under WIA will be granted an ***initial designation*** as a WIOA local workforce development area. WIOA Local workforce development areas that receive an initial designation may also be granted a subsequent designation for later program years if they meet certain requirements. WIOA also provides for units of local government to become a ***new*** local workforce development area. Any unit of local government that desires to become a ***new*** local workforce development area must follow the ***new area designation*** requirements below.

A. Initial Designation. Effective July 1, 2015, each of Pennsylvania's 23 existing local workforce investment areas currently operating in accordance with WIA will automatically be granted an initial designation as local workforce development areas. Such designation is effective July 1, 2015 through June 30, 2017.

B. Evaluation and Assessment. During the first part of program year (PY) 2015, Chief Elected Officials in collaboration with local workforce development boards and other workforce system stakeholders must evaluate initially designated workforce development areas. The purpose of this evaluation is to ascertain whether the local area supports the continuation of the initial local area designation or the formation of a new local workforce development area. The process to determine which areas are defined as local workforce development areas should be data-driven and pursuant to WIOA Section 106(b). Factors that must be considered include, but are not limited to:

- natural labor market areas;
- regional economic development areas;
- existence of education and training providers, such as institutions of higher education and career and technical education schools;
- service delivery and resources available toward the provision of services;
- benefits of multiple resources within areas that are based on labor markets and natural travel patterns of local residents;
- capacity and access to public/private transportation resources;
- education leaders, business leaders, government officials, stakeholder buy-in;
- availability of Federal and Non-Federal resources necessary to effectively administer workforce investment activities and other provisions of the Act; to include resources beyond the 10% allowed for administrative expenditures allotted to local areas;
- strategies to provide enhanced quality services to employers and individuals; and
- local capacity to manage funds, provide oversight of programs, and provide for the proper stewardship of public funds.

The Chief Elected Officials and the local workforce development board chair must submit a formal letter to the Department not later than March 1, 2016, providing the assurance that a thorough evaluation has been accomplished. At a minimum, each of the factors listed above must be addressed by a brief narrative. In a local workforce development area that is made up of more than one unit of local government, the Chief Elected Official of each unit must sign to demonstrate that the document reflects the consensus of all the units. The letter must be submitted to the following resource account: RA-LI-BWDA-Policy@pa.gov.

If after a thorough review, units of local government have concluded that a new local workforce development area is warranted, the Chief Elected Officials representing the units that propose to make up the new local workforce development area must submit a formal request to the Department for new designation. See **New Area Designation** below for specific details for this request. This request would serve in lieu of the letter required in the previous paragraph.

- V. **New Area Designation.** The Department will consider a request for a new local area designation if the proposed new local workforce development area is made up of more than one unit of local government. The Chief Elected Officials representing the units that are requesting to make up a new local workforce development area must submit a formal request to the Department for new designation.

A full request must:

- A. Address, in addition to the required criteria described at WIOA 106(b), the following factors:

- Consistency with natural labor market areas;
- Consistency with regional economic development areas;
- Existence of education and training providers, such as institutions of higher education and career and technical education schools;
- Submission of a service delivery plan that includes a description of resources available toward the provision of services;
- Coordination of multiple resources within areas that are based on labor markets and natural travel patterns of local residents;
- Capacity and access to public/private transportation resources;
- Local support of the implementation strategies to provide quality services to employers and individuals by county commissioners, municipal elected officials including mayors and/or city council members where appropriate, and business or community leaders within the area as demonstrated by letters of support or a vote of support by a city council or other applicable board;
- Local ownership, exhibited by strong involvement of local elected officials and community leaders on the local workforce development board;
- Availability of Federal and Non-Federal resources necessary to effectively administer workforce investment activities and other provisions of the Act; to include resources beyond the 10% allowed for administrative expenditures allotted to local areas;
- Strategies to provide enhanced to employers and individuals; and
- Local capacity to manage funds, provide oversight of programs, and provide for the proper stewardship of public funds;

At a minimum, a brief narrative must be provided for each of the factors listed above.

- B. Address how the proposed new area designation will impact those other workforce areas from which it is withdrawing. It should be understood by any county, city or combination of such seeking designation, that the new area will only secure the formula allocated funds for each WIOA funding stream based on the formula factors as defined by WIOA. If the city, county or consortium area in question becomes part of a consortium, the consortium will determine the distribution of WIOA funds within its region(s).

The final decision rests with the governor (or designee).

Any request for a new area designation must be signed by all of the Chief Elected Officials who will make up the new local workforce development area to demonstrate that the request is the consensus of all the units of local government involved.

Any request for a new area designation to take effect on July 1, 2016 must be submitted to the following resource account not later than March 1, 2016: RA-LI-BWDA-Policy@pa.gov.

VI. **Contact Entity.** Technical assistance and/or inquiries regarding this guidance should be directed to the Pennsylvania Department of Labor & Industry, Director of the Bureau of Workforce Development Administration, 651 Boas Street, Harrisburg, PA 17121.

VII. **Rescissions.** None

