

Iowa Workforce Regions

Research Paper – September 2019

Iowa and federal legislative history (before 2017)

In 1996, the Iowa Legislature passed Senate File 2409, which established the Department of Iowa Workforce Development (IWD) and eliminated the Department of Employment Services. The bill streamlined employment and job-training programs in the state.

SF 2409 created the State Workforce Board and local Regional Advisory Boards. The State Board's duties include developing and implementing a 20-year comprehensive workforce development plan. In addition, the board must prepare a five-year strategic plan for state workforce development and activities. At the time of creation, the State Workforce Development Board had nine voting members appointed by the Governor (made up of labor and business); and seven ex-officio members (legislators, representatives from state universities and community colleges). The State Workforce Development Board can be found in Iowa Code Chapters 84A.1A and 84A.1B. The local Regional Advisory Boards language can be found in Iowa Code Chapter 84A.4.

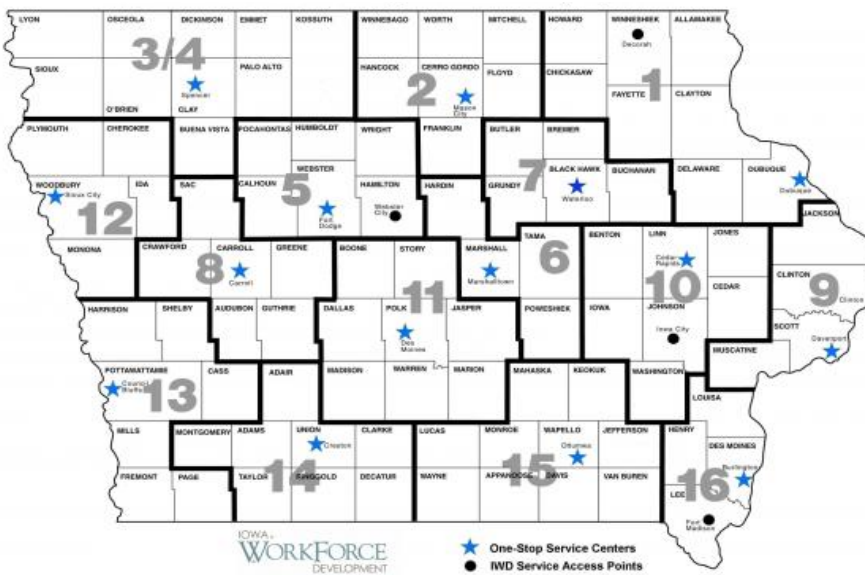
In 1998, Congress passed the Workforce Investment Act (WIA), an update to the Job Training Partnership Act of 1982. Since Iowa had just created the state and local workforce boards in 1996, the state wanted to keep its existing board membership rather than changing it to meet WIA requirements. One of WIA's requirements was a majority business membership on the board. Iowa was allowed to grandfather its boards and not change the structure.

If a board was to substantially change its membership (or its service delivery region), it would need to abide by WIA's requirements. Six other states were also permitted to grandfather their existing boards. Between 1996 and 2016, ex-officio members were added to Iowa's State Workforce Board, but membership was not substantially changed until 2017.

Local Regional Advisory Boards are responsible for identifying local workforce development needs, assisting in awarding local service provider contracts, and providing an annual report and recommendations to the Iowa Workforce Development Board. Iowa has 15 distinct regions; there had been 16 regions but two were combined.

Most local boards have 14 voting members, including representatives from business, labor, city, county, school and community colleges. Local boards can add as many ex-officio has desired. Since 1998, Regions 3 and 4 have combined; Region 8 was changed; and Region 11 substantially changed its board membership and service delivery region.

Map 1. Current Workforce Regions



On July 22, 2014, President Obama signed into law the Workforce Innovation and Opportunity Act (WIOA). WIOA is designed to help job seekers access employment, education, training and support services, and to match employers with the skilled workers they need. WIOA is an update to the WIA of 1998. IWD is charged with implementing and administering the Act in Iowa.

The bill eliminated 15 existing federal training programs; creates common measures for

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some core programs for adults and youth; and requires a unified state plan for core programs.

Key changes from WIA include:

1. Changes to the Workforce Investment Boards. Many aspects of the core structure of state and local workforce boards are the same. Membership requirement is reduced; there is a continued requirement for a business majority on the boards.
2. WIOA requires a unified State plan which will lay out a State's overall strategy for workforce development. All local plans must align with the state plan and regional labor markets.
3. Requires the State Board and each local area to define the metrics they will use to measure performance.

In 2015, Governor Branstad introduced legislation to substantially change the State Workforce Board membership and duties. Under the bill, the new state board would have 19 voting members and 16 ex-officio nonvoting members. Voting members would include the Governor or designee, one local elected official, 10 representatives of business and industry, and six members representing employees. The ex-officio non-voting members would include four legislators and representatives from IWD, Iowa Economic Development Authority, Iowa Department of Education, STEM, community college trustees, private colleges, regent universities, Iowa College Student Aid, the U.S. Department of Labor Office of Apprenticeships, K-12 and Vocational Rehabilitation services. [HF 590](#) (Iowa Human Capital Enrichment) did not pass the House.

In June 2015, Governor Branstad sent a letter to the U.S. Department of Labor (DOL) requesting the State Workforce Board and local Regional Boards 1, 2, 5, 6, 7, 8, 19, 12, 13,14,15, and 16 be grandfathered in, which is allowed under WIOA. DOL denied the request. The State Workforce Board and local Boards had requested this action. Board configurations for Regions 3/4, 8 and 11 follow WIA guidelines, and they have submitted names to fill the boards under WIOA guidelines.

In 2016, [SF 2313](#) was enacted to conform state law to requirements of the federal WIOA. The bill:

1. Adds four nonvoting members to the Iowa Workforce Development Board from the Department of Blind, Department on Aging, Department of Corrections and Department of Human Services. No changes to the voting membership. No changes to the labor and business balance.
2. Makes changes to the state Workforce Board to allow for additional duties. The Board may designate and direct the activities of standing committees in carrying out its duties. Instead of a 20-year workforce plan, there is a four-year comprehensive workforce development plan.
3. Renames the regional advisory boards to local workforce development boards and adds duties to conform to the federal Act. Membership requirements do not change, though the boards may add nonvoting members.

2017 and 2018 Iowa legislation

In 2017, [HF 572](#) was enacted, making changes to membership on the state Iowa Workforce Development Board to comply with the federal WIOA. The board previously has been made up of 50% business and 50% labor.

WIOA requires:

- A majority of the board's voting members be representatives of business.
- 20% of the board's members be representatives from labor and community-based organizations.
- Voting members to increase from nine to 33 (17 from business, seven from workforce (labor and community-based organizations), four from state agencies, the Governor, one state senator, one state representative, one city elected official and one county elected official).
- 13 nonvoting members.

The new law also makes changes to board duties, and provides for initial board appointments and transition. The changes to the Workforce Board are effective upon enactment.

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In 2018, [SF 2353](#) was enacted, conforming Iowa Code to the federal WIOA. The bill adds definitions; makes changes to the conflict-of-interest policy for State Workforce Board members; updates the political and gender balance of the Board; and requires electronic posting of certain Board information.

The bill also makes changes to the membership of the local workforce boards; requires a majority of members representing business; makes the Chief Elected Officials responsible for appointees to the local boards, instead of the Governor; provides a list of functions to be carried out by local workforce boards; and makes changes to the political and gender balance of local boards.

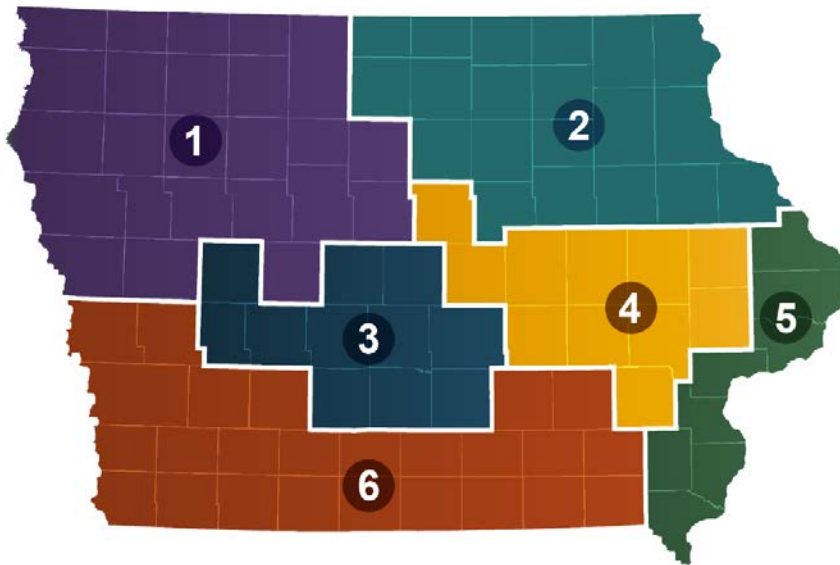
U.S. Department of Labor findings and State Workforce Board action

In June 2016, DOL sent a letter to Governor Branstad substantially approving the WIOA Unified State Plan by Iowa Workforce Development. However, DOL found several deficiencies in the plan, including that membership for the state board was out of compliance with WIOA. The remedy was 2017's [HF 572](#).

In September 2017, DOL informed IWD that the state needed to make substantial changes to the infrastructure of workforce services delivery in Iowa, that local boards needed to be redesigned, and that local services areas did not align with WIOA criteria for regional local markets and/or economic development areas.

The 2018 legislation ([SF 2353](#)) updated the structure of the local boards. Leadership at Iowa Workforce Development pushed the State Board to review Iowa's 15 workforce regions and to consolidate and realign them due to declining funds from the Federal government. IWD initially pushed for a two-region model, but the State Board declined to vote on it until a subcommittee—the Realignment Committee—was formed.

Map 2. New Workforce Regions



In February 2019, the State Board, based on the Realignment Committee's recommendations reduced Iowa's workforce regions from 15 to six and voted on the geographic boundaries of the regions. WIOA criteria required them to be consistent with local market areas and regional economic development areas, and that there be sufficient federal and non-federal resources to effectively administer activities.

Local appeals

Currently, several regional boards are appealing to DOL regarding the realignment of the workforce regions. We do not know when DOL will respond to the appeal. There is nothing in law or rules that sets a

timeline, but it is typically 90 to 120 days. The local appeal was submitted in mid-July 2019.

What's next?

Since the start of the realignment process, IWD's director has said there is no plan to close workforce field offices due to the realignment. Iowa Code 84B.3 requires a workforce development center be located in *each* service delivery area. If the regions are reduced to six regions, IWD can reduce workforce field offices and still be in compliance with Iowa law.

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IWD is proceeding with the realignment until DOL responds to the local appeals. By January/February 2020, IWD plans to have new local workforce boards appointed and agreements in place for the new model with six regions.

Resources

- Information and materials on Iowa State Workforce Board: www.iowawdb.gov
- Department of Labor Conditional Approval Letter of the State Unified Plan: www.iowawdb.gov/usp-conditional-approval-letter-june-2016
- About Workforce Innovation and Opportunity Act: www.doleta.gov/wioa/about/overview
- DSM Register article on local appeal: www.desmoinesregister.com/story/money/business/2019/07/15/local-leaders-file-federal-appeal-iowa-workforce-consolidation-plan/1697010001