

DRAFT



**State of Oregon
Plan Modification**

**For
Title I of the
Workforce Investment Act
and the
Wagner-Peyser Act**

SUBMITTED TO THE U.S. DEPARTMENT OF LABOR

Date of Submission, XXXX

Plan Submission and Certification

This document is a Plan Modification to the existing State of Oregon Five-Year Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act for July 1, 2012 – June 30, 2017, as submitted to U.S. Department of Labor (DOL) and posted at <http://www.oregon.gov/ccwd/Pages/rap/owib.aspx>. The State of Oregon certifies that no changes will be made to the Plan as posted on this website unless DOL provides approval for such changes.

Contact:

Melissa Leoni

Board Manager

Oregon Workforce Investment Board

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Salem, OR 97311

(503) 947-1732

melissa.leoni@oregon.gov

(* This information replaces the contact information on the opening page(s) of the existing plan.)

Modification Numbering Conventions:

This plan modification is numbered to coincide with its sequence of release within a given Program Year. This is the first plan modification of PY 2014; it may be referenced as *WorkSource Oregon State Plan Modification #01-14*.

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Section I. Background, Changes to Designated Local Areas¹, Miscellaneous Updates

Background

The primary purpose of this plan modification is to identify changes in the designations of Oregon's local areas. Additionally, this plan modification revises/updates some minor details (contact information, internet links and URLs, etc.) in Oregon's State Plan.

Currently, there are seven Local Workforce Investment Areas (LWIAs) in Oregon, including The Oregon Consortium/Oregon Workforce Alliance (TOC/OWA). This area is non-contiguous and serves 24 rural counties in the state. All of Oregon's current LWIAs were 'grandfathered' in as part of previous federal legislation.

In August 2013, Oregon's Governor Kitzhaber issued an Executive Order clarifying expectations that all Local Workforce Investment Boards (LWIBs) would be expected to expand their roles to better support the development of local solutions to labor market challenges.

Other Workforce Redesign efforts were occurring at the same time, and the Governor realized that these efforts, combined with the Executive Order, might require – or benefit from – organizational changes for some local areas. In March 2014 the Governor issued a letter inviting Local Workforce Boards and chief local elected officials to consider realigning local workforce investment area boundaries, to:

- allow for greater alignment of workforce boards with local economic development and job creation strategies,
- better align with Regional Solutions Teams boundaries, and
- support local decision making.

CCWD, the Governor, and the Oregon Workforce Investment Board (OWIB) collaborated to implement a voluntary, locally-initiated process for LWIA Redesignation Requests based on guidance found in the Workforce Investment Act, Final Rule, and TEG 37-10 *Workforce Investment Act (WIA) and Appropriations Act Provisions on the Designation of Local Workforce Investment Areas*, and contact with DOL/ETA Region 6 staff.

The role of the OWIB in redesignation included:

- Reviewing forwarded redesignation requests from the Governor
- Determining/evaluating whether there was compelling evidence that a redesignation would improve a variety of factors
- Providing opportunities for public comment throughout the process (see Section II.)
- Make final recommendations to the Governor

¹ Note on terminology: Throughout this document the term "Local Area" is interchangeable with both "local workforce investment area" (as per the *Workforce Investment Act of 1998*) and "local workforce development area" (as per the *Workforce Innovation and Opportunity Act*). Likewise, "Local Board" has the same meaning as both "local workforce investment board" (as per the *Workforce Investment Act of 1998*) and "local workforce development board" (as per the *Workforce Innovation and Opportunity Act*).

Oregon believes that the redesignation process aligns with the intent of the Workforce Innovation and Opportunity Act. It provides additional flexibility to local boards and allows them to focus on local economic issues, while potentially strengthening their strategic roles locally and across the state. This should allow these new, smaller, local boards to better serve the specific need(s) of their community(ies) while ultimately fostering regional collaboration.

For additional information and details, please see:

Attachment C – Executive Order

Attachment D – Oregon Redesignation Process (Memos and related communications, templates, references and resources, etc.)

Attachment E – State Board Review Criteria Template

Attachment F – Approval Letter from the Governor – pending

Attachment G – Oregon Local Workforce Areas (“Before” and “After” maps showing the results of redesignation)

Changes to Designated Local Areas

The State of Oregon Five-Year Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act for July 1, 2012 – June 30, 2017 should be modified as follows:

On page 4, the section following

Local Areas – Description of the WIA title I local workforce investment areas in the state

Identification of local workforce investment areas designated in the state, and the process used for designating local areas. (WIA Sections 111(d)(4), 112(b)(5), and 116(a), 20 CFR 661.205(d), 661.250-.270.)

should be revised to read:

Local areas were designated under WIA Section 116(a)(4), Designation on Recommendation of State Board. As required in the Act, areas were designated upon request of the Local Elected Officials. The requests were brought before the State Workforce Investment Board. The Board recommended the designation of areas to the Governor. Designation took place during the initial implementation of the WIA.

In 2014, local elected officials recommended that the Governor consider new boundaries within two existing local areas comprising a 24 (non-contiguous) county local area and an adjacent three county local area. **On October X, 2014**, the Governor designated five new local workforce areas (see Attachment F). The redesignation process conformed to Section 116 of the WIA and TEGL 37-10, and aligns with Section 106(b)(4) of the Workforce Innovation and Opportunity Act.

Description: Nine Workforce Investment Areas have been designated by the Governor. They are:

1. Multnomah, Washington Counties and the City of Portland
2. Clackamas County
3. Linn, Marion, Polk and Yamhill Counties
4. Benton, Clatsop, Columbia, Lincoln and Tillamook Counties
5. Lane County
6. Jackson and Josephine Counties
7. Coos, Curry and Douglas Counties
8. Crook, Deschutes, Gilliam, Hood River, Jefferson, Klamath, Lake, Sherman, Wasco, and Wheeler Counties
9. Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union and Wallowa Counties

Miscellaneous Updates

The State of Oregon Five-Year Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act for July 1, 2012 – June 30, 2017 should be modified as follows:

- On page 2, the link/URL to the strategic plan should be changed to:
<http://www.worksourceoregon.org/strategic-plan-2012-2022>.
- On page 37, the section following
Description of the key state administrative personnel of the programs described in Section I of the Integrated Workforce Plan, and the organizational structure and membership roster of SWIB members and their organizational affiliation.

should be revised to read:

Key state administrative personnel include:

Krissa Caldwell, Deputy Commissioner, Department of Community Colleges and Workforce Development, Title I Grant Recipient Agency

Lisa Nisenfeld, Director, Oregon Employment Department, State Employment Security Agency

Karen Humelbaugh, Workforce Division Director, Department of Community Colleges and Workforce Development, Title I Liaison

Kim Parker, Assistant Director – Business and Employment Services, Oregon Employment Department

- See **Attachment B** for a roster of the current State Workforce Investment Board (OWIB) membership
- On pages 125 through 140, all links/URLs to the OWIB Bylaws should be changed to:
http://www.oregon.gov/gov/skilled_workforce/Documents/OWIB%20Policies/OWIB%20Bylaws%20Approved%205-9-14.pdf

- Pages 142-143 (Attachment A – Program Administration Designees and Plan Signatures) should be replaced with the attached **Attachment A – Program Administration Designees and Plan Signatures**.

Section II. Transparency and Public Comment

Ensure meaningful comment, including comment from business and labor

Modifications to the State Plan are subject to the same public review and comment requirements that apply to the development of the original State Plan. [20 CFR 661.230(d)]

This plan modification submission, and all efforts leading up to it, was supported by an extensive public review process.

Oregon's redesignation of local areas occurred over several months during which the topic appeared on multiple Local Board and State Board meeting agendas, was posted on publicly accessible websites, etc. This provided numerous opportunities at the local and state level for public and stakeholder comment throughout the process.

A more complete history of the process can be tracked through OWIB meeting agendas and minutes, beginning approximately February 2014, and posted at:

http://www.oregon.gov/gov/skilled_workforce/Pages/Agendas-and-Minutes.aspx

This State Plan Modification underwent a 15-day public review process. A public notice was published on two public websites and the notice was e-mailed to more than 400 individuals and organizations including business and labor organizations. **This will be updated with the comments received or it will indicate that no comments were received.**

ATTACHMENT A
PROGRAM ADMINISTRATION DESIGNEES AND PLAN SIGNATURES

Name of WIA Title I Grant Recipient Agency: **Department of Community Colleges and Workforce Development**
Address: **255 Capitol Street NE, Salem, OR 97310-1300**
Telephone Number: **(503) 947-2414**
Facsimile Number: **(503) 378-3365**
E-mail Address: **krissa.caldwell@state.or.us**

Name of State WIA Title I Administrative Agency (if different from the Grant Recipient):
Same
Address: _____
Telephone Number _____
Facsimile Number: _____
E-mail Address: _____

Name of WIA Title I Signatory Official: **Krissa Caldwell, Deputy Commissioner**
Address: **255 Capitol Street NE, Salem, OR 97310-1300**
Telephone Number **(503) 947-2414**
Facsimile Number: **(503) 378-3365**
E-mail Address: **krissa.caldwell @state.or.us**

Signature: _____

Name of WIA Title I Liaison: **Karen Humelbaugh**
Address: **255 Capitol Street NE, Salem, OR 97310-1300**
Telephone Number: **(503) 947-2404**
Facsimile Number: **(503) 378-3365**
E-mail Address: **karen.humelbaugh@state.or.us**

Name of Wagner-Peyser Act Grant Recipient/State Employment Security Agency:
Oregon Employment Department
Address: **875 Union Street NE, Salem, OR 97311**
Telephone Number: **(503) 947-**
Facsimile Number: **(503) 947-1472**
E-mail Address: **lisa.nisenfeld@oregon.gov**

Name and title of State Employment Security Administrator (Signatory Official):
Lisa Nisenfeld, Director, Oregon Employment Department
Address: **875 Union Street NE, Salem, OR 97311**
Telephone Number: **(503) 947-1477**
Facsimile Number: **(503) 947-1472**
E-mail Address: **lisa.nisenfeld@oregon.gov**

Signature: _____

As the Governor, I certify that for the State/Commonwealth of **Oregon**, the agencies and officials designated above have been duly designated to represent the State/Commonwealth in the capacities indicated for the Workforce Investment Act, Title I, and Wagner-Peyser Act grant programs. Subsequent changes in the designation of officials will be provided to the U.S. Department of Labor as such changes occur.

I further certify that we will operate our Workforce Investment Act and Wagner-Peyser Act programs in accordance with this Plan and the assurances herein.

Typed Name of Governor: **John A Kitzhaber, M.D.**

Signature of Governor _____

Date _____



Attachment B

Oregon Workforce Investment Board Membership

Name	Category	Organization
Baker, Dave	Labor	IBEW
Balassa, Agnes	Governor's Representative	Office of the Governor
Bolken, Trygve	Business	Bend Research
Brown, Susan	Business	Susan Brown Project Development
Byrd, Barbara	Labor	AFLCIO
Chaffee, Carrie	Business	OUS Federal Credit Union
Dembrow, Michael	Legislator	Senator
Fallt, Maureen	Business	PGE
George, Joni	Business	CLIMAX Portable Machining & Welding Systems
George, Larry	Legislator	Senator
Goddin, Karen	Invited by Governor	Business Oregon
Gomez, Jessica, Vice Chair	Business	Rogue Valley Microdevices, Inc
Halligan, Bob	Business	Willamette Valley Company
Helzerman, Megan	Youth Activities	Clackamas ESD
Holvey, Paul	Legislator	Representative
Hopewell, Charles	Business	Sunset Manufacturing Company
Howard, Jessica	CC's & CBOs	Portland Community College
Huffman, John	Legislator	Representative
Johnson, Dacia	Workforce Partner	Commission for the Blind
Kelley-Siel, Erinn	Workforce Partner	Dept. of Human Services
Krolick, Jeffrey	CC's & CBOs	Options for Southern Oregon Inc.
Luchak, Lori	Business	Miles Fiberglass
Madden, Ken, Chair	Business	Madden Industrial Craftsmen, Inc.
McGough, Andrew	LWIB Representative	Worksystems Inc.
McKinney, Laura	Invited by Governor	Oregon University System
Millard, Matt	Labor	OHSU - AFSCME
Nisenfeld, Lisa	Workforce Partner	Oregon Employment Department
Oliver, Kathy	Youth Activities	OutSide In
Parrish Taylor, Stephaine	Workforce Partner	DHS-Office of Vocational Rehabilitation
Rodriguez, Barbara	Business	Sulzer Pumps (US), Inc
Spanbock, Claire	Business	Keizer Permanente
Unger, Alan	Local Elected Official	Deschutes County Commissioner/AOC
Wall, Frank	Business	Plumbing and Mechanical Contractors Assn
Weber, Joe	Business	ESCO Corp

**EXECUTIVE ORDER NO. 13-08****CHARTERING PARTNERSHIPS FOR JOB GROWTH AND TALENT DEVELOPMENT**

For too many Oregonians, continued economic recovery will not translate into a more prosperous future. Those who worked in low wage jobs even before the recession, those whose middle income jobs have disappeared, and young people who cannot find entry-level jobs are not likely to realize the full potential of a recovering economy. The well-being of our state is in jeopardy if these citizens, many with families to support, are unable to benefit from economic opportunity.

At the same time, there are businesses struggling to find workers with the right skills to support future growth and increase productivity. In the past, a recovering state economy resulted in job growth and reduced unemployment; however, job growth has not kept pace in the current recovery. Changing dynamics in our economy related to jobs, job creation and relationships between employers and employees mean that our traditional approaches to preparing people for and matching them to employment will also have to change.

Despite strong efforts to integrate program services, the outdated state and federal patchwork of programs spread across several agencies that make up the workforce system challenges the efficiency with which we can create solutions for the changing economy. In addition, federal and state funds for workforce programs have been in decline for almost a decade and are not likely to increase, even as our economic challenges continue well past the end of the Great Recession. Reductions in federal program funding, paired with the demands of the new economy, create the urgent need for Oregon to better align its workforce system with changing priorities, integrate more workforce programs, clarify roles and responsibilities and redesign systems. The longer we wait the fewer choices we have.

New workforce solutions cannot be developed by government alone. Businesses, business associations, and economic development organizations across Oregon must be engaged pro-actively to develop solutions that increase employment in small and mid-sized businesses, as well as large companies.

The path forward requires bold partnerships among business, government, labor and the nonprofit sector. Oregon's State and Local Workforce Investment Boards, which are organized as business-led partnerships, provide a "convening table" for labor, economic development, elected officials, education, workforce development and human service providers to create community-based solutions to today's and tomorrow's workforce challenges. The stated mission of these boards is to assure that:



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- Oregonians have the skills they need to fill current and emerging high-wage, high-demand jobs.
- Employers have the skilled workforce they need to remain competitive and contribute to local prosperity.
- The workforce system is aligned, provides integrated services and makes efficient and effective use of resources to achieve better outcomes for businesses and job seekers.

In 2012, Oregon adopted a ten-year strategic plan developed by the Oregon Workforce Investment Board and developed a ten-year budget plan to better align resources, strategies and services for the new economy. This Executive Order initiates a process that will re-charter Oregon's State and Local Workforce Investment Boards to lead efforts to reduce fragmentation and align federal and state programs to better serve Oregon's job seekers and businesses in this new economy.

Re-chartering is based on the following principles:

1. Ultimately all solutions are local. The state sets the vision, invests in outcomes, and supports implementation with policies, resources and accountability structures; locals develop solutions that fit the needs of their communities to achieve the outcomes.
2. Convening tables that fully engage the private sector and attract a wide array of private and public partners and resources to achieve common outcomes are critical to the creation of workforce solutions.
3. Workforce solutions must achieve high value outcomes for any Oregonian who can and wants to work, for businesses, for communities and for the entire state.
4. The challenges of our new economy are urgent and resources are limited. Efficiencies must be found to achieve cost effective solutions that result in more Oregonians able to earn a good living and more businesses able to compete and grow in the new economy.

This Executive Order also charges those state agencies that administer workforce programs to work with the Governor, the Office of the Chief Operating Officer (also known as the Department of Administrative Services), legislators, the State and Local Workforce Investment Boards, and stakeholders to align Oregon's workforce system in light of reduced resources and the changing economy.



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The effort to redesign Oregon's workforce system will complement, be informed by, and benefit from state investments to increase economic growth and reduce poverty, the efforts of Regional Solutions Committees throughout Oregon, and initiatives to expand educational achievement, commonly known as Oregon's 40-40-20 goals.

NOW THEREFORE, IT IS HEREBY DIRECTED AND ORDERED:

1. By June 30, 2015, Local Workforce Investment Boards will be re-chartered to:
 - a. Better direct public workforce investments at the state and local level for talent development, job creation, income progression, business competitiveness, integrated service delivery and expanded opportunities for citizen prosperity;
 - b. Use labor market intelligence to better align economic development, education and training, and workforce development investments and services for job seekers and businesses to efficiently address local labor market needs and statewide priorities;
 - c. Expand private-public partnerships with an integrated workforce system to better meet the needs of communities and create solutions to address tomorrow's workforce challenges;
 - d. Partner with the Governor's Regional Solutions Committees to identify and leverage opportunities to expand job creation and incent job growth; and
 - e. Be accountable for workforce system outcomes.
2. As part of the re-chartering process, Local Workforce Investment Boards will become neutral, independent brokers of workforce services, purchasing services from those equipped to deliver the best possible results by July 1, 2015.
3. By December 31, 2013, a process convened by the Governor's Office, staffed by the Office of the Chief Operating Officer, and engaging representatives of State and Local Workforce Investment Boards, State Agencies, Business, Organized Labor, Local Elected Officials and the Legislature will develop specific criteria and mechanisms to re-charter Local Workforce Investment Boards. Local Workforce Investment Boards must comply with the criteria by June 30, 2015.



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4. The State Workforce Investment Board will be re-chartered to serve as independent advisory body to the Governor with designated staff by June 1, 2014 in order to:
 - a. Facilitate the provision of resources to support locally developed workforce solutions, and contingent on budget approvals, shall provide resources to local workforce boards;
 - b. Solicit local recommendations and work with state agencies to increase system alignment;
 - c. Monitor and evaluate the implementation of the strategic plan, making adjustments as needed based on a changing economy; and
 - d. In conjunction with local and statewide business partners, private foundations, and state agencies, the State Workforce Investment Board shall plan a statewide convening of the workforce system, employers and organized labor to report on results of ongoing efforts, examine effective strategies, celebrate success, and consider recommendations for continuing to enhance statewide alignment and innovation of workforce services.

5. By the end of 2013, in preparation for the 2014 Legislative Session, those state agencies that currently administer Oregon's workforce programs, in conjunction with the Office of the Chief Operating Officer, the Governor and the Legislature will develop a plan to better align the administrative infrastructure of the workforce system to support the work of the re-chartered boards. These state agencies will:
 - a. Develop a mechanism for funding the functions of the State and Local Workforce Investment Boards;
 - b. Direct resources to achieve agreed upon state and federal outcomes;
 - c. Align administrative infrastructure and data systems to support the workforce system;
 - d. Work together across programmatic silos to increase the alignment and integration of workforce programs;
 - e. Evaluate the cost-benefit of proposed actions; and
 - f. Develop a transparent and integrated workforce budget by 2015.

6. Publicly funded workforce programs delivered at the state and local level will work with Oregon's State and Local Workforce Investment Boards to avoid unnecessary duplications and make use of labor market intelligence to guide the



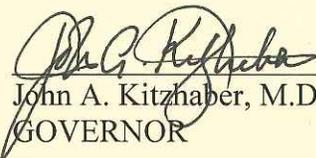
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delivery of services to job seekers and businesses and the development of new workforce solutions.

7. The Oregon Workforce Investment Board and the Oregon Education Investment Board will work together to identify ways to achieve common results across education and workforce systems.
8. In the event of a conflict between any provision of state or federal law and this Executive Order, state or federal law will prevail and the remaining terms of this Executive Order shall remain in force and effect.

Done at Salem, Oregon this 25 day of July, 2013.




John A. Kitzhaber, M.D.
GOVERNOR

ATTEST:


Kate Brown
SECRETARY OF STATE

John A. Kitzhaber, MD
Governor



MEMORANDUM

Date: March 3, 2014

To: Local Workforce Investment Board Chairs, Directors and Chief Elected Officials

From: Agnes Balassa, Workforce Policy Advisor, Office of Governor John Kitzhaber

Re: Local Workforce Investment Area redistricting

.....

This memorandum is in follow up to a letter from Governor Kitzhaber on the topic of Local Workforce Investment Area redistricting which you should have received by email earlier today. A hard copy is also in the mail.

Some of you are probably wondering why the Governor has initiated a discussion about Oregon's local workforce investment area boundaries. The reason is that our economy is changing, creating the need for new approaches to helping people get, keep and progress in jobs throughout the state. Oregon's approach to economic development is changing from a focus on fixed, place based assets and incentives to a focus on the skills of our workforce. We'd like all parts of the state to be better positioned to help grow local jobs.

At the same time, federal resources for workforce development have declined and are likely to continue to do so into the future. To achieve our goals for a strong economy we need to focus more intentionally on leveraging our resources to meet the needs of local communities. By better aligning our workforce area boundaries with our economic development strategies, including regional solutions, we can create greater leverage for the growth of a new economy. This is especially true in our more rural parts of the state. Local Workforce Investment Boards are critical to creating this alignment. However, our current boundaries are not well aligned in all parts of the state to achieve these goals.

This memorandum and attached materials describe the process for redistricting local workforce investment area boundaries, and include an invitation for a statewide video conference to discuss next steps.

The Department of Community Colleges and Workforce Development has provided an analysis of state and federal rules and regulations related to this topic, which is attached. The following process was developed based on their input.

It is the intent of the federal law and of the Governor that this process be a collaborative and voluntary one among the state and local workforce investment boards, Local Chief Elected Officials

(CEO's), and the Governor. While only the Governor may (re)designate local workforce investment areas, the support of Local CEOs is necessary for boundary changes to take place.

CEOs in any local workforce investment area, a state workforce investment board, or a governor may propose a local workforce investment area redesignation. The Governor's letter you received, dated March 3, 2014, invites local workforce investment boards (LWIBs) and the CEO's who serve on these boards to enter into a discussion about local workforce investment area boundaries. LWIB members and county elected officials should be included in these discussions. Requests for redesignation should use the following process:

- A redesignation request is initiated by filing the attached form with the Governor's Workforce Policy Advisor. Any of the following may submit a redesignation request: CEOs, LWIBs with CEO support, the Governor or the State Workforce Investment Board. Requests will be processed as they are received in order to allow sufficient time for development of new boundary proposals. **All requests for redesignation must be filed by April 15, 2014.**
- The Governor's Office will notify an LWIB of the receipt of any requests for redesignation of boundaries within 5 days of receipt and initiate a process for discussion of possible new boundaries.
- The Governor will host a statewide video conference in early April to discuss both the process and any concerns or questions raised by local areas. More information will be forwarded as soon as it is available.
- In compliance with federal and state guidelines, the Governor will consider boundaries that are consistent with local labor markets and the service areas of local educational and other workforce partners and reflect regional and labor market economies of scale. Examples of "regional and labor market economies of scale" include Economic Development Districts and Regional Solutions area boundaries.
- Requests consistent with the criteria above will be forwarded to the Oregon Workforce Investment Board (OWIB) **by June 1, 2014 for consideration at the Board's June 13, 2014 meeting.** In recommending approval of new boundaries, OWIB must consider:
 - Geographic areas served by local education agencies and intermediate educational agencies.
 - Geographic areas served by post-secondary educational institutions and area vocational education schools.
 - The extent to which local areas are consistent with labor market areas.
 - The distance that individuals will need to travel to receive services provided in such local areas.
 - The resources of such local areas that are available to effectively administer the activities carried out under subtitle IB of the Workforce Investment Act.
 - Whether there is compelling evidence that a redesignation would:
 - Better meet any criteria established by OWIB in its strategic plan;
 - Be more effective or efficient; and
 - Produce better performance results for customers
- If the OWIB determines the request(s) meet(s) the criteria and there is compelling evidence that a local area(s) should be redesignated, the Governor may approve the redesignation request and recognize the

resulting new configuration of local area(s). It is the Governor's intent to approve any new boundaries by July 1, 2014. Federal law allows until October 1 for the identification of new boundaries, however, that would not allow sufficient time for completion of administrative work necessary for boundary changes and to prepare LWIBs to be chartered in time for the July 1, 2015 start of the new fiscal year.

- The OWIB and Local Workforce Investment Boards must provide public notice for any regular, special or emergency meeting where (re)designation will be discussed. These meetings may take place concurrently with other steps of the redesignation process. The notice must be specific enough to permit citizens to recognize matters of interest.
- A change in local area(s) designation will also require a modification of the State Strategic Plan. Such modifications are subject to the same public review and comment requirements that apply to the development of the original State Plan. Any changes to existing local workforce investment areas designations will be forwarded to the Department of Labor Employment and Training Administration for federal approval/recognition in the form of a new State Plan or State Plan Modification.

Attached, please find details of the process as well as the form required to initiate a redistricting request. A comparison of Local Workforce Investment Areas with Regional Solutions Boundaries is also included for those who are unfamiliar with these two sets of boundaries. Details for a statewide video conference meeting with the Governor will be forthcoming.

I will be in contact with each local workforce investment board to schedule a time to talk about this process, answer questions and potentially schedule to attend a future local meeting if this would be helpful. I can be reached at 503.986.6530 or agnes.balassa@state.or.us if you have questions in the meanwhile.

Thank you for your consideration.



**COMMUNITY
COLLEGES AND
WORKFORCE
DEVELOPMENT**
WORKSOURCE OREGON

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Salem, Oregon 97310

Phone (503) 947-2401

Fax (503) 378-3365

www.oregon.gov/ccwd

January 29, 2014

To: The Honorable John A. Kitzhaber, Governor
Agnes Balassa, Workforce Policy Advisor, Oregon

From: Krissa Caldwell, Deputy Commissioner, CCWD

Re: Local Workforce Investment Area Designation Changes

In response to the Governor's request for information regarding the federal and state requirements and procedures involved with designating or redesignating Local Workforce Investment Areas (LWIAs), the Department of Community Colleges and Workforce Development has prepared the attached document.

State and federal guidance describe several conditions under which LWIAs may be (re)designated; this letter specifically addresses the process of voluntary (re)designation. In Oregon, the state workforce investment board is known as the Oregon Workforce Investment Board (OWIB).

In summary:

- The Chief Elected Official(s) (CEOs) of any local area, the state workforce investment board, or the governor may propose a local area redesignation by following the attached process. Proposals may be initiated at any time, but specific timelines may affect the request and redesignation process.
- Only the Governor may (re)designate local workforce investment areas.
- Voluntary redesignation of a workforce investment area is expected to be a collaborative process between the state workforce investment board, the Governor, and local CEOs.

The LWIA designation process must include the following steps:

- A proposal/request form submitted to the Governor's Workforce Policy Advisor;
- Consultation with the state workforce investment board and chief elected officials (CEOs);
- A public comment period, including consideration of comments received

If approved by the Governor, a change in LWIA designation must:

- Be included in the State Strategic Plan (or submitted as a Plan Modification)
- Be submitted to the US Department of Labor (DOL)/Employment and Training Administration (ETA)



References:

Federal requirements and guidance for the designation and redesignation of LWIAs requirements may be found primarily in

- The Workforce Investment Act, Section 116
- 20 CFR, Part 661.250 through 661.280
- Training and Employment Guidance Letter (TEGL) 37-10, *Workforce Investment Act (WIA) and Appropriations Act Provisions on the Designation of Local Workforce Investment Areas*

Oregon's state-level guidance may be found at:

- ORS 660.324, *Duties of state board; state plan for workforce investment system*
- OAR 151-010-0040, *Designation of Workforce Investment Areas (Designation/ Redesignation)*
- OWIB Policy, *Workforce Investment Area Designation (Amended: March 26, 2004)*

A more thorough description of the process and requirements for voluntary (re)designation is included in Attachment A.

If/as a proposal to any of Oregon's LWIAs moves forward, CCWD will provide additional information and support, as requested by the Governor, the OWIB, or other stakeholders.

Attachment A

Local Workforce Investment Area Designation

Brief History

The Workforce Investment Act (WIA) includes the requirement that the Governor must designate local workforce investment areas in order for the State to receive funding under Title I of WIA.

Each time Oregon submits its State Plan to the US Department of Labor/Employment Training Administration (DOL/ETA), it includes a section identifying the local workforce investment areas designated in the state, and the process used for designating local areas.

According to Oregon's State Plan, local workforce investment areas (LWIAs) were initially designated in accordance with WIA Section 116(a)(4), *Designation on Recommendation of State Board* (1999-2000).

In brief:

- Local Elected Officials brought designation requests before the State Workforce Investment Board
- The State Workforce Investment Board recommended the designation of areas to the Governor
- The Governor approved the State Workforce Investment Board's recommendations

Only one redesignation has taken place in the intervening time. On July 1, 2004, at the request of local elected officials, Tillamook County petitioned to be removed from the LWIA serving the Portland metropolitan area and reinstated with The Oregon Consortium/Oregon Workforce Alliance area, where it had been prior to the implementation of the WIA.

Any changes to LWIA designations need to be submitted to DOL/ETA in the State Plan, or as a Plan Modification, according to the guidelines and processes listed below. The (re)designation process can be initiated by any of several entities, for a variety of reasons/purposes. The following summary focuses on (re)designation as a *voluntary* action. [Note: Involuntary designation may result from instances of fraud, abuse, failure to carry out local board functions, or failure to meet performance measures for two consecutive program years. None of these conditions currently exists in Oregon, and the State is not in a position to consider involuntary redesignation of its LWIAs at this time.]

What Happens, and How

- A local workforce investment area, specifically a local chief elected official(s) can voluntarily agree to redesignation.
- The local area, the state workforce investment board (OWIB), or the governor may propose a local area redesignation.
 - A proposal/redesignation request is initiated by filing an approved form with the Governor's Workforce Policy Advisor.
- The Governor will review the request to ensure it meets the following criteria:

- Is consistent with local labor markets and the service areas of local educational and other workforce partners; and
 - Reflects regional and labor market economies of scale.
- If the request meets the above criteria, the Governor will forward the request to the OWIB to consider:
 - Geographic areas served by local education agencies and intermediate educational agencies.
 - Geographic areas served by post-secondary educational institutions and area vocational education schools.
 - The extent to which local areas are consistent with labor market areas.
 - The distance that individuals will need to travel to receive services provided in such local areas.
 - The resources of such local areas that are available to effectively administer the activities carried out under subtitle IB of the Act.
- The OWIB will also determine whether there is compelling evidence that a redesignation would:
 - Better meet the criteria established by the state board;
 - Be more effective or efficient; and
 - Produce better performance results for customers
- The OWIB and Local Workforce Investment Boards must provide public notice of the time, place and agenda for any regular, special or emergency meeting where (re)designation will be discussed.
 - The notice must be specific enough to permit citizens to recognize matters of interest.
- If the OWIB determines the request meets the applicable criteria and there is compelling evidence that a local area(s) should be redesignated, the Governor may approve the redesignation request and recognize the resulting new configuration of local area(s).
- A change in local area designation, or the redesignation of local areas, is considered a substantial change that requires a modification of the State Strategic Plan.
- State Plan modifications are subject to the same public review and comment requirements that apply to the development of the original State Plan; the OWIB must provide an opportunity for public comment on and input into the development of the modification before submitting it to the Governor.
 - Prior to the date on which the OWIB submits a plan modification, the OWIB shall:
 - (1) make available copies of a proposed plan modification to the public through such means as public hearings and local news media;
 - (2) allow members of the local board and members of the public, including representatives of business and representatives of labor organizations, to submit comments on the proposed local plan to the local board, not later than the end of the

30-day period beginning on the date on which the proposed plan modification is made available; and

(3) include with the plan modification submitted to the Governor any such comments that represent disagreement with the plan.

- Any changes to existing LWIA designations will be forwarded to DOL/ETA for federal approval/recognition in the form of a new State Plan or State Plan Modification, along with:
 - A description of the process the State used to make the Plan available to the public and the outcome of the State's review of the resulting public comments.

Additional notes:

- To be timely, requests must be received by the Governor (or Advisor) not later than October 1 of the year previous to the Program Year the redesignation would be in effect.
 - A Program Year (PY) is from July 1 through June 30 – e.g., PY 2013 is July 1, 2013 through June 30, 2014.
- An appeal process exists for any unit of local government, or combination of such units, whose request for redesignation was denied.

References:

Many of the procedural aspects and requirements of redesignation are addressed and cross-referenced among the sources below. Additionally, Oregon sources may contain Oregon-specific processes.

Federal requirements and guidance for the designation and redesignation of Local Workforce Investment Areas (LWIA) may be found primarily in:

- The Workforce Investment Act, Section 116
<http://www.doleta.gov/usworkforce/wia/wialaw.pdf>
- 20 CFR, Part 661.250 through 661.280
<http://www.doleta.gov/usworkforce/wia/finalrule.pdf>
- Training and Employment Guidance Letter (TEGL) 37-10, *Workforce Investment Act (WIA) and Appropriations Act Provisions on the Designation of Local Workforce Investment Areas*
<http://wdr.doleta.gov/directives/attach/TEGL/TEGL37-10ACC.pdf>

Oregon's state-level guidance may be found at:

- ORS 660.324, *Duties of state board; state plan for workforce investment system*
https://www.oregonlegislature.gov/bills_laws/lawsstatutes/2011ors660.html
- OAR 151-010-0040, *Designation of Workforce Investment Areas (Designation/ Redesignation)*
http://arcweb.sos.state.or.us/pages/rules/oars_100/oar_151/151_010.html
- OWIB Policy, *Workforce Investment Area Designation (Amended: March 26, 2004)*
<http://www.worksourceoregon.org/state-workforce-board/about-oregons-workforce-investment-board/rules-and-policies/278-workforce-investment-area-designation>



Local Workforce Investment Area Designation Request Form

Use this form to request any changes to the current Local Workforce Investment Areas (LWIAs) in Oregon.

A completed physical copy, or a scanned copy that includes the requestor's signature, must be submitted to:

Education & Workforce Policy
c/o GOVERNOR'S OFFICE
900 Court Street NE, Suite 160
Salem, OR 97301
Attn: Workforce Policy Advisor

Initiator/Requestor:

- Chief Elected Official(s)
- Oregon Workforce Investment Board (OWIB)
- Local Workforce Investment Board (LWIB) – must be signed by at least one Chief Elected Official
- Governor

Requested change (please include proposed new boundaries/areas):

Reason/justification for requested change(s):

Name/Signature of requestor(s):

Title:

Date:



Local Workforce Investment Area Designation Request Form

References:

Federal requirements and guidance for the designation and redesignation of Local Workforce Investment Areas (LWIA) may be found primarily in:

- The Workforce Investment Act, Section 116
<http://www.doleta.gov/usworkforce/wia/wialaw.pdf>
- 20 CFR, Part 661.250 through 661.280
<http://www.doleta.gov/usworkforce/wia/finalrule.pdf>
- Training and Employment Guidance Letter (TEGL) 37-10, *Workforce Investment Act (WIA) and Appropriations Act Provisions on the Designation of Local Workforce Investment Areas*
<http://wdr.doleta.gov/directives/attach/TEGL/TEGL37-10ACC.pdf>

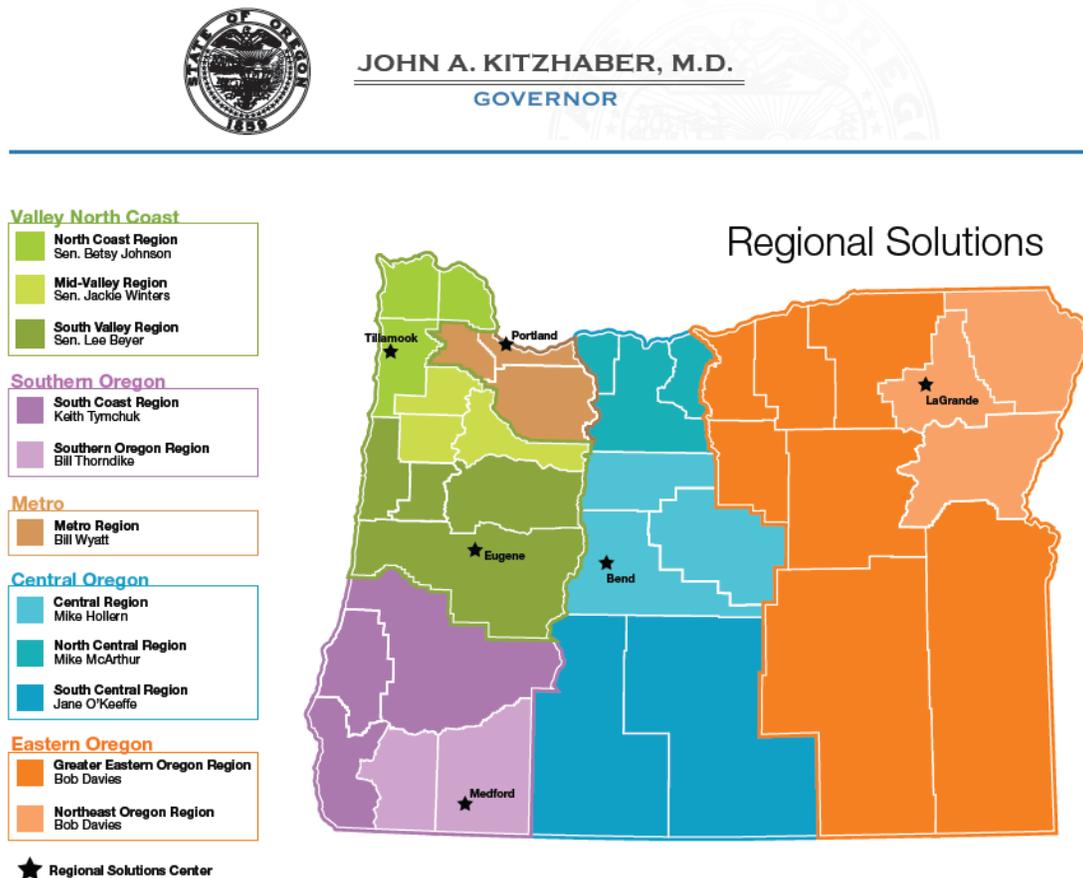
Oregon's state-level guidance may be found at:

- ORS 660.324, *Duties of state board; state plan for workforce investment system*
http://www.oregonlegislature.gov/bills_laws/lawsstatutes/2013ors660.html .
- OAR 151-010-0040, *Designation of Workforce Investment Areas (Designation/Redesignation)*
http://arcweb.sos.state.or.us/pages/rules/oars_100/oar_151/151_010.html
- OWIB Policy, *Workforce Investment Area Designation (Amended: March 26, 2004)*
<http://www.worksourceoregon.org/state-workforce-board/about-oregons-workforce-investment-board/rules-and-policies/278-workforce-investment-area-designation>

Comparison of Workforce and Regional Solutions Boundaries

Background: Governor Kitzhaber has suggested that Oregon’s local workforce investment areas consider greater alignment with the state’s regional solutions boundaries. These boundaries are based on the state’s economic development districts.

Oregon is divided into eleven “regions”, each with its own regional solutions steering committee led by a local convener as indicated on the map below.



Each of the three regions in the Valley/North Coast cluster has a Governor’s staff assigned to its committees. The remaining four clusters of regions are each served by a Governor’s staff person, in effect creating 7 regions as follows:

CENTRAL OREGON

Crook, Deschutes, Hood River, Jefferson, Klamath, Lake, Sherman and Wasco Counties

EASTERN OREGON

Baker, Gilliam, Grant, Harney, Malheur, Morrow, Umatilla, Union, Wallowa and Wheeler Counties

SOUTHERN OREGON

Coos, Curry, Douglas, Jackson and Josephine Counties

NORTH COAST

Comparison of Workforce and Regional Solutions Boundaries

Clatsop, Columbia, Lincoln and Tillamook Counties

MID-WILLAMETTE VALLEY

Marion, Polk and Yamhill Counties

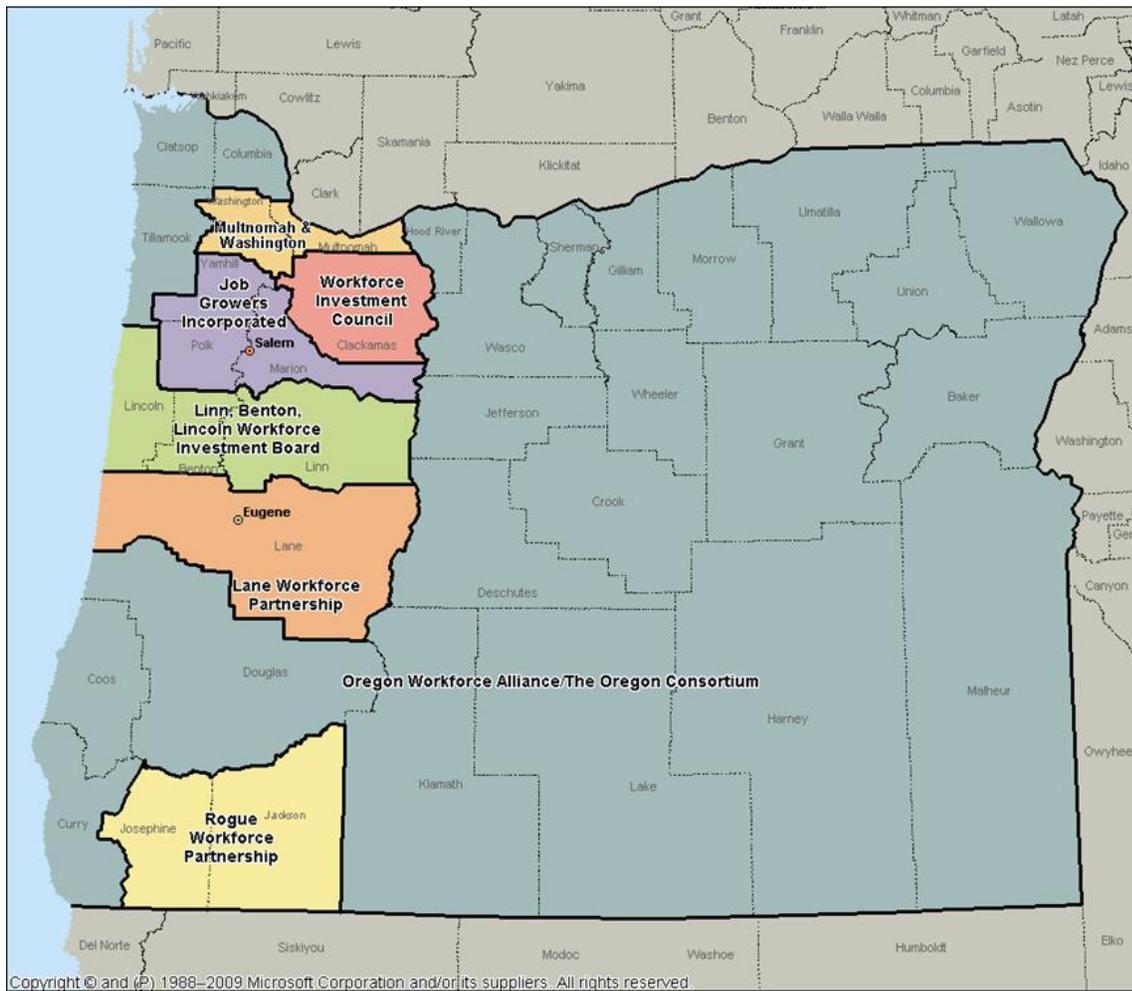
SOUTH WILLAMETTE VALLEY

Benton, Lane, Lincoln and Linn Counties

METRO

Clackamas, Multnomah and Washington Counties

Oregon's Local Workforce Investment Areas are also divided into seven regions as indicated on the map below:



These boundaries were created many years ago based on the federally designated metropolitan statistical areas that existed at the time. There is some alignment with regional solutions boundaries, as well as large areas that are served by multiple regional solutions teams.

Attachment E

Redesignation of Local Workforce Investment Areas Approval Form

Local Workforce Investment Area to be approved:

Counties included in the Local Workforce Investment Area:

_____ The Governor's Office has received letters requesting redesignation of the local areas.

_____ The Governor's Office has received resolutions from each participating county supporting the new area
(Note: Resolutions from each county must be received to finalize approval of the new area)

_____ The Governor has reviewed the request and confirms that it:

- Is consistent with local labor markets and the service areas of local educational and other workforce partners

Comments:

_____ A request has been forwarded to OWIB staff for review of the following criteria.

- Geographic areas served by local education agencies and intermediate educational agencies.
- Geographic areas served by post-secondary educational institutions and area vocational education schools.
- The extent to which local areas are consistent with labor market areas.
- The distance that individuals will need to travel to receive services provided in such local areas.
- The resources of such local areas that are available to effectively administer the activities carried out under subtitle IB of the Workforce Investment Act.
- Better meet the criteria established by the state board.
- Be more effective or efficient.
- Produce better performance results for customers.
- Criteria established by the state board on May 9, 2014:
 - a. Increase alignment with economic development districts and regional solutions areas
 - b. Create contiguous local workforce investment areas to the extent possible

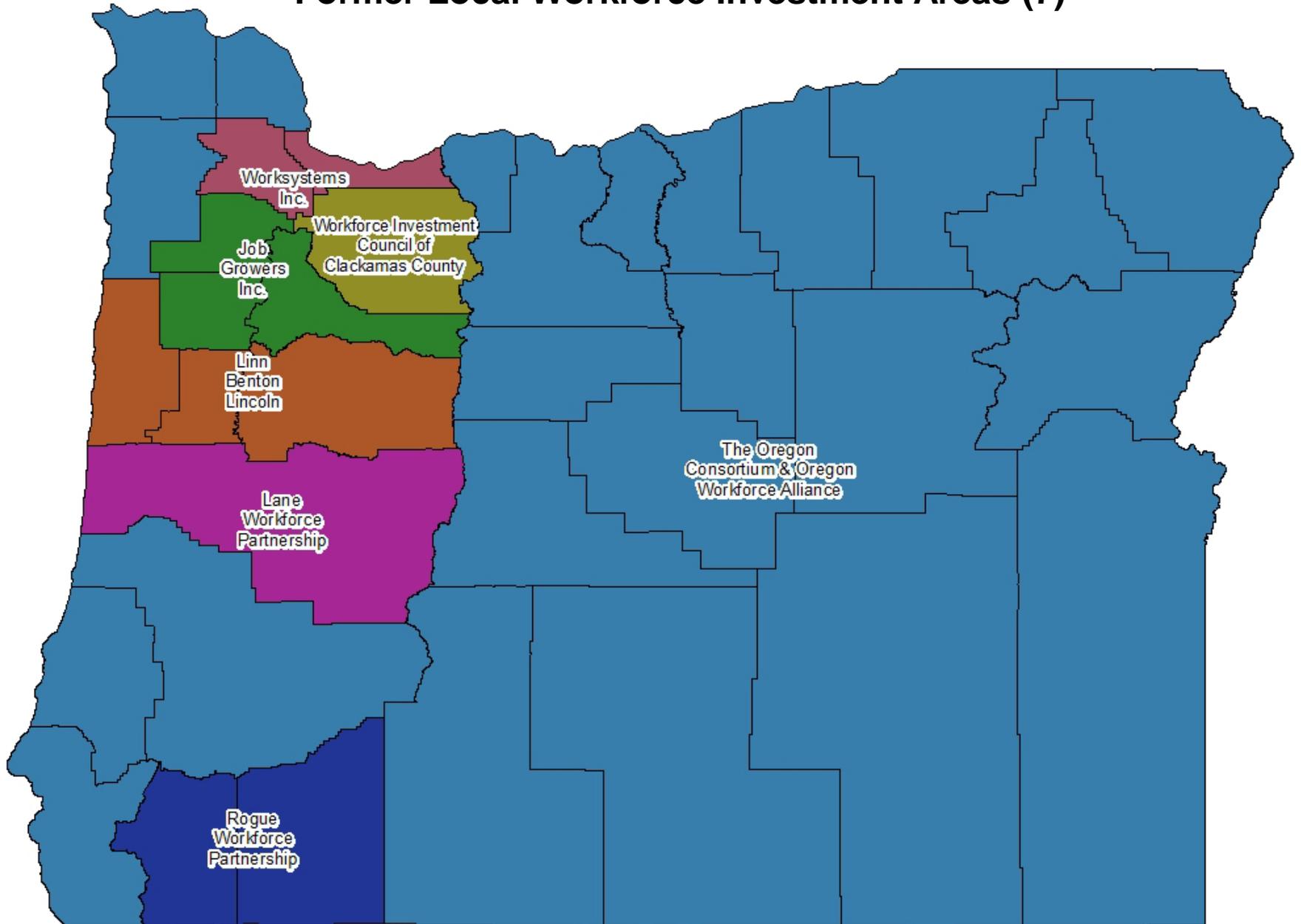
[WIA Sec. 116(a)(1)(B), OAR 151-010-0040]

_____ Staff analysis

Criteria	Does the proposal meet the criteria? Yes or No	Comment/explanation
Geographic areas served by local educational agencies and intermediate educational agencies		
Geographic areas served by postsecondary educational institutions and area vocational education schools		
The extent to which such local areas are consistent with labor market areas		
The distance that individuals will need to travel to receive services provided in such local areas		
The resources of such local areas that are available to effectively administer the activities carried out under subtitle IB of the Workforce Investment Act		
Better meet the criteria established by the state board		
- Increase alignment with economic development districts and regional solutions areas		
- Create contiguous local workforce investment areas to the extent possible		
Be more effective or efficient		
Produce better performance results for customers		

Attachment G

Former Local Workforce Investment Areas (7)



New Local Workforce Investment Areas (9)

