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July 1, 2015

(SN 03)

**WIOA BULLETIN NO. 03-15**

**TO:** WIOA Partners

**SUBJECT:** Initial Local Area Designation Under the Workforce Innovation and Opportunity Act

**PURPOSE**

The purpose of this bulletin is to issue policy and procedures regarding the initial designation of Local Workforce Development Areas (LWDAs or "Local Areas") under the Workforce Innovation and Opportunity Act (WIOA).

**BACKGROUND**

To receive funding under WIOA, the Governor, in consultation with the Workforce Development Council (WDC) and after consultation with Chief Elected Officials and local boards, shall initially designate Local Areas in the state during the first two (2) full program years of WIOA.

**POLICY**

As allowed by WIOA Section (§)106(b)(2) and Training and Employment Guidance Letter 27-14, the Governor shall approve a request for initial designation as a Local Area if, for the two (2) preceding years before WIOA enactment, the Local Workforce Development Area:

1. Was designated as a Local Workforce Investment area under the Workforce Investment Act;
2. Performed successfully; and
3. Sustained fiscal integrity.

***“Performed Successfully”*** – means the Local Area met or exceeded the negotiated levels of performance for the core indicators in Program Year (PY) 2012 (July 1, 2012 – June 30, 2013) described in WIA § 136(b)(2)(A), or the Common Measures in PY 2013 (July 1, 2013 – June 30, 2014), and the local area has not failed any individual measure for the last two (2) consecutive Program Years before WIOA enactment, or if the local area is operating under a Performance Improvement Plan approved by DLIR. It should be noted that the move to Common Measures eliminated the “Employment and Credential Rate” measure for Adults and Dislocated Workers and changed all Youth measures in PY13. For youth programs, successful performance is defined as meeting 5 of 7 measures in PY 2012 and 2 of 3 measures in PY 2013. “Met” is performance that is equal to 80% or more of negotiated levels.

***“Sustained Fiscal Integrity”*** – with respect to a Local Area, means that the Secretary, or the State in place of the Secretary, has not made a formal determination, during either of the last 2 consecutive years preceding the determination regarding such integrity, that either the subgrantee or the administrative entity of the area misspent funds provided under subtitle B (or, if applicable, title I of the Workforce Investment Act of 1998 as in effect prior to the effective date of such subtitle B) due to willful disregard of the requirements of the provision involved, gross negligence, or failure to comply with accepted standards of administration.

Also, designation is based on considerations consisting of the extent to which local areas:

1. Are consistent with labor market areas in the State;
2. Are consistent with regional economic development areas in the State; and
3. 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.

Geo-political areas of county governments in the State of Hawaii are considered to be consistent with labor market areas and regional economic development areas in the state; therefore, designation of a County in Hawaii meets the first two criteria.

## **PROCEDURES**

The Chief Local Elected Official and Local Workforce Investment Board Chairpersons or their designees must submit a completed and signed Application for Initial Local Workforce Development Area Designation (Attachment 1) to:

Department of Labor and Industrial  
Relations (DLIR)  
830 Punchbowl Street, Room 329  
Honolulu, Hawaii 96813

To assist local areas in determining whether they met the criteria for successful performance in relation to a request for initial designation as a Local Area, a Summary of Performance for PY 2012 (07/01/12 – 06/30/13) and PY 2013 (07/01/13 – 06/30/14), Attachment 2, is provided as a reference.

Local areas also should review the attached Data Tables (Attachment 3) to verify the data and notify DLIR of any issues or questions.

Consistent with the process at WIOA § 106(b)(1)(A) and the considerations at § 106(b)(1)(B), the Governor may re-designate local areas at any time upon the request of the CLEO with the agreement of the State Board.

A letter containing the same information as the Application for Initial Local Workforce Development Area Designation and that is signed by the Chief Local Elected Official and Local Board Chair or their designees may be used in place of the Application.

### **DUE DATE**

A completed and signed Application for Initial Local Workforce Development Area Designation is due to DLIR by **July 31, 2015**. If a Performance Improvement Plan is warranted, the Plan must be submitted to DLIR by **July 10, 2015**.

### **APPEALS**

An area seeking to be designated as a LWDA and denied may appeal the decision to the WDC:

Executive Director  
Workforce Development Council  
830 Punchbowl Street, Room 329  
Honolulu, HI. 96813

1. An appeal must be in writing and filed with the WDC within fourteen (14) 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 WDC will refer the appeal to the DLIR Employment Security Appeals Referees' Office (ESARO)
4. The ESARO will have 90 days to review the appeal and make a recommendation to the Governor. The review will take into account the information in the original request and supplemental information provided in the appeal to determine if the criteria in this policy has been met.
5. The final decision rests with the Governor or designee.

6. If the appeal does not result in designation, the entity may request review by the Secretary of Labor to determine if procedural rights were granted or if the minimum criteria of WIOA Section 106(b)(2) were met. This second level of appeal must be sent within 14 days to:

Assistant Secretary of Employment and Training  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

with a copy to WDC.

### **INQUIRIES**

Inquiries regarding this Bulletin may be directed to Linda Sakamoto at (808) 586-9059.



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LINDA CHU TAKAYAMA  
Director

Attachments