

**Workforce Arizona Council**  
Designation of Local Workforce Development Areas Policy

**POLICY NAME:** Designation of Local Workforce Development Areas Policy

**POLICY NUMBER:** 14

**EFFECTIVE DATE:** September 7, 2023

**ISSUING AGENCY:** Workforce Arizona Council

**SCOPE:** Workforce Arizona Council (Council), Arizona Department of Economic Security (DES) Staff, Local Workforce Development Boards (LWDBs).

**REFERENCES:** Title I of the Workforce Innovation and Opportunity Act (WIOA) of 2014, WIOA Section 106.

**OBJECTIVE:** This policy provides guidance and processes for the designation of Local Workforce Development Areas (LWDAs) in Arizona, along with the process for appealing designation decisions.

**TABLE OF CONTENTS:**

- I. Background
- II. Designation and Re-designation
- III. Appeals Process

**I. Background:**

The Workforce Innovation and Opportunity Act (WIOA) mandates that the Workforce Arizona Council (the Council) shall assist the Governor in designation and re-designation of Local Workforce Development Areas, as required in section 106, and that an appeals process is in place.

The Governor shall designate local workforce development areas within the State:

- A. Through consultation with the Council; and
- B. After consultation with chief elected officials and after consideration of comments received through the public comment process as described in section 102 (b)(2)(E)(iii)(II).

WIOA further states that the considerations should include the following:

- A. The extent to which the areas are consistent with the labor market areas in the State; and
- B. The extent to which the areas are consistent with regional economic development areas in the State; and
- C. The extent to which the areas have available the Federal and non-Federal resources necessary to effectively administer activities under subtitle B and other applicable provisions of this Act, including whether the areas have the appropriate education and training providers, such as institutions of higher education and area career and technical education schools.

WIOA states that a unit of general local government (including a combination of such units) or grant recipient that requests, but is not granted designation of an area as a local area, may submit an appeal to the Council under an appeal process.

## **II. Designation and Re-designation**

WIOA requires that existing federally recognized workforce areas are designated during the first two program years of WIOA, which is referred to as Initial Designation, and again after the first two program years, which is referred to as Subsequent Designation. Local Areas within Arizona have been designated within this timeframe. Units of local government that desire to become a new local workforce area should follow the New Area designation requirements outlined below.

### **WIOA Designation For New Areas:**

Any unit of general local government may request designation as a Local Workforce Development Area under WIOA. New local area designations will only become effective on July 1 of the next program year. In order for designation to be approved for the start of the next program year, the following steps and timeline must be met.

A statement of intent to request designation must be submitted to the Workforce Arizona Council. The full request for designation as a Local Workforce Development Area (“local area”) must include the following components and steps:

1. Submit the request in writing to the Workforce Arizona Council.
2. This request must clearly state the circumstances for the request of designation.
3. The request must also address and explain how the following criteria are met:

- a. Consistency with natural labor market areas;
  - b. Consistency with regional economic development areas;
  - c. Existence of education and training providers, such as institutions of higher education and career and technical education schools in the area;
  - d. Submission of a service delivery plan that includes a description of resources that would be available to the area to provide services;
  - e. Coordination of multiple resources within areas that are based on labor markets and natural travel patterns of local residents;
  - f. Local support of the implementation strategies to provide quality services to employers and individuals by county commissioners, municipal elected officials including mayors and/or city council members where appropriate, and business or community leaders within the area as demonstrated by letters of support or a vote of support by a city council or other applicable board;
  - g. Local ownership, exhibited by strong involvement of local elected officials and community leaders on the Local Workforce Development Board, Local capacity to manage funds, provide oversight of programs, and provide for the proper stewardship of public funds;
  - h. Evidence that the area, in the two program years for which data is available prior to the request, met or exceeded the adjusted levels of performance for primary indicators of performance and was not subject to the sanctions process resulting from missing the same measure two years in a row, if applicable; and
  - i. Assurance that during the two program years prior to the request, the U.S. Secretary of Labor, or the State in place of the Secretary, has not made a formal determination that the grant recipient or administrative entity for the local area has mis-expended funds due to willful disregard, gross negligence, or failure to comply with accepted standards of administration, if applicable.
4. The request must address how the proposed new area designation will impact those other workforce areas from which it is withdrawing. It should be understood by any county, city or combination of such seeking designation, that the new area will only secure the formula allocated funds for each WIOA funding stream based on the formula factors as defined by

WIOA.

5. If opposition to the request is voiced by municipalities or counties within the area seeking designation, then the requesting county, city or combination of such will address their request at a public hearing. If a hearing is necessary, it will be held within 45 calendar days of receipt of the request.
6. The Workforce Arizona Council will take the request and comments from the public hearing and make a recommendation to the full Workforce Arizona Council within 25 calendar days of the public hearing.
7. The Workforce Arizona Council will submit its recommendation to the Governor within five (5) business days of the Council vote.
8. The final decision rests with the Governor and shall be made prior to May 29th, four weeks prior to the beginning of the fiscal and program year (July 1st).

### **III. Appeals Process:**

An area(s) seeking to be designated as a new Local Workforce Development Area that has had its requested denied may appeal the decision to the Workforce Arizona Council through the following:

1. An appeal must be in writing and filed with the Council within fourteen (14) business days after notification of the decision.
2. The appeal must contain a specific statement of the grounds upon which the appeal is sought.
3. The Workforce Arizona Council will have 60 business days to review the appeal and make a recommendation to the Governor.
4. The final decision rests with the Governor.
5. If the decision of the appeal reverses the decision, it will become effective July 1st of the following year.
6. If a decision on the appeal is not rendered in a timely manner or if the appeal does not result in designation, the entity may request review by the Secretary of Labor, under the procedures set forth at 20 CFR 667.640(a).

**CONTACT ENTITY:** Inquiries regarding this policy must be directed to the Workforce Arizona Council staff at [Workforce.Council@oeo.az.gov](mailto:Workforce.Council@oeo.az.gov).