

**TEXAS WORKFORCE COMMISSION**  
**Workforce Development Letter**

<b>ID/No:</b>	WD 24-20
<b>Date:</b>	October 28, 2020
<b>Keyword:</b>	Board Planning; ETP; WIOA
<b>Effective:</b>	Immediately

**To:** Local Workforce Development Board Executive Directors  
Commission Executive Offices  
Integrated Service Area Managers



**From:** Courtney Arbour, Director, Workforce Development Division

**Subject:** In-Demand Industries, In-Demand Occupations, and Target Occupations Lists

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**PURPOSE:**

The purpose of this WD Letter is to provide Local Workforce Development Boards (Boards) with guidance on establishing and updating In-Demand Industries, In-Demand Occupations, and Target Occupations Lists.

**RESCISSIONS:**

None

**BACKGROUND:**

Workforce Innovation and Opportunity Act (WIOA) §107(d)(2)(A) requires Boards to “carry out analyses of the economic conditions in the region, the needed knowledge and skills for the region, the workforce in the region, and workforce development activities (including education and training) in the region” and regularly update this information.

WIOA §108(b)(1)(A) requires Boards to include in their local plans an analysis of the regional economic conditions including existing and emerging in-demand industry sectors and occupations.

Additionally, Texas Workforce Commission (TWC) Chapter 841 Workforce Investment Act rule §841.33 requires each Board to annually establish a list of occupations in demand (also known as target occupations) in the local workforce development area (workforce area).

**PROCEDURES:**

**No Local Flexibility (NLF):** This rating indicates that Boards must comply with the federal and state laws, rules, policies, and required procedures set forth in this WD Letter and have no local flexibility in determining whether and/or how to comply. All information with an NLF rating is indicated by “must” or “shall.”

**Local Flexibility (LF):** This rating indicates that Boards have local flexibility in determining whether and/or how to implement guidance or recommended practices set forth in this WD Letter. All information with an LF rating is indicated by “may” or “recommend.”

**NLF:** Boards must:

- establish and adopt In-Demand Industries, In-Demand Occupations, and Target Occupations Lists according to the requirements set forth in this WD Letter, including the instructions in Attachment 3, Instructions for Completing the In-Demand Industries, In-Demand Occupations, and Target Occupations Lists Templates;
- include the In-Demand Industries, In-Demand Occupations, and Target Occupations Lists in the Board’s local plan, in accordance with the most recent Board planning guidance; and
- annually review and adopt changes to the In-Demand Industries, In-Demand Occupations, and Target Occupations Lists and submit any changes to [target.occupations@twc.texas.gov](mailto:target.occupations@twc.texas.gov). No plan modifications or amendments are required for list updates.

Note: As required by TWC’s Integrity of the Texas Workforce System rule §802.1(f), and as detailed in WD Letter 10-07, Boards must take actions related to the adoption and modification of these lists in an open meeting.

**LF:** For the In-Demand Industries, In-Demand Occupations, and Target Occupations Lists, Boards may use:

- the labor market information tools described in Attachment 3;
- other labor market information tools available to the Board; and
- local wisdom, such as information provided by:
  - businesses and business organizations in the workforce area; and
  - workers and worker organizations in the workforce area.

### **In-Demand Industries**

**NLF:** Boards must be aware that in-demand industries are industries that:

- have a substantial current or potential impact (including through jobs that lead to economic self-sufficiency and opportunities for advancement) on the state, regional, or local economy and that contribute to the growth or stability of other supporting businesses or to the growth of other industry sectors; or
- currently have or are projected to have a number of open positions (including positions that lead to economic self-sufficiency and opportunities for advancement) great enough to have a significant impact on the state, regional, or local economy.

### **In-Demand Occupations**

**NLF:** Boards must be aware that in-demand occupations are occupations that currently have or are projected to have a number of open positions (including positions that lead to economic self-sufficiency and opportunities for advancement) great enough to have a significant impact on the state, regional, or local economy.

### **Target Occupations**

**NLF**: Boards must be aware that target occupations are occupations that:

- have or are projected to have a substantial number of openings—due to job growth rather than job turnover—so as to have a significant impact on the state, regional, or local economy; and
- result in occupational wages that meet a Board’s self-sufficiency requirements or have been identified by the Board as a career pathway to an occupation that leads to self-sufficient wages.

Target occupations generally include a training or educational component that is related to the occupation.

**NLF**: Boards must indicate on the Target Occupations List any occupations that the Board has identified as career pathways.

**LF**: When establishing its Target Occupations List, Boards may consider whether the occupations are connected with training programs that lead to a recognized postsecondary credential.

### **INQUIRIES:**

Send inquiries regarding this WD Letter to [wfpolicy.clarifications@twc.state.tx.us](mailto:wfpolicy.clarifications@twc.state.tx.us).

### **ATTACHMENTS:**

Attachment 1: In-Demand Industries, In-Demand Occupations, and Target Occupations Lists Templates

Attachment 2: Industries and Occupations References

Attachment 3: Instructions for Completing In-Demand Industries, In-Demand Occupations, and Target Occupations Lists Templates

### **REFERENCES:**

The Workforce Innovation and Opportunity Act (29 USC Chapter 32)

Texas Workforce Commission Chapter 841 Workforce Investment Act rules