VIRGINIA BOARD OF WORKFORCE DEVELOPMENT

Policy Area: Local and Regional Governance	
Title of Policy: Designation of Regions and Planning Requirements	**Number:** 200-06 (2016)
Effective Date: July 1, 2016	**Review by Date:** July 1, 2018
Approved Date: June 23, 2016 **Revision Date:**	**Approved by:** *Mark Herzog* Mark Herzog, Chair

I. Purpose

The purpose of this issuance is to provide policy and procedures for identifying regions and conducting regional planning for chief local elected officials (CLEOs) and Virginia workforce system stakeholders per statutory and regulatory requirements under the Workforce Innovation and Opportunity Act (WIOA).

II. Summary

The Workforce Innovation and Opportunity Act (Pub. L. 113-128), contains a provision found in Section 106(a) requiring a state to identify regions prior to the second full program year after the date of enactment in order to receive allotments under the WIOA Adult, Dislocated Worker and Youth programs. States shall identify regions after consultation with Chief Elected Officials and Local Workforce Development Boards and take into account the following factors:

1. The extent to which regions are consistent with labor market areas in the state;

2. The extent to which regions are consistent with regional economic development areas in the state; and

3. An assurance that regions have available the federal and non-federal resources necessary to effectively administer activities under subtitle B and other applicable provisions of the WIOA, including whether the areas have the appropriate education and training providers, such as institutions of higher education and area career and technical education schools.

The WIOA defines three types of regions:

1. Regions that are comprised of one local area.

2. Regions are comprised of two or more local areas.

3. Regions that are interstate areas contained within two or more States.

Regions comprised of two or more local areas or are interstate in nature must conduct regional planning as defined in the WIOA

III. References

- Workforce Innovation and Opportunity Act (Pub. L. 113-128)
- Training and Employment Notice No. 05-14, *Workforce Innovation and Opportunity Act Announcement and Initial Informational Resources*
- Training and Guidance Letter No. 19-14, *Vision for the Workforce System and Initial Implementation of the Workforce Innovation and Opportunity Act of 2014*
- Notice of Proposed Rulemaking (NPRM) Docket No. ETA-2015-0001, RIN: 1205-AB73: Subpart B, § 679.200 and § 679.210

IV. Policy

The provisions on identifying regions are contained in WIOA section 106(a). The WIOA prescribed process for identifying regions includes consultation with: (1) local workforce development boards, and (2) chief local elected officials. In order to identify regions, WIOA requires the state to identify factors to be used, which, when applying, may or may not align to current local workforce development areas.

FACTORS USED TO DETERMINE THE IDENTIFICATION OF REGIONS IN VIRGINIA

The factors outlined below are meant to promote a collaborative process whereby the data collection and analysis of the factors for determination of regions are shared between state and local workforce partners. To that end, Virginia shall utilize the following factors in determining regions:

Factor 1: Single Labor Market. Labor markets can be national, regional or local in nature. For purposes of aligning labor markets with regions, Virginia shall use state labor market information (LMI) as a foundational source of data, and recognizes that labor markets do not necessarily align with county or local workforce development area borders. As a result, other sources of data for determining regional labor market alignment include Census Bureau information and Metropolitan Statistical Areas (MSA) defined by the Office of Management and Budget (OMB).

Factor 2: Common Economic Development Area. Economic development activities occur at the state, regional and local levels. For purposes of aligning economic development areas with regions, Virginia shall use data and alignment from sources such as the Virginia Economic Development Partnership. Other sources for determining regional economic alignment include sector initiatives undertaken by Virginia, other regional economic initiatives undertaken such as Workforce Innovation in Regional Economic Development (WIRED) sponsored by the U.S. Department of Labor, and infrastructure investments tied to economic development activities.

Factor 3: Federal and Non-Federal Resources to Carry Out WIOA Activities. In identifying the efficacy of carrying out WIOA activities, Virginia shall take into account the following indicators: (1) the availability of funding to provide training activities in a region and the extent to which training funds are more readily available in various regional alignments; (2) the availability of education and training providers in a region; (3)

administrative efficiencies that could be gained by operating as a region; (4) resources available among partner programs to operate the one-stop system; and (5) non-federal resources available in a region to support workforce development activities.

Factor 4: Population Centers. Virginia shall utilize available data on population centers to align regions. Much research and literature has focused on the idea of regional population clusters as hubs of innovation, entrepreneurship, and economic activity. In factoring population centers, indicators such as population density, increases or decreases in population (migration), and linkages to sector strategies will be used. Utilizing population centers does not prohibit regions that are rural in nature; in fact, it ensures that regions that are more rural in nature have factored available resources and workforce development activities in their planning.

Factor 5: Commuting Patterns. Many residents of Virginia live in one location while working in a different city or county. Commuting patterns offer an opportunity to better align to labor markets based on where people work and where employers may be concentrated. The communing pattern factor should provide data complementary to population center and labor market data and form a more comprehensive look at regional alignment.

Factor 6: Industrial Composition and Sector Alignment. Virginia has engaged in a number of sector strategies and industry initiatives. It is important to align regions to industry clusters that provide a focus for developing a highly skilled and productive workforce through education, training and other services. Data should demonstrate how regional alignment will enhance support to sector and industry clusters and meet business' needs for a skilled workforce.

Factor 7: Community College Regions. The Virginia Community College System (VCCS) is the WIOA title I administrator, and Virginia's community colleges are a vital source of education, training and skills upgrading for residents and businesses of the state. In addition, it is important for the local workforce development system to coordinate activities and approaches with local community colleges, such as sector strategies, career pathways implementation, and business engagement strategies. Therefore, regions should align as closely as possible to community college service areas. It is likely that two or more community colleges will be within the boundaries of a workforce region.

Utilizing these seven factors, various regional alignments may be considered and proposed by a number of workforce system stakeholders such as state policymakers, State and Local Board members, state and local workforce staff, partner program staff, business and industry partners and workforce and education associations. In order for Virginia to consider and designate regions, a formal proposal shall be submitted to the Virginia Board of Workforce Development that includes a recommendation for region designation, a rationale for the region designation recommended using the seven factors, and a description of why the regional alignment proposed is in the best interests of the state, business and

industry, and workers and job seekers.

V. **Procedures**

The procedures for identifying regions and conducting regional planning areas are outlined below:

Due to preparation time needed to develop the Virginia Combined State Plan, for the first two program years under the Plan—PY 2016 and PY 2017—each local workforce development area is designated as a region. Therefore, Virginia has 15 regions at the onset of WIOA.

This does not preclude two adjacent local workforce areas from voluntarily coming together for the purpose of engaging in a regional planning process that results in one or more of the outcomes described in WIOA, excluding joint negotiations of performance levels. Those interested local boards, with the support of their local elected officials, must notify the state workforce board of their interest and intended outcomes.

However, prior to the two-year update to the plan that will be due sometime prior to July 1, 2018, Virginia will engage in a comprehensive process for identifying regions using the factors identified in this issuance. During that process, the board will act on compelling factors in collaboration with local elected officials, in considering changes to the planning region definitions. The Virginia Board of Workforce Development will lead the effort that will also include consultation with Local Boards.   Further guidance and regional planning guidelines will be issued that identify requirements and timelines.