Legislation to Action: A Data Driven Approach to State and Local In-Demand Occupations

Presented by the U.S. Department of Labor, Employment and Training Administration
Today’s Objectives

- Learn how to go from complicated statutory language to sound methodology for in-demand occupations.
- Learn how state labor market information offices can partner with state and local workforce agencies.
- Learn how a local workforce board interprets state data to create a local high-demand list that drives decision-making in the region.
Today’s Agenda

- Adventure with WIOA and In-Demand Occupations
- Creating a Hot Jobs List
- Activity: Defining an In-Demand Jobs List
The Regulations

- 20 CFR 678.430(a)(4)(ii) and (a)(6): Career Services provided to businesses, LMI for businesses
  https://www.govregs.com/regulations/title20_chapterV_part678_subpartB_section678.430

- 20 CFR 678.435: What are business services and how are they provided
  https://www.govregs.com/regulations/20/678.435

- 20 CFR 678.440: Fees for business services
  https://www.govregs.com/regulations/20/678.440

- 20 CFR 680.140(2)(i-iii): Services provided by Local WDBs to businesses
  https://www.govregs.com/regulations/20/680.140
WorkforceGPS: Data Driven In Demand Occupations

- Labor Market Planning for Data-Driven Results - Getting Outcomes that Change Labor Markets
  https://ion.workforcegps.org/resources/2016/02/08/21/53/Labor_Market_Planning_Data-Driven_Results_that_Change_LMs
- Occupational Training Leading to Credentials - the Success of Job-Driven Training
  https://ion.workforcegps.org/resources/2015/12/07/18/50/Occupational_Training_Credentials_and_ETPL_Provisions_in_WOIA
- Industry/Occupation Data
  https://ion.workforcegps.org/resources/browse?id=201F49E0526D465F8A8AD6CAA9C921A2
As a state Labor Market Information (LMI) office, we believe WIOA represents a change not only for federal workforce policy, but also for offices like ours. And, we are taking advantage of this opportunity!

1. We will provide leadership and statutory interpretation regarding the Act, particularly sections related to workforce information.
2. We will ensure federal-state cooperative programs are producing the types of information required by the Act.
3. We will align our products and services to the information needs of our customers for successful implementation of the Act.
Leadership and Statutory Interpretation

Leadership
1. Unified State Plan
2. Regional / Local Plans
3. Successful Implementation

Statutory Interpretation
1. Intent
2. Purpose
3. Text
Resources for Statutory Interpretation

- Statute
- Legislative History
  - Congressional Record
  - Committee Reports
- Hearings
- Proposed Rules
- Final Rules
WIOA: Purpose

Preamble – An Act “To amend the Workforce Investment Act of 1998 to strengthen the United States workforce development system through innovation in, and alignment and improvement of, employment, training, and education programs in the United States, and to promote individual and national economic growth, and for other purposes.”

128 STAT. 1425.
Our checklist for the interpretation of various provisions in WIOA . . .

- Is the term defined in the text of the Act?
- Is the term defined in the definitions section of the Act?
- Is the term defined in the proposed / final rules?
- Is the term interpreted by courts?

If not, then . . .

- Interpret the term consistent with its plain meaning
- Interpret the term consistent with legislative intent
- Interpret the term consistent with legislative purpose
- Interpret the term consistent with legislative history
Example: “Individuals with Barriers to Employment”

- Recall, one purpose of WIOA is: “To increase, for individuals in the United States, particularly those individuals with barriers to employment, access to and opportunities for the employment, education, training, and support services they need to succeed in the labor market.” 128 STAT 1428-29.

- So, who are those “individuals with barriers to employment”?
Individuals with Barriers to Employment

- According to the Act, the term “individual with a barrier to employment” means a member of 1 or more of the following populations . . .
  - “Displaced homemaker, low-Income individual, . . ., individuals with disabilities, older individuals, ex-offenders, homeless individuals, . . ., long-term unemployed . . .”
  - “Such other groups as the Governor involved determines to have barriers to employment.” 128 STAT. 1433-34.
According to the Act, the term “individuals with disabilities” means an individual with a disability as defined in section 3 of the Americans with Disabilities Act of 1990. 128 STAT. 1434.
The term “disability” means, with respect to an individual –

A. A physical or mental impairment that substantially limits one or more major life activities of such individual;

B. A record of such an impairment; or

C. Being regarded as having such an impairment (as described in paragraph (3)).

Note: See Americans with Disabilities Act of 1990 (42 U.S.C. 12102)
“In-Demand,” and the determination of “In-Demand” industry sectors or occupations

- The term “In-Demand” appears 35 times in the Act, even more often in the legislative history, and appears throughout the final rules.

- Determination — "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.” 128 STAT. 1433
Example: Section 102 and “In-Demand Occupations” in the Unified State Plan

(1) Strategic Planning Elements –

The unified State plan shall include strategic planning elements consisting of a strategic vision and goals for preparing an educated and skilled workforce that include

(A) an analysis of the economic conditions in the State, including:

(i) existing and emerging in-demand industry sectors and occupations; and;

(ii) the employment needs of employers, including a description of the knowledge, skills, and abilities, needed in those industries and occupations;

(B) an analysis of the current workforce, employment and unemployment data, labor market trends, and the educational and skill levels of the workforce, including individuals with barriers to employment (including individuals with disabilities), in the State
Defining: “In-Demand”

- **In-Demand** – “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.”

- **Note:** We found (at least) three more terms: “economic self-sufficiency,” “opportunities for advancement,” and “significant impact.”
But, First . . . What is an “Occupation”

- **Occupation** – We believe this refers to Standard Occupational Classification (SOC) occupations.

- Since other parts of the Act specifically refer to “Occupational Clusters,” we believe Congress intended this section to refer to regular occupations.

- **Note:** Alternative definitions may exist for occupation, but be careful!
Defining: “In-Demand”

- **Economic Self-Sufficiency** – We believe this refers to high-demand, high-wage positions.
  - **Question:** How are you defining “economic self-sufficiency?”

- **Opportunities for Advancement** – We believe this means having a career pathway, since the concept is discussed in other parts of the Act.

- **Significant Impact** – We believe, among other things, this refers to the size of an occupation.
Defining: Existing and Emerging

- **Existing** – Given the purpose of the Act, we believe “existing” refers to **current** in-demand occupations.

- **Emerging** – Given the purpose of the Act, we believe “emerging” refers to **future** in-demand occupations.

- **Note:** Now, we must also define “current” and “future.” And, we have data that can help!
# Data Sources: Existing and Emerging In-Demand Occupations

<table>
<thead>
<tr>
<th>WIOA Term</th>
<th>Interpretation</th>
<th>Data</th>
<th>Source</th>
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<tbody>
<tr>
<td>“Emerging” In-Demand</td>
<td>Future Demand</td>
<td>Long-Term Projections (2024)</td>
<td>Employment Projections (EP) Program</td>
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<tr>
<td>“High Growth”</td>
<td>Above Average</td>
<td>Short-Term / Long-Term Projections</td>
<td>Employment Projections (EP) Program</td>
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Sample Methodology: “Existing” In Demand Occupations

1. Eliminate occupations below some minimum employment level. ("significant impact" test)
2. Eliminate occupations showing below average growth over the short term. ("number of positions" test)
3. Eliminate occupations showing below average real-time online job advertisements. ("number of positions" test)
4. Eliminate occupations with an hourly wage below the statewide median. ("economic self-sufficiency" test)
5. Rank remaining occupations by short-term growth, real-time online job advertisements, and hourly wage.
6. Highlight occupations that have identified career pathway. ("opportunities for advancement" test)
We believe that ensuring our federal-state cooperative programs are producing the types of information required by the Act is one of our central roles in WIOA implementation. As such, we have:

- Proposed production of 5-year industry and occupational projections through our Employment Projections (EP) program.
- Proposed production of population and labor force projections.
The Next Step: Regional In-Demand Occupations

Working with our State Workforce Investment Board and regional partners (like West Michigan Works!):

1. We will provide regional data to workforce investment boards.
2. We will help build process for incorporating local intelligence / domain knowledge into in-demand analysis.
Creating the West Michigan Works! Hot Jobs List

- Methodology
- Who uses it and why
- Activity
- Considerations for future publications
Methodology

Compiling data

- MILMI
- EMSI
- Burning Glass
Methodology

Vetting the Data

- Michigan’s Industry Cluster Approach: “...effective organizing framework for positively impacting economic and workforce development activities.”
  - “Demand-driven”
  - Promotes in-depth industry knowledge
  - Allows for creative, comprehensive and collaborative approaches to addressing talent issues
  - Facilitates identification of non-traditional funding resources
Methodology

Vetting the Data

- Industry Councils
Methodology

Local Considerations

- High-demand industries
- Wage cutoff
- Regional vs. single county
Who Uses the Hot Jobs List?

- Community colleges
- Community partners
- Job Seekers
- Workforce staff

“We appreciate the Hot Jobs List; its regional outlook matches our career placement region. We can be confident we’re giving relevant information and guidance to students.”

D. Rinsema-Sybenga
Muskegon Community College
Who & Why?

Why create a High-Demand list?

➢ Drive decision-making
Moving Forward

Considerations for future publications
Using the data provided, work in your groups to begin to define an in-demand list for this local area. Use the guide below to begin discussing your methodology, questions, and decisions.

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<tbody>
<tr>
<td>1</td>
<td>Look at the data provided. Is there any other information you’d like to know to make your decisions?</td>
<td>2</td>
<td>What will you use to determine your “cut off”? Number of openings historically? The projected growth rate? Wages? What else?</td>
</tr>
<tr>
<td>3</td>
<td>Will you do any additional vetting? What is it? Who do you want verifying your information?</td>
<td>4</td>
<td>What’s your final list? How many are on it? How could you use this information?</td>
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U.S. Department of Labor, Employment and Training Administration
Any Questions?
Resources

- **MILMI**: Michigan Bureau of Labor Market Information and Strategic Initiatives
- **West Michigan Works!**
- **Bureau of Labor Statistics**: Labor data for regions, states and local areas
- **O*Net**: “detailed descriptions of the world of work for use by job seekers, workforce development and HR professionals, students, researchers, and more!”
- **LMI Institute**: The Labor Market Information Institute is the pre-eminent resource for supporting the development, interpretation, and use of labor market information.
- **Find your labor market information office**
For questions regarding the information in presentation, send an email to*:

DOL.WIOA@dol.gov

*Please use Business Engagement as the subject line.
Thank you!