

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

<b>ID/No:</b>	WD 24-20, Change 1
<b>Date:</b>	September 18, 2024
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<b>Effective:</b>	30 days after issuance

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



**From:** Mary York, Director, Workforce Development Division

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

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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.

This updated WD Letter provides an update to labor market information (LMI) tools and general guidelines.

**RESCISSIONS:**

WD Letter 24-20

**BACKGROUND:**

Workforce Innovation and Opportunity Act (WIOA) §107(d)(2)(A) requires Boards to regularly “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.”

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, Title 40, Texas Administration Code (TAC), Part 20, Chapter 840, WIOA Eligible Training Providers, section 840.60, requires each Board to annually establish a list of 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.”

**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 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;
- 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); and
- ensure action related to the adoption and modification of these lists takes place in an open meeting in accordance with Texas Government Code, Chapter 551 and 40 TAC §802.1(f).

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

- the LMI tools described in Attachment 3;
- other LMI 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’ in-demand industries must be industries that:

- have a substantial current or potential impact (including jobs that lead to employment opportunities that provide both 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 substantial 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' in-demand occupations must be occupations that currently have or are projected to have a substantial 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' target occupations must be occupations that:

- have or are projected to have a substantial number of openings (due to job growth rather than job turnover) to have a significant impact on the state, regional, or local economy; and
- result in 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.

**Note**: Target occupations generally include a training 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 their Target Occupations Lists, Boards may consider whether the occupations are connected to training programs that lead to a recognized postsecondary credential.

### **INQUIRIES:**

Send inquiries regarding this WD Letter to [wfpolicy.clarifications@twc.texas.gov](mailto:wfpolicy.clarifications@twc.texas.gov).

### **ATTACHMENTS:**

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

Attachment 2: Industry and Occupations References

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

Attachment 4: Revisions to WD Letter 24-20 Shown in Tracked Changes

### **REFERENCES:**

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

Texas Government Code, Chapter 551

Title 40, Texas Administrative Code (TAC), Part 20, Chapter 840 WIOA Eligible Training Providers