

TO: Planning & Policy Development Committee

Date: October 17, 2001

For Action
 For Information
 Meeting Notes

FROM: WIB Staff

SUBJECT: Determination of “Occupations in Demand”

PROPOSED MOTION: That the Committee recommend to the Workforce Investment Board of Merced County that it establish the following policy:

“For the purpose of Section 134(d)(4)(A)(iii) of the Workforce Investment Act of 1998, training services shall be deemed to be linked to occupations in demand if the proposed training is in an occupation with a forecasted total demand of at least six (6) hires per year in (a) the local labor market or (b) the labor market to which the recipient of such training services has agreed to relocate.

Determination of demand for the local labor market shall be based on the most recent forecast produced by the Merced County PITD Labor Market Specialist.

Determination of demand in labor markets other than the local labor market shall be based on the most recent published forecast produced for the labor market by the State of California, Employment Development Department, Labor Market Information Division.

The Board may, from time to time, designate additional occupations which do not meet the above criteria but which it believes have a high potential for sustained demand or growth in the local labor market.”

DISCUSSION:

The Law – WIA 134(d)(4)(A)(iii) Linkage to occupations in demand - - Training services provided under this paragraph shall be directly linked to occupations that are in demand in the local area, or in another area to which and adult or dislocated worker receiving such services is willing to relocate, except that a local board may approve training services for occupations determined by the local board to be in sectors of the economy that have a high potential for sustained demand or growth in the local area.

The Regulations -- Subpart C—Training Services § 663.310 (c) – [One of the requirements is that the client] select a program of training services that is directly linked to the employment opportunities either in the local area or in another area to which the individual is willing to relocate.

Staff Commentary -- The task of the Committee is to establish a policy for local implementation of the requirements set forth above. The objective of the policy is to prevent training dollars from being spent on occupations for which there is not some minimal level of demand. Therefore, the effect of the policy is exclusionary; i.e., training for occupations not meeting the policy criteria will not be funded.

It is not the purpose of this policy to identify where training funds should be concentrated or to prioritize occupations by wage, availability of benefits or any other preference criterion. For the purpose of this exercise, whether occupation “A” pays more than occupation “B” is irrelevant. Whether occupation “C” typically offers health insurance or other benefits and occupation “D” does not is similarly irrelevant.

Staff recommends that the Board policy simply address the definition of “demand” and the source of data rather than listing specific occupations. This is the approach taken to prepare the proposed motion set forth above.