

# WIOA LWDB Two-Year Plan Modification Form

## Overview

The Workforce Innovation and Opportunity Act (WIOA) Final Rule at 20 CFR §679.580 requires that, at the end of the first two years of the four-year local plan, the Board and appropriate chief elected officials (CEOs) must review the plan and prepare and submit modifications related to changes in labor market and economic conditions and other factors affecting the plan's implementation. Factors that could affect implementation may include changes to the financing available to support WIOA Title I services and partner-provided WIOA services, or a need to revise strategies to meet local performance goals.

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## Instructions

Boards will respond to each of the following prompts and make corresponding changes to their plans. Boards must use Track Changes when modifying the plan for easy identification by the Texas Workforce Commission during review. If no modification is required, Boards must explain briefly but in detail how the Board and CEO made that determination. For each response, **include all** the plan's **corresponding page numbers**.

*1a. Describe any changes in labor market and economic conditions in the Board's local workforce development area, including changes to the employment needs of employers and changes to existing and emerging in-demand industry sectors and occupations.*

Business trends have continued without major changes since the last submission of the WFS Workforce Development Board Plan PY 2017-2020. The service sector continues to grow, albeit at a slower rate. While still higher than the state average, the workforce development board area (WDA) unemployment rate has steadily declined and is approaching historic lows for this region. High school graduation rates continue to improve steadily across the region. While the growth rate has decelerated noticeably during the past eight years, the region's population growth continues to outpace the rest of the nation.

Local businesses are reporting increasing difficulty in finding qualified applicants for openings. Wages are beginning to rise and along with the lower unemployment rate, more opportunities exist for employed people to move to better job opportunities. Workforce Solutions is seeing within many subsectors increased competition for talent between companies, which is helping to drive increased wages and benefits.

For the workforce system, we expect to see an increased need to identify individuals who remain unemployed and provide the necessary literacy, language skills, and job skills training to ensure they meet the needs of business. Workforce Solutions is seeing more opportunities to work with our business partners to tap into new talent sources, like individuals with disabilities and veterans. As the tightening labor market forces businesses to look for additional talent pipelines.

Economic development partners are seeing many potential opportunities for recruitment to bring a wide range of industry to the region. Continued development of natural gas pipelines and the potential of several new LNG export facilities opening on the coast may create thousands of new construction jobs for five to seven years. The region continues to see residents leaving the area to work in the energy sector, as the Permian Basin and to a lesser degree the Eagle Ford Shale have continued to grow.

*1b. Describe any changes made to the Board's Target Occupations and In-Demand Industries lists since the four-year local plan was approved in July 2017 and includes the updated template (WD Letter 19-18, Attachment 3, WIOA Target Occupations and In-Demand Industries Template). If no changes were made, submit the current list with the current date. Describe the review process that the Board used to determine whether the Target Occupations and In-Demand Industries lists required modification. Cite the sources.*

**Review Process:** Workforce Solutions (WFS) utilized the same processes and tools as reference on WD Letter 19-18, and appropriate attachments as in 2017. EMSI Labor Market Analytics tool was utilized to pull labor market data for our service delivery area (Hidalgo, Willacy and Starr counties). WFS has developed a matrix that is used to rank each occupation based on projects job growth, number of people employed, wage rates, and whether the skills are transferrable into multiple sectors. In addition, board staff rely on the knowledge our board's Business Service team have developed by working and meeting regularly with Economic Development Councils (EDCs) and key business leaders to understand current and future needs, challenges, and opportunities. In addition, similar data is pulled for the various NAICS sectors to identify any needed changes in our target industries, and utilize local business intelligence /wisdom to vet the target industry list.

**Target Industry Changes:** WFS has removed the energy sector from the Target Industry list because there are relatively few businesses in the region in this sector. The job creation from the wind farm development and potentially from the LNG export facilities will primarily impact the construction industry locally. WFS has made some name changes to several of the industries to better align with the NAICS terminology. "Repair and Maintenance" has been added as a target industry since this one has its own NAICS sector and there are several related target occupations that fall into this sector.

**Target Occupation Changes:**

WFS has removed four occupations from the list and added four new ones, based on data and training opportunities and relevance.

**Removed:**

**Billing & Posting Clerks:** Education program for this occupation is same as for Bookkeeping Accounting, and Auditing Clerks, which remained on the list.

**Cargo & Freight Agents:** This is typically an entry level job with no relevant educational programs, and there were other, higher ranked occupations to consider.

**Operating Engineers & Construction Equipment Operators:** The only schools available for this occupation are in East Texas and Oklahoma. WFS only had four job seekers who were able to utilize this training in the past four years.

**Executive Secretaries & Executive Administrative Assistants:** WFS kept “Secretaries & Administrative Assistants” occupations on the Target List and the training programs for both (Executive Secretaries and Executive Administrative Assistants) are identical. Individuals generally do not get promoted into this position without several years of experience.

**Added:**

**Human Resource Specialists:** Due to higher wages and good job growth projections.

**Paralegals and Legal Assistants:** Due to higher wages and good job growth projections.

**Dental Hygienists:** Feedback from our interactions with the medical community and area colleges along with good score in our matrix.

**Occupational Therapy Assistants:** Area medical businesses reported shortage of qualified job candidates. In addition, colleges have developed programs to foster talent pipeline. Scores were supportive of inclusion on the WFS Target & Demand Occupation list.

*2. Describe any changes in the financing that is available to support WIOA Title I services and partner-provided WIOA services that have affected implementation of the local plan. For partner-provided services, Boards should consider the roles and resource contributions of the Workforce Solutions Offices, changes in partner infrastructure contributions, and whether any financing changes require the Board to revise a strategy that was described in the original plan. If, for example, reductions in federal funding or changes in the Board’s funding strategies require the Board to consider closing one or more Workforce Solutions Offices, or a shift in how services are delivered changes the amount available for operating costs, Boards should include this as part of the two-year modification.*

Workforce Solutions has not experienced any significant change in WIOA Title I funding. WFS will continue its commitment to have a ready workforce by offering Career Services and making funding available for training opportunities such as Training Vouchers (ITA), On-the-Job Training (OJT), Work Experience and financial assistance through support services that remove barriers to training and/or work. Also, WFS’ and partners have shared facility agreements to share infrastructure costs.

*3. Describe any changes made to the strategies used to meet local performance goals.*

**No changes.** WFS continues to work closely with core workforce system partners, education (K-12), institutions of higher learning, economic development corporations, etc. to meet the needs of business. In addition, WFS works with local workforce system contractor to ensure internal controls and metrics (e.g. contracted performance measures, key strategic imperatives) are in place to foster a premier workforce system.

*4. Describe any other factors affecting the implementation of the plan.*

**No changes.** As noted on question 1a. WFS expects to see a continuous and increased need to identify individuals who remain unemployed and provide the necessary literacy, language skills, and job skills training to ensure they can match up to the needs of business. Workforce Solutions is seeing more opportunities to work with our business partners to tap into new talent sources, like individuals with disabilities and veterans, as the tightening labor market forces businesses to look for additional talent pipelines.