

EASTERN AREA WORKFORCE DEVELOPMENT BOARD

A Proud Partner of the American Job Center Network

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POLICY 11B-12 DEMAND OCCUPATIONS

REFERENCES:

Title I of the Workforce Innovation and Opportunities Act (WIOA)

PURPOSE:

WIOA regulations require local areas to establish a local documentation and verification policy that defines the Occupations in Demand within the area for the purposes of determining eligibility of applicable training programs for Adults and Dislocated Workers. The goal is to establish a policy that is not excessively intrusive and burdensome and is, at the same time, a good faith and reasonable effort to establish occupations eligible for training funds and to provide guidance regarding such documentation to Service Providers contracted by the Eastern Area Workforce Development Board.

Providers contracted by the Eastern Area Workforce Development Board, who provide training activities, are responsible for ensuring that adequate documentation is contained in the participant files to minimize the risk of questionable/disallowed costs.

This policy outlines the procedure, and defines the occupations in demand and related acceptable documentation.

1. BACKGROUND:

The Workforce Innovation and Opportunity Act of 2014 (WIOA) empowers States and WIOA grant sub-recipients to expend WIOA Title I funds for training programs that lead to self-sufficiency. Section 134 of the Act specifies that funds allocated to a local area may be expended through the use of Individual Training Accounts (134(d)(4)(G)) or pursuant to a contract of services in lieu of an individual training account (134(d)(4)(G)(ii) for qualifying individuals who select programs of training services that are directly linked to employment opportunities in the local area involved or in another area to which the individuals receiving such services are willing to relocate (134(d)(4)(A)(iii).

WIOA training opportunities, whether the result of Individual Training Accounts (ITA) or contracts, should focus on community talent growth and aligning the workforce with targeted industry clusters (existing or emerging). To that end, occupations and/or skills shall not, in all instances, require a history of demand to qualify for identification as "In Demand".

2. DEFINITIONS: WIOA Section 3 defines career pathways and demand occupations as follows:

(3)(7) Career Pathways

The term "career pathway" means a combination of rigorous and high-quality education, training, and other services that—

- (A) aligns with the skill needs of industries in the economy of the State or regional economy involved;
- (B) prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the Act of August 16, 1937 (commonly known as the “National Apprenticeship Act”; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.) (referred to individually in this Act as an “apprenticeship”, except in section 171);
- (C) includes counseling to support an individual in achieving the individual’s education and career goals;
- (D) includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;
- (E) organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable;
- (F) enables an individual to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential; and
- (G) helps an individual enter or advance within a specific occupation or occupational cluster.

(3)(23)(A) Demand Industry sector or occupation

In general the term “in-demand industry sector or occupation” means –

- (i) an industry sector that has 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, as appropriate, and that contributes to the growth or stability of other supporting businesses, or the growth of other industry sectors; or
- (ii) an occupation that currently has or is projected to have a number of positions (including positions that lead to economic self-sufficiency and opportunities for advancement) in an industry sector so as to have a significant impact on the State, regional, or local economy, as appropriate.

(3)(23)(B) Determination - (B) The determination of whether an industry sector or occupation is in-demand under this paragraph shall be made by the State board or local board, as appropriate, using State and regional business and labor market projections, including the use of labor market information.

3. ACTION

This policy establishes an in-demand occupation standard to be used to determine occupations allowable for training activities. The Occupations in-demand standard will allow the Eastern Area Workforce Development Board to:

- A. Extend services to workers that have not attained self-sufficiency and place them on a path to self-sufficiency.
- B. Target high-wage industry sectors of the economy and occupations for training and assist in developing customized training programs.
- C. Offer training in occupations with career pathways and ladders that lead to self-sufficiency.
- D. Support job-training programs that lead to self-sufficiency.

The Demand Occupations for the Eastern Area shall consist of Demand Occupations based on labor projections published by the New Mexico Department of Labor LASER with a growth rate of 6.7% or more or 8 annual openings, any EAWDB targeted industry clusters, targeted industries or growth clusters from the NM DWS state plan, any occupation for which an individual has received a bonafide job offer upon the completion of training. In addition to the above, new industries or occupations designated by economic development as high growth and demand, and occupations identified by newly established businesses (less than 1 year old) as operationally critical will also be determined to be in demand. Staff will utilize the state’s list of STAR occupations as a guide to provide guidance to job seekers determined to be in need of career counseling and/or training services. This information can be obtained or viewed at <https://www.jobs.state.nm.us/gsipub/index.asp?docid=810>. Additionally, an occupation may be deemed as “In-Demand” if letters are received by 3 or more employers stating a need for

individuals trained in a particular occupation or that the employer(s) have positions in an occupation that they have been unable to fill due to a lack of qualified applicants.

4. Acceptable Documentation

A. OJT and Customized Training:

For OJT or Customized training participants the contract agreement by the employer to hire/retain the individual upon completion of the training shall constitute documentation of In Demand.

B. Individual Training Accounts (ITA's):

Files of participants utilizing ITA funds **must** contain a case note describing employment opportunities **and** wages for the selected training occupation and one of the following:

- (1) A print out from the NM LASER list of occupations reflecting a growth rate of 6.7% or 8 or more annual openings,
- (2) A letter from an employer guaranteeing employment upon completion of training,
- (3) A letter from an employer guaranteeing a promotion upon completion of training for an employed individual that results in a salary increase of 15% or more,
- (4) A letter/notice from the Eastern Area Workforce Development Board identifying a targeted occupational cluster,
- (5) Copies of letters from 3 employers on company letterhead indicating a need for individuals trained in a specific occupation or an inability to fill positions based on a lack of qualified applicants,
- (6) A letter from a newly established employer (1 year or less but not as a result of company relocation that resulted in the layoff of employees) identifying a need for individuals trained in a specific occupation,
- (7) A letter or notice from a local economic development office designating and industry cluster or occupation as high growth/high demand, or
- (8) A copy of the state plan's targeted career cluster/occupation.

Failure to adequately justify the training selection could result in questioned costs.

All ITA training funds must be expended for training that leads to industry recognized credentials. Those credentials must be placed in the file upon completion of training. Progress in training must be recorded as measurable skills gains in accordance with published performance measures.

EFFECTIVE DATE:

REVISED: March 2017

RESCISSIONS: none

CONTACT ENTITY: Inquiries regarding this notice should be directed to the Administrative Entity Staff of the Eastern Area Workforce Development Board at (505) 343-7612.

Judith Cooper
EAWDB, Chairman