

STATE OF ILLINOIS LOCAL WORKFORCE AREA REALIGNMENT EXECUTIVE SUMMARY - Updated 8/21/18

BACKGROUND

Under the Workforce Innovation and Opportunity Act (WIOA), the Governor has the responsibility to designate and re-designate Local Workforce Innovation Areas (LWIA) that administer public workforce programs. An LWIA is composed of one or more counties that provide workforce development services under the leadership of a business-led Local Workforce Innovation Board (LWIB). In 2015, twenty-two (22) LWIAs were initially identified by the Governor, under the authority of Section 106(b)(2) of the WIOA legislation. (Attachment A).

Local Workforce Innovation Area Designation

WIOA requires the Governor to designate local areas based on considerations consisting of the extent to which the areas:

- are consistent with labor market areas in the State;
- are consistent with regional economic development areas in the State; and
- 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.

Regional Designation

WIOA also requires the Governor to identify “planning regions” to align workforce development activities and resources with larger regional economic development areas. After an analysis of the labor market information and other data factors, the State has determined that the WIOA planning regions align with the existing ten Economic Development Regions. The Economic Development Regions were determined based on the following factors:

- Workforce: Demographics, Labor Force, Commuting Patterns
- Geography: Metropolitan Statistical Areas (MSAs)
- Business & Industry: Employers & Major Industries

US DEPARTMENT OF LABOR REGULATIONS

In accordance with WIOA Section 106(a)(2), a single local area may not be split across two planning regions. The U.S. Department of Labor staff have indicated that this statutory requirement cannot be waived. Local areas must be contiguous to be a planning region and effectively align economic and workforce development activities and resources (20 CFR 679.210). There are five LWIAs in Illinois that are split across state planning regions including:

- Ogle County (LWIA 4)
- Livingston (LWIA 11)
- DeWitt (LWIA 19)
- Calhoun and Jersey (LWIA 21)
- Jersey (LWIA 21)
- Douglas (LWIA 23)

Required Action

The State initiated this project because it was issued a monitoring finding by the U.S. Department of Labor that directed Illinois to: “*identify a regional structure that does not result in any single local area being split between two or more regions.*” (see Attachment B). Information regarding this project is posted at <https://www.illinoisworknet.com/WIOA/RegPlanning/Pages/LWIA-Realignment.aspx>.

REALIGNMENT IMPACT

The realignment of a local workforce area requires a significant amount of planning and effort at the state and local levels. As a part of this process, the WIOA state partners will provide technical assistance

to each of the impacted local workforce areas and regions. It is projected that the realignment process will take at least 9-12 months.

LOCAL CONSULTATION

In response to the finding issued by USDOL the State Team reviewed the requirements for regional planning areas and economic development regions and data that has been used to establish the economic development regions in Illinois and held consultation meetings in each of the impacted counties. State Partners, Local Workforce Administrators, County Chairmen / Board members and other interested parties attended meetings in each location where the data sets and details of the requirements were presented. Questions and feedback were received at each location and the opportunity to discuss service delivery, referrals, and better communication between entities were topics of great interest. Discussion included some common themes/concerns:

- Staffing
- Loss of Service Center(s)
- Economic Development Region Boundaries
- Training Programs
- Supportive Services
- Appeals process
- Next steps

TIMELINE

- *March 2018:* The State requested a formal extension of the *LWIA regional realignment requirement* from the US Department of Labor (USDOL) to coincide with the 2020 planning process. The State was advised by USDOL that a full waiver of the requirement would not be approved.
- *March 2018:* The State issued letters to the federal, state and local elected officials informing them of the *LWIA realignment consultation process*.
- *May - June 2018:* A team of state agency staff presented information to the Chief Elected Officials (CEO's) and program administrators to initiate the *local consultation process*
- *July 2018:* The USDOL completed the *2018 WIOA Key Provisions Monitoring Review*. The USDOL approved a waiver from the State of Nebraska regarding *LWIA regional realignment requirement*.
- *August 2018:* The Illinois Workforce Innovation Board and State Agency Partners directed the State Team to request a waiver of the *LWIA regional realignment requirement*
- *September 2018 (week of 9/3):* The State Team will coordinate a conference call with the impacted CEO's and local workforce officials to provide updated information
- *September 2018 (week of 9/10):* The State Team will coordinate a webinar to provide an overview of the project. The CEOs and workforce officials of local workforce areas that would potentially "receive" a realigned county will be strongly encouraged to attend.
- *October-November 2018:* The State Team will coordinate individual meetings and provide information to assist the Chief Elected Official and local workforce stakeholders in making the regional alignment decisions.
- *November 30, 2018:* The State will require a decision from the impacted Chief Elected Officials and Local Workforce Areas regarding the realignment of the impacted counties.
- *December 2018 - Ongoing:* The State Team will provide significant technical assistance including on-site trainings, sample documents, program and fiscal management assistance to the LWIAs that move forward with the realignment process.
- *April 2019 - March 2020:* The regions and local workforce areas will develop the 2020 Regional and Local workforce plans. The impacted local workforce areas will finalize the transition plans for the impacted counties
- *April - June 2020:* The Local Workforce Areas will execute the transition plan with an effective date of July 1, 2020

ATTACHMENT B**Finding 1: Five Local Workforce Investment Areas (LWIAs) are Split Across Planning Regions – State, (Core Component 1.5: Local Area Designation)**

Five LWIAs (4/Ogle, 11/Livingston, 19/DeWitt, 21/Calhoun, Jersey and 23/Douglas) are split between different planning regions. The State's efforts to identify meaningful planning regions resulted in the identification of 10 Economic Development Regions (EDRs); however, the boundaries of the planning regions split the above five LWIAs into different planning regions.

In the preamble to the regulations related to section 20 CFR 679.210 the Department states: "In accordance with WIOA Section 106(a)(2), a single local area may not be split across two planning regions. Local areas must be contiguous in order to be a planning region and effectively align economic and workforce development activities and resources."

Required Action: The State, in conjunction with the local boards and elected officials, must identify a regional structure that does not result in any single local area being split between two or more regions. In its response to this report, the State should indicate what action(s) it will take to address this issue. The State is expected to identify a compliant regional planning structure in its first required modification to its WIOA Plan, which is due June 30, 2018.

State of Illinois Response: The State acknowledges that there are five local workforce areas that are located in more than one economic development / workforce development region. Illinois completed a comprehensive data analysis to support the regional and local area designation process that is included in the State's Unified Workforce Plan. The Governor, State Workforce Board, Interagency Work Group, Chief Elected Officials and Local Workforce Boards will review the updated data and the WIOA regulations to address this finding and to complete the local area designation process by the June 30, 2018 deadline.

2018 WAIVER REQUEST

- The State of Nebraska was granted a waiver of the regional realignment requirement through 7/1/2020. The approval coincides with the approval of the State's Unified Workforce Plan. USDOL has advised that there are no guarantees that the waiver would be "renewed" beyond 2020.
- The State of Illinois will submit a waiver the *regional realignment requirement* in August 2018.
- If Illinois' waiver is approved, Chief Elected Officials may be provided with the flexibility to retain the current regional / LWIA boundaries based on the consideration listed below:
 - The counties and local workforce areas that are in multiple regions will need to agree to actively participate in the *regional planning process* of both regions.
 - The CEOs must verify that they have reviewed the data / realignment options and have agreed to the LWIA configuration (retaining the current boundaries or realigning counties).
 - The LWIA / Counties that do not realign must agree to work with the state in 2020 if this waiver is not renewed. LWIAs could be required to complete the regional planning process in 2020 AND in 2021 if the waiver is not renewed.