

June 15, 2015

Secretary Arne Duncan
Attn: Lakesha Campbell and Janet LaBreck
U.S. Department of Education
400 Maryland Avenue, SW
Washington, D.C. 20202

Secretary Thomas E. Perez
Attn: Adele Gagliardi
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, D.C. 20210

Re: Comments on the WIOA Notices of Proposed Rule-Making

Dear Secretaries Duncan and Perez:

New York City, Chicago/Cook County, the City of Los Angeles, and the County of Los Angeles are the four largest local workforce development areas in the country. We have written this letter together in response to the draft regulations for the Workforce Innovation and Opportunity Act (WIOA). First, we applaud the Departments of Education and Labor for incorporating so much of the input from across the country into the draft regulations in ways that help clarify WIOA and facilitate its implementation. We are writing to express our strong belief, however, that the draft regulations do not adequately capture the current structure of large local areas like ours in their description of the various roles envisioned under WIOA, particularly that of the one-stop operator. For example, the draft regulations allude to instances of one-stop operator competition under WIA that are primarily in small local areas or states in which the State Board and the Local Board are the same entity.

Each of our areas is vast and complex in its geographical reach and population. Yet, each of our local Workforce Investment Boards has devised a structure that makes the most sense for its region, taking into account local governance structures, the regional economy and the composition of the workforce. Further, each of our areas has achieved success using its unique model and is poised for continued success under WIOA. As the four largest local workforce development areas in the country, we will comprise a major share of the nation's performance and budget expenditures under WIOA. We believe the Departments should affirm the legitimacy of each of our models and the ability of our areas to continue these approaches under WIOA.

We argue that the various roles described in WIOA and the draft regulations – Local Board, one-stop operator, one-stop partner, administrative entity, fiscal agent, service provider, etc. – miss an important role that is sometimes necessary in a large, complex local area: that of a “system coordinator.” In a

large, complex local area, there could be multiple one-stop operators that manage one-stop centers. But there would still be the need for an entity to: unify these individual one-stop centers into a coherent system; define strategies for business development and service provision; ensure that services are offered in a high quality and consistent fashion; ensure a uniform look and feel across these centers; and ensure that services are provided equitably across a large metropolitan area. We believe there are at least three options for how this could play out in practice:

- The Local Board could take on the role of system coordinator, provided it competitively selected one-stop operators to operate one or more one-stop centers, per WIOA Section 121(d).
- The Local Board could, with the agreement of the Chief Local Elected Official, designate a local public agency or nonprofit organization affiliated with the local government as the system coordinator, provided it competitively selected one-stop operators to operate one or more one-stop centers.
- A single One-Stop Operator could still play this role.

Each of these scenarios would maintain the Local Board's authority to establish a vision for the local workforce development system. Having these scenarios available to Local Boards in large metropolitan areas would also recognize the diversity in models for implementing WIA and WIOA. Finally, these scenarios would maintain a competition to ensure the highest quality providers are selected to operate one-stop centers. At the same time, they would still enable local areas to determine where they have the greatest capacity to manage an extensive system of one-stop centers and ensure the coordinated, equitable, and consistent delivery of high quality services to both workers and businesses.

Sincerely,



Steve Koch
Deputy Mayor, City of Chicago



Charles Woo
Chair, City of Los Angeles WIB
CEO, MegaToys, Inc.



Alicia Glen
Deputy Mayor for Housing and Economic
Development, City of New York



Hon. Toni Preckwinkle
President, Cook County Board of Commissioners



Richard Verches
Executive Director, Los Angeles County
Workforce Investment Board