

**WIOA Regions Task Force 7/14/2015**

**Attending:**

Bill Messenger	Washington State Labor Council AFLI-CIO
Caitlyn Jekel	Washington State Labor Council
Amy Andersen	Association of Washington Businesses
Patrick Baldoz	ESD Partner Tri-County WDC
Cynthia Forland	Employment Security Department
Cheryl Fambles	Pac Mtn WF Development Council
Gay Dubigk	Northwest Workforce Central
Erin Monroe	Snohomish County WDC
Dave Petersen	North Central Washington WDC
Bob Potter	ESD Partner Kitsap County
Scott Wheeler	Employment Security Department
Xandre Chateaubriand	OFM
Agnes Balassa, Staff	Employment Security Department
Dave Wallace, Staff	WA Workforce Training Board

**Absent:**

Eric Wolf	WA Workforce Training Board
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**Purpose & goals of committee:** to come to agreement about how to move forward with the identification of workforce regions.

Workforce Regions are a requirement of the Act, and a way to better align existing workforce areas with a changing economy. The Governor, in his letter to the state board asked the board to make a data driven recommendation regarding regions. This is a chance to have truly strategic conversation about workforce system working together as a seamless team. Our economies have changed since WIA was passed, hence the need for updating approaches. Goal is not to add bureaucratic layers, but to make life easier, especially for customers – job seekers and businesses. We have a strong system to build on. Change is difficult. Washington’s workforce system has done a lot of great things. This is an opportunity to for the state to continue to lead the way.

A power point was provided that identified requirements for regional planning as well as the opportunities - for local areas, regional planning can provide efficiencies with specialization and possible sharing of infrastructure. The Task Force was asked to provide input on the barriers to achieving the outcomes and recommending ways to mitigate those barriers. Regions are about planning.

NPRM 679.200 has (iii) was discussed. The language refers the local area section of the Act - that local areas have sufficient resources under WIA to run title on B program. These is a requirement for local designation, so the only language in the NPRM is related to non-federal funds. The NPRM was interpreted to say that the state cannot set up local areas for failure by creating new local areas with insufficient resources for programs to work. Since local areas had already been designated, the

conversation was somewhat moot. Xander noted that the Governor's Office was willing to discuss whether a local had insufficient resources.

**Discussion re: local feedback:** Not all WDCs answered all five questions in the letter requesting feedback. Several big themes came out of the feedback: Local Areas spoke well of regional planning and many currently do it. 11 of 12 stated that they wanted to be their own regions. Snohomish noted that they saw value in the bi-level approach offered by regions – maintenance of a strong local board identify, while working together across WDCs to plan. A primary concern raised by most areas was a potential loss of flexibility by forming regions. Rural areas called out the challenge of large distances. Amy noted that in her work with chambers, they worked with a lot of cross-border communities. How does it look if we do more cross border regionalization? Patrick noted there's interest in cross boarder collaboration of his region with Hood River & the Dalles. He noted that relationship is more important than planning. He may not need to be a planning region with Oregon, since the real issue is the creation of a seamless service delivery structure. Agnes noted that aligning service delivery is in fact one of the key focuses of regional planning under the law.

Amy asked about opportunities to take advantage of economies of scale. She asked whether Scott Cheney had offered and input on regional piece. Agnes had talked to him earlier in the week. Ho noted that regionalism is an attempt to recognize the changes in the economy and gain efficiencies. Dave P. noted that LA County is often cited as the reason for regions, not central Puget Sound. Patrick noted that economies change, but there is still a huge mountain between his area and Dave's. People just don't travel that far for work. The WA/OR food processing skills panel happened without a regional plan.

Amy noted that local areas identified a lot of regional collaboration, and asked whether these examples could be good models for regionalization? It was noted that most of those collaborations were event driven (ie closures).

Xandre asked, what regional planning meant to the WDCs? WDCs noted that local areas are part of many plans that are never implemented. Events tend to drive locals more than plans, especially joint grant applications. Several local areas noted the 12 areas were chosen for a good reason. Gaye stated that it was revolutionary at the time. Her area didn't see themselves as a region. San Juan wanted to be its own region. There is a good culture of WDAs working together. There are natural boundaries that seem to work and natural dispositions that have been encouraged – and that shouldn't be discounted. Cheryl noted that the fear about regions is how to get there. There's tremendous support for idea of regions, but what will that do to local flexibility. She wants to be able to respond quickly to immediate needs. She doesn't see the ROI in regionalism. Agnes stated what is required for regional plans is the same that is required for local plans, except that the planning is done collaboratively by several areas. Regionalism should not box local areas in. Cheryl responded that combining two regional plans would take substantive discussions and negotiations. This isn't small. There will need to work with CLEOs as well.

Caitlyn asked are there some parts of the state where regions makes more sense than others? Dave P. answered it is more efficient to do a single area plan than share a plan with another area, even when they have a lot in common. Where does the state want the locals to spend their energy? Building a plan, or providing services. Agnes reminded the group that Patrick and Dave were asking ESD to submit a grant application on their behalf to better coordinate and align services. How was this different than regional planning? Wouldn't it make more sense to submit such a proposal with Oregon based on earlier comments? Patrick stated that he can't get the state agencies in the two states to sit down and talk. Xandre would be willing to help the cross border discussion.

Cheryl asked whether the discussion is really about sectors? Regions have geographic, political boundaries and commute patterns. What are we trying to achieve what we aren't doing now? How often might regions change?

Cynthia noted that with any new piece of legislation, we think about what headaches it will bring before we think about how to use it to our advantage? Patrick restated his difficulty with cross border partnership. Could a regional plan and policy help address those? He has very specific needs that regional planning would not address. Xandre suggested that the policy, plan and map should address those very issues. Agnes noted that law says that regions need to produce a single "plan" not "plans", so it might be less work than creating multiple plans.

It was noted that some states are decreeing regions from above. Washington wants to make a joint policy so that we can all succeed. What are the best practices that the state should be accountable for supporting?

Erin stated that Snohomish wanted to align economic development with workforce development. Her area is one of fastest growing in US, so 2 years from now things will look different. She is worried about not being able to partner with NW on maritime if they were not part of the same region. Dave stated that it was less costly to write a plan just for one area. The state grants ADO grants with no conditions on collaboration. After 30 years local areas have developed cultures. His CLEO didn't doesn't want regions.

Would the designation of 12 separate regions pass the straight face test? Would the feds buy that argument? Agnes noted that as a recent in-migrant to the state, she was struggling with how to defend the idea that there are no regional economies in the state that go beyond the boundaries of local areas. The data doesn't support that all of areas are self-contained economies. There are folks moving back & forth across WDA boundaries on a daily basis for work, services, etc. Gaye stated that she didn't see how commuting could be used to identify regions based on her experience. Agnes noted that the definition of labor market is based on commute patterns. What matters is how far people are willing to commute for jobs, because that is the range from which businesses can draw their labor force. Gaye noted that she didn't see the significance of these regions.

What are the elements of regional planning? What does it do to enhance the possibilities for workers in those counties? Would local areas all have to engage in merge-planning over everything? Other types of regional activities broke up when the resources were gone. Agnes noted that regions were not meant to merge local areas. Agnes asked how does regional planning hurt your efforts?

Caitlyn asked how the state could mitigate concerns. Is there a way to do this without adding burden? Cynthia asked Patrick, what if both governors designate his area as a region, would that help? Probably not given that the CLEOs would also need to support it. Relationships among CLEOs are usually built around things like land, water, and other natural resources.

The state needs to have a policy on regions. In the policy it can be made clear that regions are not about the loss of autonomy for local areas. Language can be added to assure that the state will be held accountable for supporting regional collaboration and addressing cross-border issues. Erin stated that when they looked at forming a region with King and Pierce, they had different views, and it was really hard to get that buy-in.

What would be different in a regional plan than what we have now? Most of the requirements for regional plans are not different from the requirement for local plans except that regional plans have to be built by all of the areas in a region. Cheryl asked how do the lines get drawn? Gaye noted that she is working to keep all of the one-stops in her area open while everyone is downsizing dramatically. So how would she better use resources in a regional plan when major metro areas have much better ability to get funds? Cynthia asked if multiple areas are working together it might be possible to gain efficiencies to ease up on resources. Gaye stated that those kinds of conversations had already been had and the savings are about tinkering at the margins.

Dave noted that if he was part of a region, monitoring would be dependent on other the WDA partners in the region (ie he would have liability which couldn't be delegated). Only the state can delegate that liability. Agnes stated that was an area where more research could be conducted. Local areas in Florida have had shared services arrangements for some time now. There must be models on how to do this.

Cynthia noted that conversations start with data, but don't end there. Unfortunately the data doesn't give easy answers about regional boundaries. Amy suggested taking another look at the mapping tool. Cynthia noted that there was no pre-decided map. The point is to act in good faith to come up with an answer. Gaye stated that her CLEOs take this situation very seriously. Kathy DiJulio asked if any analysis going to be done on multiple counties? Cynthia explained that the mapping tool was built at the county level, because the data is county data. Counties then had to be combined into workforce areas. There is no single formula for all the maps that were sent out. They were just intended as examples. Gaye stated that commute patterns don't distinguish regions. Cheryl noted that the process of drawing maps assumed there were no single area regions. Erin asked about a map based on economic development regions? Agnes stated that these regions are also defined by CLEOs, but they don't align with workforce areas. Caitlyn notes that King-Snohomish are together in all these maps the state produced. Wouldn't that indicate that they are region? Erin stated that she felt entire Puget Sound area made

sense. Politically pulling it all together will be challenging. Gaye stated that she would feel like the odd man out if combined with Puget Sound as this is not their commuting pattern. NW is way on the fringe. Erin though there would have been more similarities with Olympia –Pierce. Cynthia explained that Thurston-Pierce have a lot of similarities but cannot be split from the more rural areas in PacMt.

### **Discussion of “Key Points for WIOA Regions Policy**

The language was taken out of the Act, and represented the bare minimum needed for a policy. Should the policy be strengthened to say clarify expectations that regions would not affect the autonomy of local areas? Should language be added to clarify the state role in supporting and facilitating regional planning, and the expectation that regional planning does not prohibit local areas collaborating outside of regions?

Dave asked why bullet 5 stated will consider versus may consider? Is this a directive? Agnes concurred that the bullet should have said “may”. Erin suggested considering forecasts? Cynthia concurred. Gaye asked how the policy would lead to the drawing of maps? The policy lays out long-term goals, and sets the guidelines for how the map is drawn. Cheryl clarified that the law states that there will be regions. It is important to make sure in this policy what factors will be considered. Xandre noted that regions could be changed down the road if economic conditions or Governors change. He asked if there were other factors the governor should consider in setting up regions. Cheryl focused on the word “consultation”. What are the local econ development folks saying? Ultimately it’s the governor’s choice, but he will want to consult with locals. Members advocated to leave the language as open as possible as things are constantly changing. No wanted a policy to gerrymander regions for the moment. Agnes noted that the law doesn’t allow for it. The members agreed that there should be not timeline for reevaluation of regions built into the policy.

The group agreed to add language regarding the autonomy of boards, the need for the state to remove barriers to regionalization, and the expectation that local will be consulted.

Erin raised concerns regarding regional performance accountability. It was agreed that this needed more discussion and noted that this was an example of extra work associated with forcing regional planning.

Scott asked if it would be helpful to weight the factors that would be used to determine regions. Cheryl state that consultation with locals should receive the heaviest weight. Amy stated that the state and locals could risk a lot in weighting factors at this point in time. It was agreed not to weight the criteria.

Caitlyn asked whether it made sense for some local boards to be in regions while others would not. Is that an option? Should the policy address this?

Xandre noted that policy would describe the process for forming regions. The issues raised in the meeting will influence the policy. He also noted that the governor is supportive of cross regional planning based on the needs of regional economies. It was noted that cross border cooperation in SW Washington and Portland Metro happened organically and naturally.

Erin asked whether any of the maps shared in the letter would be the final map. Agnes stated that LMI staff would have to apply the policy to see. Cheryl asked whether any of the current maps fit within the new policy. How does this policy help draw the lines and who chooses if multiple maps are made? Xandre noted that Governor ultimately decides. It was agreed that the group should not leave the meeting thinking lines were determined. Agnes noted that there was consistency in responses to the letter in the value of regional conversations. Local areas also noted that they want to be own regions. The state's responsibility is now to line up a policy with the law, and draw some maps. Task force meeting notes would be provided.

Dave asked if Multnomah & Clackamas are a single region? Agnes didn't think so. OR recently redrew local area boundaries in order to align areas with regional economies, so there was relatively little need to create regions in many parts of the state. Dave noted that you have diminishing returns as you get larger and larger. It doesn't feel local and you lose buy-in. Finding the balance is key.

What should locals expect in August? Agnes asked if anyone would be surprised if the data showed a Puget Sound regional economy? Erin noted that she couldn't speak for Marlina & Linda, but she would not be surprised if a Puget Sound regional economy was identified, based on the data. Agnes asked the same question regarding SW WA & Portland MSA. Xandre reminded everyone that the TF recommendation would go to the subcommittee to the steering committee and to the Workforce board and Governor.

Cheryl asked if regional planning will improve outcomes. Xandre noted that the proof is not yet available, as this is new. Dave concurred and added that performance measures must be taken into account or local areas will put themselves out of business. Xandre responded that the formal process and best practices will lead improvement. Cynthia added that regions will also help with employer interaction, so we don't duplicate efforts, and could lower work loads as sectors are divided up. Tracy added that SW WA doesn't collaborate on all sectors, only when it makes sense. Agnes noted that people should take a look at the information that the SW WA/Portland Metro have published regarding the outcomes of their regional collaborative as one of the few examples we have about how this can work

**Next steps.** The draft policy key points with the additions recommended will go to the subcommittee for approval and then to the steering committee. Agnes will work with ESD staff to draft the policy based on the key points so that it can be sent out for public comment.