

Regional and Local Designation and Redesignation Steering Committee Meeting-Minutes

January 16, 2015

1:00 P.M.

Capital Plaza Tower, 3rd Floor

Attendees

Committee Members Present: Nick Brake, Rep. Leslie Combs, Erik Dunnigan, Larry Ferguson, Greg Higdon (Co-Chair) Sen. Jimmy Higdon, Beth Kuhn (Co-Chair), Wendell Lawrence, Malcolm Ratchford, Dana Russell (phone), Reecie Stagnolia, Diana Taylor, Jeff Whitehead, Steve Wimsatt,

Staff to Committee: Beth Brinly

Others: Hugh Haydon, Secretary Tom Zawacki, Melissa Aguilar, Rosemary Holbrook, Lori Collins, Ron Crouch, Tom Bowell, Holly Spade, Elizabeth Hack, Linda Prewitt

Greg Higdon welcomed the Committee and facilitated introductions.

Beth Kuhn welcomed the Committee and emphasized the huge contribution each member made in participating in the meeting. She then summarized the agenda and the purpose of the meeting.

Secretary Zawacki thanked everyone for attending. He predicted Kentucky would be making history through the implementation of Workforce Innovation and Opportunity Act (WIOA). He further stated that WIOA contains numerous enhancements over WIA (Workforce Investment Act) and summarized the purpose of the meeting (see presentation on Kentucky Workforce Investment Board (KWIB) website).

Beth Brinly presented the timeline for the Designation/Redesignation process (see posted presentation) and described the scheduled Listening Sessions that will be held around the state the first week in February. Flyers and a press release have been issued. She encouraged committee members to share the information through their networks. All materials will be posted on the KWIB website. The Committee will then come back together after the Listening Sessions and public comment period to share feedback and fine tune the recommendations for KWIB approval.

Beth Brinly next gave an overview of WIOA expectations and core programs (see posted presentation).

The composition of the state and local boards has changed along with the roles and responsibilities. Under WIOA the new boards need to be in place by July 1, 2015. There may be a transition period if new local areas are established with full implementation by July 1, 2016.

Under WIOA there is intent for greater employer engagement – increased partnerships, work-based learning and integrated education and training, such as Accelerating Opportunity Kentucky.

Key policy areas include Regional Planning Guidance and Designation and State criteria for local board appointment and certification process. Additionally, Kentucky is working on complementary performance standards. The state plan development will should be completed by August 2015, it is required by March 2016.

Regions are considered Planning Regions. Some current examples of local workforce areas working regionally include:

- Employer First (Northern Kentucky, Ohio, Indiana)
- WIRED 65 (Indiana, KentuckianaWorks, Lincoln Trail, Cumberlands)
- Advantage Valley (West Virginia, Ohio, Tenco)
- Delta Regional Authority (West Kentucky, Green River and seven other States)
- West Kentucky has an interstate relationship with Tennessee regarding Fort Campbell

Beth Brinly will call her counterparts in surrounding states to see if there is interest/conversation for an interstate relationship. Greg Higdon stated manufacturing industry is involved in interstate discussions. Jeff Whitehead stated that sometimes there may be challenges to interstate partnerships such as the bureaucracy in other states.

Beth Brinly next described the identification of regions and local areas (see posted presentation).

Beth Kuhn discussed the consultation process which includes the state board, local boards, chief elected officials and public comment. The Steering Committee will make the initial recommendations to be presented at each of the three listening sessions. The outcomes and comments will then be summarized and presented to the Steering Committee.

Beth Brinly provided the guidelines for initial designation of local areas (see posted presentation). Hugh Haydon asked for clarification – does meeting these three criteria mean that the Governor must initially designate the local area. Response was yes, if all the local elected officials in the local area agree. Ms. Brinly stated that several of the local areas have already sent letters to the Governor requesting redesignation. These letters will be posted on the website.

The committee reviewed the Initial Designation Factors chart and discussed each local area.

The question was posed, if there was a redesignation, how do we know the newly formed area would be able to sustain fiscal integrity? What is the evidence? The answer was that the area would be able to carry out its administrative and programmatic work and not run out of money. The Cabinet can run the numbers for new areas to see if they could sustain.

Beth Brinly stated that just because there may be fiscal integrity issues with a fiscal agent in a local area, it doesn't mean that the local area is not a legitimate local labor market area and that it must be restructured.

Greg Higdon asked what the standard is for performed successfully. Beth Brinly answered the question stating that under WIA there are federal performance standards. Meeting or exceeding these standards for the last two years is threshold for meeting the standard in this process. A local area would have to fail the same federal performance measure two years in a row to not qualify.

Ms. Brinly stated that there are two areas that have expressed intent to be established as local areas. Fayette County has requested to become a local area, separating from the remaining counties in the Bluegrass Local Workforce Investment Area (LWIA). In Barren River, four county judge/executives and one mayor have made a formal request to be designated as a new workforce area.

Jeff Whitehead explained that the reason the Eastern Kentucky Concentrated Employment Program (EKCEP) area had failed two of the measures the last two years was because of the coal mining layoffs in eastern Kentucky. He stated that they are focused on serving people not numbers.

Beth Brinly stated that KentuckianaWorks performance issues were in regard to wages during the economic down turn as well as they are going through an employer led restructuring process and national data shows that performance is negatively impacted during such times; for example, when the system moved from Job Training Partnership Act (JTPA) to WIA.

Beth Brinly reviewed the appeal process. If Local Elected Official(s) (LEOs)) do not agree with the designation or redesignation, the appeal would go to the KWIB. According to the appeal process approved in Kentucky's State Plan approved by the United States Department of Labor, there would be an administrative hearing to review the LEO(s) case and the Commonwealth's case and the Administrative Hearing Officer would issue a decision. If a local area appeals that decision, the appeal is addressed to the US Secretary of Labor who only looks to see if all procedures were followed by the State.

The service delivery area maps were discussed. The committee was asked if there are additional maps they would like to review. It was suggested that the Congressional, Aging and Independent Living and the Community-Based Services maps be made available. Beth Brinly stated that Temporary Assistance to Needy Families (TANF) is a required partner, but the Governor will make the decision if TANF services will be co-located. All Department of Workforce Investment programs will realign to the new local and regional structure. Reecie Stagnolia made the commitment to do the same so that the boxes fit on top of each other.

Beth Brinly asked the committee if they wanted other data, maps or information to help them make local or regional division recommendations.

Wendell Lawrence stated that the Metropolitan Statistical Area (MSA) along with the high-growth counties would be helpful.

Steve Wimsatt suggested that the Committee look at data analysis prepared by the Brookings Institute regarding the Bluegrass Economic Advancement Movement (BEAM) region.

Diana Taylor suggested the committee review the University of Louisville study on the nine Kentucky economies prepared for the Kentucky Chamber of Commerce.

Greg Higdon suggested we look at performance factors and education attainment levels.

Wendell Lawrence stated that it would be helpful to have High Impact Workforce Investment Boards (WIBs) annotated on the maps and MSA notated.

It was suggested to capture Industry Partnerships on maps, if feasible.

Steve Wimsatt stated that the number of Work Ready Communities with the standards met would be helpful. Also possibly include information on education and wages and skill gaps.

Jeff Whitehead stated that in the EKCEP area they had the opportunity to answer questions specifically about skill set of the coal miners. This exposed a weakness in data collected as it was difficult to give a definite answer. Rep. Combs stated that it is difficult to know how skill sets can be translated into other skills.

Nick Brake requested clarification about the relationship between the regional and local areas. Beth Brinly stated that the starting point is the local area, then the economic development region fit on top. Local areas may choose to collaborate in their regional structures such as sharing a fiscal agent and one-stop operator.

Hugh Haydon asked if a local area could be divided into two regions. The answer was that is not the intent of WIOA. Options in local areas might be, for instances a local area could remain one area, but have two different operators.

Wendell Lawrence stated that no matter where lines are drawn, we still must communicate.

Rep. Combs stated the real challenge is how we break down these boundary lines.

Greg Higdon asked how we get the local elected officials working together as well as how do we move outside the box.

Erik Dunnigan stated that we need to spend time on improving the level of services rather than boundary lines. We need to create local leadership to meet the needs of employers and focus less on the politics.

Beth Kuhn asked the committee if it would be better to formalize options for committee review. The committee agreed.

The next meeting is Friday, January 23. The date for the final Steering Committee meeting will be determined through a poll.

The meeting adjourned at 3pm.