

**WASHINGTON STATE  
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD  
MEETING NO. 191  
September 17, 2015**

**DRAFT REGIONS MAP**

**Background**

Workforce planning regions are a new provision of the Workforce Innovation and Opportunity Act (WIOA). The drafters of WIOA recognize that economies are often regional, crossing existing political and administrative boundaries. In today's economies people will commute for jobs, and companies will locate where they have access to pools of talent, whether or not these labor pools align with local workforce area boundaries. Identifying workforce planning regions supports a more coordinated and aligned approach to business engagement and integrated service delivery.

Under the Act, the Governor must develop a policy for assigning workforce planning regions before a state plan is submitted. The policy states which factors are used and the process for assigning regions. Once regions are assigned, they must be integrated into the state plan. Local areas must also submit plans that are aligned with workforce regions. Where more than one local area is included in a region, a single workforce plan must be developed for the entire region.

The Act requires consultation with local workforce development boards and chief local elected officials prior to the assignment of workforce regions, as well as an opportunity for public comment.

On June 1, 2015, the Workforce Board requested input from local workforce development boards and chief local elected officials on the following workforce regions questions:

- What opportunities are provided by regional workforce planning?
- What factors should be taken into consideration in the development of workforce regions?
- Are there Local Workforce Development Area boundaries that you would like to better align with workforce regions?
- Are there specific workforce regions that you would recommend and why?
- What will make the implementation of workforce regions difficult?

A Regions Taskforce convened on July 14, 2015 to review the Act's requirements along with input from local areas for developing a regions policy. Task force members asked that the policy mirror the Act as closely as possible, and unanimously adopted a set of key points with a few additions clarifying the continued autonomy of local workforce development boards, and the expectation that local areas be consulted prior to the assignment of regions.

The key points were subsequently approved by the WIOA Steering Committee and the full Workforce Board, drafted into policy, and submitted for public comment. The final version is attached.

Workforce Board and Employment Security Department staff members developed maps based on factors detailed in the policy. Staff worked with these maps to identify possible workforce planning regions to present at the Sept. 17 board meeting. The factors used for the development of these maps, as per the policy, include: labor sheds which are based on populations centers (also known as Metropolitan Statistical Areas), in addition to commute patterns, existing economic development regions, and industry concentration based on “location quotients.” Location quotients indicate where industries tend to cluster in higher concentrations relative to the rest of the nation. Governor Inslee’s Office asked that industry concentration be considered when identifying regions to ensure workforce strategies align with the Governor’s economic agenda and sectors.

Staff also included locally identified sectors when seeking out existing alignment. In addition, staff identified formalized regional planning approaches developed by local workforce development boards.

The Board will be provided an analysis of these factors to make a recommendation on the assignment of workforce planning regions. This recommendation will be submitted for public comment and vetted with local boards and chief local elected officials. The resulting feedback will be considered before the Board makes a final recommendation to the Governor. The Governor will have 15 days after receiving the recommendation to assign workforce regions.

**Who was engaged in this process?** Chief Local Elected Officials, Local Workforce Development Councils

**Regions Task Force:** Amy Anderson, Association of Washington Business; Bill Messenger, Washington State Labor Council; Caitlyn Jekel, Washington State Labor Council; Patrick Baldoz, South Central Workforce Development Council; Cynthia Forland, Employment Security Department; Cheryl Fambles, Pacific Mountain Workforce Development Council; Gay Dubigk, Northwest Workforce Council; Erin Monroe, Workforce Snohomish; Dave Petersen, North Central Workforce Development Council; Bob Potter, Olympic Workforce Development Council; Scott Wheeler, Employment Security Department; Eric Wolf, Workforce Board; Xandre Chateaubriand, Office of the Governor; Agnes Balassa, Employment Security Department; Dave Wallace, Workforce Board.

**Local Governance and Sectors Subcommittee:** Creigh H. Agnew, business; Bill Messenger, Washington State Labor Council; Caitlyn Jekel, Washington State Labor Council; Agnes Balassa, Employment Security Department; Dave Wallace, Workforce Board; Dale Peinecke, Employment Security Department; Mark Mattke, Spokane Area Workforce Development Council; Carolyn McKinnon, Department of Commerce; Kathy Goebel, State Board for Community and Technical Colleges, Betty Klattenhoff, Office of the Superintendent of Public

Instruction; David Stillman, DSHS/TANF; Katie Mirkovich, Division of Vocational Rehabilitation; David Kaz, Seattle Jobs Initiative; Mark Adreon, DSHS-Department of Services for the Blind; William Durden, State Board for Community and Technical Colleges-Basic Education for Adults; Jeanne Bennett, Southwest Washington Workforce Development Council; Elizabeth Iaukea, Washington Secretary of State/Washington State Libraries; Marlena Sessions, Workforce Development Council of Seattle-King County.

**Recommendation:** *This item is for discussion only. It will be an action item for the October meeting.*



**Workforce Innovation and Opportunity Act Policy**  
**Employment System Administration and Policy**

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Washington envisions a nationally recognized fully integrated One-Stop system with enhanced customer access to program services, improved long-term employment outcomes for job seekers and consistent, high quality services to business customers. In order to achieve this vision, Employment System Administration and Policy sets a common direction and standards for Washington's WorkSource system through the development of WorkSource system policies, information memoranda, and technical assistance.

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**Policy Number:** 5615  
**To:** Washington WorkSource System  
**Effective Date:** July 1, 2015

**Subject:** Regions Designation and Planning

**1. Purpose:**

To communicate state policy for designation of regions and development of regional plans under Title I of the Workforce Innovation and Opportunity Act (WIOA).

**2. Background:**

WIOA directs the identification and establishment of workforce regions by March 2016 as part of the submitted State Plan and also as a condition for receiving state allotments for the WIOA Title I youth, adult and dislocated worker programs. The proposed rules offer that the purpose of regions is to align workforce development activities and resources to regional economies and economic development activities to ensure coordinated and efficient services to both job seekers and employers.

**3. Policy:**

A. Region Designation

- i. The Governor, after considering recommendations from the State Workforce Development Board (SWDB) in consultation with Local Workforce Development Board (LWDBs) and local Chief Elected Officials (CEOs), will identify and designate regions that are:
  - a. Consistent with labor market areas in the state;
  - b. Consistent with regional economic development areas in the state; and
  - c. Have the federal and non-federal resources necessary to effectively administer activities under Title I of the Act, including appropriate education and training providers.

The Governor may consider additional factors in identifying regions, such as population centers, commuting patterns, industrial composition, location quotients, geographic boundaries, or other factors identified by the Secretary of Labor, as per proposed 20 CFR 679.210. The Governor may also consider other information elicited through consultation with local boards and chief elected officials.

- ii. Regions must consist of:
  - a. One local area representing a region;
  - b. Two or more geographically contiguous local areas within the state representing a region; or
  - c. Two or more geographically contiguous local areas located in 2 or more states.
- iii. Local areas cannot be sub-divided in a manner whereby part of the area is in one region and another part is in another region.
- iv. Designation of regions does not replace, eliminate, or re-draw local area boundaries unless local CEOs request redesignation as new local areas by the Governor (see [WIOA Title I Policy 5609 – Local Workforce Development Area Designation](#)).
- v. Participation in a region does not diminish the authority of LWDBs or local CEOs.
- vi. The State supports and encourages collaboration between any local areas and regions within the state or across state boundaries to achieve mutual workforce development goals.
- vii. The State will work with LWDBs to address issues that limit the ability of in-state and cross-state regions to fulfill their joint regional planning and implementation responsibilities per Section B. The State will also work with administrations in adjoining states to remove obstacles to cross-state regional planning and implementation.

## B. Regional Planning

- i. Following designation of regions, LWDBs and local CEOs must engage in a regional planning process to prepare, submit, and obtain approval of a single regional plan that incorporates local plans for each of the local areas in the region.
- ii. The regional plan must address the following:
  - a. Regional service strategies, including use of cooperative service delivery agreements;
  - b. Development and implementation of sector initiatives for in-demand industry sectors or occupations within the region;
  - c. Collection and analysis of regional labor market data (in conjunction with the State);
  - d. Administrative cost arrangements, including pooling of funds, as appropriate;
  - e. Coordination of transportation and other support services, as appropriate;
  - f. Coordination of regional economic development services and providers;

- g. Establishment of an agreement for how the region will negotiate and reach agreement with the Governor on local levels of performance for, and report on, the performance accountability measures described in WIOA Section 116(c) for local areas or the planning region.
- iii. The State recognizes that it will take time for regions to develop the alignment envisioned by WIOA and will provide opportunities for phasing various aspects of the regional plan, where possible.
- iv. The State will provide technical assistance and labor market data, as requested by regions, to assist with regional planning and subsequent service delivery efforts.
- v. Regions should identify performance, fiscal, or planning challenges in order to ensure that local and regional planning areas are aligned to support improved service delivery, improved training and employment outcomes, better meet employer needs, and greater effectiveness and efficiency in achieving these outcomes.

### **C. Region Designation and Plan Process**

- i. The SWDB will publish a recommendation for workforce regions based on consultation with LWDBs and local CEOs and the factors identified in this policy.
- ii. LWDBs, local CEOs, and other stakeholders will have 30 days to provide public comment on the SWDB's region recommendations.
- iii. The SWDB, taking into consideration the public comment received, will recommend regions to the Governor for approval.
- iv. The Governor will have 15 days to affirm or reject the SWDB's region recommendations.
- v. Regions, once designated, will be identified in the WIOA State Plan by type as specified in Section 3(A)(ii) of this policy.
- vi. Regions will develop and submit regional plans as described in Section B of State planning guidance.

### **4. Definitions:**

**Labor Market Area:** 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. Such an area shall be identified in accordance with criteria used by the Bureau of Labor Statistics of the Department of Labor in defining such areas or similar criteria established by the Governor.

**Location Quotient (LQ):** A statistic that measures a region's industrial concentration relative to a larger geographic unit (usually the state or nation). An LQ is computed as an industry's share of a

regional total for some economic variable (employment, earnings, GDP, etc.) divided by the industry's share of the state or national total for the same variable.

Region: A geographic entity comprised of one local area; two or more geographically contiguous local areas within the state, or two or more geographically contiguous local areas located in two or more states.

**5. References:**

- Public Law 113-128, Workforce Innovation and Opportunity Act of 2014, Sections 3(30), 106(a) and 106(c)
- Proposed 20 CFR 679.200-210 and 20 CFR 679.510-560
- [Training and Employment Guidance Letter \(TEGL\) 27-14](#)

**6. Supersedes:**

None.

**7. Website:**

[http://www.wa.gov/esd/1stop/policies/wioa\\_title1.htm](http://www.wa.gov/esd/1stop/policies/wioa_title1.htm)

**8. Action:**

Local Workforce Development Boards and their contractors, as well as Employment Security Regional Directors, should distribute this policy broadly throughout the system to ensure that WorkSource System staff are familiar with its content and requirements.

**9. Attachments:**

None.

**Direct Inquiries To:**

*Employment System Administration and Policy Unit  
Employment System Policy and Integrity Operations Division  
Employment Security Department  
P.O. Box 9046  
Olympia WA 98506-9046  
(360) 902-9666  
SystemPolicy@esd.wa.gov*

# WORKFORCE PLANNING REGIONS

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An opportunity for innovation

# Why Regions?

- An Innovation Under the New Act -
  - ✓ Economies are regional – businesses recruit talent and people travel for work across boundaries.
  - ✓ Opportunity to align economic development and workforce strategies.
  - ✓ Opportunity to create synergies and leverage resources.
- Required by the Act.

Governor Inslee asked the Workforce Board to make a data-driven recommendation on regions in collaboration with Oregon and Idaho.

# June - Local input

Letter asked Workforce Development Councils (WDCs) and Chief Local Elected Officials (CLEOs) for input

- They supported use of economic factors to identify regions
  - ✓ Labor Markets
  - ✓ Economic Development Areas
  - ✓ Industry concentration/sectors
- They challenged some of our assumptions
  - Are some local areas their own regions?
  - Do some cross-border opportunities make more sense than in-state regions?
  - Should existing local collaborations be factored into a recommendation on regions?

# July & August

- Developed regions policy (required by the Act) based on
  - WIOA law and draft regulations
  - Local input
- Analyzed data for a regions recommendation for the Workforce Board
  - Developed maps based the policy

# September & Beyond

- **9/17/15** --Workforce Board recommends workforce planning regions
  - Maps distributed for 30-day public comment period
    - WDCs and CLEO input provided during this time
- **Mid-October**-- Board reviews feedback & recommends regions to Governor
- Governor has 15 days to accept or change the recommendation
- **11/17** -- Workforce Board approves draft state plan, including regions

# Today's Task: Recommend Workforce Planning Regions

- Factors used develop regions recommendation
  - Labor Sheds (population centers and commute patterns)
  - Economic Development Regions
  - Industry Concentration/Location Quotients
    - ***Governor's Office asked for consideration of alignment with Governor's sectors***
  - Local factors
    - Locally identified sectors
    - Locally initiated regional planning efforts

NOTE: Today's recommendation will go out for public comment and feedback prior to the Workforce Board making a final recommendation to Governor Inslee.

# KEY CONSIDERATIONS

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Analysis of possible regions based on the regions policy...

# Washington's Workforce Development Areas (WDAs)-

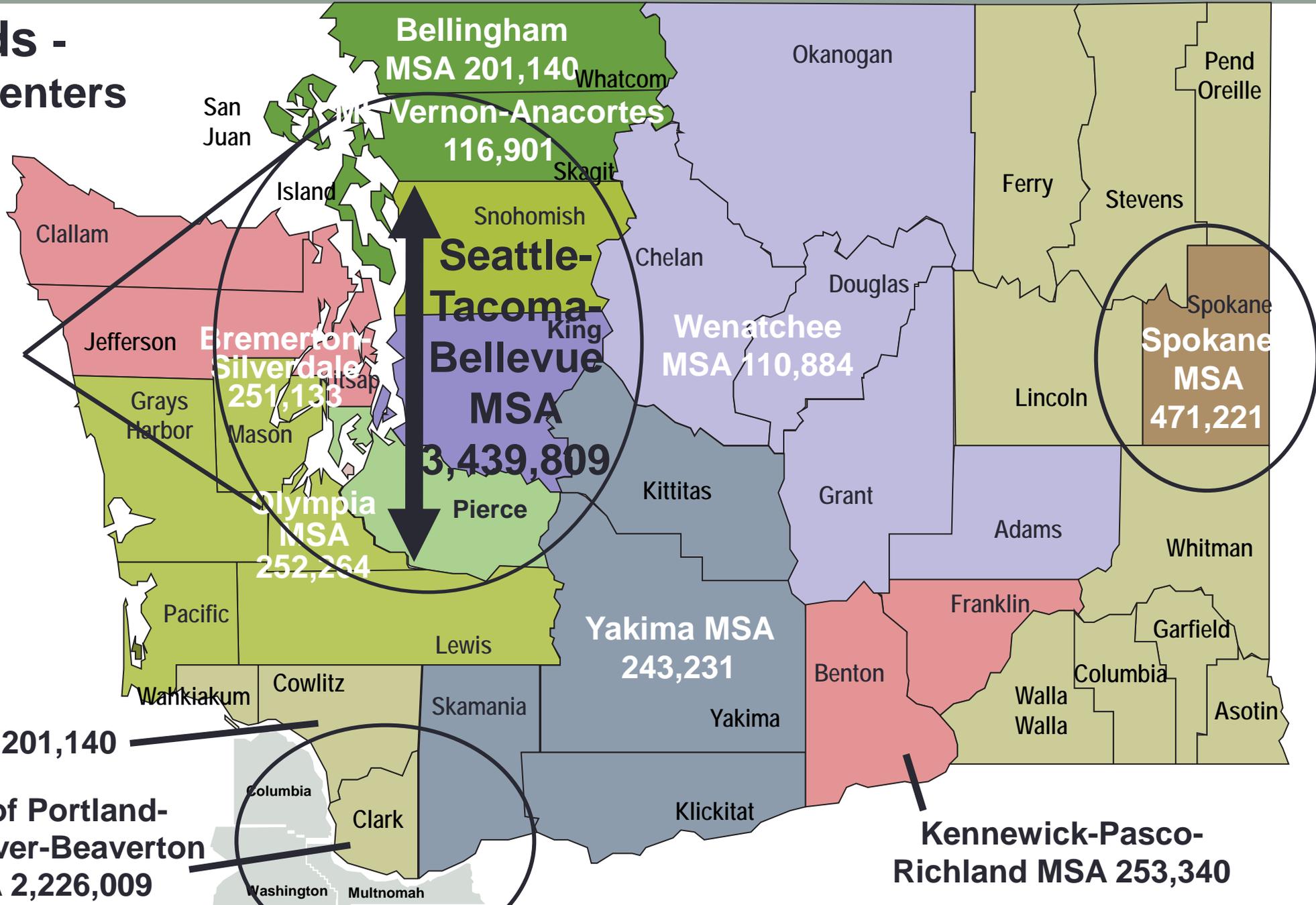
Building Blocks of Workforce Planning Regions

REGIONS NOT CHANGE WDA BOUNDARIES



# Labor Sheds - Population Centers (MSAs)

Seattle-Tacoma-Olympia Combined Statistical Area  
4,199,312



Part of Portland-Vancouver-Beaverton MSA 2,226,009

Kennewick-Pasco-Richland MSA 253,340



# Federal Economic Development Districts

Peninsula

Columbia-Pacific (COLPAC)

Cowlitz-Wahkiakum

Greater Portland Inc. Oregon counties: Columbia, Washington, Yamhill, Multnomah, Clackamas

Central Puget Sound

San Juan

Clallam

Olympic WDA

Jefferson

Grays Harbor

Pacific

Wahkiakum

Island

Kitsap

Mason

Thurston

Cowlitz

Clark

NWWDA

Whatcom

Skagit

Workforce Snohomish WDA

SeaKing WDA

Workforce Central WDA

PacMtn WDA

SWWDA

Skamania

Mid-Columbia (MCEDD)

Oregon counties: Hood River, Wasco, Sherman

North Central

Okanogan

North Central WDA

Chelan

Douglas

Kittitas

South Central WDA

Yakima

Klickitat

Eastern WDA

Lincoln

Benton Franklin WDA

Benton

Benton-Franklin

Ferry

Stevens

Spokane WDA

Whitman

Franklin

Walla Walla

Garfield

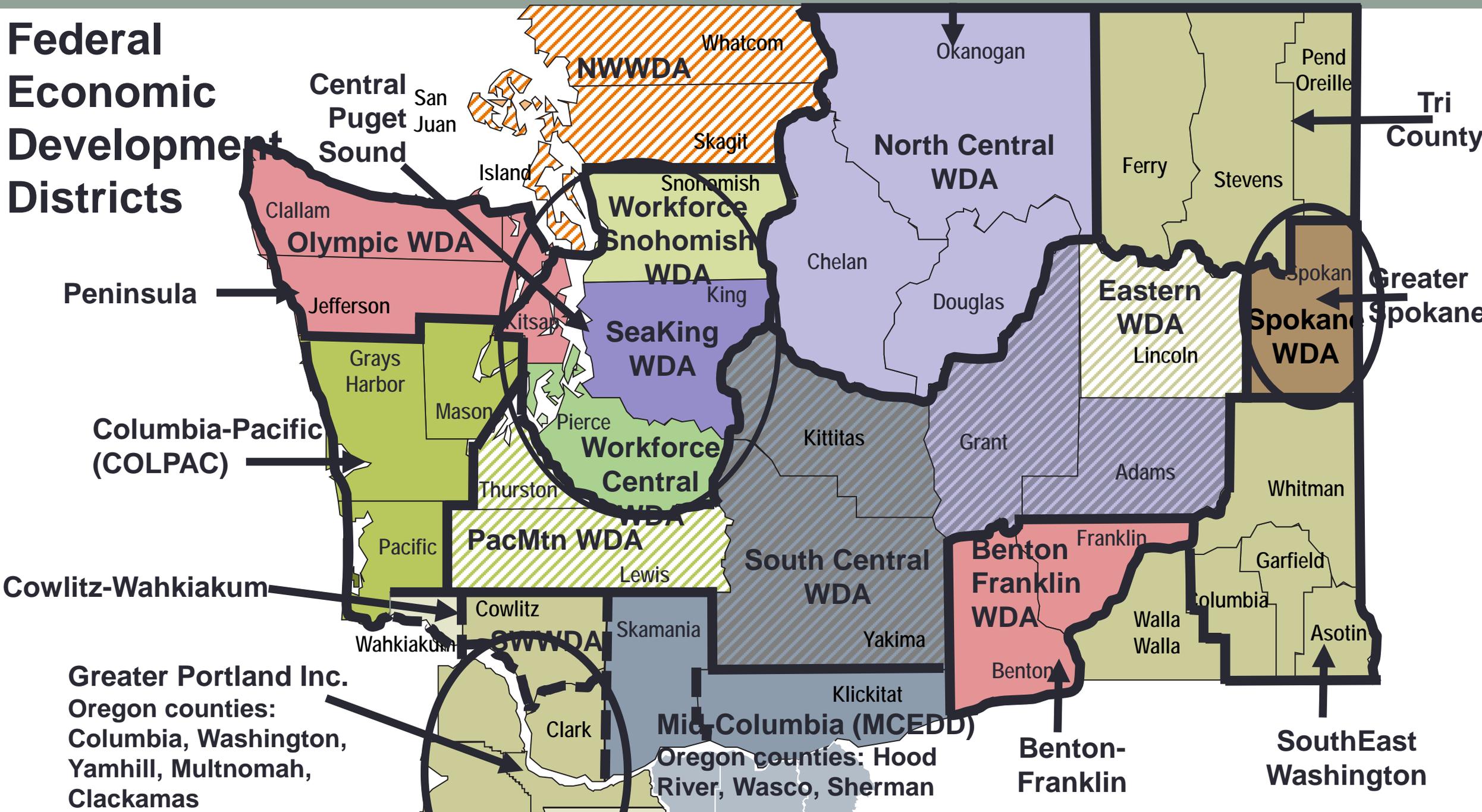
Columbia

Asotin

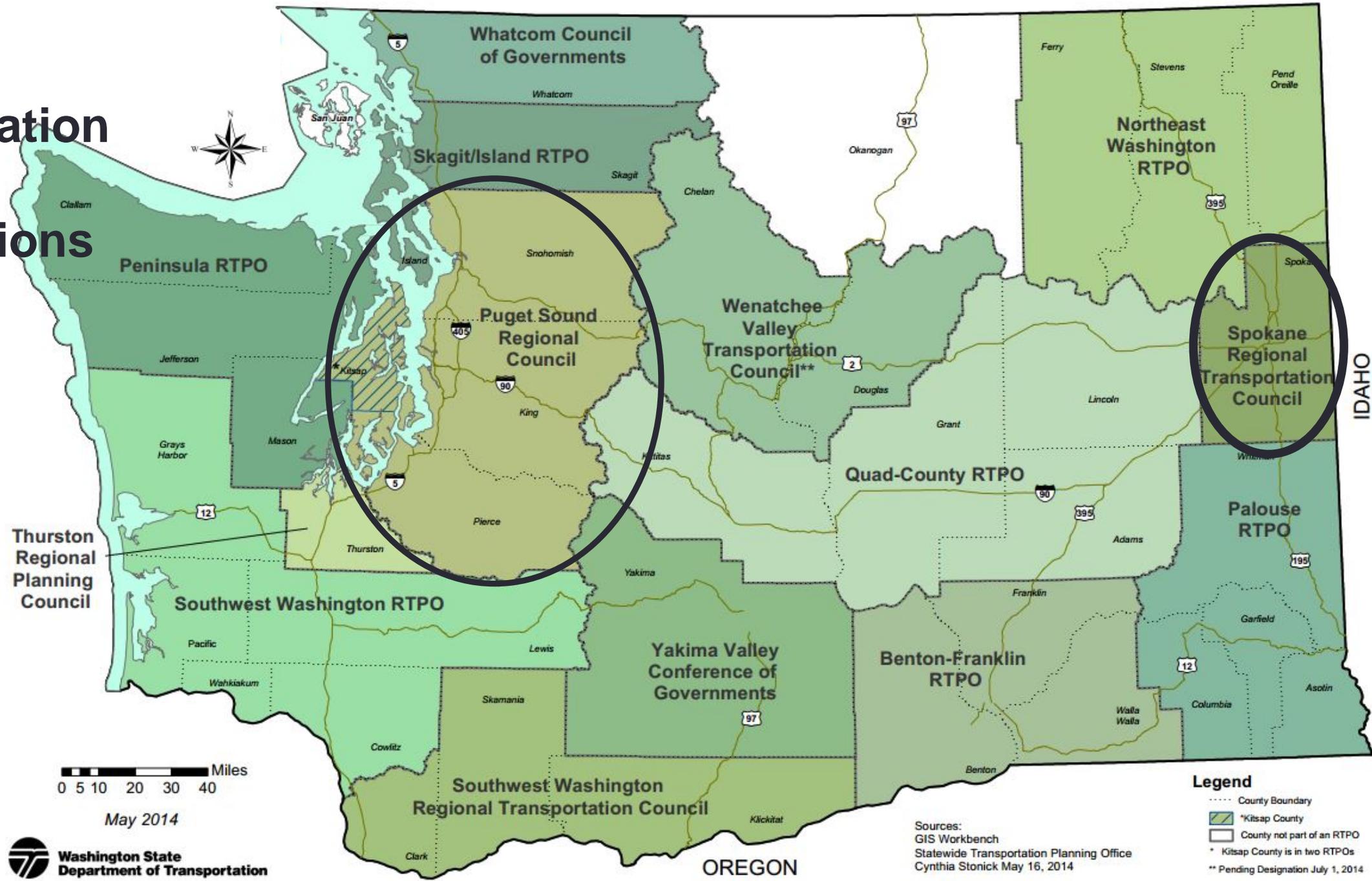
SouthEast Washington

Tri County

Greater Spokane



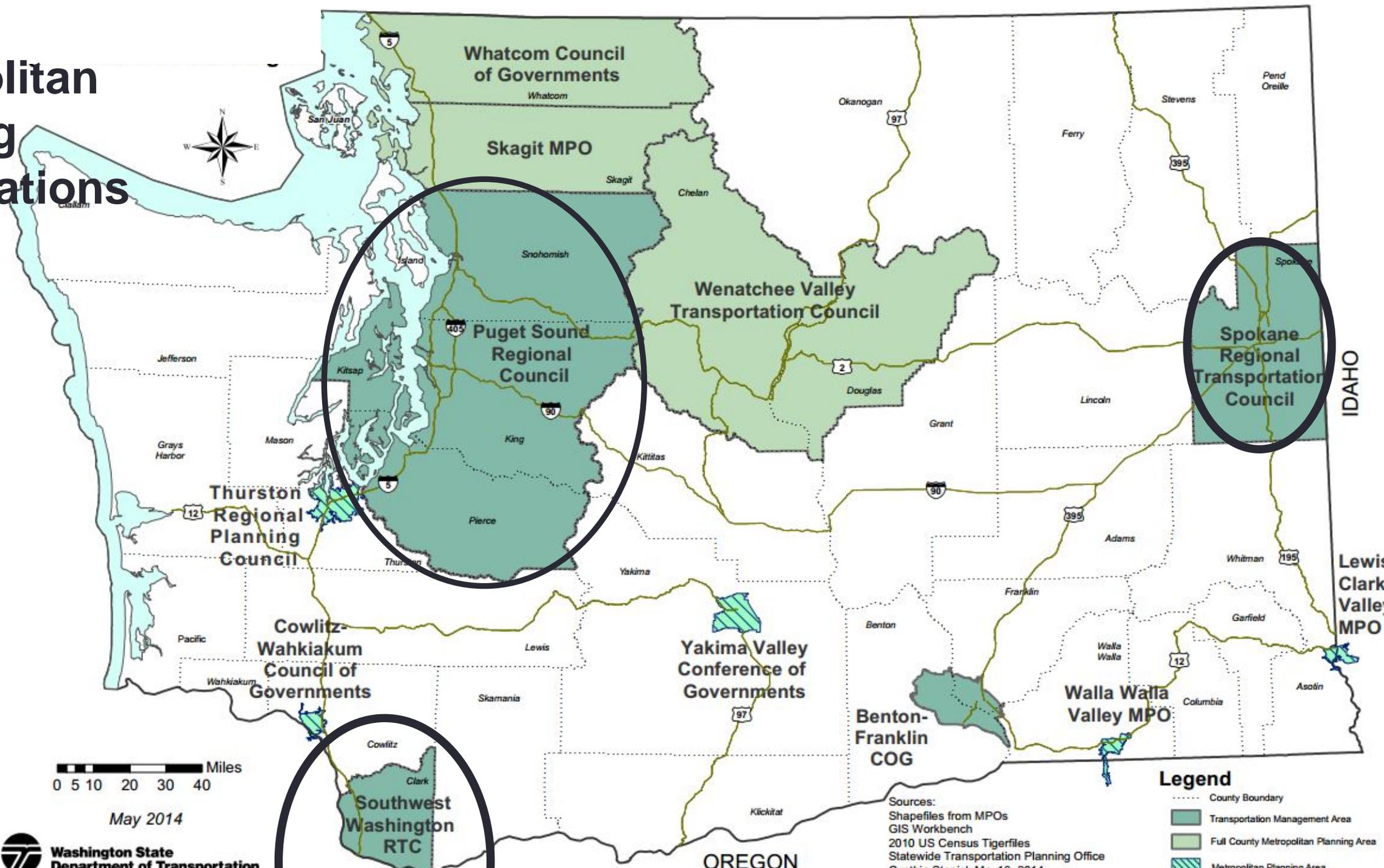
# Regional Transportation Planning Organizations (RPTOs)



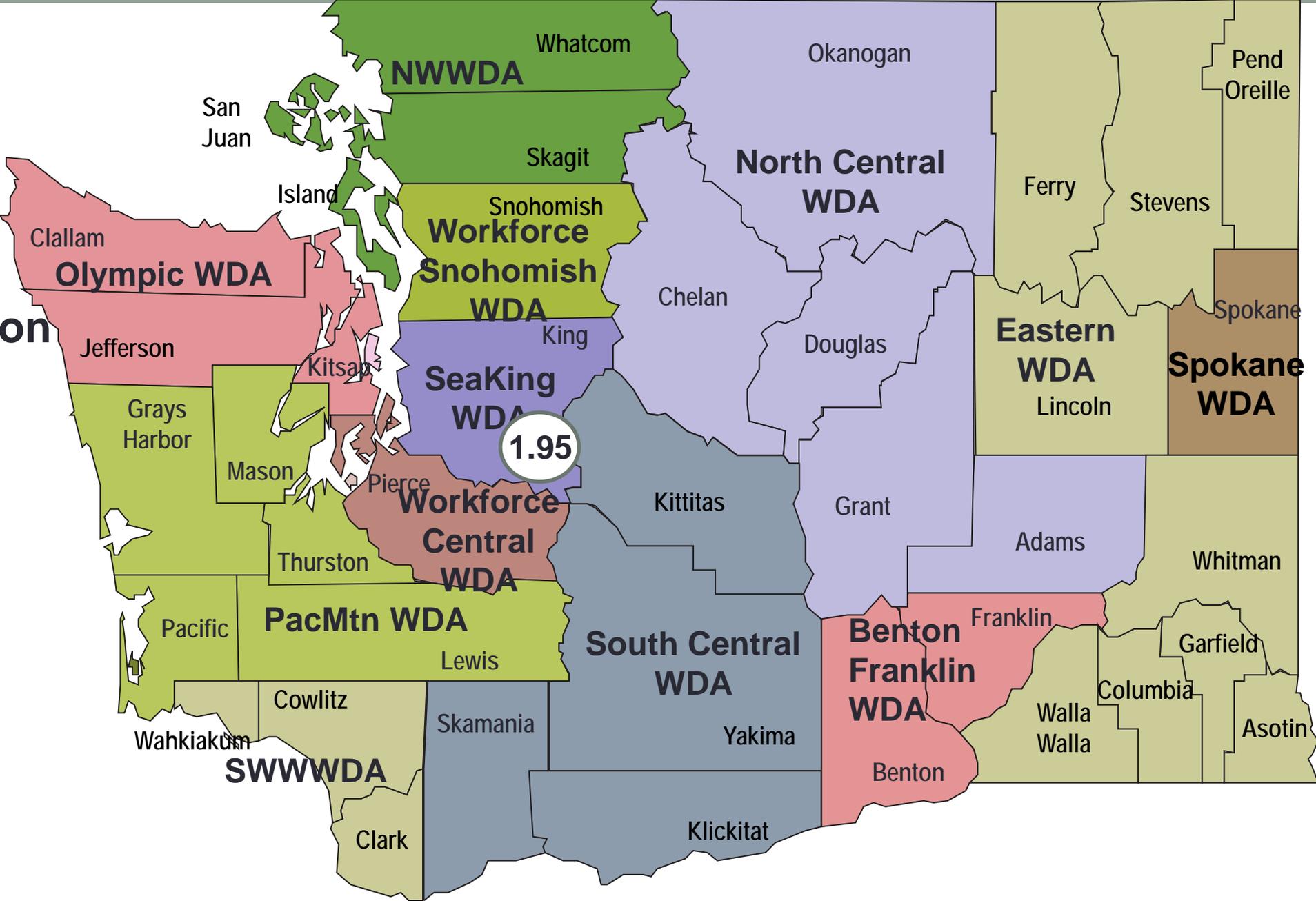
0 5 10 20 30 40 Miles

May 2014

# Metropolitan Planning Organizations



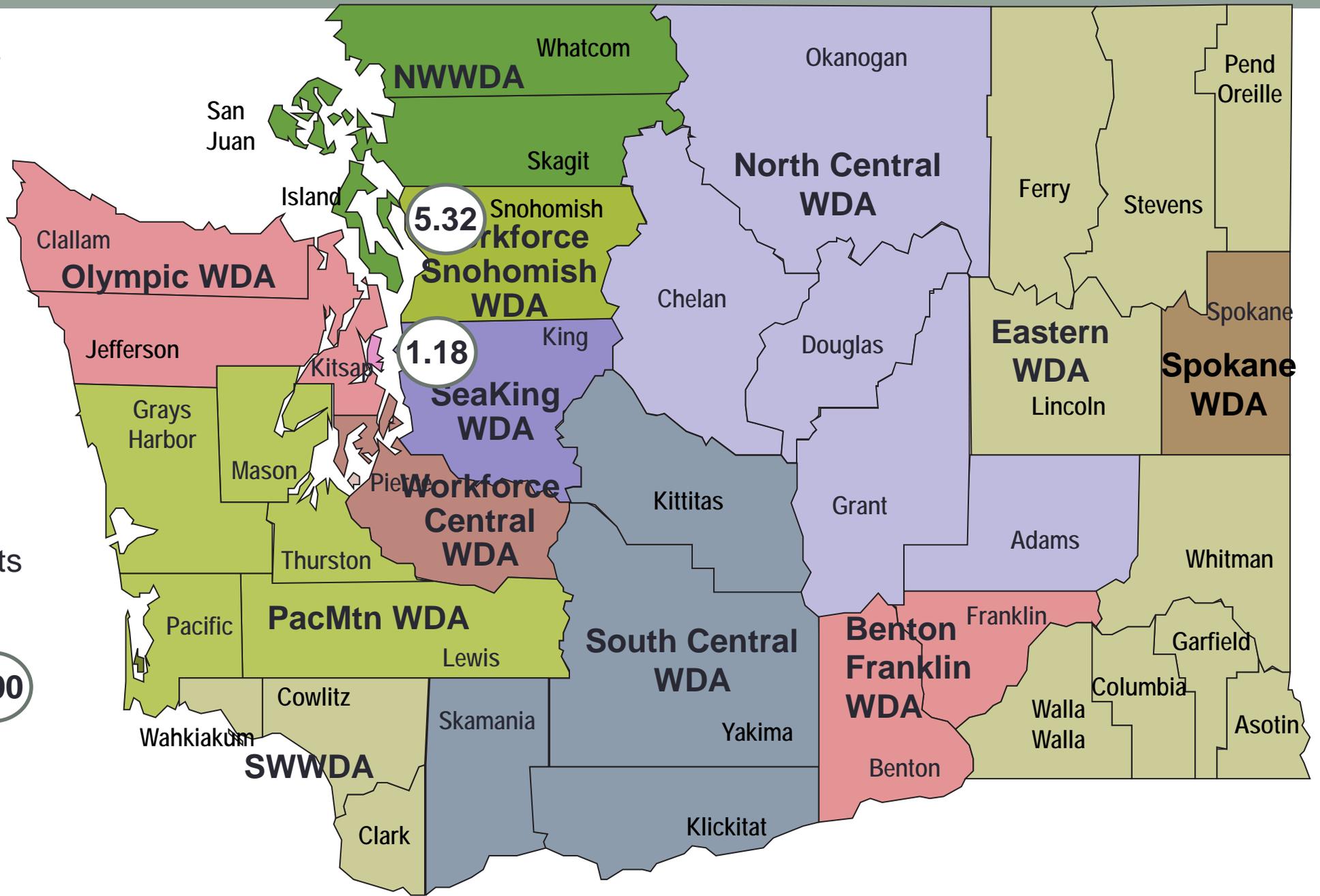
# Governor's Sectors – Information and Communication Technology



# Locally Identified Sectors - Information Technology



# Governor's Sectors – Aerospace



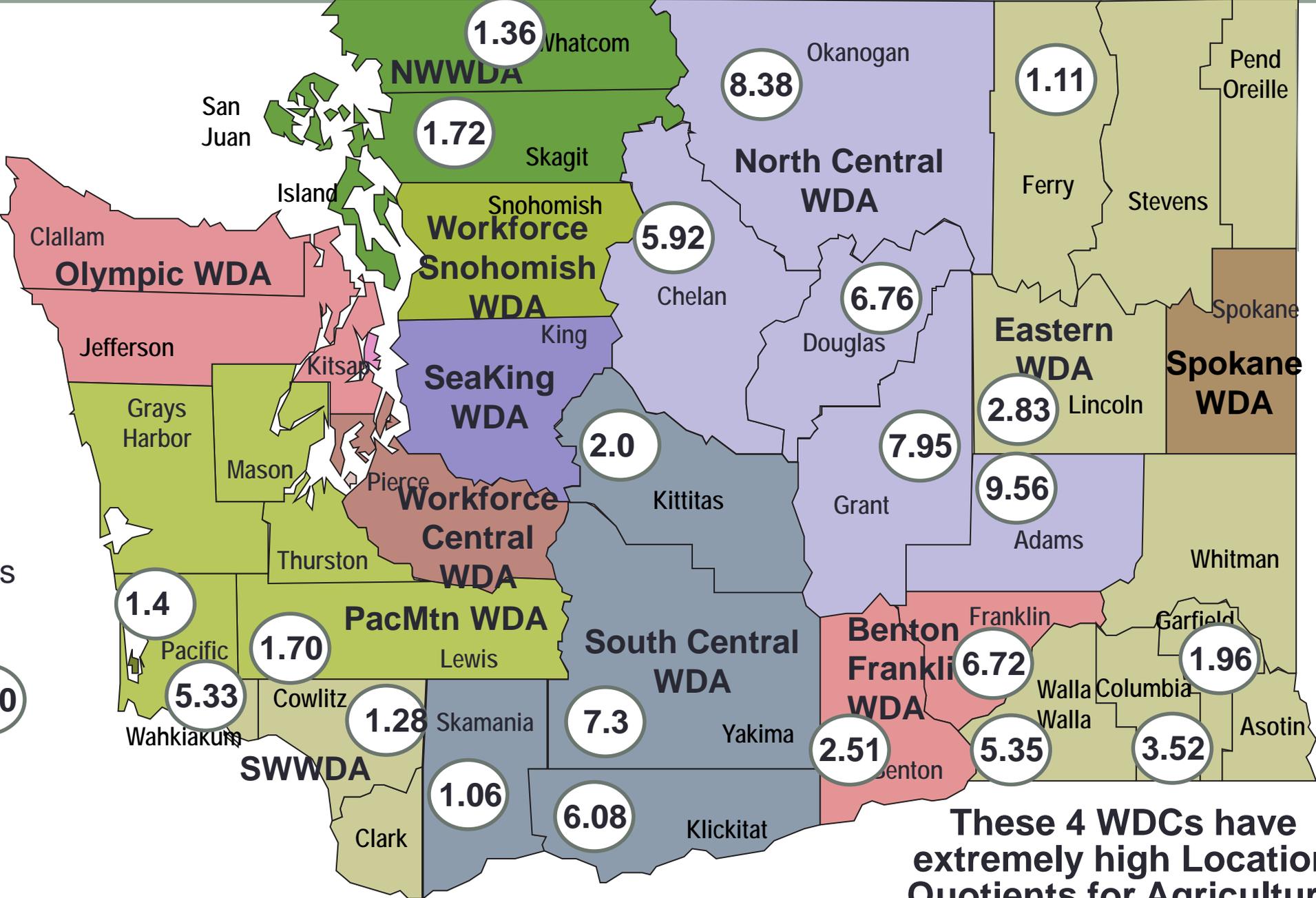
**Key:**

- Location quotients above 1 are indicated in the circles

# Locally Identified Sectors - Aerospace



# Governor's Sectors - Agriculture



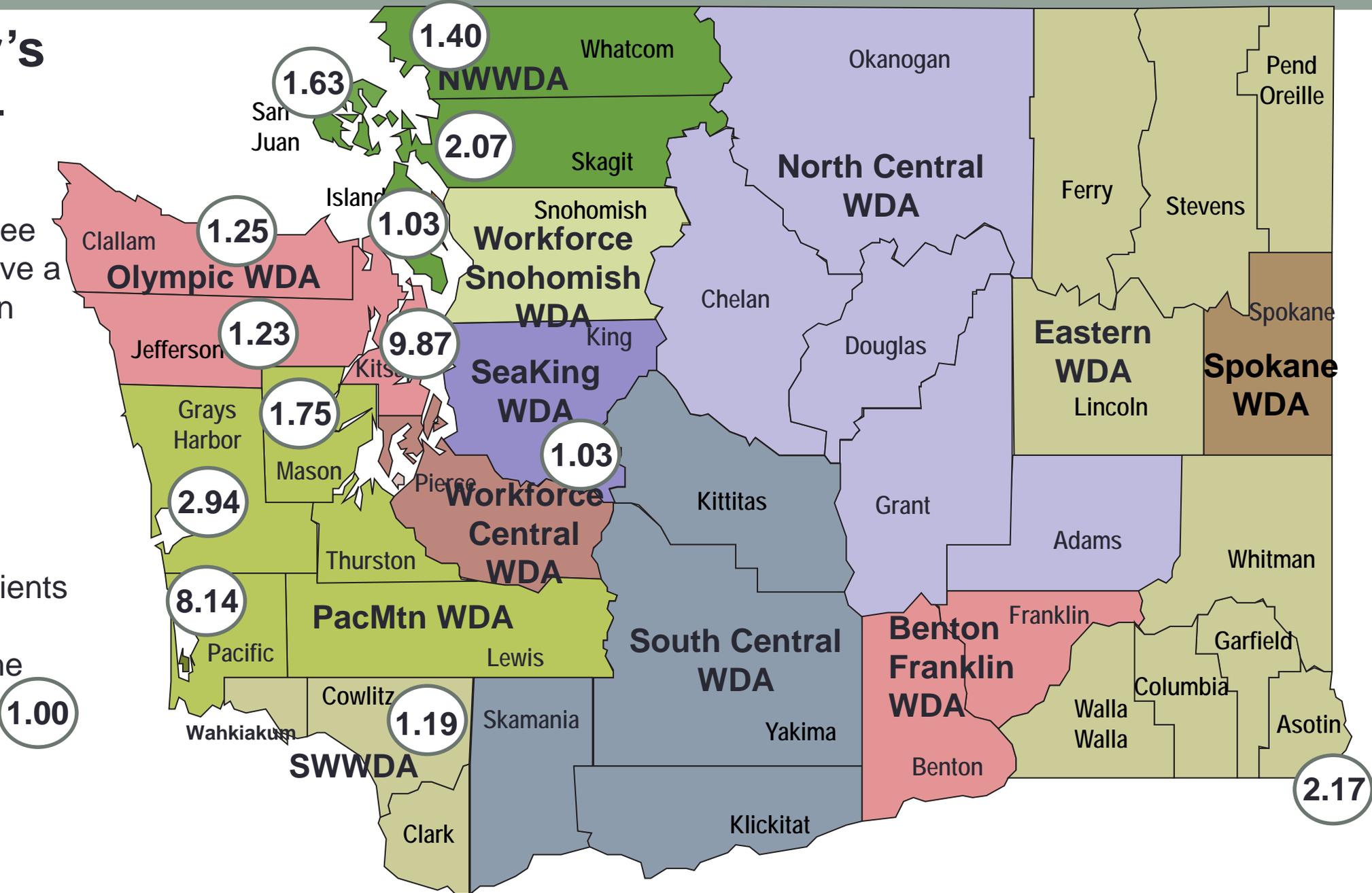
**These 4 WDCs have extremely high Location Quotients for Agriculture**

# Locally Identified Sectors – Agriculture



# Governor's Sectors – Maritime

These three WDAs have a strength in Maritime

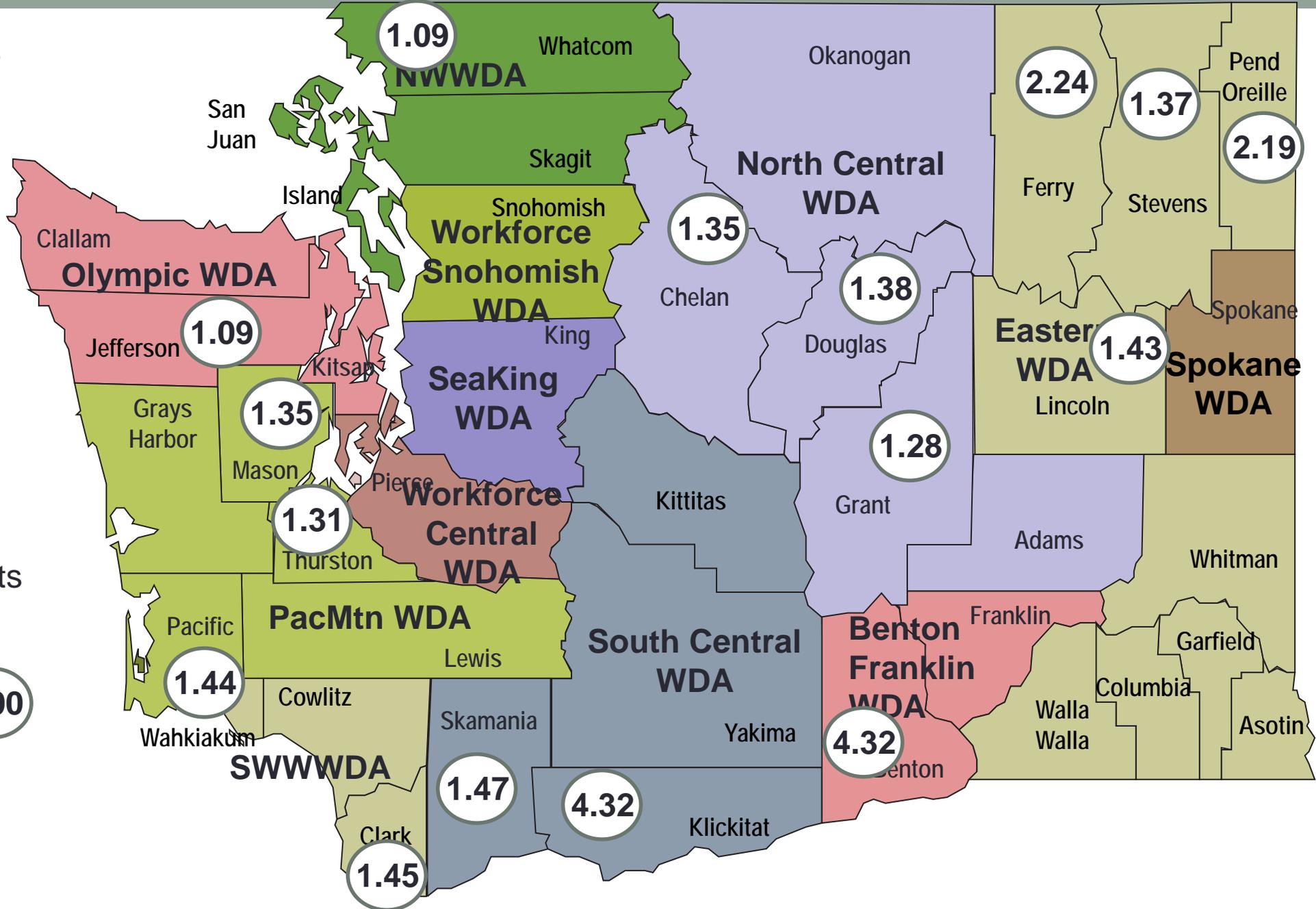


- Key:**
- Location quotients above 1 are indicated in the circles

# Locally Identified Sectors – Maritime



# Governor's Sectors – Clean Tech

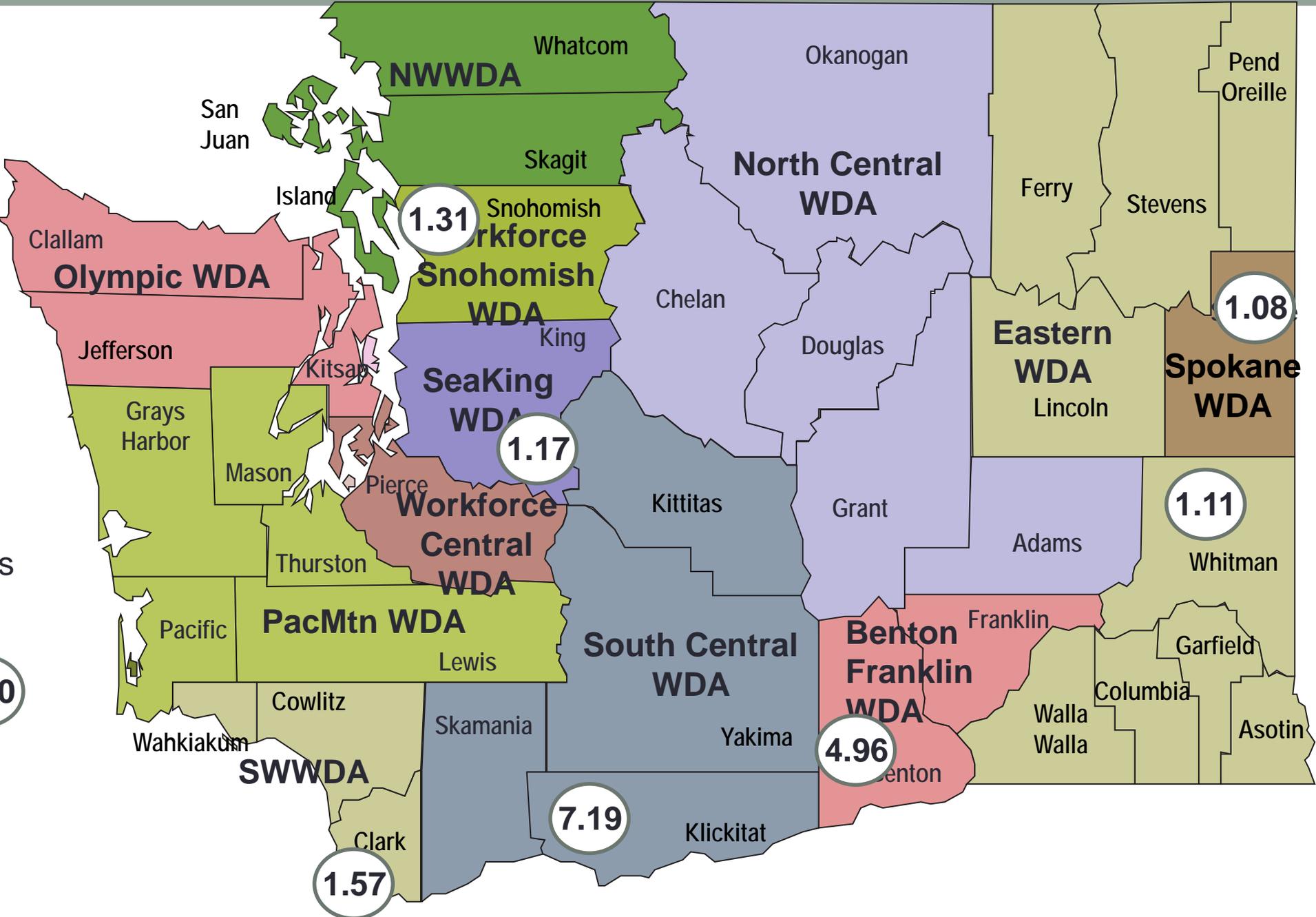


**Key:**

- Location quotients above 1 are indicated in the circles

1.00

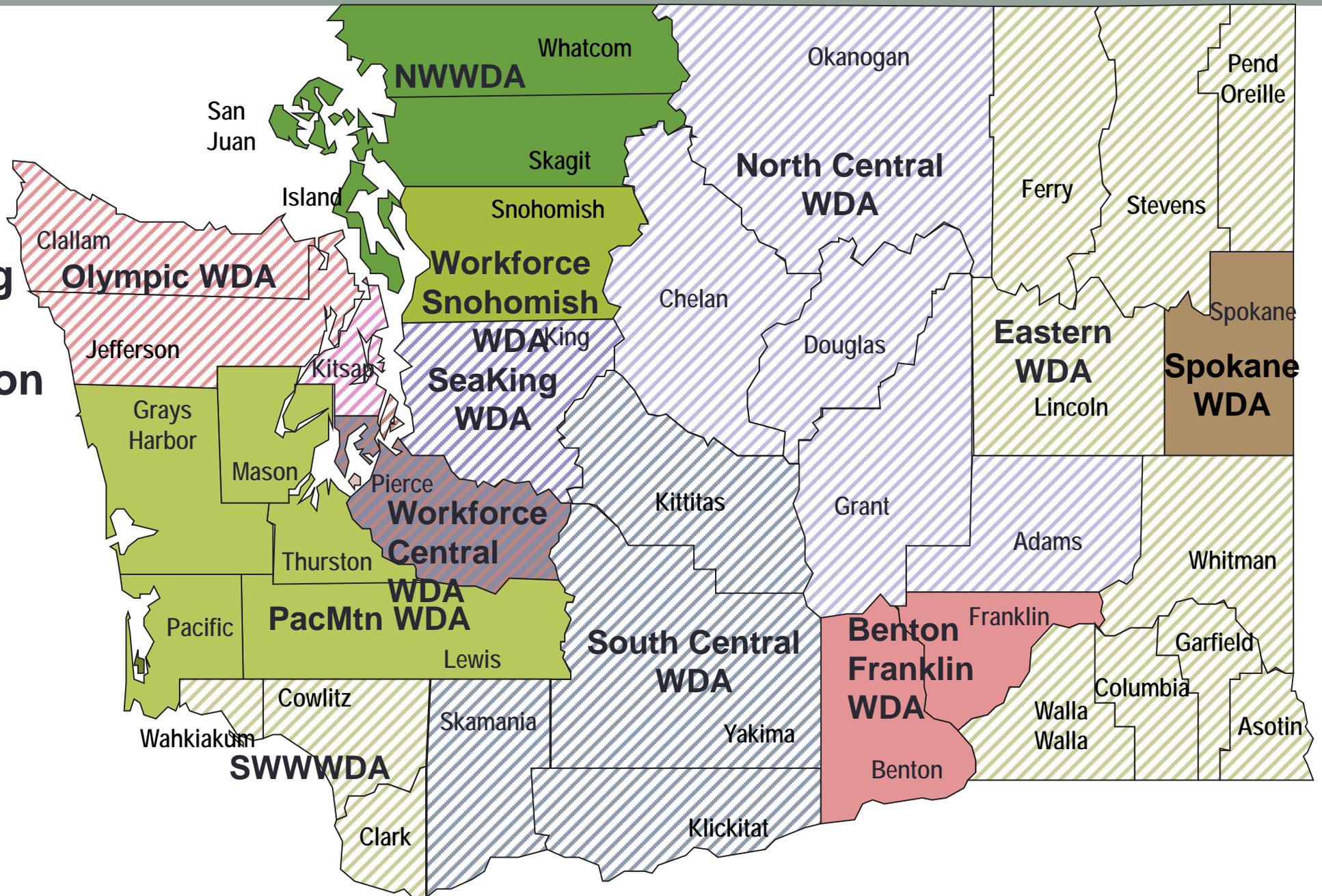
# Governor's Sectors – Life Sciences



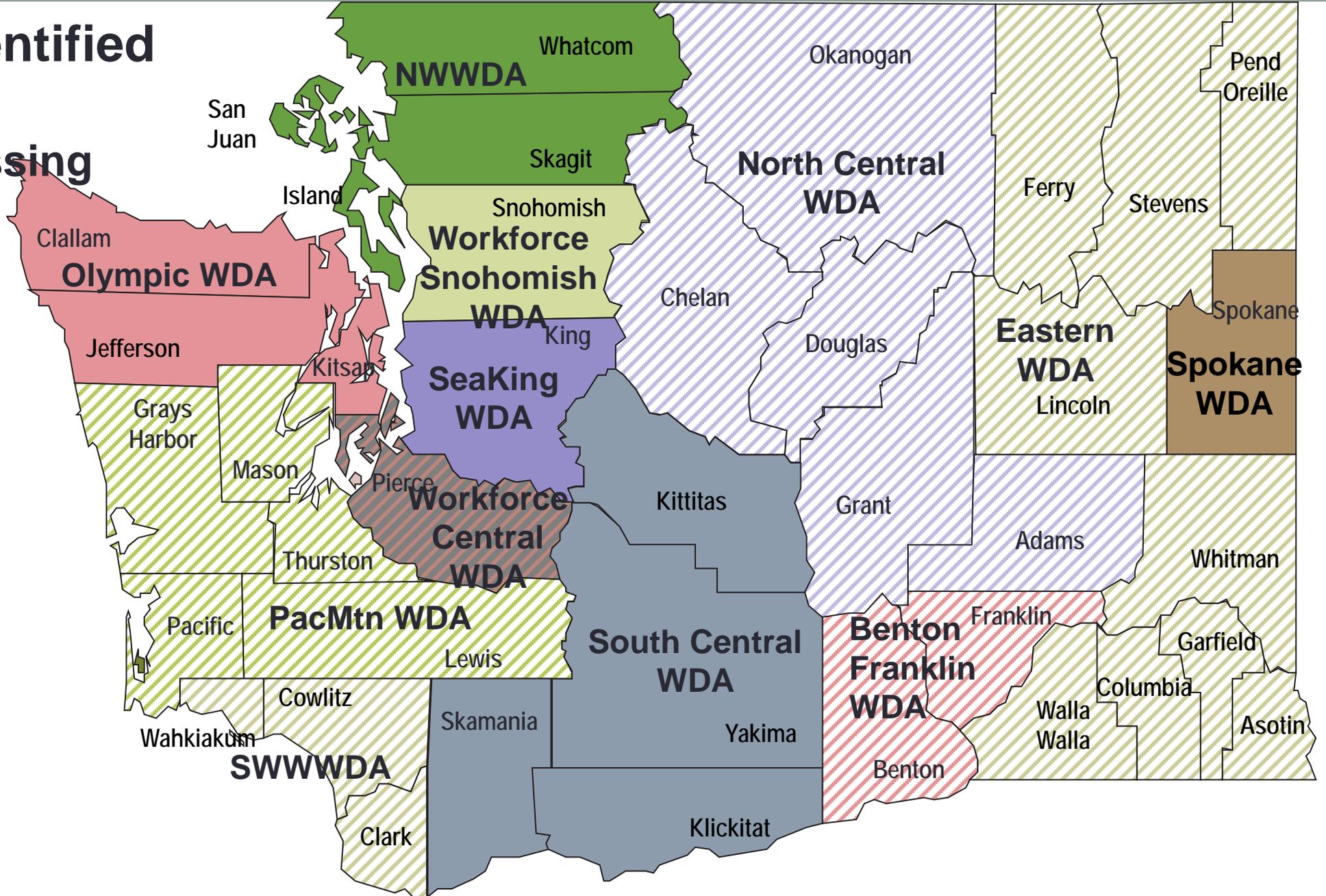
**Key:**

- Location quotients above 1 are indicated in the circles

# Locally Identified Sectors – Trade, Warehousing and Transportation



# Locally Identified Sectors – Food Processing



# Locally Identified Sectors – Construction



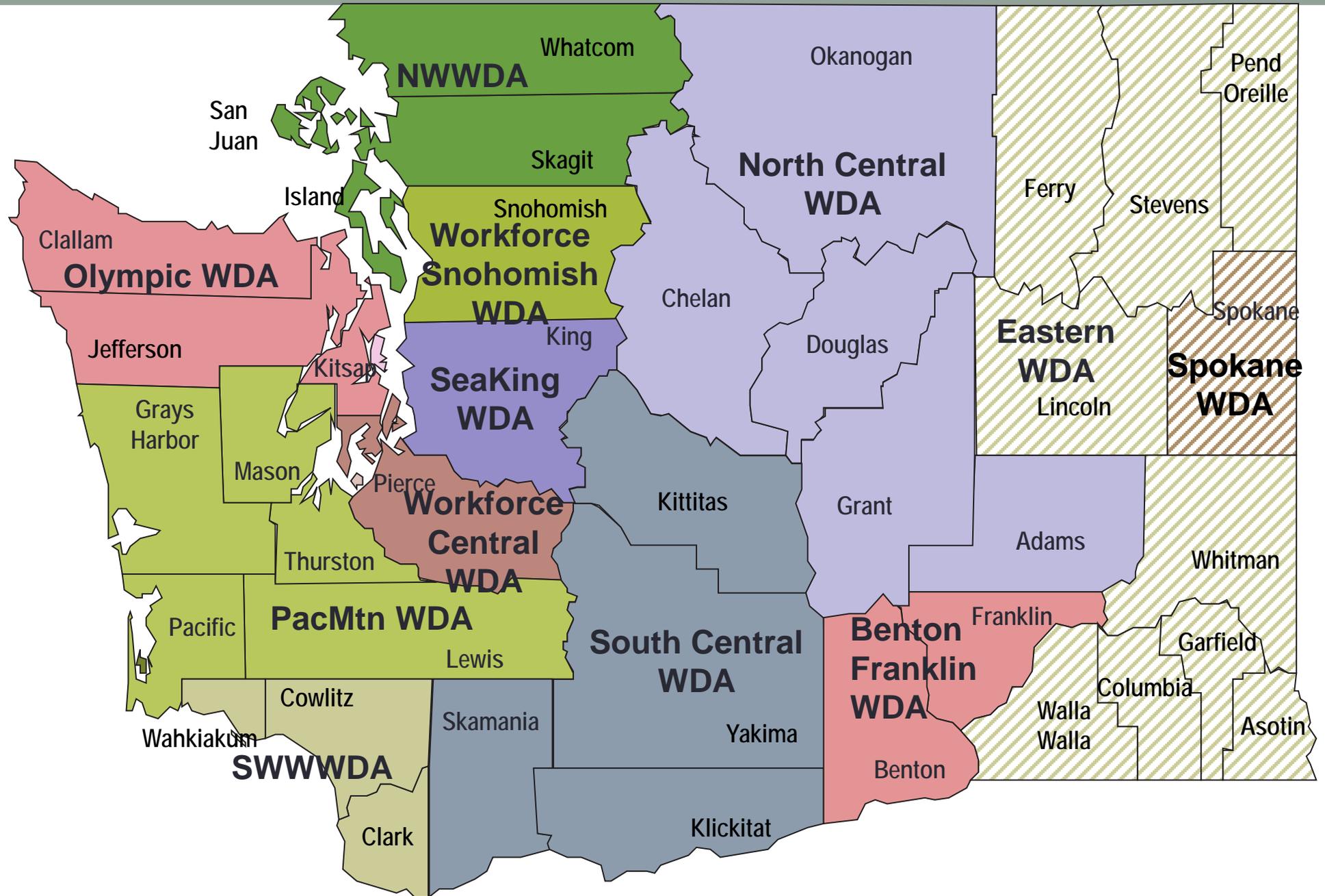
# Locally Identified Sectors – Energy, Utilities, Waste Management



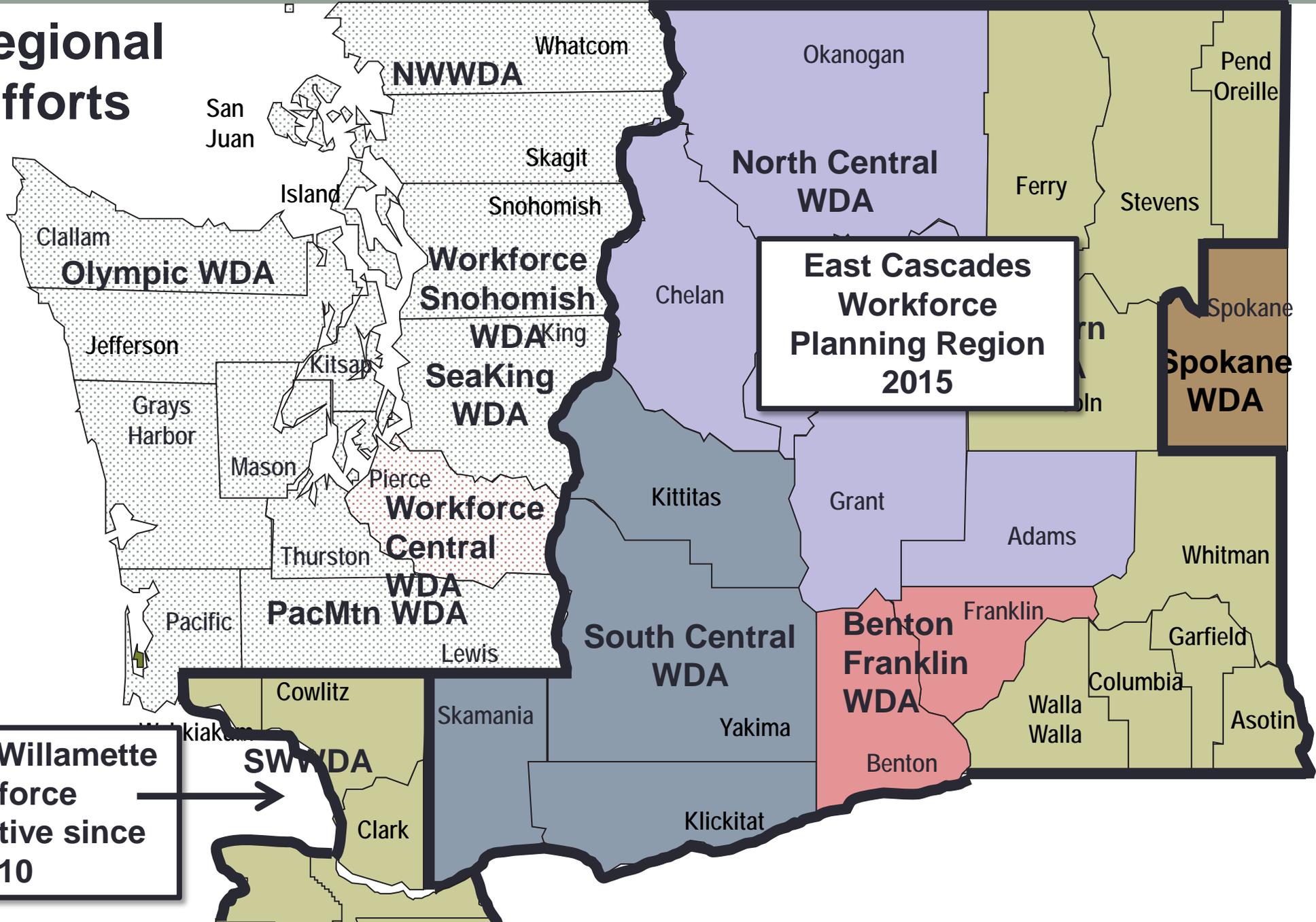
# Locally Identified Sectors – Professional Services



# Locally Identified Sectors – Finance



# Existing Regional Planning Efforts



**East Cascades  
Workforce  
Planning Region  
2015**

**Columbia-Willamette  
Workforce  
Collaborative since  
2010**