



# Local Workforce Innovation Area Realignment

# LWIA Designation



Under the Workforce Innovation and Opportunity Act (WIOA), the Governor has the responsibility to designate Local Workforce Innovation Areas (LWIAs).

- LWIAs are composed of one or more counties that provide workforce development services.
- Illinois currently has twenty-two LWIAs.

# LWIA Designation



The Governor must designate LWIAs that are:

- Consistent with labor market areas in the State;
- Consistent with regional economic development areas in the State; and
- Have available the Federal and non-Federal resources necessary to effectively administer activities under WIOA.

# Labor Market Areas



- A Labor Market Area is an economically integrated geographic area within which individuals can reside and find employment within a reasonable distance or can readily change employment without changing their place of residence.
- Information such as metropolitan statistical areas (MSA), and workforce commuting patterns provide a snapshot of the labor market.

# WIOA Planning Regions



The Governor must also designate Planning Regions that are also:

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

# Illinois' WIOA Planning Regions



Based on the requirements that WIOA planning regions must be consistent with labor market areas and regional economic development areas, the State concluded that Illinois' WIOA planning regions should coincide with Illinois' existing Economic Development Regions (EDRs).

# Data-Driven Policy



In its description of the principles of WIOA in Federal Regulations, the DOL states that:

“Success in accomplishing the purposes of WIOA at the State, local, and regional levels, will be determined by labor market, and related data driven policy and strategic decisions.”

# Illinois' Economic Development Regions



The data-driven designation of Illinois' EDRs was based on federally recognized MSAs, labor market areas, commuting patterns, and other factors.

- An examination of the most recent county-level data from the Census Bureau verified that these EDRs conform to labor market areas.



# WIOA Regulatory Issue



**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.” 20 CFR 679.210

# WIOA Regulatory Issue



The US Department of Labor issued a Finding that Illinois' Regional Planning / LWIA map is not in compliance with the WIOA regulations.

- Five Local Workforce Innovation Areas in Illinois are split across State Planning regions (EDRs).

# Reason for Realignment



Within its comments on its enabling regulations for WIOA, the DOL states that it:

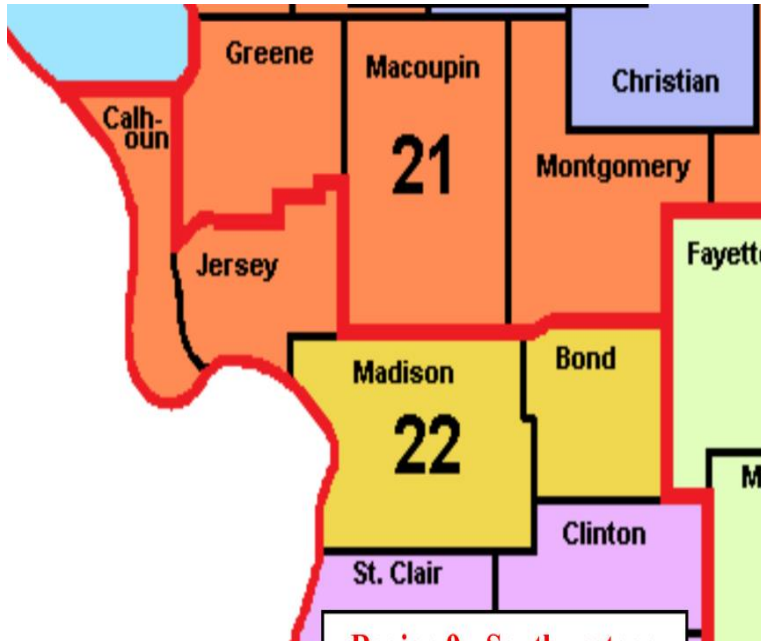
*“encourages States confronted with this issue to reevaluate whether the local areas in question are consistent with labor market areas and with regional economic development areas in the State. If these criteria are not met, the State should consider how best to recast local areas for the purposes of subsequent designation and regional integration.”*

# Reason for Realignment



- LWIA 21 (Calhoun County) is one of the five Local Workforce Innovation Areas in Illinois that are split across State planning regions (EDRs).
- Based on WIOA designation requirements and available labor market area data, Jersey and Calhoun Counties should shift to LWIA 22.
  - It is currently within the boundaries of Economic Development Region 9 – Southwestern.

# Initial Considerations for LWIA Shifts



Calhoun County		
Percent of Population Working Elsewhere in LWIA (including Jersey)	12.6%	
Percent of Population Working Elsewhere in LWIA (excluding Jersey)	4.0%	
Percent of Population Working in LWIA (including Jersey)	27.9%	
		STATEWIDE
Population Change 2010-16	-3.8%	-0.31%
Labor Force Change 2007-16	-10.9%	-1.90%
Employed Change 2007-16	-10.5%	-2.83%

# Estimated Title I Fiscal Impact on Counties



COUNTY	LOCAL AREA	CURRENT ALIGNMENT	PROPOSED ALIGNMENT	CHANGE
Ogle	LWIA 4 to LWIA 3	\$ 587,580	\$ 604,828	\$ 17,248
Livingston	LWIA 11 to LWIA 15	\$ 422,285	\$ 417,651	\$ (4,634)
Dewitt	LWIA 19 to LWIA 15	\$ 163,588	\$ 163,570	\$ (18)
Douglas	LWIA 23 to LWIA 17	\$ 167,085	\$ 169,874	\$ 2,789
Calhoun	LWIA 21 to LWIA 22	\$ 49,901	\$ 49,677	\$ (224)
Jersey	LWIA 21 to LWIA 22	\$ 218,336	\$ 217,219	\$ (1,117)

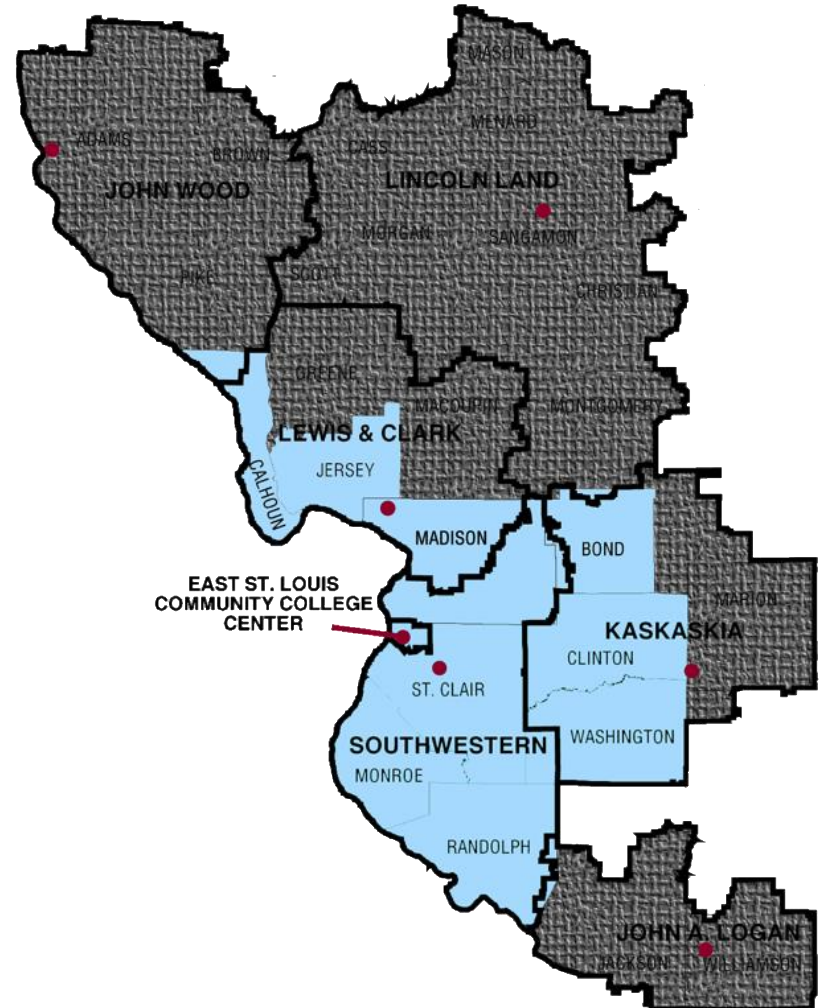
# Estimated Title I Funding Shifts from Realignment



LOCAL AREA	FORMULA ALLOCATION		FUNDING IMPACT		DESCRIPTION OF CHANGE (ADDRESS REMOVE COUNTY)
	CURRENT ALIGNMENT	PROPOSED ALIGNMENT	AMOUNT	PERCENT	
3	\$4,774,075	\$5,356,677	\$82,602	12.2%	Add Ogle
4	\$3,799,104	\$3,211,202	(\$587,902)	-15.5%	Remove Ogle
11	\$2,391,822	\$1,969,568	(\$422,254)	-17.7%	Remove Livingston
15	\$7,023,769	\$7,604,360	\$580,591	8.3%	Add Livingston & Dewitt
17	\$2,538,913	\$2,708,578	\$169,665	6.7%	Add Douglas
19	\$1,537,442	\$1,373,714	(\$163,728)	-10.6%	Remove Dewitt
21	\$1,940,897	\$1,672,360	(\$268,537)	-13.8%	Remove Calhoun & Jersey
22	\$2,971,244	\$3,237,869	\$266,625	9.0%	Add Calhoun & Jersey
23	\$3,511,086	\$3,343,735	(\$167,351)	-4.8%	Remove Douglas

# Potential Impacts to Community Colleges

- Lewis and Clark Community College will remain split between LWIA 21 (Greene and Macoupin) and LWIA 22.
- LWIA 22 will remain Lewis and Clark Community College's primary LWIA.





# Potential Impacts of Failure to Respond



- Illinois must address this finding by July 1, 2018, or Illinois' Unified Workforce Plan is unlikely to be approved.
- Without an approved plan, Illinois' could be subject to sanctions including the withholding of formula funding for Titles I & III.
- Without an approved plan Illinois' applications for non-formula funding opportunities would be impacted.



# Local Workforce Innovation Area Redesignation