

**NEW INNOVATIONS AND BEST PRACTICES  
UNDER THE WORKFORCE INVESTMENT ACT**

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**HEARINGS**

BEFORE THE

SUBCOMMITTEE ON HIGHER EDUCATION,  
LIFELONG LEARNING, AND COMPETITIVENESS

COMMITTEE ON  
EDUCATION AND LABOR

U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

HEARING HELD IN WASHINGTON, DC, FEBRUARY 12, 2009

HEARING HELD IN WASHINGTON, DC, FEBRUARY 26, 2009

FIELD HEARING HELD IN ALBANY, NY, MARCH 23, 2009

HEARING HELD IN WASHINGTON, DC, MAY 5, 2009

FIELD HEARING HELD IN HENDERSON, NV, MAY 29, 2009

**Serial No. 111-2**

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**NEW INNOVATIONS AND BEST PRACTICES  
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## **NEW INNOVATIONS AND BEST PRACTICES UNDER THE WORKFORCE INVESTMENT ACT**

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**Thursday, February 12, 2009  
U.S. House of Representatives  
Subcommittee on Higher Education,  
Lifelong Learning, and Competitiveness  
Committee on Education and Labor  
Washington, DC**

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The subcommittee met, pursuant to call, at 2:36 p.m., in room 2175, Rayburn House Office Building, Hon. Ruben Hinojosa [chairman of the subcommittee] presiding.

Present: Representatives Hinojosa, Bishop, Courtney, Tonko, Titus, Andrews, Tierney, Wu, Davis, Hirono, Polis, Guthrie, McKeon, Castle, Biggert, and Roe.

Staff Present: Paulette Acevedo, Legislative Fellow, Education; Tylease Alli, Hearing Clerk; Adrienne Dunbar, Education Policy Advisor; David Hartzler, Systems Administrator; Fred Jones, Staff Assistant, Education; Jessica Kahanek, Press Assistant; Brian Kennedy, General Counsel; Sharon Lewis, Senior Disability Policy Advisor; Ricardo Martinez, Policy Advisor, Subcommittee on Higher Education, Lifelong Learning, and Competitiveness; Lisa Pugh, Legislative Fellow, Education; Melissa Salmanowitz, Press Secretary; Michele Varnhagen, Labor Policy Director; Margaret Young, Staff Assistant, Education; Stephanie Arras, Minority Legislative Assistant; James Bergeron, Minority Deputy Director of Education and Human Services Policy; Robert Borden, Minority General Counsel; Cameron Coursen, Minority Assistant Communications Director; Kirsten Duncan, Minority Professional Staff Member; Susan Ross, Minority Director of Education and Human Services Policy; Linda Stevens, Minority Chief Clerk/Assistant to the General Counsel; and Sally Stroup, Minority Staff Director.

Chairman HINOJOSA. A quorum is present, and the hearing of the subcommittee will come to order.

Pursuant to Committee Rule 12(a), any member may submit an opening statement in writing, which will be made part of the permanent record.

I now recognize myself, followed by the ranking member, Brett Guthrie, for an opening statement.

Good afternoon to everyone, and welcome to the Subcommittee on Higher Education, Lifelong Learning, and Competitiveness hearing on “New Innovations and Best Practices under the Workforce Investment Act,” better known as WIA.

One of the top legislative priorities for our subcommittee is the reauthorization of the Workforce Investment Act. WIA was last reauthorized in 1998 and was due for reauthorization in 2003. In other words, it is long overdue.

America's workers cannot afford to wait any longer for an upgrade to our workforce investment system. Our economy has lost 3.6 million jobs since December 2007, with 798,000 jobs shed last month alone. Unemployment has surged to 7.6 percent in our country. The magnitude of these losses is greater than anything we have seen in over a generation.

Worse, as we face the most serious economic crisis since the Great Depression, it is clear that we have failed to provide our workers with the education and skills that would help them weather this storm. According to the National Commission on Adult Literacy's report, "Reach Higher, America," 80 million to 90 million U.S. adults, roughly half of the workforce, lack the basic education and communication skills required for jobs that pay family-sustaining wages.

These are the challenges we must address as we renew the job training, adult education, and vocational rehabilitative services programs authorized under the Workforce Investment Act. The American Recovery and Reinvestment Act, which includes a multi-billion-dollar investment in job training to help prepare laid-off adult and younger workers for jobs in emerging industries, including green jobs, is a critical first step to getting America back to work. Just as we talk about modernizing our physical infrastructure, we need to modernize our infrastructure for supporting human capital. That is where the reauthorization of WIA will be key.

In 1998, we took a bold step forward in trying to unify a collection of discrete workforce development programs into a coherent system that would serve workers and employers alike. WIA envisioned one-stop services for locally developed solutions to workforce development needs.

The law was enacted during a time of economic expansion, a time when we were adding jobs and not shedding jobs. Today, we face a starkly different environment, and we must adjust our workforce investment policy to the new reality. An improved WIA should be a key plank in our plans to restore economic prosperity to America's working families. We have an opportunity to update job training programs so that they not only place workers into jobs but also onto career pathways to better wages and advancement in the workplace.

Reauthorization is the perfect time to get serious about re-engaging adult learners who struggle with literacy or who lack a high school diploma with our education system, providing them with the skills and credentials they need for success.

We also need to make sure that our investment in WIA results in more job training and education services in our communities. We need to look for innovative ways to manage the infrastructure and the administrative costs of the system so that we can maximize the resources that are available for direct services to workers.

Finally, we need to work on an accountability system that provides us with the information we need to determine that the pro-

grams are achieving their goals while, at the same time, build in accountability measures for serving the populations with the greatest barriers to employment.

I would like to work with all of the members of our subcommittee to shape a WIA reauthorization bill that will garner broad, bipartisan support.

Today's hearing is the beginning of our deliberations for this 111th Congress. I would like to thank the witnesses for joining us today. Your testimony, each and every one of you, will help set the stage for our work ahead.

I would like to recognize the senior Republican member of our subcommittee, Representative Brett Guthrie from Kentucky, for his opening statement.

And if I may ask him to pause for just a moment, I want to say that I believe that today's hearing is going to be one that is very important and, as I said in my closing statement, sets the foundation for the work that is before us, and one that we are going to try to move with great speed and hope that, if all goes well, that we can see our work concluded before the end of the summer.

And, with that, I yield to my good friend, Brett Guthrie.

[The statement of Mr. Hinojosa follows:]

**Prepared Statement of Hon. Rubén Hinojosa, Chairman, Subcommittee on Higher Education, Lifelong Learning and Competitiveness**

Good afternoon and welcome to the Subcommittee on Higher Education, Lifelong Learning and Competitiveness hearing on New Innovations and Best Practices under the Workforce Investment Act.

One of the top legislative priorities for our subcommittee is the reauthorization of the Workforce Investment Act—also known as WIA.

WIA was last reauthorized in 1998 and was due for reauthorization in 2003. In other words, it is long overdue.

America's workers cannot afford to wait any longer for an upgrade to our workforce investment system. Our economy has lost 3.6 million jobs since December 2007, with 598,000 jobs shed last month alone. Unemployment has surged to 7.6 percent. The magnitude of these losses is greater than anything we have seen in over a generation.

Worse, as we face the most serious economic crisis since the Great Depression, it is clear that we have failed to provide our workers with the education and skills that would help them weather the storm. According to the National Commission on Adult Literacy's report, Reach Higher, America, 80-90 million U.S. adults, roughly half of the workforce, lack the basic education and communication skills required for jobs that pay family sustaining wages.

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Just as we talk about modernizing our physical infrastructure, we need to modernize our infrastructure for supporting human capital—that is where the reauthorization of the Workforce Investment Act will be key.

In 1998, we took a bold step forward in trying to unify a collection of discreet workforce development programs into a coherent system that would serve workers and employers alike. WIA envisioned one-stop services for locally developed solutions to workforce development needs. The law was enacted during a time of economic expansion, a time when we were adding jobs and not shedding them. Today, we face a starkly different environment and we must adjust our workforce investment policy to the new reality.

An improved WIA should be a key plank in our plans to restore economic prosperity to America's working families. We have an opportunity to update job training programs so that they not only place workers into jobs but also onto career path-

ways to better wages and advancement in the workplace. Reauthorization is the perfect time to get serious about re-engaging adult learners, who struggle with literacy or who lack a high school diploma, with our education system, providing them with the skills and credentials they need for success.

We also need to make sure that our investment in WIA results in more job training and education services in our communities. We need to look for innovative ways to manage the infrastructure and administrative costs of the system so that we can maximize the resources that are available for direct services to workers.

Finally, we need to work on an accountability system that provides us with the information we need to determine that the programs are achieving their goals, while at the same time build in accountability measures for serving the populations with the greatest barriers to employment.

I would like to work with all of the members of our subcommittee to shape a WIA reauthorization bill that will garner broad, bipartisan support.

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I would like to recognize the Senior Republican Member of our Subcommittee, Rep. Brett Guthrie, for his opening statement.

---

Mr. GUTHRIE. Thank you, Mr. Chairman. Thank you very much. And thank you for calling this hearing. And I welcome our distinguished witnesses. I look forward to working with you throughout the 111th Congress and on many important issues.

Our country is facing its toughest economic challenges in recent memory. We face complex and difficult problems as we work toward economic growth. Last week, we saw the Department of Labor statistic that nearly 600,000 jobs were lost in January. As more and more Americans join the ranks of the unemployed, there has never been a more critical time to make sure that our workforce has the opportunity to find new jobs or receive additional training.

In Kentucky, I have observed how investing in the workforce provides tangible improvements for workers, their families, and their employers. I come from a manufacturing background, so I have seen firsthand that unemployed workers who receive additional training for new skills can obtain a new higher-paying job, which radically transforms their way of life. At the same time, these newly trained workers increase the productivity of local employers and fill gaps in the workforce.

Investing in the workforce is important to make sure that our workers are adequately prepared to meet the changing demands of our economy. With the proper investment, our workforce can be strengthened and maintain its competitive advantage.

We must be committed to a dynamic, results-oriented job training system that can effectively serve those looking for a job and those workers in need of retraining. The one-stop shops under the Workforce Investment Act are a tremendous resource for workers. However, Federal job training initiatives have not been updated in more than a decade, leaving us with a system that is duplicative and less efficient than it could be.

We need to renew these programs for the 21st century, keeping local workforce investment boards at the center of a dynamic, responsive system to serve workers. If we are serious about restoring our economy, it is vitally important that the Workforce Investment Act be reauthorized now.

I look forward to today's testimony and learning the best practices and innovative ideas from around the country as we work to improve this important legislation.

Thank you, Mr. Chairman.

[The statement of Mr. Guthrie follows:]

**Prepared Statement of Hon. Brett Guthrie, Ranking Minority Member,  
Subcommittee on Higher Education, Lifelong Learning, and Competitiveness**

Thank you, Mr. Chairman, for calling this hearing and I welcome our distinguished witnesses. I look forward to working with you throughout the 111th Congress on many important issues.

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I look forward to today's testimony and learning the best practices and innovative ideas from around the country as we work to improve this important legislation.

Thank you, Mr. Chairman.

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Chairman HINOJOSA. Without objection, all members will have 14 days to submit additional materials or questions for the hearing record.

I would like to introduce our very distinguished panel of witnesses here with us this afternoon.

And welcome, to each and every one of you as witnesses.

On the lighting system, for those of you who have not testified before this subcommittee, I wish to explain our lighting system and the 5-minute rule. Everyone, including members, is limited to 5 minutes of presentation or questioning. The green light is illuminated when you begin to speak. When you see the yellow light, it means you have 1 minute remaining. When you see the red light, it means your time has expired and you need to begin the conclusion to your testimony.

Please be certain, as you testify, to turn on and to speak into the microphone in front of you.

Let me introduce the witnesses.

Our first witness is Ms. Bonnie Gonzalez, the CEO of the Workforce Solutions organization. Yvonne Bonnie Gonzalez was appointed CEO of her organization in May of 2003. In her position,

she has programmatic and fiduciary responsibility of the organization that oversees workforce development services for Hidalgo, for Starr, and Willacy Counties in deep south Texas. She is responsible for ensuring that public dollars go directly to services and investments in customized training, incumbent worker training, and other direct services provided to the business client and public through workforce centers.

Bonnie has worked in elementary and post-secondary education systems and has a special interest in our Nation's health-related infrastructure since she was a nurse by profession. Bonnie has a bachelor of science from the University of Texas at Austin and earned a master's of public administration from Harvard University. She is a very special person in my district which I represent.

And it is a pleasure to welcome you. I am going to let you get started.

Oh, forgive me. I am out of practice since we finished the last session. I am going to actually introduce all of the members of the panel and give my ranking member the opportunity to introduce someone from his State of Kentucky.

The second person who will be testifying today is Mr. Morton Bahr, president emeritus, Communications Workers of America, and commissioner on the National Commission on Adult Literacy.

Mr. Barr served his union for 51 years and retired as the president in 2005. Recently, he served as a member of the National Commission on Adult Literacy, and all our members have a report developed by the Commission in their folders. Under his leadership, CWA was one of the first unions to jointly own an educational company devoted to delivering educational opportunities to the members of the union who were employed by AT&T. This model was later replicated throughout the telecommunications industry.

In 1997, he was appointed by President Clinton to chair the Commission for a Nation of Lifelong Learners.

Welcome to our hearing, Mr. Bahr, and thank you for your service to our Nation.

The next speaker will be Mr. Stephen Wooderson, State director, Iowa Vocational Rehabilitation Services. Stephen Wooderson, of West Des Moines, has worked in the vocational rehabilitation profession for over 30 years. He began his career as a vocational rehabilitation counselor and served at all levels of supervision and management.

Stephen is also a retired Army Reserves lieutenant colonel, who has served in numerous command and staff positions during his 20-year military career prior to retiring in 2001.

Mr. Wooderson received his bachelor of science from Southwest Baptist College and earned his master's of arts from Spaulding University.

Welcome. And thank you for your military service, as well as your long years of service to your very important profession.

The next person will be Mr. Bill Camp, executive secretary, Sacramento Central Labor Council, AFL-CIO. Mr. Camp's umbrella organization of local unions represents 160,000 union families in Sacramento and five surrounding counties.

He is the vice chair of Sacramento Works, Incorporated, the county workforce investment board. He has also served as the past Chair of the United Way Board of California, Capital Region.

In the past, he has served as an elected school board member, worked at the California Agriculture Labor Relations Board, the California State Senate Rules Committee, and the California Labor Federation, AFL-CIO.

He received his bachelor's of arts in sociology from Oregon and earned his master's of arts in sociology from Duke University. Bill has served in his current position for 10 years.

And we really appreciate and welcome your perspective on the issues this afternoon.

Ms. Karen Elzey will be the next presenter. She is the vice president and executive director, Chamber of Commerce, and director of the Institute for a Competitive Workforce.

Ms. Elzey has 10 years' experience in workforce development and has received her bachelor's and earned her master's degree from Miami University of Ohio.

This afternoon, she will be discussing innovative strategies for workforce development that the Chamber is initiating through the Institute. She also is here to share the nationwide contributions of the business community in support of the Workforce Investment Act.

And I welcome Ms. Elzey.

At this time, I wish to give the speaking system to my ranking member, Brett.

Mr. GUTHRIE. Thank you, Mr. Chairman. I appreciate the opportunity to introduce our next witness.

And a lot of my colleagues and people here have been asking us about our ice storm, which was my district and your area where you live. So I appreciate your coming. I know there is a lot going on back in Elizabethtown. Fortunately, my house is just south of the line that came through. But I appreciate your coming here under difficult circumstances. And we appreciate everybody that has been commenting on Kentucky and giving us your prayers.

Sherry Johnson is the associate director for Employment Training Programs with the Lincoln Trail Area Development District in Elizabethtown, Kentucky. She has been with the agency since 1985. She has been the Chair of the Kentucky local Workforce Investment Area Directors Group and the Co-Chair for the Workforce Subcommittee of the Governor's BRAC Task Force. And BRAC is an acronym for essentially the realigning of Fort Knox. And I appreciate her doing that.

Sherry has a bachelor's degree from Murray State University and a master's degree from Western Kentucky University.

We welcome you here, Sherry, and thank you for making the trip to Washington.

Chairman HINOJOSA. With that, we will begin and ask the first witness, Ms. Gonzalez, if she would like to start.

**STATEMENT OF YVONNE BONNIE GONZALEZ, CHIEF  
EXECUTIVE OFFICER, WORKFORCE SOLUTIONS, INC.**

Ms. GONZALEZ. Good afternoon, Chairman Hinojosa, Ranking Member Guthrie, and members of the subcommittee. My name is

Yvonne Bonnie Gonzalez, and currently as, you have been told, I serve as chief executive officer of Workforce Solutions.

Workforce Solutions is a workforce development board serving Hidalgo, Starr, and Willacy Counties right on the U.S. Texas border. We are one of 28 workforce development boards in the State of Texas. We are considered the fourth-largest board in the State, behind Houston, Dallas, and San Antonio, receiving a stake in Federal investment of approximately \$57 million this year for the purpose of connecting our business customers with our most available workforce.

As CEO, I have recently been named to the Governor's Texas Team for Nursing Education Capacity. I serve as a member of the U.S. Department of Labor's Initiative for Workforce Transformation and the Texas Association of Workforce Boards and the Border Trade Alliance. Membership in these committees, councils, and initiatives provide me the unique opportunity to contribute and, most importantly, to communicate the critical connection between education, workforce, and economic development.

On behalf of Workforce Solutions and our numerous public and private partners, I would like to thank the committee and the Chair for his invitation and for the opportunity to address this committee.

My remarks this afternoon will focus on the adult education/workforce development innovative strategies and best practices that will continue to strengthen Texas's and the Nation's competitive advantage in this 21st century.

Let me tell you a little bit about our area in south Texas. We are about 84 percent Hispanic; 27 percent of the families live below the poverty level, compared to about 12 percent statewide; 38 percent of people 25 years of age and older have less than a ninth-grade education. And that data is representative of the entire the State of Texas border.

National data demonstrate a clear relationship between educational attainment and lifelong earning potential. Sadly, the educational attainment in the lower Rio Grande Valley of Texas continues to lag behind the Nation. Roughly two out of every five adults in Hidalgo and Cameron Counties do not hold a high school diploma.

While the percentage of adult residents in the two counties with some college experience or an associate's degree is similar, the percentage completing a 4-year degree or higher is significantly—I say significantly—lower than the rest of the United States.

The Rio Grande Valley has a very young workforce, and this trend we see will continue over the next few decades. This also means that large numbers of young and inexperienced workers will continue to join the valley's labor force each year.

The lower Rio Grande Valley has a unique historical pattern of faster population growth during and immediately following a recession. The valley tends to draw an influx of migrants from Texas's major metropolitan areas, especially as jobs in those cities begin to dry up. There is a long data lag, so it may be a couple of years before the current recession shows up in the migration data.

The daunting nature of these economic and workforce challenges that I have just shared before you requires a renewed national

commitment and new national priorities. The 21st century workforce development system needs to remain locally driven, but it must receive the necessary and enhanced support and resources from Federal allocations. Bold, new thinking and drastic shifts in current policy will also be necessary to realize the vision of a successful workforce. This new economic era demands a new workforce development system.

Concerning unemployment statistics, I venture to say, and this committee obviously is very aware, that the fact that unemployment numbers are rising so fast, for those of us that are faced with that stark reality in our communities, that even historical unemployment trends and seasonally adjusted statistics have pretty much gone out the window during this economic crisis. The urgency of this present climate calls for changes in how the current systems operate.

Texas is a traditionally recognized leader in workforce development. However, differences in measuring the effectiveness of the workforce investment activity, we find, still separates boards and the grantor.

I see my red light is on. I reserve any comments. And, considering there are many pages left, should there be any additional comments or questions, I reserve the right to respond to those as needed. Thank you.

[The statement of Ms. Gonzalez follows:]

**Prepared Statement of Yvonne Bonnie Gonzalez, Chief Executive Officer,  
Workforce Solutions, Inc.**

Good Afternoon, Chairman Hinojosa and Members of the Subcommittee.

My name is Yvonne "Bonnie" Gonzalez. I serve as the Chief Executive Officer of Workforce Solutions. Workforce Solutions is the workforce development board serving Hidalgo, Starr and Willacy Counties. Although this Board covers only three counties, it is representative and reflective of the 23 Texas counties along the entirety of the Mexican border. We are 1 of 28 workforce development boards in the state of Texas. We are the 4th largest board in the state behind Houston, Dallas, and San Antonio, receiving a state and federal investment of approximately \$57 million annually for the purpose of connecting business customers with the available workforce.

As CEO, I have recently been named to the Governor's "Texas Team for Nursing Education Capacity", serve as a member U.S. Department of Labor's Initiative for Workforce Transformation, the Texas Association of Workforce Boards and am a member of the Border Trade Alliance. Membership in these committees, councils and initiatives provides me the unique opportunity to contribute, and most importantly, to communicate the critical connection between education, workforce and economic development.

On behalf of Workforce Solutions, and our numerous public/private partners, I would like to thank you for the opportunity to address the Committee. My remarks this afternoon will focus on the adult education/workforce development innovative strategies and best practices that will continue to strengthen Texas' and the nation's competitive advantage in the 21st century global marketplace.

Demographics: The following is a snapshot of not only our area, but the Texas-Mexico border. These statistics are however not a secret to this Committee:

- 84% of the people are Hispanic
- 27% of the families live below the poverty level compared to 12% statewide (Texas Workforce Commission data 2006)
- 38% of people 25 years or older have less than a 9th grade education
- The Texas-Mexico border, especially from Webb County to Cameron County has repeatedly ranked amongst the fastest growing areas in the nation in the past 2 years
- National data demonstrate a clear relationship between educational attainment and life-long earning potential
- Educational attainment rates in the LRGV continue to lag behind the nation.

- Roughly two out of every five adults in Hidalgo and Cameron counties do not hold high school credentials.
- While the percentage of adult residents in the two counties with some college experience or an Associate's degree is similar, the percentage completing a 4-year degree or higher is significantly lower than the U.S.
- The Valley has a young workforce, with this trend projected to continue well into the coming decades.
- This means that large numbers of young, inexperienced workers will continue to join the Valley's labor force each year.
- The Lower Rio Grande Valley has a unique historical pattern of faster population growth during and immediately following a recession.
- The Valley tends to draw an influx of migrants from Texas's major metropolitan areas when those cities stop providing jobs (like construction) and people return home to the Valley.
- There's a long data lag, so it may be a couple of years before the current recession shows up in the migration data. But if past experience is a guide, the Valley may already be on the receiving end of an influx of migrants, many of whom are likely to be unemployed.

The daunting nature of these economic and workforce challenges requires a renewed national commitment and new national priorities. The new 21st century workforce development system needs to be locally driven and needs to receive the necessary and enhanced support and resources from federal allocations to enable our workforce to compete successfully in the global economy.

Bold new thinking and drastic shifts in current policy will also be necessary to realize this vision. A new economic era demands a new workforce development system. Projected growth statistics too numerous to mention points to the Hispanic population concentrated in states along the border as the source of the nation's future workforce.

Concerning employment and unemployment statistics, I would venture to say this Committee is especially aware of the fact unemployment numbers are rising so fast on a daily basis as to render any statistics meaningless; even historical unemployment trends and seasonally adjusted statistics have gone out the window during this economic crisis.

The urgency of the present climate calls for changes in how the current systems operate in order to meet the emergent needs of both workers and business. WIA is no exception.

Texas is a nationally recognized leader in Workforce Development. This recognition was achieved through the strong leadership, vision and fundamental understanding that business was at the core of and the ultimate consumer of the public dollar's investment in human capital. To continue building will require a review of current WIA rules and eligibility, allowable activities, eligible training provider systems and performance measures and their relation and relevance to business.

However, differences in measuring "the effectiveness of the workforce investment activities" still separate boards and the "grantor". To quote the old cliché "that which gets measured gets done" has become "operational" and drives the current workforce development system. Unfortunately, what is currently being measured and how it is measured clashes with private sector workforce plans.

Just as the daily headlines are capturing rapid historic changes in the nation's economy, so have the demographics.

- Our Workforce Centers are now reporting more and more people seeking employment who report a 12th grade education or higher. These new job seekers do not fit "pre-unemployment crises" profile; those with extremely low education levels and poor work history. This new "job seeker" will require expedited workforce services that do not fit the "traditional" model of adult-literacy/work experience/employment, but rather short term technical training in the emerging industry sectors with specific job skill portable credentials for entry into new job opportunities.

- The return of our troops from Iraq and Afghanistan will require extremely specialized services in conjunction with the Department of Vocational Rehabilitation Services to re-adjust into the workforce

- With Veterans as a priority a resource of skills and leadership will become available, but must be met with rapid re-training in these transferable skills into new industries

The current WIA system requires a delicate balancing act in order to meet both regulatory program compliance and the results businesses expect based on the plans developed from their input. The limited allowable activities (i.e. use of WIA funds) forces WIBs to innovate, to "think outside the box" while remaining physically "in the box". Through partnerships and collaboration, Workforce Solutions has been able to:

- Implement a Customer/Staffing Solutions and Business Consultative Approach that bridges job seeker and employer without references to governmental forms and policies
- Established Fee for Service to business in order to provide workforce expertise in the areas of human resources, job screening and assessments
- Established Workforce Solutions as an equal partner in economic development via Business Intelligence (data)
- Created linkages between emerging high technology jobs and preparation of the local workforce through competitive grants
- Implemented Read Right—a tutoring program for reading comprehension which has demonstrated significant impact
- Convened leading business and industry leaders to map the future of the workforce for investments of training funds

Workforce Development's future resides not in the delivery of services to targeted populations, but in "job creation" with business at the forefront, and the delivery of services at the speed that business demands. In order for WIA to remain "in business" it must return to its original intent of serving business.

Given the time allotted by the Committee, the following rules and regulations governing WIA must be re-visited with "business results" as the measures to be achieved.

- WIBs in Texas are awarded block grants which include TANF funds. Boards are measured on their ability to meet the "participation" hours of the TANF participant. This is not a workforce development program, but rather a "public assistance continuing eligibility requirement". Failure to keep the TANF recipient "participating" leads to sanctions

- Title II of WIA—Adult Basic Education and Literacy must be addressed and brought into Workforce Development as a provider. Currently WIA funds must be spent on Adult Basic Education and Literacy because administration of Title II funds do not prepare the job seeker for employment

- Program Eligibility—access to WIA training services are built on employment inhibiting requirements. An individual must document low income, dislocation from work or receipt of public assistance to qualify. These requirements limit the working poor, employed workers seeking training for higher skills and employed/incumbent workers from being able to progress in the workforce

- Time Limitations on training activities—allows only for those who are best prepared to complete training while leaving those who can most benefit without

- Efficiencies and Accountability—WIBs are in effect penalized for implementing efficiencies in the delivery of their services and documentation thereof.

A shift to a knowledge based economy increases the educational requirements of many industries and occupations. Higher education means increased capacity and productivity of a workforce, decreased need for social services, and finally an enhanced pace for innovation and increased competitiveness.

In summary, strategic and sustainable partnerships between education, workforce and economic development entities are critical. Together, building and deploying local talent is the key to maintaining a competitive advantage in the Rio Grande Valley, South Texas and the Nation. This type of innovative and strategic alignment will bring our nation's economy to a new level.

Your challenge and mine, is to secure the development and fostering of skilled talent for the nation.

Chairman HINOJOSA. Be assured that the entire statement that you brought us will be made part of the record.

Ms. GONZALEZ. Thank you.

Chairman HINOJOSA. I now call on Mr. Bahr.

**STATEMENT OF MORTON BAHR, PRESIDENT EMERITUS, COMMUNICATIONS WORKERS OF AMERICA, COMMISSIONER, NATIONAL COMMISSION ON ADULT LITERACY**

Mr. BAHR. Mr. Chairman, I want to thank you for your interest in adult education and the opportunity to discuss our commission's findings and recommendations.

Capital can be moved anywhere around the world while we sleep. New technology can give a company perhaps several months of lead time before the competition catches up. Therefore, to be an effective

competitor in the intensifying global marketplace, the United States must have the best educated, highly motivated workforce.

The choice before us, Mr. Chairman, is whether we settle for a low-skills, low-wage economy or we do all that is necessary to develop a high-skills, high-wage economy where all workers have the ability to earn family-sustaining wages. We know that education, skills development, and lifelong learning are the keys to an innovative and productive workforce.

America is in danger of losing its long-held place as world leader in education. For the first time in our history, our young adults aged 25 to 34 are less educated than their parents. In addition, about 88 million adults are undereducated insofar as being ready to do college-level work. This problem is also exacerbated by the 1.3 million high school students who drop out each year.

The Commission has two overarching recommendations. First, we ask Congress to transform the adult education and literacy system as we now know it into an adult education and workforce skills system, with the ability to serve 20 million adults by 2020.

Secondly, we ask Congress and State governments to make readiness for post-secondary education and workforce skills the primary mission of the adult education and workforce skills system. To achieve this essential transformation, we call for significant action on the part of Federal and State governments.

At the core of our Federal recommendation is the passage of a comprehensive new Adult Education and Economic Growth Act, designed to overhaul and expand adult education and workforce skills training. The act should define the fundamentals of adult education, set forth new program goals, and offer incentives and strategies to increase learner access.

Because readiness is the major new service outcome and since we want to prepare learners for employment in high-performance workplaces, the new programs will need to offer such basics as excellence in oral and written communications, critical thinking, problem solving, the ability to adapt to new technologies, and work in teams. This will require traditional adult education and workforce development groups to work together more closely.

States should invest more in the skills of their workers so that increased productivity helps offset the effect of low-wage labor paid in developing countries.

Government alone cannot do the entire job. Business, too, must step up to the plate. For example, 16 national unions, together with some 400 employers in the private and public sectors, are jointly providing education and training opportunities to some 500,000 workers.

During our 2 years of intensive study, we learned that you cannot tweak a system designed for the 20th century to be relevant in the rapidly changing world of the 21st century. That is why we call for action at all levels to transform the system into an adult education and workforce skills system. The system must be highly accountable, have more relevance, measurable outcomes, and preserve and create economic opportunities for key underserved segments of our population.

As the 2007 State New Economy Index puts it, workers who are skilled with their hands and could reliably work in repetitive and

sometimes physically demanding jobs were the engine of the old economy. In today's new economy, knowledge-based jobs are driving the economy, jobs held by individuals with at least 2 years of college.

The Commission proposes a new system, built up gradually over the next decade, to address the needs described in our report. This means that workplace skills education should be much more highly valued and that employers should devote a larger share of their training budgets to their low-skilled workers.

Mr. Chairman, the challenge facing our Nation cannot be underestimated. How well we deal with it will largely determine how successfully we compete with the rest of the world and what economic and social standards our citizens will enjoy. It will take a Marshall Plan type of response by government at all levels, business, labor, and philanthropy, all working together to restore our leadership around the world.

For me, speaking from 51 years of serving the members of my union and the communities in which they live, I believe we can develop an economy where not a single U.S. employer can justify moving work offshore because there were no qualified American workers and that we can eliminate the use of H-1B visas or keep it to a bare and justified minimum.

Thank you.

[The statement of Mr. Bahr follows:]

**Prepared Statement of Morton Bahr, President Emeritus, Communications Workers of America, Commissioner, National Commission on Adult Literacy**

Mr. Chairman, thank you for this opportunity to tell the Subcommittee on Education and Labor about the findings of the National Commission on Adult Literacy. We appreciate your recognition of the importance of adult education—the third leg of our educational system—in preparing our workforce for jobs.

The National Commission is a distinguished independent panel of leaders. We are former U.S. secretaries of labor and education, prominent business and labor leaders, and workforce development experts. We are adult educators, community college heads, and researchers. We are leaders in ESL, family literacy, correctional education, youth policy, philanthropy, and even the Foreign Service. Our final report, *Reach Higher, America*, was released on June 26, 2008 at a special event on Capitol Hill. You should have a full copy of that report in your folder.

It is no secret that America is at risk of losing its place as a world leader in education. Here is just one alarming indication of that from our report: Of all 30 OECD free-market countries, we are currently the only nation whose young adults are less educated than the previous generation.<sup>1</sup>

Here is another alarming fact. Some 88 million adults in America need help with their ESL and basic skills, yet we are currently providing services to only 3 million people. I will elaborate on these numbers shortly. The Commission calls for bold change at the state and federal levels to address this challenge. We have two overarching recommendations:

- We call on Congress to transform the adult education and literacy system as we now know it into an adult education and workforce skills system with the capacity to effectively serve 20 million adults annually by the year 2020.
- We call on Congress and state governments to make readiness for postsecondary education and workforce the primary mission of the adult education and workforce skills system.

To achieve this essential transformation, we call for several actions, particularly on the part of federal and state government.

For this bold federal leadership role to pay off, it must be met by strong state leadership. Here, in broad terms, are our recommendations on the state role:

<sup>1</sup> Source: *Education at a Glance, 2007*, OECD, analysis for the Commission by the National Center for Higher Education Management Systems (NCHEMS).

6) States should engage in comprehensive planning and establish goals to improve adult educational attainment and workforce skills in light of their economic development goals.

7) States should legislate authority for coordination and alignment of systems consistent with their postsecondary education, workforce, and economic development goals. In some cases, a cross-agency planning body already exists; in others it may need to be created. In some states, a cabinet level position might either be established or strengthened. Whatever the approach, most commissioners feel the governor's office must be involved.

8) New federal funds under the new Act should be awarded to states following federal approval of a comprehensive adult education plan that each state develops and updates periodically for federal review. These funds should be available for awards within the first year of the Act's passage, and states should be "held harmless" at current federal adult education grant levels.

9) States should invest more in the skills of their workers so that increased productivity helps offset the effect of low-cost labor furnished by developing countries. Business must be an active partner in this effort.

The recommended federal and state actions aim to increase dramatically the number of adult Americans with limited basic skills who receive basic skills instruction as defined in the Act. They should result in seamless pathways of instruction from the lowest levels of proficiency to attainment of a GED and/or readiness for occupational and/or postsecondary education. They should greatly strengthen the quality, range, and accountability of basic skills instruction and related services. And we should gradually achieve the following desired outcomes from general and workforce basic skills instruction—verifiable learning gains, acquisition of basic and workforce skills, accelerated learning, GED acquisition, and transitions to vocational, postsecondary, or other programs that will benefit individuals, the business community, the economy, and American society.

Let me now explain the reasons for our recommendations. During two years of intensive study,<sup>2</sup> we thoroughly examined our current adult basic education system. We looked at its scope, purposes, funding, enrollments, and outcomes. We also looked carefully at the federal role in this system, at state performance, and at the impact of changing demographics in America on our global competitiveness and human resource development needs. We wanted to determine how well this system, created for the 20th century, meets the nation's need to prepare current and future workers in the 21st century, from the standpoint of adults with low basic skills—our community leaders, our parents and family units, our young adults, our aspiring new Americans, our neighbors, incumbent workers, the unemployed and underemployed.

The Commission quickly discovered that America's needs cannot be met by simply tweaking the adult education system we have. That's why we call for action at all levels—with a focus on federal and state leadership—to transform the system into an "Adult Education and Workforce Skills System." This system must be highly accountable; have more relevant, measurable, and comparable outcomes; and preserve and create economic opportunities for key underserved segments of our population—especially the burgeoning ESL population, the huge number of high school dropouts and underachievers, and nonviolent offenders in our correctional population, who return daily to our communities lacking the skills to qualify for jobs.

These people, and many millions of other adults at very low literacy and ESL levels, are a big part of our workforce. The vast majority of them are beyond the reach of our secondary schools and of higher education institutions. Right now, the U.S. labor force consists of about 150 million adults aged 16 and older.<sup>3</sup> Unless we rise to the adult education challenge, nearly half of these people, many of prime working age, will fall behind in their struggle to get higher wage jobs, or to qualify for the college courses or job training that will help them join or advance in jobs that pay a family-sustaining wage.

The American economy requires increasingly that most workers have at least some postsecondary education or occupational training to be ready for current and future jobs in the global marketplace. The Bureau of Labor Statistics forecasts that between 2004 and 2014, 24 of the 30 fastest growing occupations will require workers with postsecondary education or training to compete internationally and maintain our standard of living. Every bit of research wisdom over the past two decades

<sup>2</sup>The Commission's work was enabled by funding from the Dollar General Corporation (lead funder at \$1 million), the Charles Stewart Mott Foundation, The McGraw-Hill Companies, Harold W. McGraw, Jr., a longtime champion of adult education and literacy, and the Joyce and Ford Foundations.

<sup>3</sup>Source: 2006 American Community Survey, U.S. Census Bureau.

supports this proposition. The New Commission on Skills of the American Workforce and the Commission on a Nation of Lifelong Learners, on which I also served, are two of those voices. Yet, we have been moving further from that goal, until now I hope.

As the 2007 State New Economy Index puts it: “Workers who were skilled with their hands and could reliably work in repetitive and sometimes physically demanding jobs were the engine of the old economy. In today’s New Economy, knowledge-based jobs are driving prosperity \* \* \* jobs held by individuals with at least two years of college.”

At present, as this Committee knows, our high school dropout rates are staggering. But other compelling facts underlie the Commission’s recommendations, too. For example, one in four working families is low-income, and one in five lives in poverty. Parents and caregivers in many of these households lack the education and skills to earn a family-sustaining wage. One in every 100 U.S. adults 16 and older is in prison or jail at any given time (about 2.3 million persons in 2006). About 43 percent of these people don’t have a high school diploma or equivalent; some 56 percent have very low basic skills. Yet 95 percent of incarcerated people return to our communities. More than 18 million recent immigrants need ESL and literacy services now. And beyond that, each year another 2 million immigrants come to the U.S. seeking jobs and better lives—the promise of America. The Commission discussed the ESL need as a “tsunami.” Fifty percent of these people have low literacy levels and lack high school education and English language skills, severely limiting their access to jobs and job training, college, and citizenship. I should note that a collateral benefit of ESL instruction is preparation for citizenship.

The recent National Assessment of Adult Literacy found that about 30 million adults 16 and older are at the very lowest level of skills proficiency, which they call “below basic.” Another 60 million are less than proficient and need various amounts of skills upgrading. Analysis done for the Commission by the National Center for Higher Education Management Systems found that at least one educational barrier keeps up to 88 million adults (aged 18 and older) from entering college and/or job training programs. Of these 88 million:

- 18.2 million are English-speaking adults who lack a high school diploma.
- 18.4 million have limited English skills. Of these 8.2 million have not completed high school and many others have less than adequate basic literacy skills.
- 51.3 million have a high school diploma but no college and many millions of them are not prepared to enter college or jobs.

In light of these statistics, it is truly shocking that the adult education programs of the U.S. Departments of Education and Labor, where the bulk of services are offered, are presently serving only 3 million adults aged 16 and over.

Most states have not been seriously committed to adult education either—although in some cases this attitude is changing. Every state has an ESL service need, and ESL services are receiving the lion’s share of adult education funding. For instance, in California, total enrollment was about 570,000 in 2007. Of these, only 18% were in adult basic education programs, 11% were in high school diploma (ASE) programs, and a whopping 71% were in ESL programs. In Rhode Island, of the 6,787 enrolled in 2007, 49% were enrolled in ESL. In Texas, with a total enrollment of 102,365 in 2007, ESL accounted for 58%. The national average for these three program types is 38% for ABE, 16% for ASE/GED, and 46% for ESL, respectively. Clearly, we are addressing the tip of the iceberg in all three areas of service.

States appropriate funds to meet Department of Education matching requirements. By this criterion, our analysis shows that state commitment to adult education varies widely. Using the three states mentioned above: California’s state appropriation in 2008 was \$700 million. It matched the federal grant of \$62 million by 1133%. Rhode Island ranks somewhere in the middle in terms of match percentage. Its appropriation last year, \$2 million, was 98% of the federal grant amount. Texas ranks near the bottom on this measure. It got federal grant funds of nearly \$40 million and provided a 15% match of \$6 million.

In Reach Higher, America, the Commission looks at national and state comparisons of GED need and attainment. Texas and California top the list in terms of the low percentage of GEDs attained in relation to adults 18-64 without a high school diploma. In Texas, about 2.9 million adults aged 18-64 lacked a high school diploma in 2006. Only about 32,000 attained a GED or equivalent, about 1.1% of the need. This pattern is consistent across the states for a national average of only 1.5%. It is quite evident that we can and need to do much better.

The Commission proposes a new System built up gradually over the next decade or so to address the needs and problems described above. The System we envision will provide nearly seven times the current service capacity. It will emphasize readiness for entering college and job training programs to prepare adults for family-sus-

taining jobs. It will emphasize workforce certificates and other concrete measures to demonstrate readiness. It will require comprehensive planning at the state level and stronger state funding commitments. It will require new partnerships at all levels, especially across and among federal and state agencies, but also among disparate service provider types, who need to rise above self-interest and turf barriers. It must serve people all along a continuum of need from those at the lowest skill level to those just short of readiness. And, again, it includes both incumbent and future workers. This means that workplace skills education should be much more highly valued, and that employers should devote a larger share of their training budgets to their low-skilled workers.

The Commission's recommendations target federal and state government. But we also call for much stronger partnerships between the states and the business community, and we call on community colleges and other adult education service providers, nonprofit organizations, and philanthropy to play their part. All have an essential role.

One of the curses of current federal and state educational policy and practice is the ultra-territorial division of many of our important reform efforts, resulting in disconnected and insular silos that work against creative communication, meaningful evaluation, and positive change. I can't emphasize enough the importance of breaking down entrenched silos of interest in the campaign we are recommending.

The new Adult Education and Economic Growth Act should call for connections between the adult education and workforce skills programs of all federal agencies, especially the WIA Title I and II programs. Fragmentation, disconnect, and lack of communication characterize these interactions now. And it should require states to develop integrated statewide plans as a condition of receiving new federal funds. In these plans, adult education and workforce skills development are to be linked more closely in the context of clearly articulated state economic goals. It also would mobilize public and private resources in a way that allows the states to pursue their own choices depending on differences in state demographics and local need—such as family and parent literacy, crime prevention and recovery, the needs of non-English language minorities, the needs of working-age nonviolent offenders, preparation for success in and entry into college and job training, and excellence in the 21st century workforce. And it would actively engage governors and their policy staff, and provide federal incentives to encourage that.

The kind of responsible change I am speaking about today should resonate in the Obama Administration. The Commission believes this change is crucial if we are to provide family-sustaining jobs, compete in the global economy, and protect our nation's security, core democratic values, and opportunity for all Americans.

Mr. Chairman, adult education and workforce skills services for a majority of the 88 million adults defined by the Commission are absolutely key to economic recovery and growth. The goals of providing job training for displaced workers and creating a competitive workforce in "green jobs" and other aspects of the new economy cannot be achieved unless the adult education system is reinforced and redirected to help tens of millions of adults enter the system to acquire the basic skills they need to participate in postsecondary and job training programs.

Education drives the economy! That refrain was heard again and again in the deliberations of our National Commission. We understand the urgency of strengthening our K-12 and higher education institutions, but adult education is equally important. It is the third vital part of our educational system. It is now a marginalized enterprise and must be strengthened and transformed right along with them.

America faces a choice. We can invest in the basic education and skills of our workforce and remain competitive in today's global economy. Or we can continue to overlook the glaring evidence of a national crisis as documented in the Commission's report and move further down the path to decline. We must rise to the challenge.

The plan set forth in Reach Higher, America constitutes a kind of domestic Marshall Plan—because that is how serious we consider the challenge. Action to meet the challenge will cost a great deal more than we are spending now. But the Commission doesn't just call for a heavier infusion of new funds. Our report devotes an entire chapter to spelling out the substantial fiscal gains that will result from those expenditures. It's a national investment that will pay for itself many times over. For example, according to the Center for Labor Market Studies at Northeastern University, if 4 million dropouts earn a high school diploma by 2020, the net fiscal contributions to federal, state, and local governments in 2008 dollars would exceed \$25 billion annually. To give another example, if the 2.9 million adults (18-64) in Texas who do not have a high school diploma or GED got one, their annual net fiscal contribution to national, state, and local governments would increase by \$13.5 billion. If they attended college, the annual net fiscal contribution would increase by another \$10.6 billion.

In closing, I want to make two final points:

Much of the national conversation today is necessarily about jobs. Transforming the adult education system into the Adult Education and Workforce Skills System we call for will create many new jobs in that sector of our economy. There is an acute need for many thousands of additional teachers, trainers, counselors, and other staff in the network of programs out there already; many thousands more will be needed as the new System is developed.

I also realize that some may think our goals are unrealistic. But many initiatives are already in the works in some of the states, trying to tackle local adult education and skills training needs along the lines recommended by the Commission, and they are starting to get successful results. Some of these leading lights are profiled in the Commission's report. They include an array of workplace education programs; the statewide programs of the Indiana State Chamber of Commerce; a model public-private venture in Patrick County, Virginia; a cooperative college transition program in Louisville, Kentucky; and the much-touted I-Best program in Washington. These forward-thinking activities are proof that what we're calling for can be done.

Thank you.

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Chairman HINOJOSA. The rest of the entire report that you have prepared will be made part of today's hearing.

Mr. BAHR. Thank you, Mr. Chairman.

Chairman HINOJOSA. Mr. Wooderson?

**STATEMENT OF STEPHEN WOODERSON, STATE ADMINISTRATOR, IOWA VOCATIONAL REHABILITATION SERVICES**

Mr. WOODERSON. Mr. Chairman, ranking member, and members of the subcommittee, thank you very much for this opportunity. I am Steve Wooderson from Des Moines, Iowa, and today I serve as president-elect of the Council of State Administrators of Vocational Rehabilitation.

We know that people with disabilities have a history of low employment. In fact, if you experience a disability, you can anticipate twice as many people with disabilities not having a job as individuals that do have a disability.

As a result of that, the Public VR Program was established in 1920 with the expressed purpose of increasing the rate of employment for people with disabilities. And today the Public Vocational Rehabilitation Program serves approximately 1 million consumers in our country every year.

The public perception of people with disabilities has changed over the last several years, much in part due to the Americans with Disabilities Act, many other pieces of legislation that have brought that to the forefront. We know that there are many people with significant disabilities in our country that can go to work and want to go to work. As a result of that, in 1998, the Rehabilitation Act was reauthorized as Title IV of the Workforce Investment Act.

The Public VR Program was identified, at that time, as being a mandatory partner in the one-stop delivery system. The hallmark of our program is specialized counselors highly trained to work with individuals with significant disabilities to identify their unique needs, their unique abilities, and develop a customized, individualized career plan to help put them back to work.

Mr. Chairman, in Pharr, Texas, we have a gentleman by the name of Mario that went to work after losing his previous job due to his disability, his disability being post-polio syndrome. We worked with our national employment network team and were able to help him in Texas, look at what the job market was like, identi-

fied opportunities for guidance and counseling, provided him with some prosthetic devices. And today he works for Convergys, a national company, and he is able to work out of his home as a result of the work of the Texas VR agency.

Steve came to us as a young man in high school, junior, as many people do who are looking to transition from high school to post-high school activities. He experienced a learning disability, attention deficit disorder, also had difficulty with his speech as well. He wanted to go on. Our vocational rehabilitation counselor worked with him, with his school teachers, developed supports for him so that he was able to get job experience, eventually go to college with the support of the VR. And today Steve is a school teacher in Goose Creek, Iowa, making \$30,000 a year. He is also a coach in that school system.

We are also seeing an increase in referrals of our soldiers and servicemen and servicewomen coming back from Iraq and Afghanistan seeking services from the Public VR Program. Marine Lance Corporal Webb is a native of Alabama, went to serve our country in Iraq, was there 2 weeks, was injured. As a result of his injury, he lost a leg. He came back to Alabama looking for work. Our Alabama agency was able to work with the local employer. Alabama Power accommodated the workplace. He was hired as a dispatcher. And today he has actually moved into another job where he is a property management specialist.

The demand for our services continues to rise at the same time our resources and our capacities continue to decrease. Some of the challenges that we are facing in the Public Vocational Rehabilitation Program is the mandatory COLA identified as being a floor; in reality, for us, it has become a ceiling.

In 2008, 36 of our State agencies experienced waiting lists because they were unable to serve all individuals, meaning 35,000 individuals with disabilities were waiting to access services from the Public Vocational Rehabilitation Program.

The Workforce Investment Act wisely consolidated a number of programs into one. We agree with that. At the same time, the total dollars that are available for employment and training has reduced, creating additional challenges for us.

Because of the complexity of the nature of the work of the Public Vocational Rehabilitation Program, serving folks with wide ranges of disabilities and very significant disabilities, our council believes that the Public Vocational Rehabilitation Program, our participation in the one-stop career centers must be considered in light of those challenges, and our outcomes must be evaluated in light of those challenges as well.

We are very grateful to the bipartisan support for the stimulus package, where we look to have \$500 million come to the Public Vocational Rehabilitation Program. We believe that is going to go a long way to eliminate those waiting lists, hopefully completely eliminate those current waiting lists as they are today.

We are proud of the history of the VR Program. We believe that the data is there to show the value added. In fiscal year 2007, the Public VR Program, with our partners, put 200,000 people with disabilities to work in this country. They earned \$3 billion in wages. They paid \$966 million in Federal, State, and local taxes, and gen-

erated 36,000 additional jobs. Our figures show that they will pay back the cost of their rehabilitation in 2 to 4 years in taxes alone.

Mr. Chairman, thank you for the opportunity to speak, and I look forward to responding to any questions you may have.

[The statement of Mr. Wooderson follows:]

**Prepared Statement of Steve Wooderson, Administrator, Iowa Vocational Rehabilitation Services**

Mr. Chairman, Ranking Member Guthrie, and Members of the Subcommittee, thank you for inviting me here today to discuss the Public Vocational Rehabilitation program history, success, and challenges. My name is Steve Wooderson and I am the Administrator of the Iowa Office of Vocational Rehabilitation Services. I am here today as President-elect of the Council of State Administrators of Vocational Rehabilitation (CSAVR), the national organization that represents the State Directors of Vocational Rehabilitation.

People with disabilities have a history of low employment; estimates are that as high as 70% of people with disabilities are not in the workforce and that a majority of these unemployed people want to be working. Many of those who are employed, are working in part-time positions or struggle to find ways to survive on low paying positions without benefits. A high percentage of the population lives below the poverty line. Individuals with disabilities who receive government support through programs such as Social Security and Medicare/Medicaid want to work but are not able to acquire positions that pay enough or provide the medical care that they need. Though they want to leave the rolls of government programs, their survival depends upon the medical supports offered through those systems.

For the first time ever, last week the Bureau of Labor Statistics (BLS) reported that in December 2008 the unemployment rate for persons with a disability was 12.3 percent and rose to 13.2 percent in January 2009 (not seasonally adjusted) as compared to those without a disability at 6.9 percent (December) and 8.3 percent (January). The percentage of people with disabilities who are unemployed is nearly double that of individuals who do not have a disability. However, what is most disconcerting within the new statistics is that the unemployment rate for people with disabilities is based on only 23% of the population of individuals being in the labor force, as opposed to nearly 71% of individuals without disabilities.

The population of people with disabilities continues to increase as more individuals survive accident, illness and trauma. There is also a rise in prenatal conditions and without sufficient health care in poor communities childhood illness and disease such as diabetes are on the rise. Autism, learning disabilities and attention deficit disorder are seen in increasingly high levels in the K-12 school system. Disability is also prevalent in veterans who are returning home from the conflicts in Iraq and Afghanistan as well as those at home who are living with disabilities which are service or non-service connected. With the aging population and the current economic conditions, many people are forced to work longer because they lack or have lost their retirement. The aging workforce is growing and predicted to continue to increase as people work well into their 70's and beyond. This workforce requires a unique approach to workplace accommodations as they and their employers work through issues related to physical limitations and sensory disabilities involving vision and hearing. All of these individuals are potential consumers of the Public Vocational Rehabilitation program.

The Public Vocational Rehabilitation program was established by Congress in 1920 as a state-federal partnership to assist eligible individuals with disabilities to achieve gainful employment and to live more productive lives in the community. Each year the VR program serves approximately one million customers with disabilities in multi-year career plans.

*The Rehabilitation Act*

The Rehabilitation Act of 1973, as amended, (The Act) authorizes and funds a comprehensive array of programs to assist individuals with physical and mental disabilities to maximize their employment and to achieve economic self-sufficiency, independence, inclusion and integration into society.

There are seven titles in The Act. Each of these titles addresses an area of need and establishes programs that Congress designated to provide comprehensive services to support the employment and independence of people with disabilities.

Title I authorizes the Public VR program which includes a consumer run State Rehabilitation Council, the Client Assistance Program and funding under VR services grants which incorporates the American Indian Rehabilitation program.

Title II incorporates research and training.

Title III covers the inclusion of programs designed to focus on the professional development and training of qualified staff, and special projects such as the Migrant and Seasonal Farmworkers programs.

Title IV of the Act authorizes the National Council on Disability which is composed of fifteen Presidential appointees that represent various facets of the disability community to advise the President, Congress and key staff in the Department of Education, including the Commissioner of the Rehabilitation Services Administration on the development of programs under the Act.

Title V is a civil rights component in The Act that focuses on the access to services, facilities, programs and employment opportunities in the Federal government or in programs and/or contractors receiving Federal funds.

Title VI of the Act establishes programs that help create employment opportunities and work in conjunction with the VR program, including Supported Employment and Projects with Industry programs designed to meet the need for ongoing supports for those individuals who are significantly disabled.

Title VII of the Act authorizes independent living (IL) services through a State network of community based IL centers which are coordinated through a State Independent Living Council. This Title also funds IL services for older individuals who are blind and need supports to remain living independently.

Together these Titles address the various facets of individual need and the development of staff, programs and services that support the employment and independence of people with disabilities.

The Public Vocational Rehabilitation (VR) program funded under Title I of the Act is the primary Federal program assisting individuals with disabilities, including individuals with the most significant disabilities, in securing competitive employment. Congress designated the Public VR program as a mandatory partner in the One-Stop service delivery system created under the Workforce Investment Act of 1998 (WIA).

VR provides a broad array of individualized services and supports to assist eligible individuals with disabilities in overcoming barriers to employment. VR services may include, but are not limited to, evaluations and assessments; counseling and guidance, vocational and other training and employment services; orientation and mobility training; transportation services and vehicle modifications; personal assistance services, job coaching, supported employment services; transition services for youth from school to work; job placement services; and post employment services. VR also works with a number of community partners in a variety of ways to meet the employment needs of individuals with disabilities.

The Public VR program has many valuable features that distinguish it from other employment programs operating today. VR employs qualified rehabilitation professionals to identify the unique strengths, resources, priorities, concerns, abilities, capabilities, interests and informed choices of eligible individuals so that individualized services plans can be developed to ensure effective job matching and ongoing job success, features that can positively influence the bottom line for businesses.

#### *History and Development of The Rehabilitation Act*

Since the inception of the Act, the public perception of disability has changed significantly. We have much greater expectations for people with disabilities, and understand that most of these individuals have the capacity to be, and want to be, important contributors to our workforce. In response to these changing perceptions, Congress has amended the Rehabilitation Act accordingly.

In 1943, amendments to the Act extended services to persons with intellectual disabilities (mental retardation), mental illness and blindness. It also required that each VR agency submit a written State Plan to be approved by the Federal Government.

A significant number of other Amendments to the Act took place between 1943 and 1973; however, in 1973 there was a major overhaul of the Act. A requirement for a client-centered rehabilitation plan was added to the Act and focused on employment outcomes. The Act also required that VR serve people with the most significant disabilities as a priority and added civil rights protections for individuals with disabilities who are served by any programs that receive federal funding.

In 1978 Independent Living and the Client Assistance Program became permanent within the Act, and programs were added to serve American Indians and Migrant and Seasonal Farm workers.

In 1986 Supported Employment was added to the Act to increase the employment of individuals with the most significant disabilities by providing them with job coaching and ongoing supports.

In 1992 Congress required state agencies to focus on competitive employment as the primary outcome of the VR program, and created a “presumptive eligibility” for individuals who received Social Security benefits due to a disability. Approximately one-third of VR’s customers are people on Social Security Disability Insurance or Supplemental Security Income. The 1992 Amendments also included a focus on serving students transitioning from school to work.

Finally, in 1998 the Rehabilitation Act was reauthorized through Title IV of the Workforce Investment Act to enhance partnerships between state VR agencies and their workforce partners to increase the employment of individuals with disabilities. Also in 1998 the Comprehensive System of Personnel Development (CSPD) was added to ensure that VR agencies employed qualified staff.

#### *Focus on Comprehensive Individualized Planning*

Over the past 89 years the program has been expanded to serve a variety of eligible individuals with disabilities and to provide a wide range of services that are required for that individual to achieve an employment outcome and become independent. The hallmark of the VR program is its ability to provide a wide range of services to eligible individuals with disabilities through a comprehensive individualized career plan called the Individualized Plan for Employment or the IPE.

The IPE incorporates the holistic needs of the individual which can include areas such as medical, psychological, accommodations and/or adaptive technologies, financial, housing, transportation, education, etc. and how services can reduce or eliminate barriers to support the individual’s vocational goal and success in the workplace. For individuals with disabilities, success in a career requires this type of comprehensive approach.

Where other programs are menu driven, VR customizes plans based on individual needs, vocational goals and the local labor market. It is a unique approach and works well for individuals with disabilities because of their varying needs and circumstances.

#### *VR—Employer Partnerships*

Over the years state VR agencies have also worked hard to develop stronger relationships with the business community. Recently the CSAVR has created a National Employment Team (NET) that is a network of the 80 state VR agencies and their employer partners to focus on increasing the employment of VR consumers. The NET has working partnerships with major corporations such as Walgreens, Safeway Convergys, Microsoft, and also with federal agencies such as the Internal Revenue Service (IRS) and the Department of Transportation (DOT), to name a few.

Through the coordinated national team, VR’s relationship with business effectively meets their employment needs while it incorporates “real time” information from employers into VR’s career planning and IPE process with consumers. This up-front work with business opens the doors to national employment opportunities for VR consumers.

The national model with the corporate connections allows VR to develop productive working relationships with businesses in multiple states. The top level support and a company wide strategy have resulted in multiple employment outcomes. For example, in 2007 over 600 VR consumers were hired by Safeway which is headquartered in Pleasanton, CA. but does business in multiple states across the country.

Another one of VR’s important business partners is Convergys. Convergys is an outsourcing company headquartered in Cincinnati, Ohio but doing business in 35 countries. Through the NET, VR has developed a corporate level relationship that resulted in employment opportunities in 29 states. VR consumers are being hired for positions in brick and mortar sites as well as in home agent positions which allows individuals with significant disabilities and those in rural areas to be employed in good paying positions with benefits.

In the area of IT, VR is working closely with Convergys to find a solution that will support access for people who are blind and use screen readers. Screen readers vocalize the printed information that sighted people access on the computer screen. Convergys has a corporate IT and HR team working with a VR team that includes staff experts from five agencies across the country. The company is thrilled because VR is providing the technical expertise to work with the company to resolve the access issue so that they can employ the talents of individuals who are blind. Again, this type of working relationship will open up employment opportunities for people with disabilities in 29 states through this one initiative. It also serves as a corporate model to other business customers.

### *Individual Results*

#### *VR Consumers—Convergys: Texas and Iowa*

I want to share with you stories that are examples of the kind of work our agencies do every day. The first is about a man named Mario from Pharr, Texas. Mario is a 36 year old consumer who came to the State VR Agency in Texas seeking assistance after losing his job as a sanitation worker, due to his disability, post polio syndrome. When Mario applied for VR services, he was being supported by his girlfriend and Temporary Assistance for Needy Families (TANF). He requested VR's assistance to find employment and to acquire prosthetic and orthotic devices that would accommodate his disability at work.

His VR counselor provided him with the needed accommodations and helped him to secure more suitable employment. As a result of the counseling, guidance, job placement assistance, and other vocational rehabilitation services provided by DARS, Mario was able to go to work for Convergys as a customer service representative on May 19, 2008. Because of these services, Mario was able to maintain this position and is still employed today.

In Iowa our VR NET relationship with Convergys also helped David, age 44, from New London, Iowa, to become recently employed by Convergys. David is paralyzed from the waist down and uses a wheelchair for mobility. David came to IVRS after being laid off from a production position as a quality inspector.

Iowa VR (IVRS) supported David in his goal of achieving his Associate of Arts degree at the local community college, but finding work in an economically depressed area of the state following his graduation had been a challenge. In addition, David had been addressing the challenge of leg tremors when he is exposed to changes in temperature and knows that working in a factory setting was not compatible with his overall well being.

When David and his VR counselor began to investigate alternative career opportunities, they became aware of the NET's partnership with Convergys. After a review of the job description, it was determined that David had the skills and abilities to perform the essential functions of a home agent. They also considered the physical advantage of working from home and liked the fact that David would be earning an hourly salary plus benefits.

Since December IVRS has connected David with the Convergys recruiter, helped upgrade his home computer, assisted him with purchasing necessary equipment, and he is now anticipating the start of his two-week training on February 9. David is extremely motivated by the long-term opportunity with Convergys to enable him to incorporate his outgoing personality with the customers he will be assisting on a daily basis.

#### *VR Transition Student—Hyatt: Florida*

In June of 2002, Tara Gilio was an 18-year-old exceptional education student graduating with a special diploma. Tara lived in Hudson, FL—a small town about an hour north of Tampa. She participated in classes for students with specific learning disabilities due to severe processing deficits that limited her reading and writing to 4th grade levels. Although she was an outgoing young lady, she knew that she would not qualify for traditional post-secondary programs—such as a vocational/technical school or community college.

During her senior year in high school, Tara met her Vocational Rehabilitation Counselor who specialized in Transition and School to Work students. Her VR Counselor quickly identified Tara's interest in foodservice and referred her to a short-term alternative culinary training program for persons with disabilities, located at the Grand Hyatt Tampa Bay. The program was developed in collaboration with Florida's Vocational Rehabilitation Program in an effort to accommodate for persons with special needs and prepare them for entry-level employment in the foodservice industry.

The VR Counselor included the training in Tara's Individual Plan for Employment and agreed to pay the tuition for the program. The Executive Chef saw Tara's potential and offered her a part-time job because there were no full-time positions available. Tara accepted the position and was upgraded to full-time within 6 months.

Over the past 6½ years Tara has been promoted twice and she enjoys all of the benefits of working for a major employer. This includes medical insurance, free meals, free uniform cleaning and free rooms. She also enjoys training and inspiring the new students as they enter the training program. Tara married in 2005 and is the proud mother of a two-year-old daughter. She and her husband recently purchased their first home and Tara continues her employment at the Grand Hyatt Tampa Bay.

Tara has written her own “success story” that began with a meeting with her Transition VR Counselor who simply asked “What do you want to do when you leave high school?” Tara appreciates the assistance from VR and recently stated that she “would not be where she is today without Vocational Rehabilitation helping her and giving her a sense of hope,” and when asked about the benefits of Vocational Rehabilitation, Tara recently replied “VR changed my life forever.”

*VR Transition Student—Northwest Iowa School District*

Steve Farrell is a 23 year old teacher. Iowa Vocational Rehabilitation Services (IVRS) first became acquainted with Steve as a student at Cedar Falls High School. IVRS services were discussed with Steve and his parents in April of 2000 during his junior year. Referral information outlined disabling conditions that included Learning Disabilities (LD), Attention Deficit Hyperactivity Disorder (ADHD), and speech problems. (He also experienced a bout with depression when his older brother died suddenly in 2002 from drug/steroid abuse.)

Steve was in a resource class for students with learning disabilities throughout school. Because his father was an instructor at Hawkeye Community College, Steve originally planned to attend that school and major in Police Science. He eventually changed his goal and decided he wanted to major in Physical Education and coach.

The Cedar Falls Transition Alliance Program (TAP) became involved with Steve in June of 2000. TAP Coordinator Shirley Fossey arranged for Steve to be employed by Cedar Falls Schools over the summer. She also accompanied him when he entered Upper Iowa (Fayette) in the fall of 2001. Both TAP and IVRS maintained contact with Steve as he progressed through school. TAP facilitated needed accommodations and assisted Steve in learning to advocate for himself. IVRS provided funding to offset tuition costs and paid for tutorial services to help Steve as he pursued obtaining a four-year degree instead of the two-year degree originally planned.

Steve majored in Physical Education (PE), minored in Psychology and Wellness and Fitness, and has a coaching endorsement. He graduated with honors May 6, 2006 and is the first TAP participant to obtain a four-year degree! Steve is currently working as a Physical Education, Health and Geography teacher/coach at Goose Lake, Iowa. He earns \$30,000 a year as an employee of the Northeast Iowa School District. Services Steve received from VR; counseling and guidance services, diagnostic/treatment, academic training/tuition assistance, job referral, placement search and supports, financial and tutorial assistance, and follow-up. Both Steve and his parents are very grateful for the services and supports he’s received over the past six years. Steve’s success is IVRS and TAP’s success and he has given back to both by becoming a motivational speaker to students at Cedar Falls High School, where our relationship first began.

*VR and Veterans: Washington State*

Matt is a disabled veteran from Washington State. He is a quadriplegic who also has a traumatic brain injury (TBI). Matt spent seven months in a trauma hospital and now receives outpatient support from the VA Hospital in Seattle. Matt was not expected to live after his injury and he was certainly not expected to return to work, be an active father or contributing member of his community. Despite the medical predictions, Matt is a single parent raising his 12 year old daughter, he has returned to school, owns a home and lives independently in his community. Two months ago Matt re-entered the workforce on a part-time basis and plans to return full time when his daughter is older. He volunteers at his daughter’s school and at the VA Hospital where he supports other veterans with disabilities who struggle to regain their independence and their place in American society.

What was the difference for Matt and his family? It was the combination of a great team of caregivers, actively involved family members and a coordinated team approach between the VA system and Public VR that supported Matt’s vision of employment and independence. Family members were actively involved and advocated to pull in experts across systems that supported Matt’s success. Matt has received support from a variety of programs funded under The Rehabilitation Act, including Public VR, independent living supports, advocacy services and the support of qualified staff trained in programs under the Act such as the specialists in neuropsychological evaluation and TBI. This was coupled with the involvement of staff from the VA hospital who continues to support Matt’s ongoing medical and psychological needs. The systems were coordinated, the family was involved, and Matt attained his goals and is working toward a future career. Matt is contributing through his payment of taxes, his role as a father and family member, involvement in his church and supporting the success of other veterans and their families through volunteer work. A coordinated system approach is a proven model of success, for the individual and for America.

*VR and Veterans: Alabama*

Marine Lance Corporal Corey Webb had been in Iraq for two weeks when he was injured after his unit came under enemy fire. The Springville man sustained a broken collarbone and a leg injury that would later require amputation. When he returned home, Webb tackled his recovery with the “can do” attitude that he had learned as a Marine. He was a bit lost, though, when it came to returning to the workplace. Prior to his deployment, the young man was preparing to begin work as a lineman for Alabama Power Co., but after his injury it was clear he wouldn’t be able to perform the duties of that job.

Despite that, he was determined to work with the company. Alabama Power, a longtime customer of the department’s Employer Services, referred Webb to Alabama VR for assistance in finding a place with the company. Peggy Anderson, the statewide coordinator for employer development, and Kristie Grammer, a rehabilitation counselor and the department’s V.A. liaison in the Birmingham area, worked diligently with Alabama Power to find a position for the young man. He eventually was hired as a dispatcher in the company’s appliance sales division. Within a few months, he departed for the Anniston Army Depot, where he is a property management specialist.

Today, with VRS’ support, the 25-year-old is pursuing a bachelor’s degree at Jacksonville State University. He’s grateful for the assistance he has received through VRS, which he praises for being a “single point of contact.” “It’s so much simpler,” he said. “If I need anything, I know I can call VRS.” The Springville native said VR services are especially valuable to “career military,” who might not be familiar with the intricacies of searching for employment. “A lot of these guys who’ve never done anything but serve in the military don’t know how to find a job,” he said. “They don’t know how to create a resume, set up interviews, or anything related to finding work. VRS gives them the tools they need to get back to work.”

*VR: Challenges and Opportunities*

Health care and higher education are just two factors driving the cost of providing VR services. As you may know, the Act has a mandatory Cost of Living Adjustment (COLA) that requires the federal government to increase funding for the program annually, but even with that, the COLA has not kept pace with the increased demand for VR services, as well as the faster growing costs of health care and education. The COLA, which is based on the generic Consumer Price Index-Urban (CPIU), was intended to be a floor below which annual appropriations for the VR program could not fall. It was not the intent of Congress at the time the COLA was included that it become a ceiling for appropriations, but in fact that is what has happened.

Further, the employment expectations of people with disabilities have grown tremendously, especially since the passage of the Americans’ with Disabilities Act. Despite the successes of the VR program, it faces an increased demand for services during the daunting challenges of the current economic downturn. Funding shortfalls have resulted in states having to implement an Order of Selection.

The Public Vocational Rehabilitation (VR) program authorized under Title I of the Rehabilitation Act of 1973, as amended, requires a State VR agency to implement an “Order of Selection” (OOS) policy when it anticipates that it will not have sufficient fiscal and/or personnel resources to fully serve all individuals eligible for vocational rehabilitation services. Under an Order of Selection, individuals with the most significant disabilities must be selected first for the provision of VR services.

At the end of FY 2008, 36 State VR Agencies were on an OOS with 35,213 individuals on waiting lists for services. With the already high unemployment rate for people with disabilities expected to grow even faster in today’s difficult economy, we expect that the demand for VR services will grow proportionately.

Congress has acted in other ways to assist people with disabilities become employed. As mentioned earlier, in 1998 Congress passed the Workforce Investment Act that envisioned greater access to generic employment services for people with disabilities. Unfortunately, that promising vision from 10 years ago remains largely unfulfilled today. When WIA was first authorized, it consolidated a number of employment and training programs in an effort to create a seamless service delivery system. The consolidation was accompanied by a significant cut in funding, with additional cuts in funding in subsequent years. As a result, WIA has resulted in a substantial decline in funding available for actual training when compared to its predecessor program. As a result, mandatory partners in WIA, including VR are continually asked to contribute more funding to pay for infrastructure and other costs associated with the operation of the one-stop centers. Partner programs, particularly the Public Vocational Rehabilitation program, are already under-funded to meet the needs of their target populations.

Vocational Rehabilitation customers often require longer-term and more supportive services than the typical WIA customer. Because of the significant disabilities of VR consumers and the complexity and length of services required, CSAVR believes that VR's participation in one-stops and the evaluation of VR's outcomes must be different; taking into account the characteristics of the population VR serves.

Although physical access to one-stop centers has improved since the authorization of the WIA, programmatic access continues to be a significant problem for many VR consumers. The significant majority of centers lack the adaptive technology necessary for consumers with significant disabilities such as blindness and cerebral palsy to access the resources of the one-stops self service centers. Disability navigators were employed by some centers in an effort to assist consumers with disabilities to have better access; however, many of these individuals lacked the level of skills and knowledge necessary to be of any significant benefit. In addition, there were insignificant numbers of navigators to meet the needs.

The federal government spends approximately \$200 billion a year on various types of assistance for individuals with disabilities. Of that, less than \$3 billion is appropriated to address the employment and training needs of individuals with significant disabilities. The Nation's public policy must be directed toward the realization that a significant investment of resources must be in the WIA if people with disabilities are to have real access to the one-stop centers and to the individualized services and supports necessary to increase their independence and their economic self-sufficiency.

Another significant effort by Congress to increase employment among people with disabilities was the Ticket to Work and Work Incentives Improvement Act. The legislation, passed in 1999, created the Ticket to Work program in the Social Security Administration, increased access to healthcare coverage, and provided benefits planning and assistance to social security beneficiaries who want to return to work.

The healthcare and benefits planning provisions have largely been successful at meeting the needs of people with disabilities on SSDI and SSI who want to work. States responded positively to the new Medicaid provisions in the Ticket to Work and many have aggressively implemented those provisions. In addition, we know that the benefits planning provisions have helped thousands of beneficiaries every year navigate the complex array of rules affecting beneficiaries trying to become more independent. However, the Ticket to Work implementation was less than successful in its initial rollout. Despite the promise of new options for employment services for beneficiaries, 90% of tickets were deposited with VR agencies. Further, the initial regulations provided too little financial incentive for employment programs, known in the law as Employment Networks, to participate, and worse, made it impossible for VR agencies and those Employment Networks to function cooperatively. In fact, the first regulations literally put VR agencies and Employment Networks in opposition to each other.

SSA has significantly addressed these issues in new regulations published this year and VR agencies and Employment Networks are hopeful the new regulations will bring success to the Ticket program, but it is still too early to tell.

Also, CSAVR is very excited about the prospects for renewed focus on the issue of employment and people with disabilities that the new administration has promised. The President has stated that his Administration will create a Commission to look at ways to improve employment services, work incentives in SSDI and SSI, and improve further access to healthcare for people with disabilities. We are pleased that the Administration will aggressively pursue the goal of making the federal government a model employer for people with disabilities. We are already seeing success in this area in our work with Federal partners such as the Internal Revenue Service (IRS) and the U.S. Department of Transportation (DOT). CSAVR looks forward to working with the Administration and Congress on these critical efforts for people with disabilities.

We deeply appreciate the bipartisan efforts of both the House and Senate to include \$500 million for Vocational Rehabilitation Services in H.R. 1, the American Recovery and Reinvestment Act. Too many times, programs for people with disabilities are first in line for cuts when the budget is tight and last at the table when the nation's treasury is flush. This funding will allow state VR agencies to clear their waiting lists and meet the inevitable increase in demand for VR services from veterans, youth, and all people with disabilities that will result from these difficult economic times.

#### *VR: Return on Investment*

In conclusion, the Public VR program has demonstrated over the years its effectiveness in serving people with disabilities. You have heard the stories in the testi-

mony, but the numbers behind these stories reveal the impact that the Public VR program has in helping people with disabilities find and retain work, reduce dependency on benefits, and help grow the economy.

In 2007 the Public VR program and its partners helped over 200,000 people with disabilities find, return to, or retain employment and VR customers earned over \$3.0 billion in wages, paid \$966 million in federal, state, & local taxes, and generated 36,000 new jobs. In fact, on average every person we help find or retain employment will “pay back” the cost of their rehabilitation services, through taxes, in just two to four years.

In addition, data from the Social Security Administration reveals that for every dollar SSA reimburses VR, means SSA has saved seven dollars in benefits that it would have paid out, a net savings of \$754 million to the Social Security (SSDI) and Supplemental Security Income (SSI) programs.

Again, Mr. Chairman and Members of the Subcommittee, I thank you for the opportunity to speak to you today and I look forward to answering any questions that you may have.

Thank you.

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Chairman HINOJOSA. Thank you, Mr. Wooderson.  
I now call on Mr. Camp.

**STATEMENT OF BILL CAMP, EXECUTIVE SECRETARY,  
SACRAMENTO CENTRAL LABOR COUNCIL, AFL-CIO**

Mr. CAMP. Mr. Chairman and members of this committee, it is a privilege to be here.

Not only are people in the United States watching the decisions that you are making certainly this week and that your committee will make between now and the summer, but the world is waiting to see what the United States will do to respond to this economic crisis.

So, as we think about workforce development, we have to look at it in the context of what is going on economically in our Nation. When we look at it, for all of us, in whatever State you live, it is dire. In California, we have a \$42 billion budget deficit. We have 257,000 jobs lost. We have a crisis. We had 2 million calls a day to our unemployment insurance claims offices, trying to get a response about people’s claims. The system is completely overwhelmed.

So, in a crisis, we have a real opportunity—an opportunity to step back and decide what can we do that is different, what can we learn from what we have done, and what we should take on. And I would like to talk about some of those we have done in Sacramento and in California.

But, first, we must be clear not to throw out the baby with the bath water. We have a labor exchange program, and the research data demonstrates that the public-sector labor exchange job—unemployment system and referral for jobs and counseling, paid for by public dollars, run by the public agency, is the most efficient and effective way to help those who get laid off work.

The Workforce Investment Board needs to focus on training, not try to do the job that is already done better by the employment services divisions funded by the Wagner Peyser Act all over this Nation. It has been a successful program. It should be continued. We should focus our workforce investment energy on how do we develop the best training program for the right jobs that take us into the future.

Let me give you an example, though, of what we have done in Sacramento. Our Employment Development Department has developed an excellent labor market information base. We have been able to take the data of our jobs that are going to be coming open in the near future, those that are growing in our region, what the wages are, how many people are going to be retiring in a given occupation, and be able to give really clear answers to workers about what their potential is.

And we can do this on a regional basis, on a labor market basis, so the workers in San Diego get San Diego data and the workers in Los Angeles get Los Angeles data and the people in Sacramento can get Sacramento data. That is done by our EDD, Employment Services Department. And it is vital, because it says to the Workforce Investment Board, you have to be data-driven. You have to make your decisions based on the accurate information in your region about what jobs are opening up, how much they pay, what kind of training people have to have, and how do we create that training.

Let me give you an example of what I think, though, are some important principles that we have adopted in our Workforce Investment Board. And labor is very active in our board. I run the Labor Council, but I have been a vice president of our board from the day it started. We actually have two vice presidents—a labor vice president and a succession vice president.

But the point is we are engaged. We have a stake in making our Workforce Investment Board successful. So we adopted a policy that at least 40 percent of our dollars that are going for adult and dislocated worker training has to go—40 percent of the money spent has to go to training, that you cannot use the Workforce Investment Board to supplement the cuts in Wagner Peyser that have gone on in the last few years. You have to maintain and mandate a Workforce Investment Board that puts dollars into training.

The second thing is we have to establish what is really a self-sufficiency standard. What does it take to pay the rent, pay the bills, buy the food, and take care of your immediate family on a minimum basis in Los Angeles, in San Diego, in any place in the United States, and target the training towards that standard. And if the training program that we fund doesn't get people to a reasonable income level within a reasonable time that is self-sustaining, we have failed. We have failed the taxpayers, particularly.

We are not here to train people so they can continue to depend on the government for support. We want to train people so they can go out and get their foot on that bottom step of the ladder and move up. So, as a result, we need to establish self-sustaining standards that allows us to do incumbent worker training. When they move up, they create a vacancy down below.

The third thing we have tried to do is to create a career ladder. You think of a career ladder as an apprenticeship program, and if it is producing an increase in wages, then it ought to be honored. But we have developed that concept in the health industry. So we now have jointly run trust programs in health care that create career ladders. If you come in to work for Kaiser or for Catholic Healthcare West as a certified nurse's assistant, you have an op-

portunity to move up and become maybe someday a licensed vocational nurse.

We find that these innovations really make a difference. Fifteen percent of our Workforce Investment Board members have to be appointed by the Labor Council. It creates a partnership between the Chamber of Commerce and the labor movement that is really invaluable, because you have to have that partnership. So when we bring the Chamber, the labor movement, our educational institution, our mandated partners together, we create programs that really increase people's wages.

We look forward to working with you. We have to protect the public sector. We have to make sure we focus on training. We have to make sure that we have a balance between labor and business and the public sector, so that when we look at the formulation of the law, we need to balance out the labor representation of the board. And we have to incorporate an incentive for innovation.

Thank you, sir.

[The statement of Mr. Camp follows:]

**Prepared Statement of Bill Camp, Sacramento Central Labor Council,  
AFL-CIO**

Mr. Chairman, members of the subcommittee, thank you for inviting me to testify today on behalf of the ten million members of the AFL-CIO. My name is Bill Camp, and I am Executive Secretary of the Sacramento Central Labor Council in California. I am also a member of the Executive Committee of Sacramento Works, which provides labor exchange and a variety of employment- and training-related services for some 45,000 persons every year. We work extensively with the California Employment Development Department and their innovative labor market information data base that they have developed for the state. Sacramento Works also provides oversight and administration of programs funded by the Workforce Investment Act, including services for youth, dislocated workers, and disadvantaged adults. We operate 12 One-Stop Career Centers in Sacramento County, so I have seen the operation of our nation's employment and training systems up close for many years. In fact, in 1966 I received my BA degree at the University of Oregon which included a minor in the education of disadvantaged youth.

I am also on the Executive Committee of LEED, Linking Education and Economic Development, a non-profit organization composed of key leaders in our community representing labor, private businesses, and the administrators of the school districts, county board of education, community college, and 4 year university serving the Sacramento region.

*America's Job Seekers Need an Economic Recovery Plan*

Any consideration of innovative and forward-thinking responses to the new economy need to take into account the economic and fiscal conditions that affect everything we do. As we all recognize, the nation is caught in the most severe economic crisis since the Great Depression. Since December 2007, the official beginning of the recession, 3.6 million jobs have been lost across the country. About 21.7 million persons are either unemployed or underemployed, according to the Economic Policy Institute. Jobs in the manufacturing and construction industry are plummeting. Every week it seems that more companies announce mass layoffs and facility closings. The rapid increase in persons applying for Unemployment Insurance benefits has placed severe stress on the UI system—at the same time as 46 states are encountering budget deficits.

The severity of the economic crisis is taking its toll on California and its fiscal situation. The state lost more than 257,000 jobs in 2008, with large reductions in manufacturing, construction, financial services, and educational and health services. In December, California's unemployment rate stood at 9.3 percent—more than two percentage points higher than the December national average. New claims for unemployment benefits increased to about 88,000 in December, compared to about 57,000 a year earlier. Our UI system is being overwhelmed. During the holiday period, the system averaged more than 2 million call attempts every day. When laid off workers call in to try to file a claim, it can take them 20 times to get through. It takes weeks to file a claim.

Because of the economic downturn, the state budget gap between revenues and expenditures will total \$42 billion over the next few years. More than 2,000 state infrastructure projects have been cancelled, threatening the health and livelihoods of Californians. The Governor of California is proposing draconian budget cuts that will slash state spending for education, health care, and human services. In addition, the Governor is ordering the furlough of government staff at the very moment when laid off workers all across the state are in crisis and desperately need their services.

Under these dire economic circumstances, it is more crucial than ever that the U.S. Congress enact an American Recovery and Reinvestment Act that helps the states and puts people to work improving the infrastructure, increasing the production of electricity from renewable energy sources, modernizing our schools, and investing in education and worker training programs. We urge you to finalize that legislation and place it on the President's desk with all possible haste.

*Workforce Investment Innovations in California and Sacramento*

We recognize the need for innovation and fresh ideas about how to best serve the needs of a diverse population of job seekers. At the same time, it is important to balance the initiation of new programs with reliance upon—and improvements of—established workforce institutions that can rapidly mobilize their public employee ranks to provide necessary services during this time of national economic emergency. In California the center of our workforce development and unemployment insurance system is the dedicated public employees of the Employment Development Department (EDD). In particular, EDD has devoted substantial time and resources toward developing a sophisticated data base of labor market information. That data and the critical analytic work performed by our State EDD is indispensable to identifying growth industries, industry clusters, growth occupations within those sectors and clusters, and wage ranges for those occupations. This knowledge plays a role in effectively directing our state and local resources to respond to the crisis. LMI also supports groundbreaking work in analyzing the emerging green economy and projecting the growth in “green jobs” in multiple industries.

The workforce boards that do their work properly approach their economy and labor-market challenges in a strategic manner, first by asking how resources can be targeted for maximum benefit. The answer must be data driven. The Wagner Peyser funded employment service's labor market information is indispensable for addressing this threshold question.

Unfortunately, the training resources necessary to bring industry partners to the table are scarce. This is due largely to eroding funding levels for WIA at the federal level. It's also due to the WIA's unsustainable support for costly One-Stop Career Centers. The central function of Wagner Peyser funded employment service is labor-exchange, which is an essential low-cost service for connecting jobseekers with employment opportunities. While employment service staff is largely co-located in California One-Stops, the erosion of both Wagner Peyser and WIA title I resources has shifted a significant portion of WIA to supporting One-Stop facilities and activities. That shift has occurred at the expense of training and intensive services. The roles of WIA Title I and employment services must be clearly delineated to ensure that resources are not wasted and that we can maximize training opportunities under WIA. The employment service must be adequately funded to accomplish its central role of public labor exchange and providing labor market information, counseling, case management, and referral to job placement. WIA title I funding must be leveraged by the WIB for building regional high road partnerships and for training and intensive services directed toward high wage growth sectors.

In Sacramento, we have formed partnerships between business, labor and educational institutions to make optimal use of the labor market data and analysis produced by EDD. First, we made an early decision about the fundamental policies and principles that have enabled our workforce investment agencies to identify employment opportunities and move training dollars where they are most needed. Labor has proposed a statewide requirement: that 40 percent of local WIA funds be dedicated to training. This measure would ensure some consistency across a state in which policies vary from one locality to another. Some of our WIBs actually devote as little as 3 percent of their dollars to training, for example, while others have local policies to spend 50 percent on training. This sort of requirement on the level of training should be seriously considered in a reauthorized WIA.

There are still too many WIBs that function on the premise that any job is a good job, that low-wage employment is a better option than unemployment. This position leads to public resources subsidizing recruitment, screening, and placement services for low-wage employers such as Wal-Mart. The workforce board gets credit for place-

ments, but the worker has now made the small step from unemployment to working poor.

In California, even before the recent downturn, workers suffer from significant labor market “churn.” More than 1 million involuntary job separations occur each month. The workforce development system must not contribute to this by placing clients in low-wage high-turnover employment. Those clients end up back in the system seeking additional services. This is a very poor and inefficient use of scarce public resources, not to mention profoundly unjust.

It is good board membership that drives the strategic direction of WIA resources and influences the broader system of training, education, and worker supports. If WIB activities are driven solely by technocratic measures that quantify placements over the quality of outcomes for workers, then it shouldn’t surprise anyone that public resources subsidize low-road employers like Wal-Mart.

In California, state law requires that each board have 15 percent labor representation who are nominated by central labor councils and local building and construction trades councils. Experience in California demonstrates that strong labor representation infuses principles for economic justice, quality services, and a worker-centered approach to workforce and community development. It also connects workers with high-quality apprenticeship programs and other labor-management training partnerships in growth sectors, and to opportunities for employment with high-road employers. This structural engagement by local labor has meant a commitment to ensure the success of the training and employment opportunities of the unemployed in our region. When this broad array of union leaders show a commitment to the results of the Workforce Investment programs, the rest of the labor movement wants to help it be successful.

I recall when the President and CEO of the Sacramento Metropolitan Chamber of Commerce called me on the phone and said he wanted to work with organized labor in fashioning a local board that really prepared the workforce for the high wage, high skill jobs of the Sacramento region. He made it clear that he wanted to be the Board President and I made it clear that I wanted to be the Vice-President of the local board. That took a little constitutional agility since we needed two vice Presidents, one for succession purposes and one to ensure Labor is really engaged in the policy decisions of the agency.

In our first strategic planning session, we drew from EDD information and identified key industries that would include high wage, high skills opportunities as well as industries where Labor had a voice in the workplace. It was a give and take process, but enough opportunities so that everyone stayed engaged in the board’s policy making role.

Our second policy of importance was to ensure that wage and benefit standards had to be met by agencies who provided training or they would not be funded in the future. The board adopted income levels in line with a self-sufficiency standard and uses them as the eligibility criteria for intensive and training services provided at the One-Stop Centers. This policy ensures that unemployed and low-wage workers who work for less than \$10 an hour are eligible for training. As these low wage workers moved up, they opened up opportunities for the unemployed. All the staff in the employment training agency understood that the sustainable wage policy was real. Any program that did not meet the standard might be discussed publicly at a board meeting. The identification of an employer’s financial contribution to health benefits was a part of the wage package and ensured that those employers who provided benefits were on a level playing with those who did not. The self-sufficiency standard is an important part of ensuring that self-sufficiency is a driving force for the one-stop career centers. In a companion policy, the WIB identified the “working poor” as a special population that should receive priority for WIA services and gave a high priority to jobs with employer-paid fringe benefits. In addition to Sacramento, a few other boards in California have adopted self-sufficiency measures and other principles or standards that target WIA resources only to employers that provide good salaries and benefits in sectors with growth potential.

The next policy that pushed employers and trainers to focus on high wage, high skilled jobs was the inclusion of career ladders and “lattices” in the definition of a successful program. An example of a career ladder is an apprenticeship program, but it had to be real in terms of producing wage and benefit increases in order to meet our standards. We found that employers who did not traditionally have apprenticeship programs began to organize jointly administered trust funds where collective bargaining money was invested in training opportunities for lower waged workers to move up the ladder within their own industry. Our health care providers are the best example of this.

Sacramento Works places a high priority on identifying the jobs that are going to be in high demand by employers in the region. The board funded a Sacramento

regional workforce study to identify high wage, high growth critical occupational clusters with career ladders. The board required that the One-Stop Centers spend at least 75 percent of all training funds to train workers for these critical occupational clusters. An analysis of base wage data indicates that customers completing training in critical occupations had a higher retention rate and made an average of \$8,000 more per year than customers receiving only labor exchange services.

The efforts of Sacramento Works to focus on training job seekers for critical occupational clusters has resulted in strong local partnerships over the past eight years. Employers, labor, education, and local government have developed a number of sector initiatives in healthcare, construction, transportation, information technology and clean energy technology. I have attached a list of those partners to this testimony.

One of our most important and unique innovations is called [www.careerGPS.com](http://www.careerGPS.com). This data base covers 80 percent of the occupations in the top 75 industry sectors and subsectors that will need to be filled over the next 10 years in the Sacramento Labor Market area. It is accessible to anyone with a computer. It explains what jobs now and in the future will need to be filled, how much they pay, what training is required in order to apply, what training will be required after employment, what will be expected of any employee once they are hired, and the name address and phone number of any training agencies supplying the needs of that occupation as well as the program detail.

Over the last three years, the Sacramento Works board has worked closely with the Partnership for Prosperity, an effort spearheaded by the Sacramento Area Commerce and Trade Organization (SACTO) and the Sacramento Metropolitan Chamber of Commerce. This group has brought together 34 organizations in the region to work together to create an economic development strategy for the Sacramento region. Under the auspices of the Partnership for Prosperity, the Sacramento board partnered with LEED Sacramento to create an action plan focused on identifying the high wage/high growth jobs in the region and collaborating with partners to ensure that workers are trained for these jobs. The result is this unique website, [www.careerGPS.com](http://www.careerGPS.com). This website allows job seekers and students in high school and college to navigate the results of the regional workforce forecast to see what jobs are out there and what careers they may pursue. This tool is used by One-Stop Center coaches to assist job seekers in identifying appropriate training providers and will soon be used in high school and community college career centers to assist students in making career choices. This is an invaluable service to dislocated workers in today's economy. As far as I know, there is nothing like this on a regional basis anywhere else in the country.

Sacramento Works is a truly integrated one stop career center system and has over 40 partners, including the State of California, Employment Development Department's Job Service merit staff. Local and state staff work side by side to provide assessment, coaching, labor exchange and training services to customers.

#### *Reforming the Workforce Investment Act*

So far I have talked about the accomplishments and positive aspects of the workforce investment system in California—as it has matured and integrated labor representatives into its governance structures and policy approaches. As the U.S. Congress moves toward the reauthorization of the Workforce Investment Act, we urge the federal government to learn from these experiences and take bold action to reform WIA in a manner that will benefit the unemployed, working families, and communities being devastated by the economic crisis.

As we travel around the country, we hear many stories about the failures and limitations of the workforce system from our WIB labor representatives and community organizations. We hear about the temporary agencies that sit on local boards. Participants come into One-Stop Centers, receive core services, and are sent to the same temporary agencies—where they get hired and are counted as placements. They work for a low-wage employer for a few months, the temporary agency receives their fee, and the participants are soon laid off. They go back to the One-Stop Center and go through the process again. In effect, the local WIB has become a revolving door for low-wage employers.

Because of the “work first” approach adopted by WIA, participants are frequently directed into low-wage jobs with little opportunity for advancement. WIA provides too little training and skill development that would enable participants to move into high skill employment that pays family-sustaining wages and provides an opportunity for career advancement. There is growing consensus in the employment and training community that WIA fails to provide sufficient long-term training leading to good jobs. In reports published in 2003, for example, both the National Center

on Education and the Economy (NCEE) and the Brookings Institution recognized this lack of training as a serious deficiency in the system.

The world has changed drastically since WIA was passed more than 10 years ago. WIA was crafted in an environment that favored deregulation, privatization, and the vast growth of private contractors delivering public services. Those policies have brought the nation to where we are today—suffering from an acute economic crisis and a global market meltdown that is spreading across the globe. The crisis calls into question the dominant political wisdom of the last 30 years that the bulk of decision-making about federal programs are best made locally and, if possible, by private sector actors. Instead, workforce policy should establish guiding principles and examine how each level of government and various programs can be harnessed to advance those objectives. Some of those principles include:

- Federal policy should support jobs that pay family-sustaining wages and benefits, and provide the opportunity for career advancement.
- Federal policy should support a strong social safety net for unemployed and underemployed workers, who obtain services from dedicated public servants rather than contractors motivated by private gain.
- Federal policy should be balanced to meet the needs of workers, employers and communities. Policies should also be balanced to meet the needs of low-wage workers and higher wage, high skilled workers.
- Federal agencies should assume a stronger role in developing coherent policies and guiding the implementation of various federal program activities in order to focus limited government resources on important objectives—that are defined nationally—while leaving considerable latitude at the state and local level.

Historically, when the nation is faced with large economic and wartime challenges, we have moved to centralize policy-making authority to achieve important national objectives. WIA needs to be retooled so it can play a meaningful role in responding to the current crisis through the development of comprehensive and uniform policies.

As it is currently structured, WIA has pushed authority far down to the local level without sufficient federal leadership, without ample oversight by the Department of Labor, and without uniform implementation practices. The policies and practices of WIA vary from one WIB to another, creating confusion and inconsistency. As it stands now, WIA is a flawed system that has become so decentralized that it is not up to the task of supporting the job creation and clean energy initiatives we need to lift the nation out of the recession and economic crisis. Still, the AFL-CIO has supported more funding for WIA programs, and we have called upon the U.S. Congress to devote more resources in the American Recovery Plan for dislocated workers, low-income adults, disadvantaged youth, and Reemployment Grants to the States.

In this context, we urge Congress to reform WIA by instituting changes in the following four categories.

First, we need to reassert the role of the public sector in WIA. The center of our nation's workforce development system must be a robust, publicly operated, employment security program that has the resources to provide job matching services, conduct labor market research on the employment implications of new and expanding industries, counsel job seekers, and make referrals to job placement. A 2004 research report by WESTAT—a report that was suppressed by the Department of Labor under the Bush Administration—concluded that the public labor exchange provides “highly effective reemployment services to claimants” and other job seekers. Only a public labor exchange will ensure that services are provided in an equitable manner, free of personal favoritism and conflict of interest.

The public labor exchange must serve as the primary entry point into the system. With plant closings, mass layoffs, and rising unemployment wracking our nation's economy, a strong and uniform system that provides rapid response and operates on a statewide and interstate basis is more crucial than ever. Maintaining a public labor exchange fosters accountability and the equitable provision of services. It has the capacity to achieve statewide and federal policy objectives. To ensure that WIA is responsive to the broad public interest, there should be a requirement that the One-Stop Centers be publicly operated and that full information about their operations be easily accessible and available to the public.

Second, WIA needs to shift its focus toward providing training services. The mandate of WIA to follow a sequence of services has led to a focus on the core, minimal level of services and an underinvestment in training. This orientation has produced a system that tends to support low-road strategies that drive participants into low-wage, dead-end jobs. The sequence of services requirement should be abolished. Operational changes that can help to achieve the goal of fostering good jobs include

a requirement that a minimum—such as 50 percent—of adult and dislocated worker WIA funds be spent on training.

Third, the interests of business and labor must be rebalanced in WIA governance structures. The requirement that a majority of State and local WIBs be representatives of business has created boards that are biased toward the interests of the corporate sector, and tends to create conflicts of interest between the boards and local vendors. This restriction has also had the unintended consequence of creating large and unwieldy boards, a problem that is recognized by labor and the business community. This restraint should be eliminated in a reauthorized WIA.

WIA boards should be reconstituted to provide greater balance among key stakeholders and allow for more organized labor participation. Unions are strong advocates for effective training for good jobs. As I have explained, California now has a legal requirement that 15 percent of its local members be representatives of labor organizations. Such a provision should be considered for adoption for WIA as a whole.

Fourth, WIA should incorporate program innovations in a number of areas, starting with sector partnerships. The AFL-CIO supports challenge grants that would push the WIA system to move in directions that correspond to the actual workings of labor markets and the workforce needs of industry clusters that have been identified by state government agencies and labor market analysis. Governors should have new authority to use WIA resources to develop statewide, industry or regionally based initiatives to supplement local workforce activities in accord with industry and labor market trends. We just caution that care should be taken to ensure that these partnerships are grounded in real conditions, and do not become another layer of bureaucracy with funding demands that are self-perpetuating.

We would also like to see WIA recognize the need for career pathways for youth. We have been working with Senator Patty Murray to refine her “Promoting Innovations to 21st Century Careers Act.” We would encourage the House Education and Labor Committee to begin formulating similar legislation.

Also, we would like to establish a program or initiative in WIA to fund Incumbent Worker Training and career ladders—as long as it includes appropriate protections to ensure that employers do not shift their costs to federal taxpayers. That program should not be limited to persons at particular income levels. And we would see that program coordinated with the work of sectoral partnerships, community colleges, apprenticeships, and labor-management training programs.

In conclusion, the economic crisis has created dramatic new conditions in our country. As the economic crisis unfolded this fall, then-Senator Obama said in a Colorado speech: “What we have seen in the last few days is nothing less than the final verdict on an economic philosophy that has completely failed.” We need strong leadership from the federal level that is not blinded by free market ideology. And we need workforce development policy that is framed as part of a larger industrial policy that would reassert the importance of the public sector, revive our manufacturing economy to supply the component parts for a green economy, change our trade policies to generate American jobs, and pass an American Recovery Plan that can shore up our infrastructure and move toward a sustainable economy.

I’m sure we won’t agree with everything that the President’s Chief of Staff will do in the years ahead. But we did notice Rahm Emmanuel’s comment on “Face the Nation” last November when he said: “Rule One: Never allow a crisis to go to waste. They are opportunities to do big things.” Maybe those “big things” should include funding mechanisms for social programs. The AFL-CIO has called upon the G-20 leaders to explore the feasibility of instituting a fee on all financial transactions. Even a very modest fee could yield revenues of \$100 billion per year. These resources that could be used for economic recovery, or education and training services, or to offset the costs associated with the Wall Street bailout. So I would leave you with that thought.

The AFL-CIO looks forward to working with the subcommittee on the full Education and Labor Committee on these WIA reforms in the year ahead.

#### ATTACHMENT

#### **Sacramento High Growth High Wage Sector Initiatives**

- Transportation: Partnership with Regional Transit, California Labor Federation, International Brotherhood of Electrical Workers, American River College and Sacramento County Office of Education for a Clean Diesel Technology program which retrained bus mechanics in clean diesel and trained new workers for regional construction and transportation employers.

- Transportation: Recruiting, screening and referring job candidates for Siemens' Transportation System, a company manufacturing light rail vehicles. Collaborating with Siemens' and Los Rios Community College district on welding training for selected employees.
- Cost Estimating: Partnership with the Sacramento Builders Exchange to provide incumbent worker and career ladder training in cost estimating
- Construction Trades: Partnership with Sacramento Sierra Building Trades Council, Northern California Construction Training, and Los Rios Community College District to provide pre-apprenticeship construction training.
- Healthcare: Partnership with Kaiser, UC Davis Medical Center, Mercy, and Sutter Hospitals, SEIU and Los Rios Community College District to increase the number of nurses trained in the region and to develop a pre-apprenticeship training program (CNA, LVN, Registered Nurse Career Ladder).
- Clean Energy Technology: Recruiting for students for Community College green technology courses in energy and sustainability, and the design and fabrication of solar projects.
- Clean Energy Technology: Partner in Green Capital Alliance, a regional effort to position Sacramento as the premier region in the nation for high-value, clean technology companies and elevate the region's visibility both nationally and internationally.

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Chairman HINOJOSA. Thank you, Mr. Camp. We will make sure that the entire paper that you wrote be made part of the record today.

I call on Ms. Johnson.

**STATEMENT OF SHERRY JOHNSON, ASSOCIATE DIRECTOR,  
EMPLOYMENT TRAINING PROGRAMS, TRAIL AREA DEVELOPMENT DISTRICT**

Ms. JOHNSON. Thank you, Mr. Chairman and members of the committee.

I am the WIB director at the Lincoln Trail Area Development District, an eight-county regional economic planning and development agency located approximately 40 miles south of Louisville. I have been employed in this position for 24 years. The region is the birthplace of Abraham Lincoln, whose 200th birthday we celebrate today. And, additionally, it is the home of the Fort Knox Military Installation.

The Workforce Investment Act has provided us with many new tools to provide workforce services to individuals and businesses throughout the region. But there have been many challenges along the way. We would like to take our time here today to discuss some of our challenges and successes in the Lincoln Trail region in Kentucky.

There are several new influences that are changing the regional landscape for many years to come. We have not been immune to the challenges of businesses closing or reducing their workforce. Kentucky is losing manufacturing, primarily in the automotive-related industry, and in retail positions every day. In our region alone, we have lost 1,000 manufacturing and retail positions since July 1st. We are also faced with addressing the needs of 1,000 Federal civilian workers who may choose not to relocate to Fort Benning, Georgia, when the Armor School moves in 2011.

Another challenge will be to recruit, train, retrain, and retain up to 1,800 individuals needed to fill the positions with the two new commands arriving at Fort Knox, the Army Accessions Command and Human Resources Command. And that challenge is now, be-

cause as many as 400 positions will arrive with the Human Resources Command advance party this spring.

The higher educational skills and levels required for these positions presents us with significant challenges. Gone are the days when a high school diploma was a primary entrance to a good job, as is a third- or fourth-generation family member working for the same company.

We are focusing our initial efforts to recruit workers from all across the Nation and even the world to fill these knowledge-based positions. Positions will require, at a minimum, a college degree and, in some cases, highly technical skills to manage the day-to-day operations of both commands.

We literally have the equivalent of two Fortune 500 companies relocating to our region, and we have to make certain that we are able to fill their workforce requirements now and in the future—a future that will require the development of career pathways and pipeline initiatives in our high schools and post-secondary institutions to meet the continuing need for a qualified workforce.

Other regional challenges have been in the health care arena. We partnered with the Elizabethtown Community and Technical College and health care providers to start a respiratory technology program. This effort addressed the immediate shortfall, but we have only scratched the surface. Access to allied health training programs is limited, and waiting lists are the standard of the day. We must continue to invest in developing more access to health care training programs.

We have also invested in an entrepreneurial academy of excellence to stimulate the development of new ideas, innovations, and businesses. In its first year, already over 100 individuals have signed up for the workshops. This is a partnership between our local workforce board, Western Kentucky University, and the Lincoln Trail Innovation and Commercialization Center.

We are also one of 39 WIRED designated regions across the country looking to develop and strengthen our regional economic prosperity. We cover a 26-county, two-State area and are addressing the challenges of educating and training our workforce for the 21st century.

Other communities in Kentucky have developed targeted one-stops and training programs, such as utility alignment and coal mining training, for dislocated workers, youth, and other growing sectors. Increased business services activities and developing strong relationships with local economic development have given us an edge in taking a proactive position instead of just reacting to change.

The current economic conditions are unprecedented, and we must work collectively to address these enormous challenges. Unemployment continues to rise, and the President's stimulus package offers individuals extended benefits, but we also need to focus more attention on retraining workers and developing employment opportunities in small businesses. We need to infuse Federal, State, and local investments into these efforts to get our economy back on track and our workforce back to work.

The challenges we face are daunting but not unique to us alone. Each day brings news of people losing their jobs, and we need to

offer hope. There is a new day dawning in our region, with the BRAC transformation and the spinoffs of new retail, service, and contractor businesses that will follow this growth.

The Workforce Investment Act must not be viewed as a poverty program but as a vital tool in the economic stimulus and recovery of our country. We must have the resources and the funding to address these challenges and opportunities. We must have unprecedented flexibility in our program design and delivery at this critical juncture.

Workforce programs cannot do it alone. Workforce, education, and economic development efforts must unite to address these challenges. Our customers deserve hope, and we must generate that hope through a unified and streamlined delivery system. The challenge is enormous but one that we stand ready to engage, embrace, and successfully execute.

Thank you, Mr. Chairman.

[The statement of Ms. Johnson follows:]

**Prepared Statement of Sherry Johnson, Associate Director, Lincoln Trail Area Development District**

Thank you Mr. Chairman and members of the Committee for the opportunity to speak before you today. I am the Workforce Investment Board Director for the Employment and Training Department at the Lincoln Trail Area Development District, an eight county regional economic planning and development agency located approximately 40 miles south of Louisville. I have been employed in this position 24 years. The region is the birthplace of Abraham Lincoln, whose 200th birthday we celebrate today. Additionally, it is the home of the Fort Knox Military Installation.

Kentucky was one of the first states to implement the Workforce Investment Act in 1999. We saw it as an opportunity to be on the cutting edge of a new day in workforce training programs. The Act has provided us with many new tools to provide workforce services to individuals and businesses throughout our region, but there have been many challenges along the way. We'd like to use our time here today to discuss some of our challenges and successes in the Lincoln Trail region and the Commonwealth of Kentucky.

There are several influences that are changing the regional landscape for many years to come. We have not been immune to the challenges of businesses closing or reducing their workforce because of the current economic situation in our country. Kentucky is losing manufacturing, primarily in the automotive related industry, and in retail positions every day. In the Lincoln Trail region alone, we have lost 1000 manufacturing and retail positions since July 1st. We are also faced with addressing the needs of 1000 federal civilian workers who may choose not to relocate to Fort Benning, Georgia when the Armor School moves in 2011. Another challenge will be to recruit, train, retrain and retain up to 1800 individuals needed to fill the positions with the two new commands arriving at Fort Knox—the Army's Accessions and Human Resources Command. And that challenge is at the forefront, because as many as 400 positions in the Human Resources Command advance party will be arriving this spring.

The higher educational levels and skill sets required for these positions presents us with significant challenges in the region and the Commonwealth. Gone are the days when a high school diploma was the primary entrance to a good job, as is the 3rd or 4th generation family member working for the same company. We are focusing our initial efforts to recruit workers from across the nation, and even the world, to fill these knowledge-based positions. Positions will require, at a minimum, a college degree—and in some cases, highly technical skills to manage the day-to-day operations of both commands. We literally have the equivalent of two Fortune 500 companies relocating to our region, and we have to make certain that we are able to fill their workforce requirements NOW and in the future, a future that will require the development of career pathways and pipelines initiatives in our high schools and post secondary institutions to meet the continuing need for a qualified workforce.

Other regional challenges have been in the healthcare arena. Several years ago, we were faced with a shortage of respiratory technicians. We partnered with the local community and technical college and local healthcare providers to start a res-

piratory technology training program. This effort addressed the immediate short fall, but we have only scratched the surface in addressing the shortage of healthcare workers. Access to allied health training programs is limited and waiting lists are the standard of the day. We must invest in developing more access to healthcare training programs.

We have also invested workforce funds for an entrepreneurial academy of excellence in order to stimulate the development of new ideas, innovations and businesses. This project is in its first year and, already, over 100 individuals have signed up for the workshops. This is a partnership between our local workforce board, Western Kentucky University, and the Lincoln Trail Innovation and Commercialization Center.

We are also one of the 39 WIRED designated regions across the country looking to develop and strengthen our regional economic prosperity. We cover a 26 county, 2 state area and are addressing the challenges of educating and training our workforce for the 21st century.

Other communities throughout the Commonwealth have developed targeted one-stops and training programs such as utility lineman and coal mining training for dislocated workers, youth, and other growing industry sectors. Increased business services activities and developing strong relationships with local economic development professionals have given us an edge in taking a proactive position, instead of just reacting to change.

The current economic conditions in our country are unprecedented and we must work collectively to address these enormous challenges. Unemployment continues to rise and the President's stimulus package offers individuals extended benefits, but we also need to focus much more attention on retraining workers and developing employment opportunities in small businesses. We need to infuse federal, state and local investments into these efforts to get our economy back on track and our workforce back to work.

The challenges we face in the Lincoln Trail region and Kentucky are daunting but not unique to us alone. Each day brings news of people losing their jobs in the automotive related industry. The retail industry continues to suffer. We need to offer hope. There is a new day dawning in our region with the BRAC transformation at Fort Knox and the spinoffs of new retail, service and contractor businesses that will follow this growth.

The Workforce Investment Act must not be viewed as a "poverty program" but as a vital tool in the economic stimulus and recovery of our country. We must have the resources and funding in place to address these challenges and opportunities. We must have unprecedented flexibility in our program design and delivery at this critical juncture. The Workforce Investment Act programs cannot do it alone. Workforce, education and economic development efforts must unite as one to address these challenges of the workforce system. Our customers deserve hope and we must generate that hope through a unified and streamlined delivery system. Mandated partner agencies must come to the table and actively participate in the one-stop system with their programs, services and funds. The challenge is enormous, but one that we stand ready to engage, embrace and successfully execute.

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Chairman HINOJOSA. Thank you, Ms. Johnson.  
And now I call on Ms. Elzey.

**STATEMENT OF KAREN ELZEY, VICE PRESIDENT, CHAMBER OF COMMERCE, EXECUTIVE DIRECTOR, INSTITUTE FOR A COMPETITIVE WORKFORCE**

Ms. ELZEY. Thank you, Chairman Hinojosa, Ranking Member Guthrie, and members of the subcommittee, for the opportunity to present this statement on the important role of the business community in promoting new innovations and best practices under the Workforce Investment Act.

I commend the subcommittee for bringing attention to this important topic. This discussion is particularly timely, given the Nation's economic crisis. It is also important because of the proposed infusion of funds into the WIA system as part of the economic stimulus and the anticipated reauthorization of WIA.

Our challenge is clear: how to use this money to create good jobs that pay good wages. We believe that, while the system has worked in some places, it is desperately in need of reform. With the new infusion of funding and a renewed commitment to creating high-quality, high-wage jobs, now is the time to reform the system.

Despite some of the challenges, we have also witnessed many work local workforce systems that have achieved some success. While the Chamber has not undertaken a comprehensive review of the WIA system, it is evident that some of the most successful local workforce systems have several traits in common.

First, strong business leadership. Simply put, a local workforce system that doesn't have buy-in from the business community will not be successful. A strong business presence drives success. While business leadership is envisioned under WIA by having a business majority on each local board, in reality these boards are often too large and unwieldy to be effective. As a result, many employers don't have the time or the patience to participate.

Second, effective coordination. In some cases, States have made efforts to streamline their own bureaucracies. Others have assisted in branding centers to make it easier for the business community to have a single point of contact. In Arlington, Texas, the Chamber of Commerce and local WIB developed a single resource for employers. This center houses an array of workforce service providers that now operate as a single unit focused on meeting employer and employee needs.

Third, relevant training. Local systems that are effective are ones that reach out to businesses to assess the skills needed by employers and needed for employees. In Omaha, Nebraska, Mutual of Omaha, Blue Cross/Blue Shield, the Greater Omaha Chamber, the local WIB, and others created a unique job training program. Under the initiative, jobs were identified for participants upfront. Training was tailored to meet the skills requirements for the specific jobs. A job coach was assigned to each worker to help ensure success. Of the 19 initial participants in this pilot, all but three landed jobs at area insurance companies. This concept of tailoring training for actual jobs is one in which the Chamber is likely to take an even greater interest as part of WIA reauthorization.

In Louisville, Kentucky, the community used WIA funding to create the KentuckianaWorks Scholars Program. This initiative, supported by the WIB, the Chamber, and elected officials, aims to increase the educational attainment of citizens. Specifically, it helps those who could, with some financial assistance, complete an associate's degree.

Mr. Chairman, while this is by no means an exhaustive list of best practices in the WIA system, the Chamber believes they represent the fundamental areas in which to build upon the system.

Federal job training needs to focus more attention on training people for actual jobs. Under WIA's predecessor, the Job Training Partnership Act, 75 percent of participants were enrolled in training. By 2000, only about half of participants were in training. And, today, just 20 percent of exiting participants were enrolled in training, not including those receiving self-services. In short, the new system must focus more attention funded on training. And, given the limited funding, this training must be maximized to ensure a

far greater percentage of those who are being trained are being trained with the skills that employers need.

We must also consider the fact that too many of our Nation's adults not only lack basic skills necessary for jobs that are disappearing, but that they will be even further behind as our Nation's economy improves. While most sectors of our economy are shrinking, others have continued to expand. Even during the last 3 months, employment in health care and education continued to increase. We must not lose sight for the need of our workforce systems to meet this demand and to prepare people for tomorrow's economic recovery.

As the committee moves forward with WIA reauthorization, the Chamber welcomes the opportunity to work with each of you toward addressing these challenges and ensuring the system is able to meet the needs of our Nation's workforce.

Thank you, Mr. Chairman.

[The statement of Ms. Elzey follows:]

**Prepared Statement of Karen R. Elzey, Vice President & Executive Director, Institute for a Competitive Workforce, U.S. Chamber of Commerce**

Thank you Chairman Hinojosa, Ranking Member Guthrie, and members of the Subcommittee, for the opportunity to present this statement this afternoon on the important role of the business community in promoting new innovations and best practices under the Workforce Investment Act (WIA).

I commend the Subcommittee for bringing attention to this important topic. This discussion is particularly timely given the nation's economic crisis; the proposed infusion of funds into the WIA system as part of the economic stimulus; as well as the anticipated reauthorization of WIA this Congress.

Indeed, it is not possible to have this discussion without noting the 11.6 million Americans unable to find work. In just the last three months alone, our nation has lost nearly 1.8 million jobs. Unfortunately, by most accounts, these numbers will likely become even more sobering in the months ahead.

The front line of this reality can be seen from coast-to-coast in the one-stop career centers established as part of WIA, which are seeing record increases in those seeking employment and job training services. A recent article in the Ocala Star-Banner highlights a story in Marion County, Florida where demand for services at the local workforce center for the last six months is nearly surpassing demand of the entire previous year.

The economic stimulus proposals in the House and Senate both include over \$4 billion of additional funding for programs under the federal employment system, including WIA, representing a doubling of current federal expenditures in this area. Clearly, these funds would provide much needed capacity to the system during this time. Given this infusion of funds, however, our challenge is clear: how to use this money to create good jobs that pay a good wage for jobs that exist in today's economy? Perhaps the answer lies in our discussion here today about some of the best practices and innovations that are being implemented throughout the nation.

There are many in the business community who question the effectiveness of the current system. Unfortunately, we have heard from our Chamber members across the country that the WIA system has not always been able to meet the needs of many job seekers and employers. We believe that while the system has worked in some places, it is desperately in need of reform. With the new infusion of funding, and a renewed commitment to creating high-quality, high wage jobs—now is the time to reform the system.

In our view, reform starts in Washington. Poor local implementation of these programs often can be directly traced to the current patchwork of programs, rules, and regulations developed here in Washington. For example, despite several decades of attempts to streamline and coordinate multiple federal employment and training programs—the number of targeted programs continues to increase.

The one-stop system put into place last reauthorization was supposed to fix all that—and it has been somewhat of an improvement. Yet, oftentimes conflicting target populations, performance measures, and even governance structures make one-stop nothing more than a co-located maze of disconnected programs. This is particularly true in the area of job search assistance. While the Employment Service

has the primary role of identifying job openings and providing this information to job seekers, federal law also assigns a similar role to the WIA system, welfare, and even food stamp programs in many cases. Such overlap confuses participants and employers alike.

Despite these challenges, we have also witnessed many local workforce investment systems that have tried to make the best of these challenges, and have achieved some success. While the Chamber has not yet undertaken a comprehensive review of the WIA system, it is evident that some of the nation's most successful local workforce investment systems have several traits in common:

1) Strong business leadership: Simply put, a local workforce investment system that doesn't have buy-in from the business community will not be successful; a strong business presence drives success. When businesses turn first to their local one-stop for their workforce needs, the participants going to these centers benefit. Businesses not only facilitate the information flow; they can help leverage other funding. While business leadership is envisioned under WIA by virtue of the business majority on each local board overseeing workforce investment areas—and that the chairs of these boards must represent the business community—in reality, these boards are often too large and unwieldy to be effective. As a result, many of the most active employers at the local level don't have the time or the patience to participate.

2) Effective coordination: Despite the challenges of overlapping federal programs discussed above, there are examples of how local systems have overcome these difficulties and have at least provided a public perception of coordination. In some cases this is helped through state efforts to streamline their own bureaucracies and assisting in branding of centers to make it easier for the business community to have a single point of contact.

For example, in Arlington, Texas, the chamber of commerce and Workforce Solutions for Tarrant County (the local Workforce Board) developed a single resource for employers, the Center for Continuing Education and Workforce Development. The center is a collaborative partnership housing an array of workforce service providers—including the office of the Arlington chamber's workforce development staff—that now operate as a single unit focused on meeting employer and employee needs.

Built on the University of Texas-Arlington campus, the facility incorporates higher education, the publicly funded system, and employers into an integrated model. The chamber's Education and Workforce Development Council employer members meet on a monthly basis to provide center administration with feedback and information related to the needs of the employer community. A valuable by-product of this approach is that by increasing awareness of workforce development issues and resources, council members have become effective advocates of the employer-driven workforce development system for the employer community.

3) Relevant training: While in theory all training under WIA should be relevant and tied to real jobs, this clearly is not always the case. Local systems that are effective are ones that reach out to businesses to assess the skills needed by new employees; are active in gathering local labor market information to help inform training; and are engaged with the local training providers to ensure they have programs which meet the needs of the local economy.

In some cases, local areas have taken this one step further and have implemented truly innovative solutions to ensuring the relevancy of training. One example of this innovation was recently highlighted in the Omaha World Herald. After reports that Omaha had one of the highest rates of poverty among African-Americans in the nation, Mutual of Omaha and Blue Cross Blue Shield, along with other partners including the Greater Omaha Chamber of Commerce and the local workforce investment board, set out to create a unique job training program. Under the initiative, jobs were identified for participants up front after which training was tailored for the participants to meet the skills requirements for the specific jobs. In addition, a job coach was assigned to each worker to help ensure ongoing success. Of the 19 initial participants, all but three landed jobs at area insurance companies. This concept of tailoring training for actual jobs is one in which the Chamber is likely to take an even greater interest as part of the reauthorization of the Workforce Investment Act.

Another innovative approach is occurring in Louisville, Kentucky where the community is striving to raise the educational attainment of its citizens. In 2008 Mayor Jerry Abramson and other leaders announced \$1 million in college funding (using WIA funding) that would be used to help Greater Louisville-area residents finish their associate's degrees through the KentuckianaWorks Scholars Program. The KentuckianaWorks Scholars Program will over 400 people in the 2008-2009 academic year by giving them up to \$3,000 for tuition and up to \$600 for books and

supplies. This program is designed to help those who could, with some financial assistance, complete an associate's degree.

KentuckianaWorks, the local workforce investment board, benchmarks the educational attainment of its citizens with 15 other communities in which it competes for economic development projects. The data showed that Louisville ranked 9th out of the 15 communities for the number of associate's degrees being produced. By setting a goal of educating an additional 400 people to complete their Associate's degree, Louisville could increase its ranking to fifth. The local chamber, Greater Louisville Inc., is a partner in this initiative.

Mr. Chairman, while this is by no means an exhaustive list of best practices and innovation in the WIA system, the Chamber believes they represent the fundamental areas in which to build upon this system as part of the upcoming reauthorization of the Workforce Investment Act.

Finally, Mr. Chairman, let me conclude with this important point: Federal job training needs to focus more attention on training actual people for actual jobs. Now, you might say, that seems pretty self-evident, but let me bring the following statistics to your attention. Despite nearly 2.5 million individuals participating in WIA programs annually, very few actually receive training. In 2006, only 109,528 Adult Program Participants received training and only 77,160 Dislocated Worker Participants received training. (To put this into perspective, there are over 6 million students enrolled in the country's 1,045 community colleges). This reflects a significant decrease in the proportion of WIA funds that support training. Under WIA's predecessor, the Job Training Partnership Act, 75% of participants were enrolled in training. By 2000, only about half of participants were in training, and today just 20% of exiting participants were enrolled in training (not including those receiving self-services).

In short, the new system must focus more attention and funding on training and given the limited funding, this training must be maximized to ensure a far greater percentage of those who are being trained are being trained appropriately and for jobs that actually exist.

While it might be tempting to surmise that given the vast amount of job loss across our nation we need no longer place a priority on training for jobs "that don't exist." However, such conclusions are short-sighted and fail to consider the long-term trends of our economy and the fact that too many of our nation's adults not only lack basic skills necessary for jobs that are disappearing—they will be even further behind as our nation's economy continues to improve.

In fact, while most sectors of our economy are shrinking, others have continued to expand. Even during each of the last three months, as our economy has suffered some of the worst job loss ever, employment in health care and education continued to increase. We must not lose sight for the need of our workforce and training systems to meet this demand as well as the long-term demand in sectors including manufacturing, which despite its continued downturn, also faces a graying workforce—from engineers to welders—signaling trouble in years ahead.

Our nation is also on the verge of embarking on new sectors of employment from the bio-tech fields to health care to jobs that will help keep our nation more energy efficient. These emerging sectors will rely on a broad range of skilled employees—the employees that today's workforce system should be preparing for tomorrow's economic recovery.

As the Committee moves forward with the reauthorization of WIA, the Chamber welcomes the opportunity to work with each of you toward addressing these challenges and ensuring this system is able to meet the needs of our nation's workforce.

Chairman HINOJOSA. Thank you.

I want to thank each of the presenters for your testimony.

At this time, we are going to begin the questions, and the members are going to have an opportunity to get clarification or maybe ask you some questions that were not addressed by any one of you. I now recognize myself for 5 minutes.

Ms. Elzey, you talked about the need for the 21st century and modern, up-to-date, state-of-the-art training. One of your colleagues mentioned that it was difficult to get 40 percent of the Federal money that comes down to your State and for each of the workforce boards to go into training. That tells me that 60 percent is being used by maybe whatever the State takes for administrative costs,

and then the subcontractors have to show a profit, and then there are administration costs.

At the board that you oversee, what percentage would you say is the average that was used in 2007 and 2008 for training after paying all the administrative costs?

Ms. ELZEY. Mr. Chairman, in my position, I don't currently oversee a board, so the statistics that I have quoted in terms of training were those national statistics that looked at what percentage was coming now, in terms of WIA versus JTPA.

From our perspective and our members' perspective, we would like to see the dollars be able to be used more for training individuals for jobs that are currently available and those that employers will be creating in the future.

Chairman HINOJOSA. Let me ask Ms. Gonzalez. You oversee a large group that covers three counties. What would you say is the actual percentage of the Federal money that comes down to your area that is used for training?

Ms. GONZALEZ. Of the \$57 million that we receive and those that flow through the State—those cover eight different funding streams, from food stamps, education and training, to our TANF dollars, to WIA Adult, Youth, and Dislocated—of the \$57 million, between 67 and 70 percent go to direct client services, be that in training, be that in support services.

We, Congressman, have gone from 12 facilities in our community down to six, and soon to be five, because our workforce board's commitment is that that investment, that Federal investment, must go to those that need it, those in need, which are obviously our customers.

Chairman HINOJOSA. Being that you said there were about 28 centers throughout the State of Texas—

Ms. GONZALEZ. Yes, sir.

Chairman HINOJOSA [continuing]. Tell me how does your percentage compare with the average in the State of Texas.

Ms. GONZALEZ. Our percentage compares not very nicely with the rest of the State of Texas. Obviously, in the State of Texas, of the 28 workforce boards, there are regions that are representative of all kinds of issues and sectors in the 28 boards.

Our child care administrative cost is the lowest in the State. We receive \$25 million a year, sir, for child care alone. At any given day, we support 10,000 children in child care. And we are recognized as one of the two lowest child care administrative costs in the State of Texas.

So, to your question, that range varies. And at this time, sir, I do not currently have that information, but I will gladly provide it to you.

Chairman HINOJOSA. What could be done to reduce the administrative costs and increase the amount of money that would go to the client services? What could be done?

Ms. GONZALEZ. From our perspective, we believe strongly in procurement of services. The State of Texas, that is a mandatory process, where workforce services must be procured. It is not just automatically allocated to anybody. So we truly believe in a competitive process.

We also believe that leveraging additional State and private-sector investment dollars into our systems would work. We, at the workforce board, and ours is a best practice, utilize a fee-for-service. If one of our business customers wants to work and requests specialized training, we ask them for investment. That money immediately goes right back into the program.

Chairman HINOJOSA. And what percentage does the employer pay in this leveraged system?

Ms. GONZALEZ. At a minimum, 50 percent. Normally between 60 and 70 percent of the cost the employer puts in.

Chairman HINOJOSA. My time is up.

I yield to Mr. Guthrie.

Mr. GUTHRIE. Thank you, Mr. Chairman.

This question is for Ms. Johnson and some from Ms. Elzey's testimony where it comes from, but I have heard there are more than 40 members on some local workforce boards in Kentucky. And it has been my experience that local boards, which are required to have a business majority, are essential to the workforce development in many States. And it is my understanding there is consensus around the idea of streamlining the State and local boards, and one idea is to remove the requirement that the one-stop-partner programs have a seat on the local boards. This could result in greater representation by local businesses, education officials, community groups and employee representatives who are frequently frustrated that they are not able to connect or access resources from the local boards because of the sheer size.

My question is, what has been your experience with the size and composition of State and local workforce investment boards?

Ms. JOHNSON. Our local board membership is at 45, and I think throughout Kentucky 40-plus is the average. We certainly believe that a business majority is vital and critical to the process because they have the jobs, and we need to solicit input to them so that we understand and we know what the skills are of any industry or business out in our community.

The partners who are represented through our memorandum of understanding and resource-sharing agreements, we would probably agree that possibly the one-stop partners would not need a seat on the board. But the board is not manageable at current size, current level. We would probably suggest that 25 would be the maximum size for an ideal board to get business done, because with 45 members, you are looking at a majority of at least 23 to conduct business, and if you are pulling from a vast regional area, sometimes that is very difficult. So we would definitely support any reduction in the size of boards.

Mr. GUTHRIE. Do you have a suggested size board?

Ms. JOHNSON. Maximum 25.

Mr. GUTHRIE. Maximum 25. Well, there is one more question I have.

Ms. Johnson, again, as you know, there has been a lot of discussion over the last few years about the amount of funding under WIA that has been spent on training. It is my understanding that a number of provisions in the law have contributed to this issue.

For example, the law includes requirements that job seekers participate in the level of service sequentially, or there are other bu-

reaucratic requirements on community colleges where they don't participate or other eligible training providers because of the requirements and lack of support for mandatory partners at many one-stop centers.

What has been your experience with unemployed workers in Kentucky who need specialized training?

Ms. JOHNSON. We think the three levels of service are critical, because not everyone that comes into your one-stop system needs to go into training. Some just need to rework their resume; they need to work on interviewing skills. They might need to do some research as far as what the labor market is and transition those skills.

But we look at both core and intensive as an opportunity to provide a little bit more intensive one-on-one case management service so that that transition to training, if it is needed, is very smooth and includes a plan of action so that person can go from being unemployed, from being laid off or whatever, but they can go back into training and get a job very quickly.

We spend probably 85 percent of our funds on training at this point in time. The rest, 10 percent is admin, and 5 percent is towards the administration of our one-stops. Not all partners are in our one-stops. We have employment services, veterans services, unemployment, vocational rehabilitation in a couple of our centers, but that is it. And partner agencies need to come and provide their services at the centers. I think it is critical. I think it is vital to the people who come seeking our services that they can access them in an easy, efficient and streamlined manner.

Mr. GUTHRIE. Thank you very much. That is very helpful.

I yield back my time.

Chairman HINOJOSA. Thank you.

I now would like to call on the gentleman from New Jersey, Bob Andrews.

Mr. ANDREWS. Thank you, Mr. Chairman. Thank you for re-assuming the leadership of this subcommittee. You have been great to work with, and we know you are going to lead us to an excellent reauthorization in this. Thank you very much.

I thank the panel for their testimony.

When workforce investment boards are at their best, they identify growing areas of a local economy and provide skilled workers for those jobs, and the workers build careers, not just jobs. When they are at their worst, what happens is what Mr. Camp described, which is the world's most expensive revolving door, where we train people for low wage, entry level jobs. They get them for a while, they lose them and come back, or someone else loses their job and comes back. Mr. Camp has suggested a remedy for that, which is a minimum amount of the funds would have to be spent on high quality training for a high quality job.

I would be interested in the panel's opinion, I know Mr. Camp's opinion, he would be for it, but is anyone against that idea? Our chamber would be for that idea?

Ms. ELZEY. I think we are for the idea that local communities look at their local labor markets and identify the needs of employers in those communities to ensure that people get quality jobs.

Mr. ANDREWS. That is not quite what I was asking. I was asking would be, would we have a statutory minimum where at least some percentage, Mr. Camp suggests 40 at his Web, would have to go for what I would call long-term quality training, that might be an associate's degree type thing, rather than a couple of months training, the theory being that that gets the person on a career ladder rather than just a short-term job. Does the chamber have a position on that?

Ms. ELZEY. Not at this time.

Mr. ANDERSON. We would be interested in hearing what you think.

Mr. Bahr, what do you think of that?

Mr. BAHR. Just some experience that I have had in our own union. It is too late to talk about training and retraining once an employer announces a plant is closing. There used to be a time when a high school graduate without skills or a dropout was able to get a job in manufacturing at a family-sustaining wage. We have to recognize those days are gone forever and that to train people to flip hamburgers in the hope that they are going to continue on to get something better I think is not going to happen.

While we still have to concentrate on the math and science, what the high performance workplace has done in this country is to reinvigorate and renew the need for liberal arts. The key to the future, we can't always predict what jobs are going to be needed. You know, it took over 100 years for the Morse Code to be made obsolete, and now if you don't keep up, every 3 years, you are obsolete.

Mr. ANDREWS. Some would argue it is sooner than that.

Mr. BAHR. That is the way technology is moving. So how do we deal with it?

I began to develop this idea when President Clinton appointed me to chair the Commission for a Nation of Lifelong Learners. As much as he and Vice President Gore tried to keep it going down at the local level, we failed. But what we were able to do was identify the obstacles to adult learning, the real obstacles, what keeps people from learning. But more than that, we recognized that since we can't always predict what jobs are going to be available a year, 2 years, 3 years from now, and many employers are fearful of suggesting what may not turn out that way because we are in a global economy, that we have to train our workforce to be able to react quickly to the changes in technology. And the way you do that is with higher education.

You know, if you look at the jurisdiction of this committee, change the commas—

Mr. ANDREWS. Which is far too narrow, don't you agree?

Mr. BAHR. Drop the commas and say higher education plus lifelong learning equals competitiveness.

Mr. ANDREWS. I will tell you one of the things that our chairman I think heard that and was able to negotiate in the stimulus bill, which I know will enjoy broad support on the committee, is a substantial increase in the lifelong learning credit, which came out of the Clinton administration, so more people can get more dollars and go to school. Also the stimulus bill has in it a significant increase in Title I funding, a significant increase in IDEA funding, and a special new account for distressed States, which is really all

of them now, to try to get at this problem long before someone goes into the workforce. So our chairman was quite vigorous in his advocacy of those positions.

Mr. BAHR. There is another aspect we have to look at. About 50 to 60 percent, if not higher, of the people in the workforce today, are the workforce of 2020. That includes the undereducated part of the workforce. We can't just write them off. Now, they are all working, and what we found out in the telecommunications industry, maybe because these companies had money and were able to do what we wanted to do, that we made the strides we did. But with the encouragement where there is a union, of the union and the employer, people who never thought about going on to higher education will do so.

Just as an example in the role that government plays, employer-furnished education is taxable income, and Congress passes legislation, and it used to be, prior to 1994, Rostenkowski would hold it every 2 years and renew it automatically, nobody paid attention.

Well, in 1994, when the power changed in the House, just because nobody did anything, it lapsed. At that time, in U.S. West, which is today Quest Communications, we had 17 percent of the workforce enrolled in college-level work. When the tax came out of their paychecks when the law lapsed, it dropped immediately to 7 percent.

So there are two things, and this we managed to get working in both parties into the Bush tax cut bill which expires in 2010, and we have to keep on the front burner to get that renewed next year or the same thing will happen.

Mr. ANDREWS. I see my time has expired. Thank you very much, Mr. Chairman.

I appreciate Mr. Bahr's point that we should have the Ways and Means Committee give us all of their jurisdiction. I completely agree with that.

Chairman HINOJOSA. I can say that anybody who wants to give additional answers to that may do it in writing, and we will see that the Members of Congress get that.

I would like to now call on someone who is very special to me. He was one of my mentors when I got here back in 1996. He was on the Education Committee and was chairman of this particular committee, and I want to call on Congressman McKeon from California.

Mr. MCKEON. Thank you very much, Mr. Chairman, and thank you for the kind words. I am an old guy. I have been around here a long time, is what he was saying in a nice way.

Mr. Camp, in your written testimony, you state that the current economic crisis calls into question the dominant political wisdom of the last 30 years that the bulk of decision-making about Federal programs are best made locally. I was one of the principal authors of WIA back in—well, we did in 1996, and we did it again in 1998 when it became law. But one of the things that I have championed my whole time here is local control.

I served on a local school board. I served on a local city council and as mayor. And I just firmly believe that the closer you can get to the people who are involved, the better the decision. I think at

a Federal level we should probably deal more in principles, not in details down to the local level.

Did I misunderstand your point in that? Do you think that the bulk of decisions impacting local decisions should be made by the Federal Government, and why do you believe that a one-size-fits-all system would be better?

Mr. CAMP. Mr. McKeon, you are a man I have a lot of respect for and we have talked about various issues in the past. But let me be clear about my point.

In the State of California, among the workforce investment boards, some spend zero percent on training, and some spend 50 percent. If we are not going to be training workers for the future, the Workforce Investment Act is failing the Nation.

Now, do I believe in local control? Absolutely. I was a local school board member for 5 years. I ranted and raved against those guys telling us what to do when we thought we knew what was best. But you have to have serious guidelines. And the problem we have got now is we are all over the map. And when you go and look at all the workforce investment boards, and I share a point of view with the Chamber of Commerce, there is a huge disparity in what people do with a workforce investment board.

We need to have clear expectations, and I think one of the most firm expectations is we have to set a standard about training. Because I have got workforce investment boards in California that place zero percent in training.

Now, I think the other problem we have got is we have to be clear about what we think training is, because I have got people that says training is where I sat down and taught them how to make a phone call, and I don't think that is what I am thinking training is.

But, on the other hand, there are some smart things that we have learned about training. And I will admit I was wrong when we first started this in Sacramento, where the Chamber of Commerce did a big survey of our employers and said, what are you looking for? What do you want workers to know? And they all came back with what I would call soft skills. And I was one of the labor guys saying, what is this soft skills? This is just hogwash. And that is not true.

Our Los Rios Community College district designed a course which I think we ought to have every union person take. It was talking about joint decision-making. It was talking about independence. That was local control. But it was sophisticated local control, because we could demonstrate to you how much increase in salary people were going to make as a result of a successful completion of that course, because we could verify and validate to every member of the business community that when somebody graduated from that class, they had, I am not quite sure of the status, the acknowledgment of the Los Rios Community College district, of approval, Good Housekeeping Award I guess, in terms of soft skills. Those are important, and we developed that class so that, and I give credit to the community college that developed that class so that it was effective.

Now, I absolutely believe in local control. I take pride the fact that what the mix of jobs and skills that we need in Sacramento

is not what you need in New Jersey. So we need that sense of control. But we don't need to appropriate money for workforce investment and not require there be money in training. That is the concern I have got.

Mr. MCKEON. That was definitely not the intention.

Mr. CAMP. Well, I am not walking away from my fight that says there is a role that the public sector employees play in what we call the employment development department. They process the unemployment insurance claims. They should be doing something of that, not easy, that counseling job referral work. And we should take our workforce investment board, which is where the business community and the labor community come together, with the educational community, and say, what are the training needs that will make us the best region, that we will do better than San Diego or wherever.

Mr. MCKEON. You should be a Senator. Great job.

But I would like to hear Ms. Johnson reply to that same question, if the chairman would indulge me.

Chairman HINOJOSA. I will give you 30 seconds.

Ms. JOHNSON. Very briefly, every individual in our region that goes into training, goes into training for a high demand occupation within our labor market and our broader wired region. Pure and simple. There is no use of us putting people into training where it is a dead end situation. We make them do homework. We do our homework. We continue to look at the labor market on a daily basis. And if we don't, we are not doing that customer justice. Training needs to be the a the local level.

Mr. MCKEON. Sounds like we are in agreement. There are a few details we could chew on, but thank you very much.

Chairman HINOJOSA. I would like to now call on the gentleman from Massachusetts, Mr. John Tierney.

Mr. TIERNEY. Thank you, Mr. Chairman. Let me thank you for putting special focus and priority on this particular issue at the outset of this session. I look forward to working with you on this, because I think you have hit it right on the head in these days, trying times. People need to have some security of knowing how they are going to get back into the labor force.

Let me ask our panel members who are parts of the workforce investment board system on this. What are we going to do to entice people in emerging industries or sectors, whether it is energy efficiency, energy alternatives, nano science, things of that nature, to get on the boards? I see the most local boards are the local banker, your local insurance person, people that are terrific people and the ones that generally give up their time on that, but they are not always from the industry that is creating the new jobs. I think we need their expertise on those boards to help us identify what skills and education levels we need to get out there. So if I could quickly get an answer on that?

Ms. GONZALEZ. Thank you for the opportunity. I will say, from our perspective, it has been very difficult to encourage more so because of the credibility or lack thereof of this system, if you will. What we have found is that we have encouraged the successful business partners of ours and the successful board members who represent the private sector to be our ambassadors.

The other thing that we have done is that, if an emerging industry is in our community and we engage this business, this company, this partner, one of the requests that we make is that they participate in what we call our industry sector task forces so they become familiar. It is almost like desensitizing them to the government.

Mr. TIERNEY. So instead of directly putting them on the board, you put them on a task force and try to woo them in?

Ms. GONZALEZ. And move them in.

Mr. TIERNEY. Ms. Johnson, what do you do?

Ms. JOHNSON. We have been trying to focus on working with our economic development professionals so that they can engage the emerging sectors in their region. We have also started working with entrepreneurs. We think that that is an avenue for us to continue to grow and to look at emerging sectors down the line.

Mr. TIERNEY. Are we doing enough? We have had a couple of good examples. One is reflected in the Green Jobs Act, which I had the privilege of authoring with Hilda Solis, our new Secretary of Labor. Another is a group called E-Team in Massachusetts, where we formed partnerships. Are we doing enough to encourage partnerships of a particular industry or company, community college or other educational institution, private industry, the business community and labor, to have a consortium to come in and get a grant to actually put together a program, and then part of the contribution from the business end, of course, can be either faculty or some other contribution towards teaching the courses or money on that.

Do you think the current act does enough on that, or would you like to see something else done to try to encourage that kind of cooperation?

Ms. JOHNSON. I think that is an excellent idea. And the more flexibility that we have to develop partnership relationships to meet the needs of both individuals and businesses, the better we are. We can be more responsive in a more timely manner.

Mr. TIERNEY. Thank you.

Mr. CAMP, do you want to speak?

Mr. CAMP. Mr. Tierney, on our workforce investment board, we go out and do a survey of all of our green energy upstart companies. So we sit down with the CEOs and say, what are you looking for? We get them in a roundtable. And we don't take long, but get them in a room with six or eight of them and a facilitator and just talk about what their needs are. So we bring that back to the workforce investment board and say, you know, we have got eight people or eight different groups and said this is really what we want to kick start our solar energy program, and these are the kind of skills we are looking for and what our next level is.

Because the critical issue for us is if, I am going to kick start a green energy program, I need to make sure I am responding to what they need today, not what I imagine they may need 10 years from now or next year or 2 years from now. But they are in a vulnerable position. They have got to have a responsive work preparation. So we do that. We come back. We have a very small pot of money that allows us to do innovation, and that is one of the key areas.

Mr. TIERNEY. If I could quickly go from my right to your left on the board here, does anybody see any reason why we cannot device a Workforce Investment Act bill that also incorporates the transitional assistance aspect so that we have one channel? If you are unemployed for any reason at all, we can address your need as opposed to having two different programs of that nature. If I start to my right, yes or no?

Ms. ELZEY. We have no problem with that.

Ms. JOHNSON. No problem.

Mr. CAMP. Are we talking about private industry doing this or talking about the public sector?

Mr. TIERNEY. We are talking about getting it done within one silo instead of several silos here.

Mr. CAMP. Well, filing new claims and processing those claims and getting people back out from a regular traditional labor exchange program, I think it has got to be public sector just because that is the most efficient way to deliver that, and this it is the least conflict of interest problem. We have got people and I—

Mr. TIERNEY. That wasn't really the focus of the question. It is basically, is there a need in your mind that we have a Transitional Assistance Program in one silo and other workforce investment program in other silos?

Mr. CAMP. I guess I don't have trouble with it. I have to think about it. I will respond to you.

Mr. WOODERSON. Mr. Tierney, from a disability community standpoint, I don't believe there would be any challenge for us there at all.

Mr. TIERNEY. Thank you. Mr. Bahr?

Mr. BAHR. Our committee recommends a single. I would also suggest that we ought to be looking for some adult ed people on the boards.

Ms. GONZALEZ. I absolutely do that. And we do have adult ed representatives on our board.

Mr. TIERNEY. I wish we had more time to get into the literacy aspect of this, but I am glad it is part of this discussion, and I am sure we will get into it later.

Thank you, again, Mr. Chairman.

Chairman HINOJOSA. At this time, I would like to call on the gentlewoman from California, Susan Davis.

Mrs. DAVIS. Thank you, Mr. Chairman, and thank you all for being here. Nice to see you Mr. Camp after the California legislative days.

I wanted to go back for just a second and check and see if there is anything that has been said in terms of the percentage that would go towards training. It is a little out of sync with what programs you do. I know that Mr. Camp mentioned at least 40 percent. We have had mention of greater than that.

Is there any problem particularly with calling that out as we move forward? Is there anything in that that didn't jive with something you work with?

Mr. CAMP. I think the key is making sure we have a good clear definition of training, because people will report as training something that you and I may not think about, preparing people for high-wage jobs. And I do think it is important to have a minimum,

I didn't say a maximum, but a minimum that has to be spent on that kind of training. I think we are missing the boat if we let the local—as much as I honor the local decision-making, you have to put some guidelines on what we expect to come out of this money.

Mrs. DAVIS. Thank you.

Anything else?

Ms. GONZALEZ. I think, from my perspective or from our perspective, it is important that the training not only be clearly defined but that the training be tied to an absolute outcome. It is not good enough to have somebody sitting in a chair for the next month or 2 or 6, or 2 years or 6 years for that matter. It is clearly important that the training result in some type of credential or outcome.

Mrs. DAVIS. Thank you. And when we talk about that, we are usually thinking of career paths that people will be able to move in. Let me ask you about this example in the health field. People caring for Alzheimer's patients, for example.

I recall in San Diego there was a question of whether the salaries, the incoming salaries, were high enough to receive some of the workforce investment dollars at one point. I suspect this was worked out along the way.

Are there areas where actually the employer does fall short and yet is in a high need area that should be addressed as we move forward? Are there exceptions within that? Certainly you talked about the self-sufficiency, the high demand jobs. We are not talking about 100 percent. So there is an area in health care. But is there a problem with that, and what would there be perhaps that you want to just caution us about?

Mr. CAMP. I would just caution you to establish a requirement that there be a sustainable wage, because what that allows the workforce local board to make decisions about, and in fact frees up this local decision-making issue, is to train people to move up and have their spot taken by somebody at a lower wage.

We use EED data to determine what the wage rate, the income of that worker is 18 months down the road, and we talk about that at our board saying if you didn't meet the \$12 an hour, don't fund this training program, because they are not meeting a sustainable wage.

Now, do I think there is a magic self-sustaining number I can give you today? It is going to vary in each county, because what the rent and utilities are in one area is different than another. But there is data for every single county in the United States. So you can obtain good, hard data about what it takes to have a sustained, independent income, and then target that so it allows the workforce investment board to expand who it is providing an upgrade training to. And I think that creates the incentive for careers, or what we sometimes call ladders or sometimes call lattices. You may start out working for a nursing home and go to a hospital and go back to a local clinic, but you are still within that field and working your way up.

Mrs. DAVIS. Great. Thank you.

I actually had a question, I wanted to go to Mr. Wooderson really briefly in terms of the veterans programs you mentioned in particular, and how we can better coordinate that. Are there some suggestions? But is there something about all that that just makes you

all crazy in terms of trying to adhere to both the letter and the spirit? What is it we should be thinking about?

Mr. WOODERSON. From the disability community standpoint, of course, title IV of the Workforce Investment Act is our rehabilitation agency. Probably the thing that challenges us the most is not so much physical access anymore to workforce one-stop centers. That seems to be improving across the country. We are greatly appreciative of that.

What is really a challenge for us is programmatic access in the sense particularly for our consumers with sensory disabilities, visual disabilities, hearing disabilities, accessing the programs. So as we talk about the programs that we all serve through WIA, one of the things that really does drive us crazy, using your terms, if I may, is being able to access those in a way that is equally available for folks with disabilities just like anybody else that does not experience a disability.

Mrs. DAVIS. Thank you.

Anybody else very quickly that wants to weigh in on something that really makes you crazy that we should be thinking about?

Thank you, Mr. Chairman.

Chairman HINOJOSA. At this time, I would like to call on the gentleman from Colorado, Jared Polis.

Mr. POLIS. Thank you, Mr. Chair.

And thank you to all of you who help inform our process as we take on the very important task of hopefully leading to the reauthorization of and improvement in WIA.

I have a few sets of questions. My constituents in Colorado care a lot about green jobs. In fact, 3 weeks ago, the Boulder-based American Solar Energy Society released a report that said renewable energy and energy efficiency industries represent more than 9 million jobs as of 2007. The renewable energy industry grew three times as fast as the U.S. economy with the solar, thermal, photovoltaic, biodiesel and ethanol sectors leading the way, each with 25 percent-plus in annual growth.

In my district alone, there are currently 2,405 green jobs, according to a survey, and according to the U.S. Conference of Mayors over the next two decades there could be 19,003 more jobs created in my district. Rather excitingly, more than \$5 billion in venture capital was invested in clean energy technology industries in 2007, which represents one-fifth of all venture capital investment in North America and Europe.

President Obama focused much of his campaign on a new energy plan for America that would help create five million new jobs by strategically investing \$150 billion over the next 10 years to catalyze private efforts to building clean energy in the future.

My question in this area for you both relates to green jobs as well as, more generally, what is being done or what should be done and can be done to effectively track the types of jobs that we are building capacity in and training people in to match the future needs of the economy and the workforce?

To a certain extent, if we are training for just where there is demand today, we will always be chasing the present time. We need to prepare. When you are investing in education and investing in preparing somebody, even if they are 30 or 40 years old, they are

preparing for a 20-year career, 30-year career. If they are younger, it is even a longer career.

So if any of you would care to address ideas about ways we can track the best estimates and scientific analysis of the future needs of the workforce to building capacity in our programs today?

Mr. CAMP. Well, Mr. Polis, one of the ways we do that in Sacramento is by creating what we call a jointly administered apprenticeship program. Let's take solar installations. So when the employer has 50 percent of the votes about who gets hired to teach the program, they are going to make damn sure that the right skills and insight and level of sophistication is obtained before they are going to hire somebody to do the job. The other half of the vote is held by the union, who wants to make sure it is somebody that is good at teaching these particular workers.

So you end up with a program that is good at teaching the workforce, but is also cutting edge, because that is the only way you are going to compete in an emerging industry like solar installation. And that is going to change. There is no question about putting in tiles instead of panels will sweep through at some point, or maybe some other innovation, and the question is, do we have an established program in which the employer has the authority to dictate what the subject matter is.

So we find that our jointly run programs provide us with that, and we are transferring doing that in medical care. Now, as medical care changes, it is not so much on target with regard to green energy, although there is a lot of need for green energy in the hospital system. So as we develop new jobs in the medical delivery system, there is a jointly run program that drives both the quality of the teaching and the quality of the technical knowledge that has to be obtained. I think that is the best system we have designed so far.

Ms. GONZALEZ. Mr. Polis, if I may, what you are really speaking to here is an issue of what we would call a business intelligence system that finds a way to meld both worker, worker information, worker skills, as well as business needs. Not only for today, but what kind of business need might I have, whether it be in a green job or any other for that matter, tomorrow, 5 years and 10 years down the road.

Earlier we spoke to the point of career pathways and local control. The issue here is, how do we identify transferable, transportable skill sets that can then be matched not only to one particular sector, but to others? The Federal Department of Labor does not have a system, this is my understanding, does not have a true system in which they manage that kind of data nationally. So if you are speaking about a true business intelligence system where both the consumer, being the folks that use our end product, as well as our folks that we are training could learn, could access, could gather information from, that does not exist.

The State of Texas has something that we have been working on called the WIT, Workforce Information System, and then some of us on different boards have developed our own business intelligence systems using a CRM model, a customer relations model.

But nationally, sir, there is no database, and I am looking at my partners here on the panel, that identifies or that can meld, if you

will, worker skill sets for each individual area as well as business needs.

Chairman HINOJOSA. The time has expired.

I would like to at this time recognize the gentlewoman from Hawaii, Mazie Hirono.

Ms. HIRONO. Thank you, Mr. Chairman.

I thank Ms. Gonzalez. You really expressed that really well because we are in an environment now where the future workforce needs are changing. It doesn't make a lot of sense to me that we would be spending money to train people for very specific kinds of jobs that are not going to exist, so the interchangeability of skills, all of that I think is really important.

Then Mr. Bahr, you talked about lifelong learning. I do think at the foundation of a lot of this is we need a trained workforce that begins to have the opportunity to have appropriate educational opportunities at a very young age, because as things are changing. If they have had the opportunity, for example, for a quality early education, that really sets the stage for success in school and in life. I think that is something that we ought to be looking at, and I am a big proponent of quality early education and the whole continuum of preparing our people for not just work but for success in life.

I have had some experience with WIA money that came to Hawaii. I sat on a panel or a board for like a year or two, and I really was confused as to what they were doing, because there didn't seem to be any blueprint, standards. Some of you mentioned that. There didn't seem to be a way for us to report out. Then the big concern was what happens when the Federal grant money ends and this all comes to a screeching halt. So at the State level where all this money is going, and it is all supposed to be handled there, I really had serious questions about it. And to be sitting here at this end and listening to you, I see that that concern has still not been addressed.

So this is a chunk of money. I am looking at over \$5 billion that goes in every fiscal year for WIA programs. I think we need some help from you all as to how it is that we get a handle on the reporting, the accountability, some kind of standard. Is that what we need to start with? Something that that provides a uniform way for States to figure out what they should be doing with this money, because otherwise it is just money down the drain.

Anybody care to respond?

Mr. CAMP. What we use is the EDD data about their income, 6, 12 and 18 months down the road. So if a worker comes in and gets training and is getting \$8,000 a year more in income a year from now, something good happened, and we will take the credit for it. If the worker is not showing that kind of an increase, then let's don't do that anymore. Let's go to that service provider and say, your training program was no good, and we have had to do that.

I think there is another issue, though, that I thought you were raising, which is, how do we prepare people for work at an earlier age? And what we have done is something that I believe is unique in Sacramento, that we call Careers GPS—we use the GPS out of the geographical positioning system—in which we have identified for the 75 largest industrial sectors 80 percent of all the jobs that

are going to be created in the next 10 years. And in fact, we can predict a lot of those jobs.

Maybe I can't tell you exactly, but I can tell you for a six-county area how many engineers we are going to need pretty close, enough so it can give somebody some good guidance. So we have developed a computer base that, for our labor market area, what kind of training you have to have to apply for this job, the name, address and phone number for the person that provides it, how much money you are going to make when you get the job, what you are expected to do when you show up for work, and what kind of training you are going to get once you have been hired. So we want to drive this down into the seventh grade, as low as the seventh grade level, and I assuming the seventh graders can use computers better than an old guy like me, but we also make it available to all of our work-stop centers, all of our laid-off workers. Because what we want to do is be able to say to people, if you live within 50 miles of this center, here is what is going to happen over the next 10 years. If you are thinking you are going to be a professional basketball player, and there is only be going to be 12, you better get a back-up. That is what the purpose of that is.

Ms. HIRONO. Yeah, I was getting at really preparing people very early on. It is not just for jobs. It is really attitudinal. It is that whole developmental part of an individual that we have to pay attention to, and as far as I am concerned, it starts in preschool and even before that. And I would like to see a lot more recognition of the importance of those foundational resources that we provide really early on as a way for us to prepare people for working and life. And by the time you all get these people that need retraining, maybe they will have a much better foundation on which you can train them. So that was my point. I think you all seem to be agreeing that that is important.

Thank you, Mr. Chairman.

Chairman HINOJOSA. Thank you.

At this time I would like to recognize the gentleman from Connecticut, Joe Courtney.

Mr. COURTNEY. Thank you, Mr. Chairman. Again, I think the timing of this hearing could not be more critical, with the economic crisis we are going through and a vote to take place within hours in terms of the programs that these people are connected with.

I want to compliment the chamber for stepping up and supporting the President in support of H.R. 1, because these programs obviously are desperately shorthanded.

I was at the Connecticut WIA offices the last week or two. You really did sort of get the feeling you are at a Katrina-level event in these unemployment offices and these one-stop offices with the volume that is sort of coming through. Again, they do a very good job of trying, as Ms. Elzey indicated, to tailor their training programs to what is going on out there in the Connecticut economy. But it does kind of feel like the moorings are coming loose with the storm that is out there right now.

Mr. Bahr, I was wandering if you could, with a little bit of perspective having been at this awhile and seeing past recessions, just sort of give your sort of perspective about where we are right now, and really, are these programs that I think are sort of designed for

a normal business cycle going to be overtaxed and overwhelmed by an economy that has lost almost 4 million jobs in the last 13 months, and it doesn't seem like there is any light at the end of the tunnel right now?

Mr. BAHR. It is one thing to talk about what we have to do with public education, and we need to do. If we look at 1983, the Nation at Risk told us if we don't fix our public education system, we will not be able to compete globally. Now it is 25 years later, we have fallen further behind. So what you have said about working with the young people today and fixing public education so that when they go through high school they have a direction, that does not deal with today's problem and the problem of the next 10 years.

President Obama hopes, and we all hope, that H.R. 1 is going to produce somewhere between 3 and 4 million jobs. Are we sure that we have trained workers to fill some of those jobs that hopefully will come out of the stimulus bill and the high-tech end? I am not so sure.

As I said earlier, a majority of the workforce in 2020 is already employed, and as the Baby Boomers start to leave and you still have part of this 88 million undereducated, the majority of the workforce would continue to grow with an average under-educated workforce.

Now, adult ed has to be looked at as the third leg of the process, and we specifically call for it to be spoken about as adult education and skills development. They are one and the same. It is my experience that virtually every worker can be trained to do higher skilled work. They have got to be encouraged. All the systems have to be in place. There has to be a total collaboration at the local level with the city or county between business and labor. The community colleges play an enormous role, and there is no substitute, in my judgment—when I go back, what the charge to the Commission for Lifelong Learning was, how do we change the culture of our Nation from K-12 to lifelong learning?

As true as it was 10 years ago, and President Clinton put it, I think it was the 1999 State of the Union message, he addressed this, the more people we have educated in the arts will be the more people that have the flexibility to deal with oncoming technology, to deal with the high-performance workplace.

We are not going to be successful with a low-skill/low-wage economy. A solution and our only salvation is a high-skill/high-wage economy, and all of our education facilities have to be directed in that line. And I think we have the capability to do it. I am amazed with the work that our commission did over 2 years.

It is kind of interesting, you look at so many commissions—I served on them—adult ed became a footnote. I was on the Commission for the Upgrade of the Skills of the American Workforce. You look at the great report we put out in 2007. It dealt 90 percent with the people that you are talking about at the lower education level. It only dealt with 10 percent of the people in the workforce today. So it was Ray Marshall, former Secretary of Labor, at the very first meeting of this commission that said we have to make sure that we are not a footnote, but that we are zeroing in on adult education and what has to be done to reach these vast numbers. The numbers are not going to get better. We are only reaching 3

million a year, and if half of that are dropouts from high school, it is like being on a treadmill going nowhere.

Chairman HINOJOSA. The gentleman's time has expired.

I would like to now call on the gentlewoman from Nevada, Dina Titus.

Ms. TITUS. Thank you, Mr. Chairman.

Members of the panel, I would like to address my question to Mr. Wooderson. As you can tell by the attention you have received on today's hearing, often the programs for the disabled get the short end of the stick. We have stuck it out though, so I could ask you this question.

The statistics that you mentioned about the unemployment rates for the disabled are just striking. They are shameful really, but they are striking. And we know that a lot of people on those lists really want to go to work, and they could be successful if they were given the opportunity.

I think that the waiting lists that are there now reflect that desire. They are long to start with, and they are going to get even longer, partly due to the Americans with Disabilities Act that focuses on immersion in the community as opposed to institutionalization, and also because now there is so much more competition from people who are unemployed who don't have disabilities. And we know how those prejudices work.

I want to add to your list of accomplishments a program in Nevada called Opportunity Village. It is a program that is a public-private partnership. It is funded by all different levels of government. It has a very successful campaign going with big billboards with a little piece of paper that says, which one was shredded by the disabled person? And that kind of says it all. I think that is important.

We know these programs work. You mentioned that they pay for themselves. They put more money on the tax roll. They get more people off of public assistance.

What can we do better? Think outside the box. Besides just money, is it online courses? Is it better incentives for business to participate? What can we do to make these programs fill the increasing need?

Mr. WOODERSON. Well, thank you, Ms. Titus, for the acknowledgment, first of all, of the program. Specifically in the public VR program, in the last couple of years, we really have emphasized trying to link across State lines, because we have been working in silos for so long. The Council of State Administrators initiated a program that we call The Net where we are linking employers that have representation in a number of States providing them with information about the value added of employing individuals with disabilities, and we are seeing great success with that. It is in pockets around the country. We have actually been able to work with the Federal Government, been seeing a great response from like the Internal Revenue Service. We are working with companies like Walgreens, Safeway; companies that have an existence all over.

So if we can continue that type of new initiatives to inform employers first of all that we do have people that can work, they want to go to work, we can include them in understanding that we can access services across State lines, I believe that is one of the big-

gest things that we can do in addition to increasing the dollars that are available, of course, to continue providing high-quality types of training for persons with disabilities.

We know that folks with disabilities are often the last into the employment marketplace and the first out when times get tough. So we have got to push on the high wages, as Mr. Andrews was speaking earlier about. We have to identify access issues that allow individuals to get into those programs, and we believe that will make a great difference in being able to get folks to competitive, gainful employment.

Ms. TITUS. If there are some legislative changes that we need to make in the statute, would you get those to us so we can try to help you accommodate those things? Because not only does it make good economic sense, it is ethically the right thing to do, because we all benefit from everybody being able to reach their potential.

Mr. WOODERSON. Yes, ma'am. You can expect immediate follow up. Thank you.

Ms. TITUS. Thank you, Mr. Chairman.

Chairman HINOJOSA. Thank you.

I am now going to call on the gentleman from Oregon, Congressman David Wu.

Mr. WU. Thank you very much, Mr. Chairman. I have spoken with the workforce investment folks at home and also with a number of the community colleges, both that I represent and that are in the other four congressional districts of Oregon, and it is no surprise that they all say in economic times like these that enrollment in your programs and in theirs goes up significantly.

Can you, to the best of your efforts, try to quantify or give us percentages about how much additional demand you all experience and to the best of your ability estimate that for the community college programs also?

Mr. CAMP. I can give it to you later. I can't give it to you today.

Ms. GONZALEZ. Mr. Wu, let me tell you that we have a strong relationship with your workforce community in eastern Oregon. We are a mentor board to the eastern Oregon area.

Mr. WU. Would that be Blue Mountain Community College, or one of the others?

Ms. GONZALEZ. I knew you were going to ask that.

Mr. WU. That is all right. We can get that at a different time.

Ms. GONZALEZ. I will say to you, again, I will get that information to you. But more importantly, what we see as folks coming in to our workforce one-stop centers are absolutely incredible in numbers. I will also say to you that our community college has gone from 800 students to 22,000 students in the last 15 years, a huge increase in the last 3 years alone. I can get those numbers for you. The same is true for our 4-year institution, University of Texas at Pan American. So I can get that data for you.

But I will say you are absolutely correct, both for workforce services as well as training services, support services, any kind of support services that our workforce board can offer. The need far surpasses what we currently have. Our workforce board alone lost \$20 million in funding in the last 5 years. Not because of any other reason except that cutbacks and rescission; \$20 million, 46 percent of

our dislocated worker funds, dislocated worker funds, was cut last year alone.

Mr. WU. Anybody else want to address this in terms of the percentage increase in demand as our unemployment goes up by 2, 3, 4 or more percentage points?

Mr. CAMP. I have it for UI claims, the people going into the one-stop centers. We have a 61 percent increase in UI claims in will California. We have normally now 1 million visits annually to one-stop centers, and we think there will be a 60 percent increase over that 1 million visits over this next year.

Mr. WU. Anybody else?

Ms. JOHNSON. I might add we have not seen the increase yet, and we don't think we have seen the increase because people are receiving extended unemployment insurance benefits. They have not hit at a point where semesters or terms are occurring to where they can get into school, and we have a limitation on how much we can pay based on the availability of funding. So if that person does not have extra income coming in, we have not seen the increase. It may happen, but at this point in time, the increase as far as the number of clients that we are seeing going into training to the community college is not occurring.

Mr. WU. So just as employment tends to be a lagging economic indicator, when unemployment occurs, for your centers, it pretty much lags the numbers by a significant period also?

Ms. JOHNSON. It hasn't in previous high times of unemployment. But for the current situation, we have—I mean, our unemployment claims, they are out the door. We have 500 or 600 people standing in line every day. But the number of people going into training at the community college is not increasing at this point in time. It may, but it has not yet.

Mr. WU. Do you have any other explanations or theories about why that might be?

Ms. JOHNSON. Not yet. We are continuing to look at it, because we are concerned that we are not meeting the needs at this point in time. But it is not occurring.

Mr. WU. Mr. Chairman, I know my time has expired, but if I could ask one further question of the panel?

Chairman HINOJOSA. I will give you an additional minute.

Mr. WU. Thank you very much. Could you address the issue, as the demand goes up, what is your surge capacity with your current resources, both assets on the ground and money, and what do you need to accommodate the surge, the potential surge, if it does come?

Mr. WOODERSON. Mr. Wu, from the Vocational Rehabilitation Program standpoint, we find right now, as I was mentioning earlier, 36 of our programs already have a waiting list. And we know that over 35,000 individuals are waiting to get in the door.

So what it really boils down to for us is it is not just the money itself; it is the capacity to serve those who come through the door. So, for us, it really does mean a matter of expanding our ability to have professionals on the front line being able to meet those needs and then accessing programs out in the community to be able to achieve those high-quality jobs.

Mr. CAMP. Mr. Wu, we have had, during the holiday period, 2 million calls a day to our UI Claims Office. It takes people sometimes calling 20 times before they can ever get anybody to answer the phone. If you are not really good at waiting on the phone, you are not going to get your unemployment insurance.

So the real answer is this phone system, it has created an enormous crisis. People are not getting their unemployment insurance because they call and call and call and call and nobody answers the phone because they are overwhelmed. And they can't go in; it is illegal. So they have to either go by computer—and everybody doesn't have a computer.

So, in terms of the way the UI claims system works, it is an enormous failure. It is all automation.

Mr. WU. Thank you for that information. That is very helpful. And hopefully we can act on it and help the folks out there in need.

I try to reach some folks by phone these days, and it just doesn't work. And then I have to ask my son for help in getting on the laptop.

Chairman HINOJOSA. Congressman Wu, you have asked some very good questions that hopefully our staff is going to continue to try to find answers to, because the numbers are continuing to grow at 500,000 to 600,000 jobless per month. So we definitely have to answer those.

As we try to bring this to a close, I wanted to ask if each of the members of this panel would consider giving us in writing an answer to this question that I am going to give you. And that is: How can workforce centers work in conjunction with the community colleges nearest to them so as to be able to more effectively use the stimulus money that is in this \$789 billion over 2 years that is going to be available, a good part of it going toward retraining those that are jobless?

And I am of the opinion that the community colleges are great engines to help revitalize the regions with the highest unemployment rate. As we already learned, in some cities in California they are already at 20, 30 percent unemployment, and there are States that are already at 15 percent unemployment. So we have a very serious problem.

And I think that you all have made some good points. I like what Mr. Bahr said about the importance of not just having training for what used to be a good job last century, but going into community colleges and, with some help, being able to get an associate degree that would pay livable wages.

I am a strong proponent of community colleges, but I think that, in order for them to be successful, they need to have a closer relationship with your centers, because you have resources, both human and financial resources, that need to be leveraged with what we give the community colleges.

So, with that, I want to request unanimous consent that two documents that I have in my hands be entered into the record of this hearing. And the first document is submitted by David Harvey, president and CEO of ProLiteracy, and it is the testimony regarding aspects of adult education. The second document in my hands is that from Ronald G. Congleton commissioner representing labor,

and his testimony on the Texas Workforce Commission. Hearing no objection, it will become part of the record.

[The information follows:]

**Prepared Statement of David C. Harvey, President & CEO, ProLiteracy**

Mr. Chairman and respected members of the Subcommittee, ProLiteracy submits this written testimony as part of the Subcommittee on Higher Education, Lifelong Learning, and Competitiveness hearing on New Innovations and Best Practices Under the Workforce Investment Act (WIA). We regard this as preliminary testimony and respectfully request an opportunity to testify and participate in future hearings and the drafting stages of a reauthorization bill, addressing the needs of lowest-level adult learners and community-based organizations.

I would like to briefly introduce ProLiteracy, the problem of adult literacy in America, the role that community-based organizations play in educating low-level adult learners, and briefly mention some of ProLiteracy's highest-priority policy concerns related to WIA reauthorization.

*ProLiteracy*

ProLiteracy Worldwide is the world's oldest and largest organization of adult literacy and basic education programs in the United States. ProLiteracy traces its roots to two premiere adult literacy organizations, Laubach Literacy International and Literacy Volunteers of America. Laubach Literacy International was founded by missionary and adult literacy pioneer Dr. Frank C. Laubach more than 70 years ago. During his work with native Muslim tribes in the Philippines, Dr. Laubach pioneered literacy teaching methods—the ability to read, write, and perform basic math functions—as a way of helping to lift people out of poverty. His philosophy of “each one, teach one” is based on using former adult learners to tutor others in their community. When Ruth Johnson Colvin learned in the mid-1960s that a significant number of adults in her Syracuse, NY community could not read, she founded Literacy Volunteers of America. Her program used trained volunteers to tutor adults in one-on-one settings. In 2002, Laubach Literacy International and Literacy Volunteers of America merged to create ProLiteracy.

ProLiteracy now represents over 1,200 community-based organizations and adult basic education programs in the United States, and we partner with literacy organizations in 53 developing countries. In communities across the United States, these organizations use trained volunteers, teachers, and instructors to provide one on one tutoring, classroom instruction, and specialized classes in reading, writing, math, technology, English language skills, job-training and workforce literacy skills, GED, and citizenship. Our members are located in all 50 states and in the District of Columbia. Through education, training and advocacy, ProLiteracy supports the front-line work of these organizations through regional conferences and other training events, credentialing, and by publishing materials and products used in teaching adults basic literacy and English as a second language and preparing adults for the U.S. citizenship and GED exams. We gather and disseminate evidence-based practices in adult literacy instruction.

*The Problem of Adult Literacy in America*

In 2003, the U.S. Department of Education conducted the National Assessment of Adult Literacy (NAAL) in order to gauge the English reading and comprehension skills of individuals in the United States over the age of 16 on daily literacy tasks such as reading a newspaper article, following a printed television guide, and completing a bank deposit slip. The results indicated that 30 million adults—14 percent of this country's adult population—had below basic literacy skills; that is, their ability to read was so poor, they could not complete a job application without help or follow the directions on a medicine bottle. An additional 63 million adults read only slightly better.

The high percentage of low-literate adults can be connected to almost every socioeconomic problem this country faces. Adults who struggle to read are unhealthier than others, and they use hospitals more often. Low literacy adds an estimated \$238 billion to this country's health care costs each year. An estimated 60 percent of federal and state prison inmates are barely literate. And struggling readers are more likely to be unemployed and require public assistance.

These are people who, through no fault of their own, did not learn to read and write as children. They are people like Carl Solberg, a dyslexic who never learned to read until age 42. With the help of the tutors and staff at a ProLiteracy member program, Carl earned his high school diploma. He continued to work with his tutor

and three years later, he earned state certification as a teacher's aide. He now works in the same high school from which he dropped out.

And there's Melanie Abney, who grew up in a home where drugs were more important than education. She followed the family pattern—out of high school before graduation and into dealing drugs. She became involved in a literacy program while in jail and continued to be tutored after her release. She now is the office manager for the literacy program that helped her change her life.

Amie Colley left high school in the ninth grade, unable to recognize all the letters of the alphabet. She entered a literacy program at a third grade reading level. Two tutors discovered a reading program that works for Amie, who now hopes to earn her GED and someday, go to college.

#### *Community-Based Literacy & Basic Education*

In 2007–2008, ProLiteracy's member programs assisted nearly 200,000 adults struggling to improve their literacy skills. More than half these individuals—62 percent—were tested at the beginning to low basic literacy skill level. This means that approximately 120,000 students in ProLiteracy's member programs had reading, writing, and comprehension skills equal to those of first, second, third, and fourth graders. At these literacy levels, these individuals would not be eligible for the GED preparation classes offered by more traditional adult basic education programs. ProLiteracy member programs serve as an important entry point into the literacy and adult basic education system in the United States for lowest-level learners requiring intensive one-to-one and classroom instruction before graduating to more advanced programs.

ProLiteracy member programs provided student instruction with the assistance of more than 117,000 trained volunteers. The seven million hours of time donated by these volunteers are vital to student success, as many of our programs cannot afford to pay full- or part-time professional teachers. Only 55 percent of ProLiteracy member programs access state and federal funding under Title II of the Workforce Investment Act—the Adult Education and Family Literacy Act.

#### *The Workforce Investment Act*

In order for literacy and basic education programs to be eligible for WIA Title II funding, they must meet eligibility requirements as determined by the National Reporting System for Adult Education (NRS), developed by the U.S. Department of Education's Division of Adult Education and Literacy (DAEL). The NRS addresses such issues as the intensity and duration of instruction and the learner outcomes that must be achieved within specific time frames, outcomes such as finding a job and leaving welfare, getting a new job, earning a high school diploma or GED, or entering postsecondary training.

ProLiteracy supports these goals and we support an accountability system for programs; however, revisions to the system are needed in order to adequately evaluate community-based organizations and the lowest-level learners they serve.

Much of ProLiteracy's work with its member programs, in fact, deals with accountability and program improvement. Students enter our program with goals of finding jobs, getting better jobs, and earning a GED. When they enter with Level 2 ability, however, it is not likely that goal will be achieved within the frameworks of the NRS.

As this subcommittee begins the work of updating and reauthorizing the Workforce Investment Act, ProLiteracy urges its members to consider all the needs of a diverse adult literacy and basic education system. The system is not just diverse in that the goals of the administering states differ; it is diverse in the needs of the people that it serves. Adults at the lowest level need the additional time and individualized instruction that volunteer-based programs can offer so that they will be ready for the higher-level instruction available in traditional ABE classes. The volunteer-based programs serve as a feeder system to the ABEs in the same way that the ABEs feed students into postsecondary education.

Mr. Chairman, in any Workforce Investment Act reauthorization bill that is considered by Congress, we strongly recommend that the needs of America's lowest-level learners not be forgotten or abandoned. We owe the 1 in 7 adults in America who are in need of adult literacy and basic education the chance at a better future.

#### *Preliminary Reauthorization Recommendations*

ProLiteracy supports the recommendations for changes to Title II made by the National Coalition for Literacy, and we support aspects of the work of the National Commission on Adult Literacy. In particular, we support the National Coalition for Literacy's call for a revision of the NRS as an effective means of measuring the outcome of programs working with adults at the lowest levels. These recommendations are initial steps in considering the unique needs and contributions of ProLiteracy's

constituents. In addition to the Coalition's recommendations, ProLiteracy's specific priority concerns include:

1) The standards by which student progress is measured and programs deemed effective must consider the variables of student literacy level upon entering a program, student learning styles, current abilities, and life challenges.

2) That State Leadership Activities include appropriations for "professional capacity-building development for staff and tutors of adult basic education and volunteer- and community-based organizations \* \* \*"

3) That "levels of performance measures for eligible providers must include consideration for the additional time and resources required by those providers serving adults \* \* \* who have minimal literacy skills."

4) That wording regarding "direct and equitable access" to funding and "intensity and duration" of instruction be clarified and modified so as to be applicable to the unique services offered by community-based organizations.

5) That local programs and adult learners have a strong role in determining how programs are planned, administered, and evaluated.

In support of the issues identified above, ProLiteracy identified the following policy principles to guide reauthorization:

1. Adult literacy and basic education are fundamental human rights.

All adults in the United States who need adult literacy and basic education services should have access to instruction in the local communities where they live and work. Supporting these services will require a significant increase in federal, state, and local funding to support these educational services.

2. Adult learners—new readers, those transitioning to higher education, and everyone in between—need access to a continuum of adult literacy and basic education services.

Adult literacy and basic education comprise a comprehensive continuum that includes reading, writing, English language learning, using computers and other technology, numeracy, GED, and other instruction.

3. Adult literacy and basic education programs and services should be learner centered.

Adult literacy and basic education programs should be tailored to meet the needs and circumstances of the learners they serve. Instruction should support students' learning styles, challenges, and abilities. Programs should coordinate their services with the broad range of other services that adult learners may participate in, such as social, mental health, and disability services, including case management.

4. The Adult Education and Family Literacy Act should ensure the widest-possible access to federal and state funding mechanisms by local volunteer and adult education programs in order to serve the diverse needs of adult learners.

Program requirements and evaluation methods should be flexible to meet the varying capacities of local volunteer and adult basic education programs. If provisions related to "direction and equitable access" and "duration and intensity of instruction" continue in federal law, a broad-range of success indicators and outcome measures must be guaranteed so that programs have access to funding and are able to document the full range of literacy services that they provide.

5. Local programs and adult learners should have a strong role in determining how programs are planned, administered, and evaluated.

The Adult Education and Family Literacy Act is a partnership between federal, state, and local governments and local programs. Programs and services will be most successful when service providers and adult learners participate with government in planning and evaluating the adult literacy and basic education system.

6. A federal adult literacy and basic education interagency council should be created to ensure coordination of literacy and adult basic education policy and programs within the federal agencies responsible for public health, immigration, disability, financial literacy, and other related programs. A similar requirement should be made for state-level interagency coordination.

Many federal agencies are involved in various aspects of adult literacy and basic education. Similarly, adults participating in literacy and basic education often have multiple needs and participate in other publicly funded services. Federal and state agencies responsible for these services must coordinate policy and programs to eliminate conflicting eligibility requirements and other barriers to a local comprehensive, seamless service systems for adult learners.

7. Local programs that are successful in moving students through the system—from emergent to advanced levels—should get funding and other incentives, including direct federal funding to local programs to assure a variety of delivery systems to meet learner needs.

Programs should create and be rewarded for efforts to create a seamless, learner-centered, local adult literacy and basic education system. This will make it possible

for learners to move in and out of the system as their needs and circumstances dictate while they are acquiring the combination of skills and education they need to succeed at home, in the workplace, and in society. Direct federal funding of local programs is a strategy to assure that diverse programs are available to meet learner needs and circumstances.

8. Training and technical assistance and research to identify best practices and program models must be supported.

Local adult literacy and basic education programs need access to best practices for program design and instructional methods and to the technical assistance grants that will enable them to build their capacity, design innovative programs, support anti-stigma programs and campaigns for adult learners, and address other needs.

#### *Conclusion*

Mr. Chairman and members of the committee, ProLiteracy looks forward to working with you and members of your staff to strengthen this vitally important piece of legislation to ensure that it addresses the needs of America's lowest-level learners and the unique needs of community-based organizations.

Thank you for your consideration.

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#### **Prepared Statement of Ronald G. Congleton, Commissioner Representing Labor, Texas Workforce Commission**

An unintended consequence of WIA has been an erosion of the relationship between unemployment insurance (UI) and the employment service (ES). Both funded from the same source, the two programs were designed to work together and have historically done so with great success. UI pays benefits to those with significant work histories who are temporarily unemployed while ES assists in finding them new work. Effective employment service reduces the amount of time it takes to find a new job, thus lessening the strain on unemployment trust funds and the taxes of employers who fund it. Working in tandem, the two programs effectively bridge rough spots in the economy for workers and communities.

In Texas, the linkage between UI and ES was badly weakened by the simultaneous creation of One-Stop centers and withdrawal of UI staff from local communities to remote call centers. Any reauthorization of WIA should strive to rebuild the bridge between the programs. This can be done without large scale changes, simply by strengthening the role of ES in the One-Stops and coordinating policy with the UI program.

In the early 1990's, Texas had the one most effective and efficient employment services in the country. Each town had an unemployment office run by the state's employment security agency where people who had lost jobs could file claims for unemployment benefits and get job search assistance. In addition to helping claimants find work, ES was able to verify that claimants were in fact searching for work, one of the core eligibility criteria for receiving unemployment benefits.

ES performance decreased with the advent of WIA. While part of this was due to the removal of unemployment insurance staff to call centers, certain aspects of WIA administration in Texas have exacerbated the problem. Minor changes and fine-tuning of WIA could reverse this trend and improve services for the unemployed while saving taxpayer dollars.

WIA created a network of local workforce boards overseeing One-Stop centers throughout Texas. The One-Stops provide information and services to impoverished adults and youth, dislocated workers and other classes of disadvantaged individuals. WIA, TANF and Food Stamp Employment and Training programs are collocated with ES in the One-Stops, but UI is not. This has eliminated day to day interaction between UI and ES, with the latter now aligned more closely with WIA, TANF and Food Stamps.

There has been a resulting shift in focus in the local employment offices, now renamed as One-Stops, from working people to welfare recipients. For all the success that the local boards have had in moving people off of welfare rolls and into entry level jobs, emphasis on those with a long attachment to the labor force, such as UI claimants, has decreased. The needs of those temporarily out of work are different from those with little or no work history, but once the unemployment insurance program was removed from the One-Stops, there was little impetus to focus on clients not tied to the funding streams supporting the centers.

A change in the management model of ES accelerated the trend. Although ES is still nominally a state-run program in Texas, day-to-day direction and control has been ceded to the individual workforce boards and their contractors. As a practical matter, an ever-changing group of private contractors have had hiring and firing au-

thority over the ES state workers in the One-Stops. In addition to creating instability in the ranks of ES workers, this has led to ES workers being directed more toward the programs funding the One-Stops: primarily WIA, TANF and Food Stamp Employment and Training.

The Texas Workforce Commission has attempted to address the lack of focus on UI by imposing performance criteria on the local boards relating to reemployment of UI claimants. Lacking experience with UI claimants, the response of local boards has been to treat them as they do their other targeted populations, despite the differences inherent in these groups. Laid-off workers and unemployment claimants come with a variety of skills, experience and education; by definition they have a long-term attachment to the labor force. Unfortunately, the One-Stops tend to view them as just another disadvantaged client: rather than cultivate better job postings and concentrate on matching them with the particular and unique skills of each individual, the One-Stops have adopted a cookie cutter approach to placement. Arbitrary work search requirements are assigned without regard to experience, profession or job availability, and the quality of job placement has diminished.

This blurring of the lines between WIA targeted groups and the general population is not the fault of the local workforce boards. After all, transitioning welfare clients and low-income people into work has been both their focus and their source of funding. Since the boards neither administer nor receive funding for UI, it is unfair to impose UI performance criteria on them.

To rectify these problems, ES should be reoriented toward the general population and given the authority to resume its historical role as the public labor exchange. ES staff could then monitor the work search efforts of UI claimants, provide basic job matching services and handle all basic intake and evaluation functions of the One-Stop.

Reemphasizing ES would also eliminate a design flaw of WIA, namely, the unnecessary replication of ES services under WIA. Title I of WIA created three levels of service delivery: core, intensive and training. Core services are such things as intake, evaluation, and job search assistance—precisely the same services historically performed by ES. Combining WIA core service with ES would eliminate this redundancy and allow WIA resources to be devoted entirely to intensive services and training. Intake and basic job-matching would be performed by ES uniformly across the state, but training and intensive services would be customized by the workforce boards as local conditions require.

In order to achieve efficiency of scale and assure consistency of service, ES should once again be managed by the Texas Workforce Commission. As interdependent programs, ES and UI require a high level of coordination that is difficult to achieve when the one program is run by the state and the other by 28 different entities. Moreover, since both programs are required to be staffed by state merit system employees, delegating direction and control to private contractors is a complicated and unwieldy process. The simple solution is to reunite ES and UI as coordinated state-run programs.

The results of a recent DOL evaluation support strengthening ES at the state level. DOL compared the traditional state-run ES with pilots in Colorado, Massachusetts and Michigan, where merit-system requirements were relaxed to allow alternative service delivery. There were large reductions in the numbers of job openings listed in the pilot sites, with the One-Stops concentrating on serving the disadvantaged by obtaining job listings tailored to the skills of low-income job seekers. The traditional public labor exchange staffed by state merit-system employees was found to be significantly more cost effective.

We should learn from this lesson in reauthorizing WIA. Local input and control in the design and implementation of job training and services for the disadvantaged is a critical piece of the puzzle, but so is maintaining a robust statewide labor exchange program. A job seeker should be able to receive the same high quality of service anywhere in the state, and ES should provide seamless, well integrated statewide services that can follow a job seeker who re-locates. Likewise, UI claimants should be held to the same standards regardless of the location in Texas where they reside. Uniformity, consistency and accountability will increase across the board if ES is strengthened and once again oriented toward the general population.

The public still thinks of the One-Stop as the employment office. With the economic downturn, laid off workers are flooding the One-Stops looking to file unemployment claims. They are surely shocked to discover that these offices are no longer equipped to take their claims. At best, they can use a computer to attempt to file on-line; at worst, they are merely given a phone number to call, a phone number that may give them nothing but a busy signal. This is not a sustainable system. Strengthening ES, reestablishing its historical relationship with UI and orienting the One-Stops back toward the larger population of unemployed workers is critical

in rebuilding the workforce. Reauthorization of WIA is an opportunity to achieve this, and I encourage the committee to consider these suggestions.

*Ronald Congleton, the Commissioner Representing Labor, is one of the three commissioners of the Texas Workforce Commission. He respectfully submits this statement on prospective changes in provisions of the Workforce Investment Act.*

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Chairman HINOJOSA. And I am going to give an opportunity to Ranking Member Guthrie to make his request.

Mr. GUTHRIE. Thank you, Mr. Chairman.

I ask unanimous consent to submit the Government Accountability Office's report, report number 071096, for the record.

Chairman HINOJOSA. No problem. It will be made part of the record.

[The GAO report, "Workforce Investment Act: One-Stop System Infrastructure Continues to Evolve, but Labor Should Take Action to Require That All Employment Service Offices Are Part of the System," submitted by Mr. Guthrie, may be accessed at the following Internet address:]

*<http://www.gao.gov/new.items/d071096.pdf>*

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Chairman HINOJOSA. And I want to thank each and every one of the presenters for coming this afternoon and being so generous with your time, allowing us to build up our record as we try to find ways in which we can try to make this reauthorization one that will be very effective and be able to give us the results that we need to be able to use the money effectively and make our country a better place to raise our families. Once again, I thank you.

And any member who wishes to submit follow-up questions in writing to the witnesses should coordinate with majority staff within the requisite time.

[The statement of Mr. Altmire follows:]

**Prepared Statement of Hon. Jason Altmire, a Representative in Congress  
From the State of Pennsylvania**

Thank you, Chairman Hinojosa, for holding this important hearing on best practices under the Workforce Investment Act (WIA).

Since 2007, our country has lost more than 3.6 million jobs. We cannot ask American workers to wait any longer for an update to our country's workforce investment system. In one month, we shed almost 600,000 jobs and the unemployment rate has surged to 7.6 percent. This week, Congress will send to the president an economic recovery package that will both stimulate our ailing economy in the short term as well as lay the groundwork for a stronger economy in the future. Included in the recovery package is a multi-billion dollar investment in job training to help place workers in emerging industries—a critical first step in getting our economy back on track.

I look forward to working with the Chairman on the reauthorization of WIA this year. As he mentioned, it was last reauthorized in 1998 and is long overdue for reauthorization. It is my hope that over the next few months, we will have more hearings like this one so that we can hear from all points of view about what works and what we need to do to improve WIA to ensure that it is working.

Thank you again, Chairman Hinojosa, for holding this hearing. I yield back the balance of my time.

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[Additional submission by Mr. Hinojosa follows:]

**Prepared Statement of National Council of State Agencies  
for the Blind, Inc.**

*Reauthorization of the Rehabilitation Act core principles and priorities*

1. Maintain the Rehabilitation Act as a distinct title within the Workforce Investment Act with a separate and distinct funding stream. Historically, individuals with disabilities have not fared well in generic service delivery systems. To allow diversion of funds appropriated to disability programs and intended to benefit disabled job seekers, to workforce programs not intended for people with disabilities would result in this population being more isolated and less involved in the mainstream of America's workforce.

2. Create a separate funding stream to support infrastructure costs of operating the one-stops. At present vocational rehabilitation funds are severely limited. An increasing number of state agencies have established waiting lists of individuals in urgent need of vocational rehabilitation services. Diverting service dollars to pay the infrastructure costs of the one-stops will reduce the number of individuals served by the vocational rehabilitation program. As an alternative, we recommend that infrastructure funding be made a separate line item within The WIA rather than taxing service dollars from each of the partner programs.

3. Maintain the Rehabilitation Services Administration (RSA) Commissioner as a presidential appointee requiring Senate confirmation. Any reduction in the status of the RSA Commissioner will further deemphasize the importance of the vocational rehabilitation program within the Department of Education and the Congress. Downgrading the Commissioner will reduce the ability for the designated head of the vocational rehabilitation program to advocate for the employment and independent living needs of adults with disabilities.

4. Maintain the option for states to have a separate agency for the blind. Current research and performance standards indicate that people who are blind are more successful when served by vocational rehabilitation agencies for the blind. The ability of states to submit a state plan to specifically serve people who are blind through a distinct designated state unit for the provision of such services is an important element in the concept of consumer choice and flexibility.

5. Most consumers who are blind would prefer to receive vocational rehabilitation services from professionals trained to work with persons who are blind and from agencies specializing in this service area. Additionally, the NCSAB urges the support for specialized services for the blind through expanded funding of innovative training programs in blindness rehabilitation.

6. Homemakers should continue to be recognized as a successful vocational rehabilitation closure. Homemakers have been viewed as contributing members to society, often providing invaluable support within a household allowing other family members to pursue gainful employment. We believe that "homemaker" as a vocational goal should be better defined within the Act and regulations. Such a definition would increase the likelihood that persons choosing a vocational goal of homemaker would receive appropriate related services.

7. Preserve the provision in the Act to provide independent living services to individuals who are blind over age 55 (Title VII, Chapter 2) through the designated state unit for vocational rehabilitation. Title VI1, Chapter 2 must remain separate and distinct and not be included in the State Plan for Independent Living.

8. Amend the formula for the distribution of funds under Title V11, Chapter 2. Our organization would like to see assurances in the Rehabilitation Act for minimal COLA increases to all states when additional funds are appropriated for Title VII, Chapter 2 and see the base award for each state raised to \$350,000.

[Question for the record and the subsequent responses follow:]

U.S. CONGRESS,  
[VIA FACSIMILE],  
Washington, DC, February 17, 2009.

Mr. MORTON BAHR, *President Emeritus,*  
*Communications Workers of America, National Commission on Adult Literacy,*  
*Washington DC.*

DEAR MR. BAHR: Thank you for testifying at the February 12, 2008 hearing of the Committee on Education and Labor on "New Innovations and Best Practices Under the Workforce Investment Act."

Representative Ruben Hinojosa (D-TX), chairman of the Higher Education, Lifelong Learning and Competitiveness Subcommittee and member of the Early Child-

hood, Elementary and Secondary Education Subcommittee, has asked that you respond in writing to the following question:

1. How can the Workforce Investment Act partners work with the Community Colleges near them to use the newly designated economic recovery package funding for training programs?

Please send an electronic version of your written response to the questions to the Committee staff by close of business on Tuesday, February 24, 2009—the date on which the hearing record will close. If you have any questions, please do not hesitate to contact the Committee.

Sincerely,

GEORGE MILLER, *Chairman.*

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**Mr. Bahr's Supplemental Material Submitted for the Record**

**1. The National Commission on Adult Literacy, in its final report, "Reach Higher, America," recommends serving 20 million adults by 2020. How can we afford enough teachers and staff to serve so many people, and how can we expect so many to enroll in programs?**

*Answer:* The Commission recommends the use of technology on a dramatically increased scale. Along with a major infusion of new funds, both public and private, this is a significant part of the solution. Although the Commission's report made its technology recommendation in general terms, the Council for Advancement of Adult Literacy (CAAL), the follow-up agent for the Commission, has begun a project that will have precise recommendations by late summer. Until we have the results of that work, we can't provide specific advice, but we have made some preliminary suggestions, on request, to some House staffers. On the second part of the question, new kinds of public awareness activities will be needed to motivate students and the general public. CAAL will undertake a project in the coming months to begin the preliminary planning for the public awareness campaigns that will eventually be needed. In addition, in the new WIA legislation being drafted now in response to the Commission's report, the federal government would provide encouragements to the states to develop appropriate public awareness activities as part of their own comprehensive planning for adult education and workforce skills development.

**2. The commission recommends readiness for entering college and job training programs as the primary educational outcome of the new adult education system. How will we know when "readiness" has been achieved?**

*Answer:* The Commission recommends close partnerships with business as well as collaborations between all kinds of adult education and training providers, including community colleges and community-based organizations. These groups need to work in concert at national, state, and local levels to identify workforce needs, design programs to meet them, and assess whether workforce readiness has been achieved. In fact, the Commission recommends that, as a condition of financial support for low-skilled adult education programs, the new Adult Education and Economic Growth Act require the states to formulate plans to do this. Improved labor market research at the national level is also important. Also, some valuable tools are available to help assess "readiness." For example, Workforce Certifications are under development by the National Association of Manufacturers (in cooperation with ACT) and by the U.S. Chamber of Commerce (building on work begun at NIFL). The CASAS Workforce Skills Certification System is also coming into use. Further, the National Center for Education and the Economy, with which CAAL is doing some follow-up work and which is the base for the work of the New Commission on Skills of the American Workforce, will shortly release a "down-in-the-weeds" book on what state and local programs and planners need to know and do to implement readiness activities and standards. In addition, the new legislation in development, which the Commission hopes will fundamentally reform elements of WIA having to do with adult education and workforce skills, should make some provision for research and development in the workforce certification area.

**3. Many recent reports from leading research organizations stress the need to improve the skills of the American workforce. How do the recommendations of the National Commission on Adult Literacy differ?**

*Answer:* All of the major Commission studies on lifelong learning and human resource development for national economic purposes have recognized the importance of adult education, but it has not been a primary focus of their work. In fact, at the very first convening of the National Commission on Adult Literacy, one member, former Secretary of Labor Ray Marshall, commented that while adult education was in the footnote of all the important reports, the Commission needed to make it the main focus of OUR work and get it up out of the footnotes. The focus of most of

the reports to date have been on improving the K-12 and postsecondary systems, and linking the two. The Commission thinks these recommendations are high priorities, but we found that, even if implemented, they would not have a large impact on the skills of the American workforce for decades to come. This is because of the demographics: the vast majority of the American workforce in 2020 and well beyond will consist of today's adults who are beyond the reach of the schools and postsecondary education. A large percentage of them lack the skills to enter postsecondary education or job training. Hence, to create the competitive workforce that everyone believes we need, it's essential to invest in adult education programs that provide pathways to training and college. Our Commission's work has filled a gap that others have not filled, and we have assurances from many organizations across the country that they agree with our conclusions and support the direction of our recommendations. Incidentally, those recommendations have even greater urgency today, at a time when the recession has created millions of displaced workers—many in low-skilled fields such as construction. In short, the Adult Education and Workforce Skills System we propose must be recognized as an essential partner in our national education reform efforts if we are not to leave behind many millions in our workforce.

#### **4. Is the skills gap really that important?**

*Answer:* The pervasive basic skills problem is critical to our economy and to workforce preparation, and we do not have an adequate system for dealing with this problem. In addition, the current WIA is not adequate in structure, funding, or implementation. The Commission has proposed legislation (and is working on it with House leaders now) that we hope will create an Adult Education and Workforce Skills System largely through major changes in WIA. The goals are to establish new educational outcomes for services; connect adult education, workforce skills, and other relevant entities in planning and service provision at all levels; and have verifiable performance outcomes geared to “readiness” for postsecondary education and job training. [NOTE: There were reform aspects in the current WIA Title I and II programs, but they have not gone far enough or have often not been enforced. As currently structured and funded, WIA is not adequate to the job we need to do now because the times have changed profoundly since it was created. The Commission looked specifically at WIA Title II (which encompasses the entire Department of Education adult education program), and at the four adult education programs of WIA Title I: adult education, dislocated worker program, Trade Adjustment Assistance, and out-of-school youth. In this reform effort, it is highly important to overcome silo and fragmentation problems that plague current federal efforts by connecting relevant federal adult education programs, especially the WIA Title I and II programs, which provide most of the service.]

#### **5. Can we actually train low-skilled workers for high skilled jobs? How do we know?**

*Answer:* Yes. We know we can do it. Both the Commission and various resource organizations (such as CAAL, the Center for Law and Social Policy, and Jobs for the Future) have identified, studied, and profiled scores of programs in all parts of the country that do this effectively right now. For example, Washington State's I-Best program (one of those profiled by the Commission), provides community college-based dual instruction programs that teach basic and vocational skills concurrently. This program greatly reduces the time it takes to move adult learners up their career ladders. The common principles behind this and other programs are well understood—and about to be set forth in a new report from the National Center on Education and the Economy. The problem is that there are too few resources, and federal barriers stand in the way of taking these local efforts to scale. Also, both the federal government and the states must coordinate better the efforts of education and training programs (not just WIA Title I and II, but also TANF, corrections education, and others) and link them to needs of employers. The Commission's report proposes measures to overcome these problems.

#### **6. What explains the low number of adults currently enrolled in adult basic education and ESL programs?**

*Answer:* Given the limited resources available in most states, the adult education system has provided a significant level of service, especially for ESL populations. And there are long waiting lists for service on all fronts. However, most states have not fully implemented WIA Title II provisions for workplace basic skills instruction. The Adult Education and Workforce Skills System called for in Reach Higher, America will require much more attention to workforce skills needs and certification. The Commission believes that the demand for adult education and workforce skills services will skyrocket and that program outcomes will be greatly improved if federal and state policy creates clearer pathways to better jobs and results in higher incomes and family-sustaining wages.

**7. How will the commission's proposals create jobs?**

*Answer:* The Commission's recommendations are an essential pre-condition to creating new jobs. New jobs can't be created if workers with appropriate basic skills aren't available. Many corporations are grappling with this problem. AT&T is one important, highly publicized example. Another is the Dollar General Corporation. The former CEO and chairman of Dollar General (lead funder of the Commission's work) spoke about this problem in that company several times during the Commission's deliberations. A comprehensive workplace skills program would be very supportive of workforce and economic development programs. Also, many more adult education jobs will be created by the new System, including instructors, counselors, program directors, and planners.

**8. In what Federal department are adult education and basic literacy programs most appropriately based?**

*Answer:* The Commission took no position on this issue. Members believe that the emphasis should be on interagency collaboration rather than moving boxes around on the federal organization chart, in the process creating unnecessary turf wars. The adult skills problems cut across the interests and domains of many federal departments. The Department of Education, under any scenario, has basic responsibility for community colleges, higher education generally, the schools, vocational training, Pell grants, and many other programs that must be coordinated to create effective career pathways. The Department of Labor has some adult education services, as identified by the Commission. The challenge is not to shift them elsewhere but to connect them in more productive ways with those of Education. The Department of Health and Human Services will continue to have responsibility for TANF, which must also be linked to career pathway programs. Joint planning and coordination should be the priority.

**9. The commission referred to the fastest growing occupations in its report. why is that important?**

*Answer:* The latest information available from the Bureau of Labor Statistics is from 2006. It needs updating and doesn't capture "green" jobs and more recent trends. But, according to the BLS: By most accounts, even in the recession, there is still a growing demand for large numbers of workers in all aspects of healthcare, personal services, and education nationwide, as well as demand in a wide range of occupations within local labor markets. And the Economic Stimulus package intends to stimulate demand in construction and many sectors. At present it is difficult to forecast the long-term trends. But the essence of the Commission's recommendations is that a career pathway system should be created that can respond quickly and flexibly to whatever workforce demands emerge in local labor markets in the years to come.

**10. What is the commission's core Federal recommendation?**

*Answer:* The Adult Education and Economic Growth Act is at the core of the Commission's recommendations. This Act needs to focus on the unemployed; low-skilled incumbent workers; immigrants with limited or no English; parents or caregivers with low basic skills; incarcerated adults; high school dropouts; and high school graduates not ready for college. These people are our parents and family units, aspiring new citizens, our neighbors, and both future and incumbent workers. [NOTES: (1) In this period of economic emergency, many millions of displaced workers have low basic skills and must be retrained for today's available jobs and jobs of the future, such as "green jobs." (2) We need to be careful how we apply the term "training," which usually refers to people at higher educational levels rather than the millions at the center of the National Commission's concerns whose basic skills need upgrading. Retraining cannot alone be effective unless we recognize the importance of upgrading adults with low basic skills and unless we have the resources and system to improve the basic skills of displaced workers to the levels required.]

**11. How does the commission define basic skills?**

*Answer:* For purposes of the new Act, the Commission believes that the current definition of "basic skills" needs to be redefined. It will not be enough in the new Adult Education and Workforce Skills System we recommend to provide instruction in basic reading, writing, math, and ESL. Such basics as how to communicate, acquire information, think critically, solve problems, use technology, and work in teams need to be part of the equation to achieve "readiness." This is one of the reasons that adult education groups (including community colleges) and workforce development groups must work more closely together.

**12. What is the state role in the commission's call for reform?**

*Answer:* For federal leadership to deliver, the Act must require states to connect all key state interests (adult education, community colleges and postsecondary education generally, workforce skills, youth policy, and others) in comprehensive planning so as to coordinate and align systems consistent with their postsecondary edu-

cation, workforce, and economic development goals. It will be vital in many cases for governors' offices to be involved, and for authority for the required planning to actually be set into state legislation.

**13. In the commission's plan, what entities have responsibilities for delivering instructional services?**

*Answer:* Community colleges, which now provide about one-third of adult education services in the nation, must step more to the forefront and be funded to do so. But all types of provider organizations are essential to the combined effort, including community-based and voluntary organizations, school districts, higher education institutions generally, business and labor, correctional education programs, family literacy groups, student alliances, and others—and they also need new and better resources to fill their roles. The big challenge is to “connect the dots” among these groups. If the Commission's recommendations to break down the fragmentation and waste created by silos are acted on, these groups will necessarily have to work much more together. Beyond that, technology, including distance learning, must also be deployed on an unprecedented scale, for instructional purposes and also to help meet program management and data collection needs.

U.S. CONGRESS,  
[VIA FACSIMILE],  
Washington, DC, February 17, 2009.

Mr. BILL CAMP, *Executive Secretary,*  
*Sacramento Central Labor Council, AFL-CIO, Sacramento, CA.*

DEAR MR. CAMP: Thank you for testifying at the February 12, 2008 hearing of the Committee on Education and Labor on “New Innovations and Best Practices Under the Workforce Investment Act.”

Representative Ruben Hinojosa (D-TX), chairman of the Higher Education, Lifelong Learning and Competitiveness Subcommittee and member of the Early Childhood, Elementary and Secondary Education Subcommittee, has asked that you respond in writing to the following question:

1. How can the Workforce Investment Act partners work with the Community Colleges near them to use the newly designated economic recovery package funding for training programs?

Please send an electronic version of your written response to the questions to the Committee staff by close of business on Tuesday, February 24, 2009—the date on which the hearing record will close. If you have any questions, please do not hesitate to contact the Committee.

Sincerely,

GEORGE MILLER, *Chairman.*

**Mr. Camp's Response to Question Submitted for the Record**

I am responding to the question raised at the committee and reiterated in your February 17, 2009 letter: “How can the Workforce Investment Act partners work with the Community Colleges near them to use the newly designated economic recovery package funding for training programs?”

In Sacramento we have already established close working relationships with the Los Rios Community College District which covers our entire WIB jurisdiction.

Within the last 3 years, the employer community in response to the Sacramento WIB questionnaire stated specific “soft” skills which they considered of first importance in hiring new employees. The community college staff in coordination with the Sacramento WIB developed a course curriculum that when successfully completed would earn a “Ready to Work” certificate which the unemployed or underemployed worker could take to any employer when they applied for a job. When tracking the wages earned by these successful graduates of the “Ready to Work” classes showed an \$8,000.00 annual increase in income. We are interested in broadening these classes into the high school system in preparation for those students who do not see themselves as 4 year college applicants.

In addition, the Sacramento WIB is currently contracting with our community colleges for classes for utility workers who are needed by Pacific Gas and Electric and other utilities to replace a well paid unionized workforce that is currently retiring. We are currently training highway construction pre-apprenticeship workers who will be doing the highway construction work in the stimulus bill. In addition, we are training solar installers for the contractors who are working with our local public utility in installing solar panels. Lastly, the Sacramento WIB are training “clean

diesel mechanics” who will be replacing retiring Union mechanics who work for the Sacramento Regional Transit Agency.

The Sacramento WIB will scour the stimulus plan for opportunities to work with our local community colleges in developing courses pertinent to applicants seeking opportunities in these stimulus funded activities. To the degree that the “ARRA” includes authorization for local WIB’s to contract for training with community colleges, apprenticeship and other training providers, the Sacramento WIB will work for every opportunity to enroll unemployed job seekers needing skills and development.

Thank you for the opportunity to respond. I would be glad to share any additional details that might interest you.

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U.S. CONGRESS,  
[VIA FACSIMILE],  
Washington, DC, February 17, 2009.

Ms. KAREN R. ELZEY, *Vice-President and Executive Director,*  
*Institute for a Competitive Workforce, U.S. Chamber of Commerce, Washington, DC.*

DEAR MS. ELZEY: Thank you for testifying at the February 12, 2008 hearing of the Committee on Education and Labor on “New Innovations and Best Practices Under the Workforce Investment Act.”

Representative Ruben Hinojosa (D-TX), chairman of the Higher Education, Lifelong Learning and Competitiveness Subcommittee and member of the Early Childhood, Elementary and Secondary Education Subcommittee, has asked that you respond in writing to the following question:

1. How can the Workforce Investment Act partners work with the Community Colleges near them to use the newly designated economic recovery package funding for training programs?

Please send an electronic version of your written response to the questions to the Committee staff by close of business on Tuesday, February 24, 2009—the date on which the hearing record will close. If you have any questions, please do not hesitate to contact the Committee.

Sincerely,

GEORGE MILLER, *Chairman.*

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### **Ms. Elzey’s Response to Question Submitted for the Record**

*Question posed by Rep. Ruben Hinojosa, Chairman, Subcommittee on Higher Education, Lifelong Learning, and Competitiveness of the House Committee on Education and Labor: How can the Workforce Investment Act partners work with the Community Colleges near them to use the newly designated economic recovery package funding for training programs?*

Over the past months, the United States has experienced a serious downturn in our economy and extraordinary turbulence in our financial markets. Millions of Americans are anxious about whether their skills are going to provide them with job opportunities in a volatile economic landscape. Community colleges play a crucial role in preparing workers with the skills demanded by employers in the evolving global economy. In the short term, meeting the needs of newly unemployed workers is the most urgent challenge.

Community and technical colleges working in collaboration with the public workforce system and the business community, including chambers of commerce which represent hundreds of local businesses, are positioned to provide the most advanced, flexible, and market-driven education and training. There are several ways that Workforce Investment Act partners can strengthen their relationship with community colleges under the American Recovery and Reinvestment Act of 2009 (ARRA):

- Contract directly with community colleges for training: The American Recovery and Reinvestment Act of 2009 provides an additional \$2.95 billion to the Workforce Investment Act. Specifically, the bill “provides the authority for local Workforce Investment Boards (WIBs) to contract with institutions of higher education and other eligible training providers as long as the authority is not used to limit customer choice.” This provides an excellent opportunity for local WIBs to expand workforce training opportunities with community colleges. However, it must be ensured that the WIBs do not limit other training providers such as career colleges from offering services.

- Provide training for middle-skill jobs: Roughly half of all occupations in today’s labor market are classified as middle skills jobs—those requiring more than a high

school diploma but less than a bachelor's degree. Yet, a large percentage of the population doesn't possess the education and training to obtain these jobs. Additional funding in programs such as Adult Services and Dislocated Workers allows for community colleges to work in collaboration with the workforce investment system and the business community to retrain and upgrade the skills of the current workforce. The training should be targeted for occupations that are in demand or are expected to grow.

- Support high growth industries and sector-based strategies: The American Recovery and Reinvestment Act of 2009 provides an additional \$750 million in training for high growth industries. This initiative targets investments for public private sector partnerships to develop training programs in high demand occupations. As part of this program community colleges have and can continue to play a key role in both developing these programs and providing skills training.

In a country as diverse and complex as ours, we must rely on a system of affordable, accessible community colleges to serve as gateways to further education and quality job opportunities.

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U.S. CONGRESS,  
[VIA FACSIMILE],  
Washington, DC, February 17, 2009.

Ms. BONNIE GONZALEZ, *Chief Executive Officer,*  
*Workforce Solutions, Inc., Lower Rio Grande Valley, McAllen, TX.*

DEAR MS. GONZALEZ: Thank you for testifying at the February 12, 2008 hearing of the Committee on Education and Labor on "New Innovations and Best Practices Under the Workforce Investment Act."

Representative Ruben Hinojosa (D-TX), chairman of the Higher Education, Lifelong Learning and Competitiveness Subcommittee and member of the Early Childhood, Elementary and Secondary Education Subcommittee, has asked that you respond in writing to the following question:

1. How can the Workforce Investment Act partners work with the Community Colleges near them to use the newly designated economic recovery package funding for training programs?

Please send an electronic version of your written response to the questions to the Committee staff by close of business on Tuesday, February 24, 2009—the date on which the hearing record will close. If you have any questions, please do not hesitate to contact the Committee.

Sincerely,

GEORGE MILLER, *Chairman.*

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**Ms. Gonzalez's Response to Question Submitted for the Record**

1. *How can the Workforce Investment Act partners work with the Community Colleges near them to use the newly designated economic recovery package funding for training programs?*

As an "early implementer" of WIA in 1998-1999 the State of Texas quickly achieved consolidation of twenty-eight (28) separately funded employment and training programs under one (1) entity—the Local Workforce Investment Board (LWIB) and established the delivery of services through a One-Stop Service model. The major services consolidate include, Employer/Business, Employment and Re-Employment Services to unemployment insurance claimants. This consolidation included not only services but the wealth of data of each.

As the only state approved provider of One-Stop Services through its Workforce Solutions Centers, Workforce Solutions, Inc. (the Lower Rio Grande Texas LWIB) connects employers with job seekers and through this connection and dialogue identifies the needs of both; our Community Colleges are our partners in providing solutions.

As a LWIB we can work with our Community Colleges as follows:

- Convene Industry Leaders—both those affected by the current economy and those in the emerging industries to identify training needs for Community College training development
- Conduct analysis of the current unemployed labor force to identify transferrable skills for rapid re-training
- Provide Community Colleges with educational levels and training needs of the identified population most able to complete training and proposed timelines for completion

- Recruit the necessary number of the unemployed to fill classroom and on-site training
- Utilize WIA funds and seek competitive grants to pay a portion of the training
- Provide Assistance in applying for and obtaining maximum amounts of available financial aid through workshops on proper application completion and timely submission
- Provide supportive service in the areas of child care, transportation and training related equipment to enroll and maintain enrollment in training
- Provide “income maintenance” employment to trainees to fill income gaps during training
- Provide intensive counseling in family finance/budgeting and motivational activities
- Develop incentives for obtaining training performance benchmarks which can reduce training costs
- Provide tracking of and assessments of training delivery
- Provide tracking of and effectiveness of training upon employment
- Provide employment retention services

Workforce Solutions, Inc. can contribute the above, at minimum, to work with our Community Colleges and our employers to implement the necessary actions needed to rapidly provide skills training that will return our labor force to productivity.

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[Graph provided by Ms. Gonzalez follows:]



U.S. CONGRESS,  
[VIA FACSIMILE],  
Washington, DC, February 17, 2009.

Ms. SHERRY L. JOHNSON, *Associate Director*,  
*Lincoln Trail Area Development District, Elizabethtown, KY.*

DEAR MS. JOHNSON: Thank you for testifying at the February 12, 2008 hearing of the Committee on Education and Labor on “New Innovations and Best Practices Under the Workforce Investment Act.”

Representative Ruben Hinojosa (D-TX), chairman of the Higher Education, Lifelong Learning and Competitiveness Subcommittee and member of the Early Childhood, Elementary and Secondary Education Subcommittee, has asked that you respond in writing to the following question:

1. How can the Workforce Investment Act partners work with the Community Colleges near them to use the newly designated economic recovery package funding for training programs?

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Sincerely,

GEORGE MILLER, *Chairman.*

#### **Ms. Johnson’s Response to Question Submitted for the Record**

*How can the Workforce Investment Act partners work with the Community Colleges near them to use the newly designated economic recovery package funding for training programs?*

*Practitioner Response:* The Lincoln Trail Workforce Investment Area and the Elizabethtown Community and Technical College (ECTC) have a long history of partnership and collaboration for addressing employment needs of the region. The current economic crisis in America allows us to build upon this relationship to expand training opportunities, both long and short term, but to look at the possibility of developing “refresher” courses in subjects such as math, writing skills, introduction to computers, entrepreneurial, etc. Discussions will be held to expand training opportunities in high demand sectors in the local labor market—i.e., healthcare, information technology (as it relates to Fort Knox demands/needs), and service related occupations. This might include purchasing class-size projects.

Past examples of our strong relationship with the community college:

- Establishment of a healthcare career pathways program that is promoted nationally as a successful model for replication.
- Establishment of the “Options Workshops” for dislocated workers. These workshops are above and beyond our normal rapid response activities. Community partners have included—KY Society for Financial Planners, a local financial planner, United Way, local Ministerial Association, etc. The college has also offered dislocated workers two non-credit courses for free.
- Development of a youth career pathways project in high demand occupations in the local labor market.
- Development of career pathways project at the request of the U.S. Federal Highway and Safety Administration and Kentucky Cabinet for Transportation. Project was replicated in two other areas across the state.
- Assisted in the WIRED grant application process.
- Developing web-based curriculum in response to U.S. Army’s Human Resource Command needs—“Military 101” and “Introduction to Military Personnel Management”. Scheduled for launch in Spring 2009.

It is important to recognize that “training” is not necessary for everyone and should not be the sole focus of our efforts. We need to consider other alternatives as well. Workshops on resume writing; interviewing skills; budgeting your finances, retirement, savings, etc. are vital tools for individuals as well.

Quite frankly, the Elizabethtown Community and Technical College is not just important to our local workforce response during the current crisis but a vital partner each and every day. The success of our workforce efforts in the region have been and will continue to be addressed through the partnership we have with the college. Any time we have a new initiative, a plant closure/layoff, or any workforce related project—the very first call we make is to the college right across the street.

U.S. CONGRESS,  
[VIA FACSIMILE],  
Washington, DC, February 17, 2009.

Mr. STEPHEN WOODERSON, *State Administrator,*  
*Iowa Vocational Rehabilitation Services, Des Moines, IA*

DEAR MR. WOODERSON:

Thank you for testifying at the February 12, 2008 hearing of the Committee on Education and Labor on “New Innovations and Best Practices Under the Workforce Investment Act.”

Representative Ruben Hinojosa (D-TX), chairman of the Higher Education, Lifelong Learning and Competitiveness Subcommittee and member of the Early Childhood, Elementary and Secondary Education Subcommittee, has asked that you respond in writing to the following question:

1. How can the Workforce Investment Act partners work with the Community Colleges near them to use the newly designated economic recovery package funding for training programs?

Please send an electronic version of your written response to the questions to the Committee staff by close of business on Tuesday, February 24, 2009—the date on which the hearing record will close. If you have any questions, please do not hesitate to contact the Committee.

Sincerely,

GEORGE MILLER, *Chairman.*

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#### **Mr. Wooderson’s Response to Question Submitted for the Record**

Responding to: “*How can the Workforce Investment Act partners work with the Community Colleges near them to use the newly designated economic recovery package funding for training programs?*”

In Iowa we work extensively with the 15 community colleges in our state. In addition to continuing to build training apprenticeships for high demand-high skilled trades, I encourage partnerships that foster employment outcomes. I offer the following suggestion.

In the Des Moines, IA IVRS has partnered with the Community College and Workforce Partners and developed a project with the following Purpose and Goals:

- Purpose: To organize individual agency efforts into collaborative, proactive customer-based activity that leverages resources of each organization to improve access for persons with disabilities to the local labor market.
- Goal 1—To increase outreach to business and industry through the delivery of technical assistance, consultation and training by the community college, vocational rehabilitation and Veterans Administration staff.
- Goal 2—To bring the employment life and academic experience for students with disabilities into balance through practical application of learning
- Goal 3—To increase the numbers of persons with disabilities employed on all campuses.

The strategies developed through such a project have resulted in:

- New relationships with local business and industry
- Consultation and technical assistance to encourage business and industry to become “disability friendly”
- Development of new apprenticeship models
- Increase in employment of persons with disabilities on the community college campus

Thank you for the opportunity to respond.

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Without objection, this hearing is adjourned.

[Whereupon, at 4:43 p.m., the subcommittee was adjourned.]



## **NEW INNOVATIONS AND BEST PRACTICES UNDER THE WORKFORCE INVESTMENT ACT**

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**Thursday, February 26, 2009  
U.S. House of Representatives  
Subcommittee on Higher Education,  
Lifelong Learning, and Competitiveness  
Committee on Education and Labor  
Washington, DC**

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The subcommittee met, pursuant to call, at 10:05 a.m., in room 2175, Rayburn House Office Building, Hon. Ruben Hinojosa [chairman of the subcommittee] presiding.

Present: Representatives Hinojosa, Bishop of New York, Andrews, Wu, Davis, Fudge, Polis, Guthrie, McKeon, Biggert, and Roe.

Staff present: Tylease Alli, Hearing Clerk; Adrienne Dunbar, Education Policy Advisor; David Hartzler, Systems Administrator; Fred Jones, Staff Assistant, Education; Jessica Kahanek, Press Assistant; Brian Kennedy, General Counsel; Ricardo Martinez, Policy Advisor, Subcommittee on Higher Education, Lifelong Learning and Competitiveness; Joe Novotny, Chief Clerk; Michele Varnhagen, Labor Policy Director; Margaret Young, Staff Assistant, Education; Stephanie Arras, Minority Legislative Assistant; James Bergeron, Minority Deputy Director of Education and Human Services Policy; Cameron Coursen, Minority Assistant Communications Director; Kirsten Duncan, Minority Professional Staff Member; Chad Miller, Minority Professional Staff; Susan Ross, Minority Director of Education and Human Resources Policy; and Linda Stevens, Minority Chief Clerk/Assistant to the General Counsel.

Chairman HINOJOSA [presiding]. A quorum is present. The hearing of the subcommittee will come to order.

Pursuant to the Committee Rule XII, any member may submit an opening statement in writing which will be made part of the permanent record. I now recognize myself, followed by Ranking Member Brett Guthrie, for an opening statement.

I want to thank everyone who is here this morning. I welcome you to the Higher Education, Lifelong Learning and Competitiveness Subcommittee second hearing in preparation for the reauthorization of the Workforce Investment Act.

As with our first hearing, we are going to focus on new innovations and best practices that will improve the workforce develop-

ment system. Each day, our task to renew the Workforce Investment Act grows more urgent.

On Tuesday, President Obama called on all Americans to commit themselves to one year of college or post-secondary training. Last week, the president signed the American Recovery and Reinvestment Act to save or create 3.5 million jobs.

With a nearly \$5 billion investment in our job-training programs by the Department of Labor, this law places a specific priority on assistance that will offer family-sustaining wages to workers who have the greatest barriers to finding employment.

Yet from our last hearing, we know that an estimated 80 million to 90 million adults lack the basic education and skills to answer the president's call or to qualify for the jobs that will be created by the stimulus plan. According to a recent analysis by Anthony Carnevale at Georgetown University Center on Education and the Workforce, 54 percent of these jobs will require at least some post-secondary education, and high school dropouts will be eligible for only about one-fourth of those jobs that will be available.

We will have to call upon our workforce development system that is supported through the Workforce Investment Act to bridge that gap. This will require innovation and new approaches to delivering job-training and education.

In recent years, the trends have not been positive for low-income, low-skilled workers in the WIA system. According to an analysis by the Center for Law and Social Policy, the share of low-income participants who received intensive and training services under WIA dropped from 84 percent in the year 2000 to 53.7 percent in the year 2007.

Likewise, the share of workers with low levels of educational attainment who received intensive or training services dropped from 77.9 percent to 68.7 percent. We need to reverse those trends.

However, there are examples of innovation and best practices across the country where job-training, education, and support services have been integrated into a system of career pathways that has enabled workers to complete secondary school, learn English, and earn a post-secondary credential, facilitating their entry into higher-skilled, higher-paying jobs. We need to build on those successes.

A similar approach has shown promise with our youth programs. Under a reauthorization WIA, we have an opportunity to strengthen our youth programs to not only connect youth to the workplace, but also help them to establish lasting bonds to education and lifelong learning.

Our witnesses today will share with us what practices have been most successful in their experience with the workforce investment system.

I thank you for joining us. And I am looking forward to your testimony.

I now yield time to the ranking member, Mr. Brett Guthrie of Kentucky, for his opening statement.

Brett?

[The statement of Mr. Hinojosa follows:]

**Prepared Statement of Hon. Rubén Hinojosa, Chairman, Subcommittee on  
Higher Education, Lifelong Learning, and Competitiveness**

Good Morning. Welcome to the Higher Education, Lifelong Learning, and Competitiveness Subcommittee's second hearing in preparation for the reauthorization of the Workforce Investment Act. As with our first hearing, we are going to focus on new innovations and best practices that will improve the workforce development system.

Each day, our task to renew the Workforce Investment Act grows more urgent.

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Last week, the President signed the American Recovery and Reinvestment Act to save or create 3.5 million jobs. With a nearly \$5 billion investment in our job training programs by the Department of Labor, this law places a specific priority on assistance that will offer family sustaining wages to workers who have the greatest barriers to finding employment.

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According to a recent analysis by Anthony Carnevale at Georgetown University's Center on Education and the Workforce, 54 percent of these jobs will require at least some postsecondary education and high school dropouts will be eligible for only about one-fourth of them.

We will have to call upon our workforce development system that is supported through the Workforce Investment Act to bridge that gap. This will require innovation and new approaches to delivering job training and education.

In recent years, the trends have not been positive for low-income, low-skilled workers in the WIA system. According to an analysis by the Center for Law and Social Policy, the share of low-income participants who received intensive and training services under WIA dropped from 84 percent in 2000 to 53.7 percent in 2007. Likewise, the share of workers with low levels of educational attainment who received intensive or training services dropped from 77.9 percent to 68.7 percent. We need to reverse those trends.

However, there are examples of innovation and best practices across the country where job training, education, and support services have been integrated into a system of career pathways that has enabled workers to complete secondary school, learn English, and earn a postsecondary credential, facilitating their entry into higher-skilled, higher-paying jobs. We need to build on those successes.

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Our witnesses today will share with us what practices have been most successful in their experience with the workforce investment system.

Thank you for joining us. I am looking forward to your testimony.

I now yield to the Ranking Member, Mr. Brett Guthrie of Kentucky, for his opening statement.

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Mr. GUTHRIE. Thank you, Mr. Chairman. And thank you for calling this hearing on this such an important package that we are going to be working on throughout the spring and summer.

In the last month, we lost nearly 600,000 jobs, and the number of unemployed workers grows with each day, and the need to help them find news job has never been greater.

It has been more than a decade since federal job-training initiatives have been updated. With a changing economy and growing unemployment rates, the time to renew this legislation is now.

We must be committed to a dynamic, results-oriented job-training system that can effectively serve those looking for a job and those workers in need of retraining. The one-stop shops under the Workforce Investment Act are the best resource to provide this type of job-training.

I am reminded of a story from a local official in my district that stresses the importance of these one-stop shops. In 2006, Judge Dave Hourigan, the Marion County judge executive, or our county's chief executive—we call them judges in Kentucky—saw the need to create a one-stop shop in his county.

He understood the importance of consolidating services and developing a central place where people could go to access job-placement information, education, and training, and other assistance, so the judge decided to make this a reality for Marion County. He worked with business and community leaders to find donated space to open the center. Then he worked to connect the center to local businesses and industry so that it could be more effective.

Because of Judge Hourigan's commitment, Marion Countians now have a responsive centralized system in their backyard to provide valuable resources for both employees and employers. It is this type of commitment we need to make sure our workforce remains competitive.

It is critical that we continue using the one-stop shop model to develop a workforce that meets our economy's changing needs. These centers are working well, and they are the key to providing Americans with better jobs and better lives and, in turn, providing America with a stronger workforce.

However, we must continue to keep local workforce investment boards, including representatives from the business community, at the center of this process. These local businesses will create the new jobs that the center will help fill, so they must be at the center of the workforce system.

As a former small businessman, I, like Judge Hourigan, recognize the need for a collaborative effort that includes businesses working with the one-stop shop to provide the best services for workers who need them.

I look forward to today's testimony and learning more about the best practices and innovative ideas from around the country as we work to reauthorize this important legislation.

Thank you, Mr. Chairman.

[The statement of Mr. Guthrie follows:]

**Prepared Statement of Hon. Brett Guthrie, Ranking Minority Member, Subcommittee on Higher Education, Lifelong Learning, and Competitiveness**

Thank you, Mr. Chairman, for calling this hearing and I welcome our distinguished witnesses.

Last month, we lost nearly 600,000 jobs. The number of unemployed workers grows with each day, and the need to help them find new jobs has never been greater. It has been more than a decade since federal job training initiatives have been updated. With a changing economy and growing unemployment rate, the time to renew this legislation is now.

We must be committed to a dynamic, results-oriented job training system that can effectively serve those looking for a job and those workers in need of retraining. The one-stop shops under the Workforce Investment Act are the best resource to provide this type of job training system.

I am reminded of a story from a local official in my district that stresses the importance of these one-stop shops. In 2006, Dave Hourigan, the Marion County Judge/Executive or the county's chief executive officer, in my home state of Kentucky saw the need to create a one-stop shop in his county. He understood the importance of consolidating services and developing a central place where people could go to access job placement information, education and training, and other assistance. So, the Judge decided to make this a reality for Marion County. He worked with business and community leaders to find donated space to open the center.

Then, he worked to connect the center to local businesses and industries so that it could be more effective. Because of Judge Hourigan's commitment, Marion Countians now have a responsive, centralized system in their backyard to provide valuable resources for both employees and employers.

It is this type of commitment that we need in order to make sure our workforce remains competitive. It is critical that we continue using this one-stop shop model to develop a workforce that meets our economy's changing needs. While these centers are working well, providing Americans with better jobs and better lives, and in turn, providing America with a stronger workforce, there is still work to be done.

In our hearing two weeks ago, witnesses testified about concerns over the size of local workforce boards and urged us to maintain the business majority on those boards. It is clear that we must continue to keep local workforce investment boards, including representatives from the business community, at the center of our workforce development system. Local businesses will create the new jobs that one-stop centers will help fill, which is what makes this system an essential component of our country's economic growth. As a former small businessman, I, like Judge Hourigan, recognize the need for a collaborative effort that includes businesses working with the local one-stop shop to provide the best services for the workers who need them.

I look forward to today's testimony and learning more about the best practices and innovative ideas from around the country as we work to reauthorize this important legislation.

Thank you, Mr. Chairman.

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Chairman HINOJOSA. Without objection, all members have 14 days to submit additional materials or questions for the hearing record.

I would like to introduce our very distinguished first panel of witnesses here with us this morning. Welcome to each and every one of you.

I wish to explain the lighting system. For those of you who have not testified before this subcommittee, allow me to explain our lighting system and the 5-minute rule. Everyone, including members, is limited to 5 minutes of presentation or questioning.

The green light is illuminated when you begin to speak. When you see the yellow light, it means you have 1 minute remaining. When you see the red light, it means your time has expired and you need to conclude your testimony.

Please be certain, as you testify, to turn on and speak into the microphone in front of you so that everyone can hear you.

We will now hear from our first witness.

I am going to introduce all three members of this first panel, and then we will get started with Ms. Keenan.

Cheryl is the Director of the U.S. Department of Education's Division of Adult Education and Literacy in the Office of Vocational and Adult Education. In her role as the national director, she oversees the office which funds almost \$600 million in state and local grant programs to enable adults to become literate and complete high school so they can succeed as workers, as parents and citizens.

Prior to her appointment to this department, she served as the Pennsylvania State Director of Adult Education and Literacy. Ms. Keenan holds undergraduate and graduate degrees in the field of education. We are aware that your office is extremely busy during the transition, but we really appreciate your willingness to visit with us today and share your knowledge.

Mr. George Scott, George is the Director of Education and Workforce and Income Security Issues for the U.S. Government Accountability Office. George has been a familiar and frequent witness be-

fore our committee, as well as an important contributor for several of our field hearings. He is responsible for overseeing the high-quality work the agency provides for our reports across a number of areas in our committee jurisdiction.

He is a graduate of the University of North Carolina at Chapel Hill and has received several GAO management awards. In 2003, he was the 2003 nominee for the William A. Jump Memorial Award for exemplary achievement in public administration.

Welcome, Mr. Scott. And it is always good to have you before our subcommittee today, and we look forward to your remarks.

Mr. John Morales is the Executive Director of the Yuma County Workforce Investment Board in Yuma, Arizona. John has over 30 years of experience in working in employment and training in economic development and behavioral health programs. Over the years, he has chaired numerous professional associations on workforce and economic development. And in Arizona, he was named to the governor's P-20 Council on early education through post-secondary alignment.

He is a firm believer in lifelong learning activities, and I can only say that he has selected the right subcommittee in which to come and discuss lifelong learning.

We welcome you, sir. We welcome Mr. Morales. We are happy to have you with us.

We will now start with Ms. Keenan.

**STATEMENT OF CHERYL KEENAN, DIRECTOR OF THE DIVISION OF ADULT EDUCATION AND LITERACY, U.S DEPARTMENT OF EDUCATION**

Ms. KEENAN. Chairman Hinojosa and members of the subcommittee, I appreciate the opportunity to talk with you today about the federally funded adult education programs that the Department of Education administers and the significant role they can play in supporting America's economic recovery.

Adult education is an important part of the Workforce Investment Act, and we appreciate your recognition of its role in helping adults to increase their literacy skills, to learn English, to transition to post-secondary education, and obtain jobs that pay family-supporting wages.

I would like to note that the Adult Education State Grant Program is one of only six department programs to achieve an effective rating under the OMB PART review, which is designed to assess and improve program performance and identify program strengths and weaknesses.

So who does this program serve? Adults eligible for services are at least 16 years old, are beyond their state's age for compulsory school attendance, are not enrolled in high school, and lack sufficient mastery of basic education or English proficiency.

More than 2.3 million students enrolled in the adult education programs nationwide last year. Forty-five percent of those students enrolled in English literacy classes to improve their English proficiency. Forty-one percent enrolled in adult basic ed programs, which provides instruction to adults in reading and math below the eighth-grade level. And 14 percent enrolled in adult secondary pro-

grams which provide instruction between the 9th-and 12th-grade levels.

Hispanics comprise the largest ethnic group enrolled in adult education, at about 44 percent, followed by whites, African-Americans, and Asians. Adult education programs serve a significant youth population, primarily high-school dropouts. Last year, more than one-third of students—or 850,000—enrolled in adult education were between the ages of 16 and 24. Nearly 500,000 of these young learners had math and reading skills below the eighth-grade level.

More than 1 million adults enroll in programs to improve their English proficiency. Three-fourths of these adults have English literacy levels at low-beginning to low-intermediate, indicating a significant need to improve both spoken and written English-language skills.

Appropriations for the Adult Education State Grant Program have remained at approximately \$650 million annually for the last 5 years. Federal dollars appropriated under AEFLA support adult learning through more than 4,100 providers nationwide. Slightly more than half of these are local education agencies; 16 percent are post-secondary institutions; 21 percent are community-based organizations; and about 3 percent are faith-based organizations.

The law requires states to establish outcome-based accountability systems to determine the effectiveness of local providers in continuously improving adult education activities. Student outcomes that states report are on educational gains, attainment of a high-school diploma, entry into post-secondary education or training, obtaining and retaining employment.

In the last 5 years, over 3.9 million enrolled adults, or almost 40 percent, have improved reading, math and English proficiency as a result of their enrollment in adult education, and 51 percent of the people who came with the goal of getting a GED were successful in achieving that goal. The program also helped over 600,000 people to get jobs.

But many challenges still exist in the job market, where the bar for literacy skills that are required for family-supporting wages is constantly being raised. Our federal-state partnership serves only a very small portion of adults who need literacy instruction, and America's high-school dropout rate is significant, and students who leave high school frequently look to adult education to provide the education and support they need to earn the secondary credential required for even the most basic employment.

Adults need post-secondary credentials to obtain jobs that will allow them to feed their families and pay their mortgages, and yet 65 percent of adults have no associate or higher degrees. Immigrants need to learn English for employment and to participate in civic functions that are necessary for life in our democracy, yet one-third of foreign-born persons in the United States do not have a high-school diploma, and nearly 18 million are limited in their proficiency in English.

How is the department addressing these challenges? We have created initiatives designed to address the challenges facing adult education programs nationwide by enhancing teacher quality and stimulating development and innovation.

In recent years, Congress has appropriated between \$7 million and \$9 million for national leadership activities, and we use these funds to help address our current economic challenges.

One such effort, the Adult Basic Education Career Connections project is expanding the pipeline to post-secondary occupational training by preparing low-skilled adults for entry into and advancement in high-demand employment based on regional economic needs.

Several states have launched large-scale efforts to realign their adult education systems with these pathway models. The state of Washington has developed its I-BEST model that delivers English-as-a-second-language instruction integrated with occupational skills training.

And states are also using funds available to them under their incentive grant program, section 503 of WIA, to support these efforts. For instance, Oregon has invested incentive money to connect its adult basic skills program to its post-secondary pathways, and Ohio is involved in a similar effort.

Chairman HINOJOSA [continuing]. Conclusion, I would ask you to please do so, and be assured that I will include the entire statement into the record.

Ms. KEENAN. We are proud of our support for adult education, and I hope it can contribute to the success of America's recovery, especially in bringing basic literacy and English-skills training to low-income adults.

Thank you for this opportunity to testify about the department's adult ed program, and we look forward to working with you to support the needs of adult learners. I am happy to respond to any questions.

[The statement of Ms. Keenan follows:]

**Prepared Statement of Cheryl Keenan, Director of Adult Education and Literacy, Office of Vocational and Adult Education, U.S. Department of Education**

Chairman Hinojosa and Members of the Subcommittee, the Department appreciates this opportunity to talk with you about the federally funded adult education programs that the Department of Education administers and the significant role they can play in supporting America's economic recovery. Adult education is an important part of the Workforce Investment Act (WIA), and we appreciate your recognition of its role in helping adults increase their literacy skills, learn English, transition to postsecondary education, and obtain jobs that pay family-supporting wages. The Department very much looks forward to working with you to ensure that adult education programs continue to effectively prepare participating adults for employment and further learning.

I am the director of the Department's Division of Adult Education and Literacy. Our division is housed in the Office of Vocational and Adult Education (OVAE). The division is responsible for the Adult Education State Grant Program as well as national leadership initiatives to support State and local accountability, program improvement, and innovation authorized by the Adult Education and Family Literacy Act (AEFLA) in Title II of the WIA.

Today, I will discuss the Department's adult education program and include some information on current learner demographics, program performance, and national initiatives that help adults in the United States obtain the literacy and employability skills they need to get and keep family-supporting jobs.

We are proud that the Adult Education State Grant Program is rated "effective" by the Office of Management and Budget (OMB). Our program participated in OMB's 2006 Program Assessment Rating Tool (PART) review, which is designed to assess and improve program performance, and identify program strengths and weaknesses. The Adult Education State Grant Program was one of five Department programs to achieve an "effective" rating during the time the Executive Branch car-

ried out PART reviews. The PART assessment findings, including the scoring and explanation for program design, program management, strategic planning, program management, and program accountability are available online at [www.Expectmore.gov](http://www.Expectmore.gov).

#### *Who Does Adult Education Serve?*

Adults eligible for services funded by AEFLA are at least 16 years old, are beyond their State's age for compulsory school attendance, are not enrolled in high school, and lack sufficient mastery of basic educational skills. They do not have a secondary school diploma (or its equivalent) or are unable to read, speak, or write in English. More than 2.3 million students enrolled in adult education programs nationwide last year. Of those, 45 percent participated in English literacy programs (EL), 41 percent in adult basic education (ABE), which provides instruction to adults with reading and math below the eighth grade, and 14 percent in adult secondary education (ASE), which provides instruction between ninth and twelfth grade levels. Our most recent data show that Hispanics comprise the largest ethnic group enrolled in adult education programs at 44 percent, followed by White at 26 percent, African Americans at 20 percent, and Asians at 8 percent.

Adult education programs serve a varied and significant youth population, primarily high school drop-outs. Last year, more than one third of students (850,000) enrolled in adult education were between the ages of 16 and 24. Nearly one half million of these young learners had math and reading skills below the eighth-grade level. About one fifth of these learners were unable to read, write, or speak English well enough to function on the job or participate in civic functions.

More than one million adults enrolled in programs assisted by AEFLA to improve their English proficiency. Three-fourths of these adults, when assessed, were found to have English literacy levels at "low beginning" to "low intermediate," indicating a significant need to improve both spoken and written English-language skills to attain the proficiency necessary to allow them to advance in America and obtain family-supporting jobs.

#### *How Is Adult Education Delivered?*

Appropriations for the Adult Education State Grant Program have remained at approximately \$560 million annually for the last five years. Program funding is distributed by formula to a State agency designated by State law. Nationwide, we find that 33 States provide State Grant funds to State educational agencies (SEAs), 12 States provide them to their community college or technical college systems, two States provide them to State workforce agencies, and five States provide the funds to their State Labor Departments.

The law requires that at least 25% of the total amount of funds expended for adult education and literacy activities in a State be from non-Federal contributions. Financial reports submitted to our Adult Education National Reporting System (NRS) show that on average every Federal dollar is matched by an impressive nationwide average of \$3.50 in non-Federal spending to educate adults who need to learn English or whose basic literacy skills are too low obtain family-supporting employment. Some States spend as much as \$9 dollars for every Federal adult education dollar they receive. Florida is an example of a State that matches at that level. Other States spend only the minimum required.

State agencies designated to receive AEFLA funds must, by law, distribute the funds competitively to eligible providers, including local school districts, postsecondary institutions, and community and faith-based organizations. Federal dollars appropriated under AEFLA support adult learning through more than 4,100 providers nationwide. Slightly more than half (51 percent) of these providers are local educational agencies; 16 percent are postsecondary institutions—primarily community, junior, or technical colleges. Among smaller providers, 21 percent of the national total are community-based organizations, and about three percent are faith-based organizations. We also find that four percent of all providers are correctional institutions and two percent are libraries.

#### *How Is the Quality and Transparency of Adult Education Services Ensured?*

The Department is helping States ensure program quality as well as making performance accountability information transparent and easily available to Congress and the public. The Adult Education State Grant program is one of the first Federal education programs to build a publicly available system providing national data that can be used to evaluate State program effectiveness and ensure continuous improvement. Our Adult Education National Reporting System (NRS) collects and monitors data on adult education student outcomes, and State-level data are available to the public on line. The Department has assisted States and local programs in using the data they collect for the NRS to develop publicly available, easy-to-understand re-

port cards demonstrating State and local performance on student achievement. Several States use report cards to provide performance data to State legislators, students, and the public.

AEFLA requires States to establish outcome-based accountability systems to determine the effectiveness of local providers in continuously improving adult education activities. The national reporting system (NRS) identifies five core student outcomes that States report on to meet their accountability requirements under AEFLA, along with definitions of the measures, methodologies for collecting them, and reporting formats. The five core measures are: 1) educational gain, 2) attainment of a high school diploma, 3) entry into postsecondary education or training, 4) entered employment, and 5) job retention.

States are adopting performance-based funding models to distribute both Federal and State adult education funds. These models provide incentives for local providers to improve the quality and effectiveness of their services. At least ten States use some form of performance-based criteria in funding adult education service providers. The Department is supporting a national project to assist States in implementing performance-based funding by providing training and technical assistance on performance-based funding for States that want to create or improve such systems. Sixteen States recently participated in our national training workshop on performance-based funding supported by this AEFLA national leadership project.

#### *What Results Does Adult Education Achieve?*

In the last five years, over 3.9 million enrolled adults have made “demonstrated improvements”, as measured on standardized assessments, in reading, math, and English proficiency. Highlights from our NRS five-year aggregate data show that:

- 1) 615,828 learners or 42% who set a goal of obtaining a job found and entered employment after they exited the program.
- 2) 813,367 learners or 51% who set a goal of obtaining a GED (or its State equivalent) received a GED.
- 3) 231,691 learners or 37% who set a goal of enrolling in postsecondary education successfully entered postsecondary education or training after completing the program.
- 4) 1.8 million adult learners or 38% succeeded in improving basic literacy skills.
- 5) 2.1 million immigrants or 39% improved writing, reading, and oral proficiency in English.

#### *What Challenges Face Adult Education?*

The Department’s work in partnership with the States has produced significant accomplishments and helped many learners achieve their education and employment goals. Many challenges still exist, particularly in the job market, where the “bar” for literacy skills that are required for family-supporting employment is constantly being raised.

1) Our Federal-State partnership serves only a small portion of the adults who need literacy instruction. The 2003 National Assessment of Adult Literacy (NAAL) found that over 30 million adults have below-basic levels of literacy and another 63 million read English only at a very basic level. This finding indicates that 44 percent of adults living in the U.S. could benefit from English literacy instruction. In addition, our State partners are facing the worst fiscal crisis since World War II and must re-examine all their financial commitments, including appropriations for adult education.

2) America’s high school drop-out rate is significant, and students who leave high school frequently look to adult education to provide the education and support they need to earn the secondary credential required for even the most basic employment. Data from the Department’s National Center for Education Statistics show that 73.2 percent of public school students graduate within four years of starting high school. Among young adults, ages 16 to 24, 9.3 percent are out of school and don’t have a diploma.

3) Adults need postsecondary credentials to obtain jobs that will allow them to feed their families and pay their mortgages. The Bureau of Labor Statistics estimates that almost 75 percent of jobs in occupations that are projected to experience above average employment growth through 2016 and had above average wages in 2006 typically require some level of postsecondary education. Currently, according to the U.S. Census Bureau’s 2007 American Community Survey, 65 percent of adults have no associate or higher degree.

4) Immigrants with lower educational skills and training need to learn English not only for employment but also to participate in civic functions that are necessary for life in our democracy. The U.S. Census indicates that the number of adults who are immigrants and/or who speak English less than “very well” is significant and

growing. Assuming that today's levels of immigration remain constant, immigrants are expected to account for half of the U.S. population by 2015 (based on 2007 Educational Testing Service report entitled *America's Perfect Storm: Three Forces Changing Our Nation's Future*, ETS, 2007). One-third of foreign-born persons in the U.S. do not have a high school diploma, and approximately 17.8 million adults are limited English proficient.

*How Is the Department Addressing the Challenges?*

The Department has created initiatives designed to address the challenges facing adult education programs nationwide by enhancing program quality and stimulating development and innovation. Our leadership initiatives are carried out under the authority of section 243 of the AEFLA, which authorizes the Secretary to establish and carry out a "program of national leadership activities to enhance the quality of adult education and literacy programs nationwide." In recent years, Congress has appropriated between roughly \$7 million and \$9 million for these activities.

The Department is using currently using national leadership funds to help address our current economic challenges. We are supporting projects to develop innovative models that should help to connect completion of basic skills and English proficiency instruction to acquisition of high-demand jobs. National leadership funds are expanding the "pipeline" to postsecondary occupational training by preparing low-skilled adults for entry into, and advancement in, high-demand employment, based on regional economic needs.

The Adult Basic Education (ABE) Career Connections project, supported by national activities funds, is working in six local demonstration sites to assist ABE students to obtain the education and training necessary to begin careers in high-demand fields. One local program participating in this project is Instituto del Progreso Latino in Illinois, which is extending its certified nursing assistant program and creating a certified medical assistant program in response to the local labor demands in healthcare. Career pathway programs like the one at Instituto del Progreso Latino link basic education funding under AEFLA with projects for academic post-secondary coursework, work-specific instruction, hands-on classroom, and work site training supported by others.

Several States have launched large-scale efforts to realign their adult education systems with these "pathways" models supported in part by State leadership funds made available to all States under section 223 of the AEFLA. The State of Washington has developed a model that delivers English as a Second Language instruction integrated with occupational skills training. States also are using incentive funds provided under section 503 of the WIA to support these efforts. Oregon has invested its incentive money to connect its adult basic-skills program with its post-secondary career pathways initiative. Ohio has used its incentive funds to build its "stackable credential" model so that the model extends to the adult basic education program.

The Department also uses national leadership funds to support other projects linking low-skilled adults to the training they need for family-supporting employment. Our "Ready for College" discretionary grants help youths who have dropped out complete high school and prepare to succeed in college. The four States participating in this project (Kansas, New Jersey, Colorado and North Carolina) are demonstrating how to enhance adult secondary education to better prepare young adults for college success. The Kansas Board of Regents is working with seven community colleges to improve teacher quality in math, writing, and critical thinking instruction. Essex County College in New Jersey leveraged its work on this project to earn private sector funding through Walmart's Gateway to College National Network. These innovative projects link adult education with other funding sources that pay for a range of services that would not otherwise be provided by the adult education program.

*How Is Collaboration Improving Adult Education Services?*

The Department uses AEFLA national leadership funds to promote increased collaboration between the WIA Title I One-Stop system and the Title II adult education system in order to improve outcomes for adults who have both basic skills and employment needs. For example, using those funds, Maryland's Montgomery College and Montgomery Works' One-Stop Center collaborated to revise an English language customer-service training course developed by the National Retail Federation. The course integrates training on customer-service job skills with learning English. The State of Washington's Yakima Valley Community College and South Central Workforce Council worked together to enhance adult learners' basic literacy skills and their transition to employment. This project assessed clients who were receiving Temporary Assistance to Needy Families (TANF) benefits and referred those

with appropriate skills and interest in allied health to a Nurses' Assistant Certification training program offered by the college. Adult basic education providers and One-Stop Career Centers in Springfield and St. Joseph, Missouri, developed a model for referring clients from a shared client database between adult education programs and the career centers.

By supporting projects like these, the Department has used national leadership funds to design models that link adult basic-skills instruction with employment and ensured that adult education programs retain their mission as education programs. In providing assistance, our programs provide instruction in reading, writing, and math at a level appropriate to participants' needs. Reading skill is a gatekeeper for all other areas of education, and few adult education teachers currently have research-based training in how to teach reading effectively.

Collaboration among the Department, the National Institute for Literacy, and the National Institute of Child Health and Development has been fruitful in identifying the evidence base for high-quality reading instruction. The Department is partnering with 18 States (California, Connecticut, Delaware, Florida, Georgia, Illinois, Louisiana, Maine, Minnesota, Mississippi, Missouri, New York, North Carolina, Ohio, Rhode Island, South Dakota, Texas, and Wisconsin) to put this knowledge to work in classrooms by providing intensive teacher training in evidence-based reading instruction.

The Department assists States in improving the quality of English as a Second Language teachers so that they can better meet the education and employment needs of adults with limited English skills. Direct technical assistance supported by the Department's national leadership funds has been provided to 30 States in the last five years by the Department's Center for Adult English Language Acquisition (CAELA) and CAELA Network projects. In Texas, teams of staff, regional professional developers, and local program administrators and teachers have worked to develop teacher training to better integrate workplace skills into ESL instruction, and to effectively teach adults at beginning literacy levels.

*In conclusion*

We are very proud of our support for adult education and hope it can contribute to the success of America's economic recovery, especially in bringing basic literacy and English skills training to low-income adults.

Thank you for this opportunity to testify about the Department's adult education programs. We look forward to working with you to support the needs of adult education learners.

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Chairman HINOJOSA. Thank you.  
Mr. Scott?

**STATEMENT OF GEORGE A. SCOTT, DIRECTOR OF EDUCATION,  
WORKFORCE AND INCOME SECURITY ISSUES, U.S. GOVERNMENT  
ACCOUNTABILITY OFFICE**

Mr. SCOTT. Mr. Chairman, Ranking Member Guthrie, and members of the subcommittee, I am pleased to be here today to discuss the findings from our prior work on the workforce system under the Workforce Investment Act, WIA. As you know, WIA sought to transform a fragmented employment and training system into a single, one-stop system that serves the needs of all job-seekers and employers.

In the current economic crisis, as increasing numbers of workers become unemployed, the system plays a central role in helping workers re-enter the workforce.

My testimony today will discuss the progress the Department of Labor has made in addressing key areas of concerns and what steps Labor has taken to ensure an understanding of what works and for whom in addressing the needs of workers and employers.

In summary, Labor has made progress in a number of areas, including addressing concerns regarding performance measurement. In 2005, Labor began requiring states to implement a common set

of performance measures for its employment and training programs.

The move to common measures helps provide a more complete picture of WIA services and may encourage one-stops to provide services to challenging clients. However, further action may be needed to help reduce the incentive to serve only those who help the one-stops meet their performance levels.

Labor has also made strides in improving the accuracy of performance data and states' ability to share unemployment insurance wage records, the primary data source for tracking WIA performance. We previously noted that almost all state officials we surveyed reported that Labor's data validation requirements have helped increase awareness of data accuracy and reliability.

Regarding the system for sharing wage records, when we last reported on this issue in 2007, only 30 states were participating, and it was unclear if and when the other states would enter into a data-sharing agreement because of confidentiality concerns.

Labor has since developed an agreement that addresses those concerns. And currently, virtually all states participate in the data-sharing system.

Ensuring that funding is consistent with the demand for services and reflects the funds states have available remains an issue. As a result of WIA's funding formulas, states' funding levels may not always be consistent with the actual demand for services. This occurs because formula factors are not aligned with the target populations for these programs.

In addition, the allocation may not reflect current labor market conditions because there are time lags between when the data are collected and when the allocation becomes available to states.

The formula for the dislocated worker program is especially problematic because it causes funding volatility unrelated to a state's actual layoff activity. Also, Labor's process for determining states' available funds considers only expenditures and does not consider obligations. As a result, Labor's estimate of expenditure rates suggests that states are not spending their funds as quickly as they actually are.

Although Labor has taken steps to improve its outcome data, it has only recently begun to study WIA's impact. WIA required an impact evaluation by 2005, but Labor has not made this study a research priority. In an effort to fulfill the requirement, Labor has conducted one evaluation of WIA and has another underway.

The study of the Adult and Dislocated Worker programs is now complete, and the agency expects to report on those findings in March 2009. Labor officials expect to begin implementation of the second, more comprehensive study of WIA programs in June 2009. However, the evaluation will not be completed until June 2015.

Further, as we previously reported, Labor will also be challenged to evaluate the impact of its discretionary grant initiatives focused on the employment and training needs of high-growth, high-demand industries.

In conclusion, Labor has made strides in its effort to improve the workforce system. However, further action is needed to address certain issues. For example, if Congress chooses not to make broader

funding formula changes, relatively minor changes could improve funding stability in the dislocated worker program.

Finally, little is known about what the workforce system is actually achieving. Consequently, Labor is not well positioned to help policymakers understand which employment and training approaches work best. Knowing what works and for whom is key to developing an effective and efficient workforce system.

As Labor moves forward, it is imperative that it maximize the opportunities to conduct rigorous evaluations of its programs.

Mr. Chairman, this concludes my prepared statement. I would be happy to respond to any questions you or other members of the subcommittee may have at this time.

Thank you.

[The statement of Mr. Scott may be accessed at the following Internet address:]

*<http://www.gao.gov/new.items/d09396t.pdf>*

Chairman HINOJOSA. Thank you, Mr. Scott.  
Mr. Morales?

**STATEMENT OF JOHN MORALES, EXECUTIVE DIRECTOR,  
YUMA COUNTY WORKFORCE INVESTMENT BOARD**

Mr. MORALES. Chairman Hinojosa, Mr. Guthrie, and distinguished members of the subcommittee, my name is John Morales, and I am the Executive Director of the local workforce investment board in Yuma, Arizona, and I also serve as the president of the National Workforce Association.

I want to thank you for the invitation to testify today. You have my written testimony. However, I would like to share with you some good news, the fact that WIA is working.

According to the U.S. Department of Labor, in program year 2007, WIA served 3.5 million people. Three-quarters of the WIA participants and over 70 percent of the employers reported that they were satisfied with the assistance they received. Seven out of ten WIA adult and dislocated worker participants gained employment by utilizing WIA programs.

These numbers rose to well over 80 percent when participants received training. These workers were retained at a level exceeding 85 percent. The Department of Labor's own data indicates that dislocated workers who enrolled in WIA programs actually experienced an earning gain over their previous employment.

Now, in Yuma, Arizona, despite having a 15.9 percent unemployment rate for year 2008, WIA has been successful. A big contributor to our success is the local control that our board has enjoyed. This speaks to the need to maintain and reinforce local control and flexibility to address unique labor market conditions in different areas. And I think Yuma, Arizona, along the border has those unique labor market conditions.

Another factor contributing to our success includes our collaboration with local stakeholders, including local elected officials.

Now, a lot has changed since the law was enacted in 1998. In order for our workforce system to be more relevant to the changing needs of the 21st century economy, we would like to suggest sev-

eral issues that need to be addressed in reauthorization to make WIA even stronger.

We urge you to build upon a locally driven, private-sector-led vision that Congress originally established in WIA. There are some areas that need to be streamlined and more clearly defined, such as the size and make-up of local boards.

For instance, one of our mandated partners in the Job Corps. There are no Job Corps centers in Yuma, Arizona. There is one in Tucson, which is 250 miles away. So we have a member from Tucson, not even our own county, that drives 250 miles one-way to attend our monthly board meetings. That needs to be worked on, Mr. Chairman.

NWA encourages the committee to include in any reauthorized version of WIA expenditure reporting based on accrued expenditures so that future reports to Congress by the Department of Labor will be consistent with those determined by previous Congresses. We are thankful that Congress has taken previous action to rectify any confusion related to this particular issue.

Another important revision to WIA could be the streamlining of performance measures into meaningful, understandable and useful information both to local boards and to Congress. They should be refined to encourage closer integration of the workforce investment boards and one-stops with adult education, literacy, and English-proficiency training.

We encourage greater flexibility for local areas to determine the level of services available to participants in order to facilitate more robust training activities. We suggest introducing greater flexibility at the local level in order to allow for different methods of procuring training, not just with individual training accounts. This will allow local boards to address issues such as the availability of providers and special labor market needs and emerging technologies, such as green jobs.

Mr. Chairman, Mr. Guthrie, members of the committee, we thank you for the opportunity that you have given the National Workforce Association to testify today.

[The statement of Mr. Morales follows:]

**Prepared Statement of John Morales, President,  
National Workforce Association**

Chairman Ruben E. Hinojosa, Mr. Guthrie and the other distinguished members of this Subcommittee, my name is John Morales, and I am the Executive Director of the Yuma Private Industry Council in Yuma Arizona. I also currently serve as the president of the National Workforce Association (NWA), on behalf of whom I am testifying today.

In my testimony, I will discuss very briefly, from NWA's perspective, why we believe it is critical to the country's competitiveness that the Workforce Investment Act be reauthorized this year. I will point out several notable areas in WIA that I believe we should build on as we go forward, and suggest several issues that need to be addressed in reauthorization to make the Workforce Investment Act stronger.

I urge that you build upon the locally driven, private sector-led vision that Congress established in the Workforce Investment Act. While NWA represents the WIA system in cities, suburban areas, and rural America, my experiences on the border in Yuma with its 15.9% unemployment rate in 2008, reinforce the need for local control and flexibility to address unique labor market conditions in a wide variety of the country's communities, in collaboration with key local stakeholders including local elected officials.

First, I'd like to point out a number of positive developments that have occurred since then-President Bill Clinton signed WIA into law on August 7, 1998. WIA's

focus on two customers: jobseekers and businesses was a major change from 40 years of federal policy and it continues to be the right thing to do. Although there is much more to do in order to bring together the array of federally funded workforce development programs, significant progress has been made.

The most recent PY 07 WIA annual reporting data indicates that nearly 3.5 million people received assistance from WIA, with three-quarters of WIA program participants and over 70% of employers satisfied with the assistance they received. Seven out of ten WIA Adult and Dislocated Worker program participants gained employment by utilizing WIA programs, with these numbers rising to well over 80% when participants received training. These workers were retained in these new jobs—at an overall level exceeding 85%. In fact, DOL's data indicates that dislocated workers who enrolled in WIA programming actually have an earnings gain over their previous employment.

Along with the strong performance data, WIA has fostered much stronger program integration between partner programs, particularly workforce development and economic development. One Stop Career Centers nationwide have become a tremendous resource for both workers and employers. Targeting a portion of funds to high wage/ high demand sectors has been a success and we continue to learn and expand on such efforts. The system's strategic use of Career Pathways grows stronger every year. Still none of us would argue that there is not a great deal more we need to do, and an urgency to do it.

When Congress worked to enact WIA in the mid 1990's, the challenges facing our workforce were considerably different than they are today. Unemployment was much lower. Two weeks ago USDOL hosted a Reemployment Conference in Baltimore, Maryland. In one of the presentations, Dr. Paul Harrington, of the Center for Labor Market Studies at Northeastern University, pointed out that there are 11.2 million unemployed people looking for work today and currently 2.8 million job openings. So our approach to training and skill attainment as WIA is reauthorized must adapt to this new reality.

Training—Some important stakeholders argue that there is not enough training taking place under WIA today. The National Workforce Association also believes that in order to fulfill the vision in WIA to build a world-class workforce and strengthen U. S. businesses, more training must be available to students, current workers, and those who have suffered the loss of their jobs. And while we recognize that you are an Authorizing Committee not the Appropriations Committee, we point out two significant factors that negatively affect the amount of training under WIA Title 1:

1. Congress envisioned significant financial contributions to One Stop Career Center operations from all the federal partner workforce programs when WIA was being developed, but in reality the lion's share of these costs have been borne across the country by only WIA Title 1 and the Employment Service; further

2. Since 2000, adjusted for inflation, funding for the Workforce Investment Act and the Employment Service have been cut by 40% in inflation adjusted dollars.

If Congress decides to require that a set percentage of a WIB's funds must be spent on training, then it is essential that skill enhancements and leveraged training count toward that requirement.

Expenditures—There has been significant debate over the past few years about the accuracy of USDOL's calculation of state and local WIA system spending. NWA encourages the Committee to include in this version of WIA reauthorization, as it has in previous Congresses, a requirement to have USDOL calculate WIA spending based on "accrued expenditures" in determining the redistribution of "unspent" funds, in reports to Congress on spending levels, and in determining funding recommendations. This term must be clearly defined in the Act, and USDOL should be required to collect this information from states and local areas, and be required to utilize such data. Subsequently, technical assistance should be promptly provided to

States and local workforce areas by USDOL. NWA's recommendations are consistent with recent GAO studies and findings on expenditures and obligations. OIG also concurs here.

Performance Measures—Current performance measures need to be simplified and refined to reflect an outcome oriented workforce system. The current performance measures under-reward educational attainment, even though as Mort Bahr testified before this Subcommittee earlier this month, people with low basic skills are unlikely to be able to obtain and retain a high skill/ high wage job. NWA recommends that WIA Reauthorization should allow state and local areas to utilize a regression model in developing performance standards, as it was in WIA's previous iteration, the Job Training Partnership Act. The implementation of a regression model, which adjusts standards for serving participants with labor markets barriers, would en-

sure that cost calculations, educational attainment, and wage gain measures reflect the local economy and the characteristics of populations receiving services. Failure to reinstate this regression model risks under-serving those individuals with severe barriers to employment.

Further, performance measures should be refined to encourage closer integration of the work of the WIBs and the One Stops with Adult Education, Literacy, and English Proficiency training should be enacted.

In almost every employer focus group I have been a part of the urgent need for workers with foundation skills has been strongly expressed. These “soft skills” include: good attendance, punctuality, the ability to communicate effectively both orally and in writing, the ability to work in teams with a diverse group of people, and the ability to size up a problem and formulate solutions. While we might think these are values that should be instilled in the home, this articulated business need is so strong that addressing it must be part of the next generation of WIA.

While increased education attainment is an allowable training activity today, it should be clearly spelled out as a goal and encouraged when training is defined in reauthorization. There are many activities today both jobseekers and employers would consider training but WIA often doesn't. An example is a three week course in Microsoft Office proficiency taken at a One Stop. Better defining what WIA considers to be training will get everyone on the same page.

As a former Junior High School Social Studies teacher I am positive that the United States can't meet the long term workforce challenges we face until we achieve radically improved results in our P-20 system. But as a WIB director I also realize that 70% of our workers in the year 2020 are in the labor force today, and many of them lack the skills they need. For this reason, NWA recommends that Congress allow WIBs to spend up to 10% of their Adult and Dislocated Worker formula funds on incumbent worker training. This flexibility is needed to both target key industry clusters, as well as to help move low wage workers up the career ladder. Performance measures will need to be adjusted, since earnings will increase less for an existing low wage worker than an unemployed worker who receives training and is then placed into a job.

In 2009, the Yuma PIC I lead is providing the tuition for the latest iteration of incumbent worker training for the YMA as part of Innovation Frontier Arizona, a 4 county WIRED grantee consisting of the four contiguous counties located on the border with Mexico. Labor markets are either local or regional and the workforce system needs the same flexibility and tools in either instance.

It is clear that the workforce challenges the country faces are so serious that no single entity can solve them all. Since in this 21st Century economy high school graduation alone is no longer enough, a reauthorized WIA must find ways for WIBs to better interact with Adult

Education providers to help a person get a GED. And since only 5% to 10% of GED recipients ever complete even one year of Community College, successful strategies like Washington State's “I Best” program must be replicated.

While ITAs have been the predominant delivery vehicle since WIA began, sectoral strategies, including career ladder approaches to help people move toward self sufficiency, have shown great promise under WIA. NWA believes that in order to help workers quickly enroll in the training they desire for high demand sector initiatives and basic skill acquisition, ITA requirements should be relaxed to allow local contracting for training. We think this would lead to increased utilization of WIA training resources by Community Colleges and providers of Adult Education and Carl Perkins VATEA funds. Additionally, successful best practices leveraging WIA funds with other training/ skill acquisition resources like Pell Grants should be disseminated by DOE and DOL.

In terms of helping economically disadvantaged young people obtain the skills they need to succeed in this economy, NWA:

- Endorses raising the upper Youth age to 24 will allow services to disconnected youth who face a particularly difficult time in today's economy
- Recommends that a separate Year-round Summer Youth Employment Program should be authorized because SYEP is a critical means of getting urban and rural young people to understand why their school work is relevant and essential. On the governance side of the legislation, NWA agrees with other testifiers who said WIB Boards are too large. While they must remain private sector led, public sector representatives should not be on the WIB Board itself, but should have a legislated role on a Partner's table. That Partners' Table would meet regularly and its mission would be to work toward seamless, coordinated service delivery, not policy and oversight, which should remain with the WIB. Local WIBs should be appointed by local elected officials.

In closing, I'd like to suggest two other technical issues that may require working with other House Committees but would stretch WIA dollars and increase efficiency if they can be addressed.

1. Access to wage data. While this is not an issue in some states, in many states WIBs are barred because of confidentiality laws from accessing this data, which would give them a cost effective tool to assess medium and long term effects of different types of training on future income to participants who complete training.

2. Dueling Data Systems. Most states not only do not have a common report card system, but front line workers from different workforce programs who might be providing services to the same customer often need to enter data into four discrete data systems—for One Stop Services; for Vocational Rehabilitation services; for Adult Education services; and for welfare to work services. This can't be fixed locally, and would require a federal investment, but that would be quickly recouped since it would free up funds and staff time to increase training and case management services.

#### *Conclusion*

Having a high skilled workforce is a goal all Americans agree we must achieve. The National Workforce Association believes that the services provided by the local workforce system will benefit in your efforts at WIA Reauthorization.

Thank you Chairman Hinojosa for allowing me to testify, and for holding these hearings. You can be assured of the National Workforce Association's assistance as you move forward with WIA reauthorization.

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Chairman HINOJOSA. I thank you, Mr. Morales.

At this time, I think we are going to start our questions and hope that other members of the committee will take advantage of this opportunity, because I think that this is a hearing that is going to be very helpful as we try to come up with the final legislation for WIA.

And I am going to start with my first question. My time begins now.

Ms. Keenan, we consider reading and literacy skills as basic to allowing adults having job-related opportunities. I come from a family-owned business that has operated for over 60 years. And when I joined my family in operating that business, it was a small company with about 28 employees.

And I remember that, in trying to grow that business, I suggested to my father that we have some type of training program, because the area that I come from is 80 percent Hispanic, and a large majority of our employees were limited-English-proficient.

And so I can relate to employers who have those challenges and are trying to grow a business, trying to get their employees to be computer-literate, and especially to have those literacy skills.

At the same time, we view adults who need training in math and basic financial skills. So my question to you is, do your programs emphasize these skills? And if so, how?

Ms. KEENAN. Just a clarification question. Do the programs emphasize occupational skills or reading—

Chairman HINOJOSA. The reading and literacy and math—

Ms. KEENAN. Okay, thank you.

Chairman HINOJOSA [continuing]. Which are very basic for employees working in any kind of a business, because they have to read labels, they have to read statements, invoices. Also, they have to do basic math.

Ms. KEENAN. Right.

Chairman HINOJOSA. And so those are very important. And I want to know how you handle that.

Ms. KEENAN. Thank you. That is an excellent question, and I appreciate you asking it. The adult basic ed program is an educational program, and the purpose of that program is to improve reading, and math, and English proficiency, and problem-solving, and the skills that we need people to have in the workplace.

The program does concentrate mainly on those academic skills. And in addition to that, there are great demands on our programs to also meet the needs of employers in the workplace.

So we are seeing the development of different kind of models out in the local communities. With English proficiency, for instance, there are models that combine vocational English-language training that can meet the demands of the workforce, yet increase the English proficiency.

Programs are experimenting with ways to be able to provide very high-quality instruction in reading and high-quality instruction in math, while they are also trying to meet the demands of the workplace.

Chairman HINOJOSA. I want to ask Mr. Scott, is there a way to make minor changes to the funding formulas and reduce funding volatility?

Mr. SCOTT. Mr. Chairman, as we have previously reported, volatility in the funding formulas could be mitigated by inserting a couple what we consider minor changes to the formula, including having a hold harmless provision, as well as a stop-gain provision, so that the wide fluctuations that are sometimes experienced would not occur from year to year. So that is something we have recommended a couple different times, actually, in terms of an option to address some of the wide volatility in the funding formula.

Chairman HINOJOSA. Mr. Morales, you spoke about our committee taking a look and possibly looking at the size of boards. What has been your experience? Which are the sizes that do not work because they are too small or underrepresented or possibly too large and unwieldy? What are the sizes? And what would be ideal? And why?

Mr. MORALES. Well, of course, this is only my opinion, Mr. Chairman. And I appreciate the question.

Chairman HINOJOSA. It is a valuable opinion.

Mr. MORALES. Under the old Job Training Partnership Act, I had a board that, under the amendments in 1992, moved our board membership up to 17. I thought that was a manageable board. My current board is 27. And there are other boards that are much larger than that in metropolitan areas.

And part of the issue, Mr. Chairman, was the language that came out of the original law that said representatives—with the “s”—and I think that was interpreted very literally by everything. And what causes the problem, Mr. Chairman, is if you have 17 mandated partners with representatives, you have to have a majority of business, which I support, but that means that you have those 17, plus you have to have more business people to have that 50 percent or 51 percent majority.

So I would say anywhere, if you could keep it under 20, I think would be a manageable board. I think that, when I work with non-profit boards—I do a lot of training with nonprofit boards—I think that, once you start getting beyond 20, it becomes unwieldy. And

then it becomes difficult, Mr. Chairman, especially in rural areas to get the attendance that you need.

And you are asking busy people from nonprofit agencies, from faith-based organizations, from public agencies, and from businesses to give something valuable, which you can't give back, which is their time. And so I think if you could keep it somewhere under 20, Mr. Chairman, that is my opinion.

Chairman HINOJOSA. Well, Mr. Morales, don't you believe that there are counties and regions that are larger in population, particularly in the urban counties, that could possibly deal with 20 or 25, whereas possibly small areas, like those that I represent in some of my counties, possibly might be able to work with 20 or maybe, plus or minus, 17. Do you think that that would be flexible enough?

Mr. MORALES. Yes, sir, if we had that flexibility. The particular problem we had when the original act was rolled out was, there was a fervor, an ardent fervor on the part of the states—and the state of Arizona was no exception—that we were going to have those representatives from those—

Chairman HINOJOSA. Yes, we have had some other hearings where they had 40. My time is up.

And I wish to yield now to my ranking member.

Mr. GUTHRIE. Thank you, Mr. Chairman. Thank you.

And, first, Ms. Keenan, not really a question, but a statement. In my experience in manufacturing—I worked for a family business, as well—excuse me—and learned—we started a GED program in our school—in our factory, and we learned there were some people that we had to go to and basic literacy. And that became a passion of mine in the state legislature and started a program on basic literacy.

So we would go all the way back to people who can't read a menu and try to find ways to get them into the system once they learned. And we have seen them progress into GED and, hopefully, even higher ed. As the president said the other night, you are going to need at least one year of some kind of post-high-school training—and I have seen it in tool and die makers and industrial maintenance—to earn a 21st-century living that we want everybody to earn.

So you are right where it needs to be to start getting people into that system and move them forward. Thanks.

And I have a question for Mr. Morales. The one-stop—I talked about the one-stop centers in my opening remarks that happened in Marion County. And I think they are a tremendous resource. I have experienced that.

And I just wondered, can you give me some sense of the number of dislocated workers you have seen this year, as opposed to last year? And what type of services are they looking for? So the number between—comparison between now and then or last year and the number—what they are looking for.

Mr. MORALES. Well, Mr. Guthrie, I come from an area that is very isolated. And until recently—the last 7 or 8 years—we really had difficulty using our dislocated worker funding, because we didn't have very many layoffs.

I will say that we have had an unprecedented number of layoffs this year in Yuma County. We have lost, according to our Arizona Department of Commerce, about 4,500 jobs—

Mr. GUTHRIE. Did you lose a couple of major employers? I have seen that, where one 900-person plant goes out. Or is it just systemic throughout the region? I mean, what has caused that unemployment, going from—you said you didn't have hardly any unemployment to 15 percent?

Mr. MORALES. We have a couple of situations in our labor market that are very unique. Since our major industry is agriculture, we have a seasonal economy, and it is a \$3 billion industry. It is probably—if you get lettuce in the wintertime, it probably comes from the Yuma area.

And so you have kind of dual labor markets. And in the wintertime, when it is our highest activity, you will have between—about 40,000 migrant and seasonal farm workers in the Yuma area at the same time that everything else is going. And then when they leave, there is an unprecedented number of unemployment insurance claims. So those are a couple of the factors.

But what happened over the last about 7 or 8 years, we were one of the fastest-growing metropolitan areas, mid-range metropolitan areas in the country. And with all that growth, with the housing bubble and construction, everything—we experienced the greater drop.

And we have a burgeoning light manufacturing area there. And we helped establish, along with our economic development partners and partners from the chamber, a manufacturing association. And we are helping incumbent worker training there, but they are laying off because the demand is not there.

So that—we are getting—but if you go to the metro Phoenix area, you are having major reductions in employment in volatile industries, such as construction.

Mr. GUTHRIE. Well, thanks. And in your testimony, you state that current performance measures need to be simplified and refined to focus on outcomes and reward state and local workforce investment awards for serving low-income workers.

And I think there is some consensus in most state and local areas that performance indicators are too numerous and burdensome. And GAO talked about how the Department of Labor now requires local boards to focus on the average earnings, which may help serve some job-seekers, but that other factors should be considered.

Personally, I think that the programs should focus on place and participants in the private sector. We need to look at measuring unsubsidized employment.

In your opinion, what are the most—those common measurements that you think that all programs under the WIA should adhere to? What do you think the measurement should be?

Mr. MORALES. Well, Mr. Chairman, currently, I have no problem with the common measures, because there are only about six of them. But the problem is that, when you add the common measures to the regular measures that we are under law still have to report on, there are 17 of those.

So you have 17 plus the common, which is about 24. We think those should be reduced. And we think that some of the most important ones that I think are significant, according to labor market economists, are any increases in earned income. If you can show over time an increase in earned income, then I think the workforce system is doing their jobs.

And if we are placing people in private-sector employment, I think that is great. You have to be careful, in places like Yuma, Arizona, where you have a lot of government employment. And so in Yuma, Arizona, if we can get somebody a job in the Border Patrol or at the city of Yuma or at the county of Yuma or in a school district, we think we are doing our job.

There is not as much of a private-sector presence in some of the rural areas. So I think we have to be careful about how we mandate those kinds of things, but I think that you are right on with the private-sector placement.

Mr. GUTHRIE. Thank you. My time is up.

Chairman HINOJOSA. Thank you very much, Ranking Member Guthrie.

I now want to call on one of our newest members of our committee, a Congresswoman from the area of Cleveland, Ohio, who has a very challenging situation, and I call on her for questions.

Ms. FUDGE. Thank you, Mr. Chairman.

My first question is to Mr. Scott. Mr. Scott, can you propose an avenue where funds are really distributed to the most impacted communities, where job loss and plant closing are the highest?

Mr. SCOTT. As we have previously stated, we think this is an important issue, especially as it relates to the dislocated worker program. Back in 2003, for example, we reported that the funding formula for the dislocated worker program was actually three—as much as three times more volatile than for the youth or the adult programs.

We believe that is why it is important that as Congress, you know, considers reauthorization that it look for options to build in some flexibility there so that the dislocated worker formula actually provides states some cushion, in terms of from the volatility that can occur from year to year with changes in various factors, including unemployment.

We found, for example, that in 2003 that there are significant time lags, in terms of receiving some of the data related to unemployment. At that time, we reported it can range between 9 to 18 months. And so if you have a formula that is based on data that could be in some cases up to a year-and-a-half old, it may not accurately reflect the actual on-the-ground economic conditions at the time. And therefore, states are in a sense being penalized because of the lag in the data.

And so, as I have stated before, we do think that is a scenario that the Congress should consider making some changes.

Ms. FUDGE. Thank you.

Ms. Keenan, are there any programs within your adult education and literacy programs that actually address the issues of financial literacy? As we look at this economy right—I am certain that many of the people who you provide service to are having difficulty just

being able to buy groceries, to pay health care, to just live day to day. How do you educate these people about financial literacy?

Ms. KEENAN. That is a very good question. That is a very good question. The department has been concentrating the past years on helping to improve teachers' training in the area of reading. And we are just now beginning to try to launch some large-scale initiatives around the area of adult numeracy.

In the adult classroom, it is very common for teachers to be able to focus on the basic skills in the context of adult life. And for our adults, we have many adults who do come to our programs with specific needs around balancing their checkbooks or understanding banking statements. And our programs have a long history of trying to deliver services that meet those individuals' needs.

There are some places in the country that are developing some curriculum for financial literacy. I could gather some more of that information and submit it to you. I don't have those examples right off the record. But basically the program has taught financial literacy in many forms throughout the years, and there are many people who are working to try to develop more comprehensive curriculum in that area. And I would be happy to share that with you.

Ms. FUDGE. Thank you very much.

And thank you, Mr. Chairman.

Chairman HINOJOSA. At this time, I want to thank Ms. Keenan for having participated on the first panel. I realize that you are short on time and are trying to make the other event. And we are going to excuse you, but please know that we appreciate very much that you were here and that you gave us such good information as we will make part of the record. And may you return sometime soon.

I would now like to recognize the gentleman from California, the gentleman—is Buck McKeon still here?

Okay. I thought that Buck was here. I want to recognize the gentleman, Congressman from Tennessee, Mr. Roe.

Dr. ROE. Thank you, Mr. Chairman.

Just a couple of quick comments and then questions. My background also is small business, and my last job before I got here was the mayor of my local city.

And, Mr. Morales, when you talked about local control and private-sector partnerships, I wanted to jump across the counter and hug you, because I think no one knows better than the people on the ground. And all of my experience in government has been local. So I applaud you for what you said. And you are absolutely dead-on straight.

Education, this Workforce Investment Act is something that is not a cost. It is an investment. And we have to start looking at education as an investment.

And when I talk to students, I present to them—if you are in high school, I will say, "Let me explain to you how you can earn \$1 million in the next 4 years." And I said, "Who wants to do that?" And I will have them hold their hand up. And it is to get a college education, because a college graduate in their lifetime will earn a million dollars more than a non-college graduate. A high school graduate will earn \$500,000 more than someone who does not have an education.

And as mayor of our city, one of the primary focuses we had was to get folks who had jobs into jobs—I mean, that didn't have jobs into jobs. And your comment is correct, Mr. Morales. It doesn't matter whether it is a job with the Border Patrol or whomever. A job for that people is a job, and they can help feed their family and raise their family, so any place we can place them is extremely important, I think.

We have some huge challenges right now, and this particular act—I know I participated in this program. I am a physician, and we helped train licensed practical nurses and other people. And it was truly a joy. I have hired people out of this in my own office. And it is truly a joy to see someone's face light up when they know they have a job.

And so thank you all for what you do. And I can promise you, you will have my support in this program.

A couple of questions I have. Actually, one was for Ms. Keenan, who left, but you all can address is—my concern is not the folks who we have trained to jobs we need, whether it is education, health care, whatever. What do we do for the folks who fail?

And, Mr. Morales, I will toss that tough one—you know, when you walk in, she gave the percentage who got their GEDs and so forth, but what about the folks who fall through the cracks? What do we do with them?

Mr. MORALES. Well, I think that is the beauty of having a one-stop system that is focused on business needs and the needs of the clients. When we do customized training and we have for licensed—well, for medical assistants and those kinds of—we work with medical groups and try to bring people in.

But we also say that, if the student doesn't succeed with the employer, then we route them back into the one-stop and see what we can do, see if we can address those issues, whether they are basic skill issues, whether they are interviewing issues, whether they are pre-employment work maturity skills, we try to address those issues.

And there are a lot of people, say, in my labor market that are almost prevocational, that is why, Mr. Chairman, we asked for ways to link up the literacy, the English proficiency to WIA and a little closer, and to incentivize these collaborations. There are great collaborations going on all over the country, but it would be nice if we could incentivize people to want to work together, because I think collaboration is an unnatural act between two or more consenting adults. You know, it is not something we do normally.

So we are fortunate in Yuma County that we are so isolated from everybody else that, if we didn't collaborate, we know we would fail. So it is a survival strategy for us.

So we have to concentrate on those people so they don't get left behind. And that means that the workshops that we offer, whether they are in financial literacy with—we have credit unions and folks that we invite in to do those kinds of educational activities, because we know we can't do it all ourselves, that is where the collaborations come in.

If there are special groups, nonprofit groups, faith-based groups out there that can do the job that we can't do, that we are restricted from in some way, shape or form through WIA, then we

try to build those collaborations with other organizations in the community, because we know that there isn't enough money in WIA to solve the language literacy issues. There isn't enough money in adult education, especially along the border.

So we have to work together. In our area, in Yuma County, Arizona—and I am sure it is that way along the border, Mr. Chairman—collaboration is a survival issue.

Dr. ROE. Well, the other question I have, I guess—and, Mr. Scott, I will toss this one your way—I mean, we can't afford to fail. And, plus, I think this particular program is not a cost. I think if you can show enough—and that is what I want to ask, are we spending our dollars wisely? Because if you do, this program pays for itself. There is no question in my mind you have people who are not on the tax rolls who go on the tax rolls. I absolutely believe that it will.

Do we have accountability to show that the money we are spending—in other words, are we getting the bang for our buck? Are we putting the folks out there, they are getting the jobs? Do we have that data?

Mr. SCOTT. Mr. Roe, as we have previously reported, based on our survey of employers, most medium and large employers are aware of the one-stop system, use the system, are satisfied with the services. We know that.

You know, one of the concerns—generally, they use the one-stops to fill their needs for low-skilled workers. In terms of your question as to whether we know we are getting the bang for our buck, that is actually one of the concerns we have at GAO.

Despite the billions of dollars that have been spent on this program, we still don't know what works and what doesn't work. And it is incumbent upon the Department of Labor going forward to make sure, as it rolls out new initiatives, as it rolls out new programs, it continues to foster innovation and flexibility, that they build in accountability and they build in rigorous impact evaluations of the initiatives, so that at the end of the day we will know what works and what doesn't.

And that could also help inform, for those who might fall through the cracks, what alternatives we should consider. But a key concern for the Government Accountability Office at this point is, we still don't know which of these programs work and for whom and why.

Dr. ROE. Well, the reason that is important is what Mr. Morales just said. He has to stretch his dollar at the local level as far as he possibly can. So you want the most effective dollar that you can have.

Mr. Chairman, thank you. I yield back my time.

Chairman HINOJOSA. Thank you.

At this time, I would like to call on a member who has served this committee very well. He is very knowledgeable and certainly a contributing member of the Education and Labor Committee, Congressman Tim Bishop from New York.

Mr. BISHOP. Mr. Chairman, thank you for holding this hearing. And to the panel, thank you very much for your testimony.

I had hoped to ask this question of Ms. Keenan, but, Mr. Scott, I am going to see what light you might be able to shed on this.

Ms. Keenan said that approximately 16 percent of the WIA programs were administered through post-secondary education sites. And I am particularly interested in the linkages between WIA programs and college campuses.

And so my question is, in your assessment of WIA programs, have you noticed any difference in outcomes between those programs that are administered by local education agencies as opposed to those programs that are administered by post-secondary education agencies?

Mr. SCOTT. Mr. Bishop, as far as I know, we have not taken a look at the programs in that light, so I can't answer that question directly. However, we did issue a report last year that looked at the connection between the workforce investment system and community colleges. And there, for example, we found some very innovative practices, in terms linkages between the workforce boards and the community colleges and employers. And so that is some information we can provide to you.

Mr. BISHOP. If you could, because—and that is essentially where I am going is to the community colleges. I guess I have this—I was a college administrator. And so I have this bias that, if you get a young man or a young woman on a college campus and expose them to a good experience, they are going to get turned on to learning and so that they may be able to use the Workforce Investment Act program as a springboard to a degree-granting post-secondary program.

I guess the other question I have—and, again, perhaps better for Ms. Keenan—is an enormous number of the clientele of these programs are high-school dropouts. Have we learned anything about the characteristics of those young men and women that we can then funnel back to the high schools to help them deal with dropout prevention?

Mr. SCOTT. I know previously we have reported on some of the challenges under WIA and dealing with the youth population. In terms of your specific question, I am not aware of any work we have done looking at that, but that—we will get back to you on that.

Mr. BISHOP. All right.

Mr. Morales, in your experience, I mean, how much of the dropout—high-school dropout phenomena is due to, in effect, lack of language attainment? Or is—you know, what are the characteristics of the population that you have worked with that we might be able to learn from to help the K-12 system do a better job of retaining people through to graduation?

Mr. MORALES. We are working with our K-12 system, the Yuma Union High School District particularly. Some of the characteristics that seem to be affecting the dropout rates, according to the school superintendent there, she indicates that there is a high mobility rate problem. These young people—and we thought it was tied to the migrant and seasonal farm worker community, but what we found over the years is that those families are settling more in the community. And the parents or one of the parents is going to other places, like in California.

But there is just a tremendous mobility issue that we are seeing. And it is not just in Yuma. We are also aware of it in some of the programs in the Phoenix Union High School District, for instance.

The other challenge is, how do we keep kids interested in education? How do we challenge them? How do we make education relevant to those children?

And that is a big problem we have. And we are working right now with a—the high school districts and other elementary districts and the private sector in what we call a Yuma business education collaboration to try to start identifying what kind of things turn these kids on, because they are having a real problem, especially now in this economy, when their parents aren't working, they are going to work, and they don't see the relevance of going to their classes when they could be earning money and putting food on the table.

Mr. BISHOP. That is the key. I know more about college dropout than I know about high school dropouts, but there is a significant body of evidence that says that a college dropout is a young man or a woman who is unable to connect what he or she is doing at that moment with what their future goals might be.

And so the—finding the—the synergy, if you will, between goals and between activities associated with achieving those goals works on a college campus. I would presume it would work in high school, as well.

Mr. Chairman, thank you very much.

If I just may, Mr. Scott, if you could get us that material that you referenced with respect to innovative activities on community college campuses, I would appreciate it.

Thank you, Mr. Chairman.

Mr. SCOTT. Yes, we will provide that information.

Chairman HINOJOSA. It is my pleasure now to ask another very valuable member of this Education and Labor Committee, a friend of mine from the great state of Illinois, Judy Biggert. And after her questioning, we are going to stop this first panel and move into the second panel, which has four representatives of WIA.

And at this time, Congresswoman Biggert, it is your time.

Mrs. BIGGERT. Thank you very much, Mr. Chairman. And I will be brief.

Mr. Scott, you mentioned the one-stop shopping centers, and you talked about the sequence of services and the tiers of services offered through these one-stop shops. And I have heard from some of my local WIAs about this and having some concerns about the fact that all of those that come through have to go through each tier to complete what they are doing. And in some cases, they—you know, they think that they really don't need the services, let's say, in tier one or all of the services in tier two to get to tier three.

Do you think that, based on your research, do you think that there should be an elimination of the sequential nature of the services that you describe or realigning the tiers of service? Or do you think that it is the most beneficial the way that it is?

Mr. SCOTT. GAO has not taken a position on the approach of the providing the tiered services. But, once again, I will point back to the need to understand how each of those tier services work and what the results we are seeing from that approach, in terms of

having the necessary information to make an informed decision about that.

In particular, you know, I would suggest that that be one of the issues, for example, the Department of Labor could include in its evaluation of the program, whether this current approach, you know, actually is providing the result and meeting the needs of employers and workers.

That, once again, goes to the fact, though, that at this point we don't really know what works and what doesn't. So sorry to not be able to directly answer your question, but I think this is an opportunity for the Department of Labor to study such an approach.

Mrs. BIGGERT. Okay. Thank you.

Well, I will yield back and ask the question of the next panel then. Thank you.

Chairman HINOJOSA. Thank you.

I want to thank the members of the first panel. You all did a fine job, and we thank you very much for your generosity of your time and valuable information that you have shared with us. We invite you to stay and hear the second panel.

At this time, I invite the members to please come forward and take your seat, your place in the second panel.

If you are ready, we are going to move on and hope that we can spend as much time as possible with the panelists that have just been seated.

We are going to start by introducing Ms. Sandi Vito. Sandi is testifying today on behalf of the National Governors Association. She was appointed last year by Governor Edward Rendell of Pennsylvania. Sandi was appointed as the Acting Secretary of the Department of Labor and Industry.

Welcome. Sandi heads the fifth-largest agency of the state government, overseeing 6,000 employees in 200 offices statewide. Her offices administer programs such as workers compensation, unemployment compensation, job re-training, and vocational rehabilitation.

She previously worked in legislative, public policy, and political organizations and holds a bachelor's degree in economics from Stockton State University and studied community and regional planning and urban studies at Temple University. Welcome.

Ms. Charissa Raynor is the Executive Director of the SEIU Healthcare Northwest Training Partnership. SEIU is the Service Employees International Union, for those not familiar with that acronym. The partnership is a new nonprofit health care worker training organization, which in the year 2010 will become the primary training provider for long-term care workers in Washington State.

Charissa is well prepared for this effort, since she holds a bachelor of science in nursing from the University of North Carolina at Charlotte. She also earned a master's of health services administration, health policy concentration from the George Washington University in our city.

Welcome, Charissa, and thank you for dedicating yourself to such an important service for our country.

The next panelist will be introduced by Congressman Bishop from New York.

Mr. BISHOP. Mr. Chairman, I thank you for the courtesy.

I am pleased to welcome both to our committee and to Washington Kevin Smith, who is the Executive Director of Literacy New York. Mr. Smith is a 1975 graduate of SUNY Fredonia. He has worked for 5 years for the New York State Bureau of Migrant Education and also as the Executive Director of Literacy New York.

Throughout his career, Mr. Smith has provided innovative program response to the needs of adult learners and strong leadership in literacy and in to our state and to our nation.

His accomplishments include being a delegate to the 1991 White House Conference on Library Information and Services. He served as a member of New York State Board of Regents Literacy Planning Committee. He was the chair of the state Literacy Council, a member of the Adult Learning Services Council under two commissioners of education, secretary of the National Commission on Adult Basic Education, and the past president of the New York Association of Continuing and Community Education.

Mr. Smith, thank you very much for your service, and welcome to our committee.

Chairman HINOJOSA. Thank you.

At this time, I would like to recognize and introduce Mr. Bob Lanter. Bob is the Executive Director of the Contra Costa County Workforce Investment Board in Concord, California. He has served in his current position for the past 7 years, but has over 18 years of experience in workforce development.

Bob also spent 6 years as the Assistant Director of the California Workforce Association. His areas of research include one-stop systems, particularly partnerships, and business and universal services.

Thank you, Bob, for joining the rest of our talented witnesses today. And we look forward to your comments.

Now, I would like to ask the acting secretary, Vito, if she would like to start.

**STATEMENT OF SANDI VITO, ACTING SECRETARY, DEPARTMENT OF LABOR AND INDUSTRY, STATE OF PENNSYLVANIA**

Ms. VITO. Chairman Hinojosa, Ranking Member Guthrie, and members of the subcommittee, I want to thank you for inviting the National Governors Association to testify today.

I am pleased to be here on behalf of the nation's governors, and I want to first thank you and your colleagues in Congress for the American Recovery and Reinvestment Act and the critical investments in workforce systems and including the reauthorization of the Trade Act that were part of that act. You have signaled to the nation's workforce system that you are counting on us to help our nation's unemployed and job seekers find work and family-sustaining careers.

The governors take that challenge very seriously, and I can tell you, all are working very diligently. As you know, the governors met this past weekend. They met with President Obama and the cabinet members to discuss implementation of the act.

They also met this weekend and approved a new workforce policy entitled "Governors Principles to Ensure Workforce Excellence."

And so the focus of my testimony is going to be on those high-level guiding principles.

States—it originated, I think, with Woodrow Wilson—but states like to say that they are the laboratories of democracy. I would like to make the point today that states are, in fact, the incubators of innovation, particularly when it comes to workforce policy.

The new policy statement in particular supports those governor-led innovations. And while I think that there is no one clear and single path to reauthorization of the act, the nation's governors outlined some key priorities that we think make sense in terms of considering reauthorization.

We hope that you will build off the innovations that have come from both the regional levels and through the governors' initiatives to make our nation competitive in the 21st-century economy. So I want to first highlight some of the state-led innovations.

Critical, as many of the members said earlier today, and President Obama mentioned in his recent State of the Union or state—recent speech to the joint Congress, is improving in the skills and the access to training. Ensuring that all Americans have access to one year of training, I think, is critical to developing a skilled workforce.

Governors have led the effort to increase training and, more importantly, to ensure that the training is geared towards the appropriate needs of the individual, so leveraging dollars from different systems to make sure that the intervention for individuals and regions is appropriate.

The second key innovation by governors is the development of skills credentials, which signal to businesses and are universally understood that the people coming to apply to them have a set of recognized credentials and help improve the earnings capabilities of the job-seekers themselves.

Additional innovations have come in the form of green jobs. We need to continue to equip workers with skills and technologies required for emerging occupations in clean and renewable energy, and many governors throughout the nation have already taken a leadership role on doing that—on just that.

One national trend among the governors is the creation of what is in the research literature called workforce intermediaries. These intermediaries make the labor market more transparent. In Pennsylvania, we call them industry partnerships. And essentially they are partnerships of businesses, where appropriate labor unions, training providers, and community organizations on a regional basis or at the labor market level, and they focus in on a specific industry and what the skill needs are of that industry so that we can create career pathways, training programs that create increased economic opportunity, as well as meet the demands of the industry in the region.

In Pennsylvania, we have had more than 6,300 businesses involved in 80 partnerships and, since 2005, have trained 70,000 workers. While our original results showed initially a 12 percent gain in increase in income for the individuals who went through that training, because of the recent events, the average is about 6 percent, still incredibly good increase in income after the first year of training.

Governors are also leading less glamorous reforms, but these are also essential reforms. And they include improvements in the service delivery system, accountability, and overall program efficiencies, all the while trying to reduce administrative costs and duplication of efforts.

As preparation begins for reauthorization of the Workforce Investment Act, I want to outline the Governors Association's six key policy areas.

The first is—and it was already mentioned, but I want to re-emphasize the National Governors Association position on that—to streamline access to training opportunities and eliminate the mandates that dictate sequence of services.

Second is increasing coordination and integration of workforce education and economic development to meet the unique needs of states and their regions. We hope to see greater alignment of the federal programs, which was mentioned earlier, between the agencies that fund workforce development programs in labor, education, and the other federal agencies.

We would like to see and advocate for building state-led regional economies by giving the governors the authority to designate for the purposes of delivery of services regions that reflect labor markets and don't narrowly reflect city or county or other arbitrary boundaries.

And, finally, two critical issues are focus on the emerging industries, such as green jobs—as I talked about earlier—and supporting common measures to improve accountability. As we heard earlier, the importance of transparency in the system is important to governors. The National Governors Association and the National Association of State Workforce Agencies has a specific proposal related to common measures that it would like to see considered. And they are happy to provide that in detail.

In conclusion, the nation's governors stand ready to work with this subcommittee and all the members of Congress to craft what we hope will be significant improvements to the Workforce Investment Act and to provide whatever information the committee needs from us.

[The statement of Ms. Vito follows:]

**Prepared Statement of Sandi Vito, on Behalf of the National Governors Association**

Chairman Hinojosa, Ranking Member Guthrie, and members of the Subcommittee, thank you for inviting the National Governors Association to testify today.

My name is Sandi Vito and I am honored to be here on behalf of the nation's governors to discuss governor-led innovations. I also serve as the Secretary of the Department of Labor and Industry for Governor Rendell in Pennsylvania. Governor Rendell is the chair of the National Governors Association.

*Governors Focus on Transforming the Workforce System and Upskilling Workers*

This past weekend, the nation's governors convened in Washington, DC for their winter meeting and met with President Obama and Cabinet members to discuss the state economic crisis and implementation of the American Recovery and Reinvestment Act. Governors also met in the NGA Education, Early Childhood, and Workforce Committee to discuss transforming the workforce system and up skilling American workers. During the Committee's deliberations, the governors also approved a new workforce policy titled "Governors' Principles to Ensure Workforce Excellence".

The new policy supports governor-led workforce innovations, and establishes the nation's governors' key priorities for a world-class workforce. It also makes recommendations to Congress and the Administration for long needed transformations to the workforce system. Before I discuss the governors' new policy recommendations for the workforce system, let me first set the stage with the current economic forces and highlight several successful governor-led innovations.

#### *Federal Workforce Law Outdated*

In 1998, when the Workforce Investment Act became law, it was groundbreaking. WIA gave governors the authority to initiate broad structural reforms in their workforce development systems. With this authority, governors made significant progress to restructure these systems and strengthen the essential partnerships between federal, state, and local governments and the private sector. Yet state-by-state experiences reveal that many challenges remain, such as providing comprehensive, highly integrated education, training, and employment services for workers. In addition, governors need help aligning education, workforce and economic development, coping with inflexible mandates, and fully engaging the business community as partners.

The current economic picture is evidence that business as usual will no longer do. The current unemployment rate in America is 7.6 percent and more than 3.6 million jobs have been lost since the beginning of this economic downturn. This is the highest number of job losses since the end of World War II.

Yet, even in today's economy, businesses are struggling to find the qualified workers they need. A survey by the National Association of Manufacturers revealed that more than eight out of 10 manufacturers experienced an overall shortage of qualified workers. And, in a recent Society for Human Resource Management survey, respondents indicated a shortage of qualified candidates in science, technology, engineering, and mathematics. As a result, 29 percent of human resource directors have hired foreign nationals because qualified U.S. workers were not available.

These two forces—the rising unemployment rate and the increased need for skilled workers—have placed unprecedented demands on America's workforce. It will take bold reforms at the federal, state, and local levels to transform the workforce system and up skill workers. This transformation should begin and build off the work of governors to initiate bold, structural reforms that will keep our great nation competitive in the 21st century.

#### *Governor-led Innovations*

Governors are tackling the challenges of unemployment and a lack of skilled workers and leading new strategies to improve job seeker outcomes. While governors are initiating reforms all across the country, their efforts can be broadly characterized and grouped in the following key areas:

**Increase access to training:** All across the country, governors are implementing creative initiatives to focus and expand training opportunities for unemployed and employed workers. By leveraging WIA funds with a mix of other federal employment and training funds, federal and state financial aid, and business partnerships, governors are working to improve the skills of workers in their states.

**Provide workers with credentials:** To help employers better find and match job seekers' skill level with the requirements of a job, governors implemented skills credentialing programs. The credentials are easily and universally understood and valued by employers and certificate recipients alike, and are nationally recognized by industry.

**Develop specialized skills training for limited-English speakers:** Under governors' leadership, states are also creating new integrated approaches to serving non-native English speaking students enrolled in workforce training programs. The programs provide simultaneous instruction in a technical field and in basic skills such as English, reading, and math to accelerate achievement and prepare students for employment.

**Invest in green jobs:** A growing and relatively new area of governor-led reform is in emerging industries for clean, green, and renewable energy jobs. To equip workers with the skills and technologies required for green jobs, governors worked with community and technical colleges to create career pathways and certificate programs to ensure a pipeline of workers for new jobs in this emerging field.

**Build industry partnerships:** Governors are also leading and creating new industry partnerships between employers, labor, training providers, community organizations, and other key stakeholders around specific industries within a region. Industry partnerships address the workforce needs of employers and the training, employment and career advancement needs of workers. The partnerships bring together

workforce development and education systems and align them with the economic development and competitiveness strategies of the state.

Across the country, industry partnership initiatives have led to equally positive results. Industries fulfill their human capital needs and increase the quality of their products and services, while trainees receive higher wages, healthcare benefits, pension plans, and paid leave, and additionally trainees see brighter prospects for future skill attainment and career opportunities.

Because industry partnerships involve aligning strategies across many agencies, systems, and programs, gubernatorial leadership is critical. Governors can galvanize the leadership of industry and labor to ensure their voices are at the center of regional industry initiatives. Governors are also uniquely situated to influence public agency leadership and bring the work of public institutions into alignment with the needs of industry partnerships.

**Focus on Accountability and Improve Data:** Governors are leading less glamorous, yet essential reforms to enhance service delivery, accountability, and improve overall program efficiencies, while reducing administrative costs, duplication, and layers of needless bureaucracy. These reforms are exciting, require the leading force of governors, cut across agencies and funding silos, and may prove the best promise to realize the vision of Congress to create “one-stop shops” for any job seeker to access services and training. One element of this reform is a move to common cross-cutting data that focus on the customer. But I’ll speak more about that in a moment.

*Governor Rendell: Leading Workforce Reform in Pennsylvania*

The national trends in governor-led workforce initiatives are evident in my state of Pennsylvania. Pennsylvania was one of the first states to develop industry partnerships and extend training and career building efforts beyond individual companies to networks of companies in specific industries. Governor Rendell understands that a lack of industry collaboration in workforce training can result in a skills gap for businesses, a loss of opportunity for working families, and a shortfall of innovation for industries. Building strong industry partnerships can fill those gaps, laying the foundation for prosperity that is broadly shared.

The results of Pennsylvania’s Industry Partnership’s are impressive. More than 6,300 businesses are involved in nearly 80 industry partnerships across the state. Since the initiatives inception in 2005, more than 70,000 workers have been trained, increasing their wages on average of more than 6 percent within the first year since receiving the training.

*Governors’ Recommendations for a World-class Workforce System*

Governors are taking action in their states to up skill workers, create jobs, and get America back to work for a more prosperous future. But to do this, governors also need your help to modernize the workforce system and move governor-led initiatives to scale nationwide. As preparation begins for reauthorization of the Workforce Investment Act of 1998, let me outline six specific recommendations governors make in their new workforce policy that can break down breakdown the roadblocks and support governor-led innovations.

- **Streamline Access to Training:** With the unprecedented demands on workers for higher levels of education and new, cutting-edge skill sets, quick access to training and education is essential. Both employed and unemployed workers must have training opportunities throughout the span of their work life in order to get good jobs, advance in their careers and stay competitive. Congress should eliminate mandates that dictate the flow of services for workers.

- **Increase Funding Agility:** Economic necessity requires Governors and local leaders to cobble together funds to provide enhanced training and education to workers. The existing barriers must be removed to make it more effective and cost efficient to do so. Congress should acknowledge the role of Governors by providing enhanced flexibility to coordinate and, when necessary at a state or local level, integrate workforce, education and economic development funding to meet the unique needs of their states and communities.

- **Align Federal Programs:** As many as twelve different executive departments fund a variety of workforce programs, including the departments of Labor, Education, Commerce, Health and Human Services, Housing and Urban Development, Justice, Veterans, Defense, and Agriculture. This myriad of agencies, funding sources, regulations, and responsibilities needlessly complicate, and very often prohibit, the kinds of true alliances and collaboration that are necessary to streamline the workforce system. Congress should direct federal agencies to develop a joint initiative that will align federal programs, coordinate oversight and regulations, consolidate redundant and conflicting regulations, and establish transparent levels of responsibility and accountability.

- **Build Globally Competitive State-Led Regional Economies:** State economies don't stop at the boarder and local economies don't stop at the city limits. Economies are regional in scope, crossing arbitrary and jurisdictional boundaries. Integrating economic and workforce development initiatives through a governor-led state-regional framework offers the greatest potential for economic expansion and industry competitiveness, while providing job growth, stability and career advancement opportunities for workers. Congress should provide governors the authority to design a delivery system that reflects the economy of the state and neighboring communities including the unique dynamics of industries and the workforce.

- **Focus On Emerging Industries.** Globalization has increased the world demand for energy. To respond to national concerns, governors are proactively involved in establishing broad new energy collaborations and industry partnerships in clean and domestic energy and green jobs. Governors have also taken the lead in developing industry partnerships to address critical skills shortages in other key sectors like healthcare and technology. Congress should support strong public/private

- **Support Common Measures to Improve Accountability and Transparency:** There has been a longstanding challenge and frustration caused by multiple and inconsistent federal performance measures for workforce programs. The nearly 100 complex and incomparable measures impede collaboration in both planning and service delivery and are not a sufficient tool for officials and stakeholders to understand system performance. Without common-sense performance measures, it is difficult to demonstrate the true difference these programs make in the lives of Americans. To respond to the challenge, the NGA joined with the National Association of State Workforce Agencies to develop common measures that increase system-wide accountability and transparency, while significantly decreasing administrative costs and inefficiencies. Congress should support the joint NGA/NASWA Common Measures Proposal which streamlines the existing performance measures into four critical measures that can be applied across all workforce programs.

#### *Conclusion*

At this time, our states and citizens are experiencing unprecedented fiscal challenges. Governors are facing these challenges and united in unwavering belief that the United States' economy is resilient and the true strength of our nation remains the ingenuity, perseverance, and hard work of the American people. Americans want to work and Governors are leading reform to make this possible.

To do so, however, it is time for the laws and policies of this country to catch up with the realities and possibilities of the 21st century. Reauthorization of the Workforce Investment Act must embody a new federal-state workforce vision; a partnership that equips governors with the tools to initiate bold, structural reforms that will keep our great nation competitive.

Across the country, governors stand ready to work with Congress to ensure that every American has the opportunity for a good paying job and the ability to advance their career through lifelong learning. Governors know that better days lie ahead; the work you do now, in this Subcommittee, will enable or constrain our collective fate to meet the workforce challenges of tomorrow.

#### ATTACHMENTS

1. National Governors Association Policy: Governors' Principles to Ensure Workforce Excellence
2. Joint NGA/NASWA Common Measure Proposal for Reauthorization of the Workforce Investment Act
3. State Sector Strategies: Regional Solutions to Worker and Employer Needs
4. Accelerating State Adoption of Sector Strategies: An Eleven-State Project to Promote Regional Solutions to Worker and Employer Needs
5. Aligning State Workforce Development and Economic Development Initiatives

Chairman HINOJOSA. We thank you. And you can relay to the Governors Association that we will take their recommendations very seriously and definitely see how we can work them into the reauthorization of WIA.

At this time, I would like to call on Ms. Raynor.

**STATEMENT OF CHARISSA RAYNOR, EXECUTIVE DIRECTOR,  
SEIU HEALTHCARE NW TRAINING PARTNERSHIP**

Ms. RAYNOR. Good morning.

Chairman HINOJOSA. We can hear you better now.

Ms. RAYNOR. Thank you, Chairman Hinojosa and Ranking Member Guthrie, for the opportunity to testify before the subcommittee today. I am Charissa Raynor, Executive Director of the Service Employees International Union Healthcare Northwest Training Partnership. The training partnership is a joint training effort by employers and SEIU. SEIU is the largest and fastest-growing union in the nation, representing 2 million members in the public, health care, and property service sectors.

I would like to focus my remarks today on the work of the SEIU Healthcare Northwest Training Partnership and have submitted the remainder of my testimony for the record.

SEIU supports programs that prepare workers for a 21st-century economy, with the opportunity to enhance both skills and earnings throughout their work life. Representing members in the high-growth, high-demand occupations, including home care, registered nurses, food service workers, janitors and childcare workers, SEIU has a proven track record of delivering job-training and education, placement, and career development to diverse workers in a variety of settings.

SEIU often partners with employers, and we believe that this provides a good model for strengthening training partnerships under the Workforce Investment Act.

In operation since July 2008, the training partnership is a non-profit labor-management organization in Washington State dedicated to modernizing training and workforce development for long-term care workers and supporting career pathways for those workers who are ready to advance into hospital jobs, for example.

By 2010, the training partnership will be the primary training provider for long-term care workers in Washington. We will be providing training to over 30,000 long-term care workers annually, and our programs will include entry-level homecare aid training, advanced homecare aid training, a peer mentorship program, and continuing education.

We are predominantly funded by employer contributions and governed by a diverse board. Our programs are tuition-free for workers, and workers are paid to attend training by partner employers.

Long-term care and hospital employers in Washington State are experiencing very serious workforce shortages and at the same time increasing demand for health care services related to the aging baby boomers. The state also has many poor and low-income individuals, often women of color, who are interested in a career in health care. Matching these individuals with entry-level career track jobs would benefit the economic status of these individuals and support access to high-quality care in their communities, turning crisis into an opportunity.

Unfortunately, this opportunity is not often realized, because most entry-level jobs are dead-end, with little room for advancement. Our goal, then, is to reposition these jobs as stepping stones to a meaningful career in health care.

We are in the early stages of developing a 21st-century platform that will link at scale these individuals to career tracks in health care and support them as they move up a career ladder. Specifically, we are working with partners to design modern, adult-learn-

er-centered training programs for long-term care workers and plugging these programs into an accessible career track, statewide career track.

Our focus is to link a series of high-demand health care operations across a fast track. Fast tracks credit these entry-level homecare aides for their previous training and experience toward an end-goal degree, such as nursing and other high demand health degrees and certifications.

As part of this fast track, we have established an intermediate step: advanced homecare aid under the apprenticeship model. And once implemented in 2010, this will be the first apprenticeship program for long-term care workers in Washington State and the largest apprenticeship program of any kind in Washington State.

Second, the training partnership is working to develop a Web-based community network tool, a virtual entry point, if you will, helping community-based organizations help job-seekers to access a customized career track in health care.

Features include a career track calculator that can be used to map different career track options in health care, depending upon the job-seeker's individual needs and goals, and a real-time employment hub that can be used to identify and apply for job openings with partner employers.

[The statement of Ms. Raynor follows:]

**Prepared Statement of Charissa Raynor, Executive Director, SEIU Healthcare NW Training Partnership, on Behalf of the Service Employees International Union (SEIU)**

Good morning. Thank you, Chairman Hinojosa and Ranking Member Guthrie for the opportunity to testify before the Subcommittee today. I am Charissa Raynor, Executive Director of the Service Employees International Union Healthcare Northwest Training Partnership. The Partnership is a joint training effort by employers and SEIU. SEIU is the largest and fastest-growing union in the nation, representing 2 million members in the public, healthcare, and property services sectors.

*SEIU's Vision for WIA and Workforce Development*

SEIU believes that the mission of WIA should be to prepare workers for a 21st century economy and to offer them opportunities throughout their work lives to enhance their skills and their earnings. According to U.S. Bureau of Labor Statistics projections, the top 15 fastest-growing occupations over the next decade include home care aides, registered nurses, food service workers, janitors, and child care workers. However, these rapidly growing occupations, with the exception of registered nurses, pay, on average, wages that are below the median average wage for all occupations. As a union dedicated to lifting service workers into the middle class and to promoting the delivery of high-quality services, SEIU has a strong interest in working with the Subcommittee to reauthorize WIA to promote a comprehensive workforce development strategy to:

1. Alleviate projected shortage occupations in such sectors as: healthcare, child care and early education, and property services;
2. Offer low-literacy, low-skill workers intensive supports and learning strategies to fit their needs; and
3. Create career paths that allow low-wage workers to rise to the middle class.

SEIU has a proven track record delivering job training and education, job placement, and career development to home care, child care, property services and hospital and health system workers across the country. They have created ongoing training and education efforts in their larger local unions—often in partnership with their employers; and SEIU believes these efforts can serve as models to strengthen the Workforce Investment Act.

*Innovations and Best Practices in Washington*

The work of the SEIU Healthcare NW Training Partnership, a joint labor-management program in Washington, is such an example. In operation since July 2008, the Training Partnership is a nonprofit, labor-management organization dedicated

to modernizing training and workforce development for long term care workers and supporting career track programs for workers ready to advance into hospital employment. By 2010, the Training Partnership will be the primary training provider for long term care workers in Washington. We are primarily funded by employer contributions and governed by a diverse board including labor and employer representatives. Tuition for all training is paid and workers are paid for work time missed to attend training.

Long term care and hospital employers across Washington are experiencing serious workforce shortages that are expected to worsen as baby boomers age—simultaneously reducing workforce supply and increasing demands on our healthcare systems—from entry-level, career track long term care jobs to high demand hospital jobs. At the same time, many poor and low-income individuals—often women of color—have an interest in healthcare as a career. Matching these individuals with entry-level, career track healthcare jobs in their communities would benefit both the economic status of these job seekers and support high quality care for people living in those same communities.

More often than not though, these workers never access the career track because it is not visible or because it is not supportive. For example, very few entry-level long term care workers participate in a healthcare career track. In fact, most of these are dead-end jobs with no room for advancement at all. Our goal is to improve the attachment of poor and low-income individuals, especially people of color and women, across Washington to a meaningful healthcare career track. Especially in today's economic climate, the joint labor-management Training Partnership plays a critical role in Washington's overall strategy for economic stabilization and the benefits are three-fold: 1) building human capital; 2) meeting the current demand for trained healthcare professionals; and 3) responding to structural changes in the economy.

Broadly, the SEIU Healthcare NW Training Partnership and partner organizations are in the early stages of developing a 21st century training platform that will link, at scale, these individuals to career tracks in healthcare and support them as they advance up the career ladder, providing a suite of career track training to more than 30,000 long term care workers across Washington. This includes entry-level Home Care Aide training, advanced Home Care Aide training, Peer Mentorship for new workers, and continuing education for Home Care Aides.

Specifically, the Training Partnership is working with partners to:

1. Design a modernized, adult learner centered training program—this includes developing an accessible statewide career track for home care aides. Our focus is to link a series of high demand healthcare occupations together in a “fast track” program for home care aides. This “fast track” “credits” the entry-level home care aide's training and experience toward their ultimate healthcare degree or certificate. We have also established an intermediate step for home care aides, Advanced Home Care Aide, under the Apprenticeship model. This Apprenticeship program will be the first for long term care workers in Washington. It is expected to be the largest Apprenticeship program of any kind and possibly the largest healthcare apprenticeship program in the country. In sum, we are creating targeted opportunities for career mobility in the high demand healthcare sector—from entry-level career track home care aide to Advanced Home Care Aide to nursing and other high demand hospital jobs;

2. Develop a Web-based Community Network Tool—a virtual entry point for community-based organizations to help job seekers access a customized career track and employment. Features include: a) a Career Track Calculator that can be used to map different career track options depending on individual goals and needs; and b) a Real Time Employment Hub that can be used to identify job openings among partner employers and being the application process.

The joint labor-management training model, such as the SEIU Healthcare NW Training Partnership, maintains progress in difficult times and responds to the cyclical nature of economic downturns by sustaining public-private partnerships. Programs under the training partnership model are informed by a culturally and linguistically diverse set of stakeholders through two advisory structures: the College Consortium for college representatives and the Community Network for community-based organizations, including workforce development, consumer advocacy, and government agencies.

While we have an excellent relationship with the WIB and many other community organizations, the Training Partnership has yet to receive WIA funding. Expanding the purpose of the Workforce Investment Act to include labor-management training programs would add value to the WIA funding system, as well as greatly enhance our ability to train unemployed and incumbent workers of all skill levels.

*WIA Successes*

SEIU members play a dual role in workforce training and development. SEIU is a training provider in some industries and localities, and SEIU public employees in many states deliver services in One Stop Centers, providing crucial employment services for the unemployed. These members have assisted unemployed workers to receive unemployment benefits, trained job-seekers, guided them through their job search, helped them acquire work-related skills, and brokered the hiring process with employers. SEIU members know that strong workforce programs can help the country emerge from this economic downturn by helping job seekers gain the skills they need to find good jobs and earn a living wage. But in order to bolster the current system of workforce development, Congress must ensure adequate federal funding as well as preserve the successful delivery of employment services by the public sector, where there is an emphasis on universal access to services.

Privatization of employment services short-changes those clients who face the greatest barriers as private contractors tend to focus on those workers easiest to place. A private institution may fail to deliver services locally or fail to provide individualized services based on a client's unique needs—or may charge a premium to provide comprehensive services. Job seekers with significant employment barriers, including seasonal workers, those with disabilities, those in need of special accommodations, or those in rural areas; are likely to be given short shrift under a privatized model.

In this time of economic crisis, the preservation of public sector delivery of employment services and the federal requirement that Wagner-Peyser Employment Services be delivered by civil service employees is crucial to WIA's continued success. The reauthorization of WIA offers an opportunity to codify this longstanding regulatory requirement in legislative language.

*Reforms to WIA*

Based on these innovations and successes of WIA, SEIU recommends these reforms which will strengthen WIA to create the robust workforce development system the country needs to combat the record levels of unemployment and underemployment and to support workers to succeed in a dynamic economy.

First, SEIU recommends fostering more partnerships at every level, and include labor and other community advocates in the planning and delivery of services. When workers belong to a union, they have the opportunity to bargain for additional on-the-job training and other educational and advancement opportunities. SEIU has formed many partnerships with employers to invest additional resources in training, yet WIA does not reward these partnerships and employers who invest in incumbent workers. These collaborations result in career ladders that provide opportunities for noncollege educated workers to increase their skills and their paychecks, and they open up entry-level positions for disadvantaged or unemployed workers. In contrast to many training programs currently funded by WIA, SEIU labor-management training programs almost always result in a real job at the end of successful completion of training.

Specifically, SEIU recommends that you amend WIA to allow state and local boards to contract with labor-management training funds to provide occupational skills training, on-the-job training and workplace training with related instruction, and/or skill upgrading and retraining. This can be accomplished by amending the eligible criteria for training partners and by allowing the governor to add labor-management training funds to the list of eligible entities that are submitted for his approval by local boards.

Second, SEIU recommends that training resources be more focused on high-growth, high-demand sectors. SEIU supports sectoral strategies where WIA resources are used to target identified needs and shortages in sectors that are growing and creating good jobs. For example, our healthcare system suffers from chronic workforce shortages and employs too few workers dedicated to prevention and primary care. Priority sectors should include healthcare and long term care, child care and early education, and green jobs. WIA funding can be used not just to alleviate a nursing shortage, but to grow a more diverse nursing profession and promote more nurses working in underserved areas.

Third, SEIU recommends increased use of grants to fund training and educational entities. The WIA system should not continue to rely on Individual Training Accounts as the primary mechanism to deliver services to eligible workers. Individual Training Accounts, for example, are too small to support a nurse's aide who has the motivation and opportunity to go to nursing school. The Trade Adjustment Assistance Act, by contrast, offers workers displaced by trade significantly more federal support than other displaced workers are eligible for under WIA. ITAs also do not promote proven learning strategies, such as cohort training. ITAs were created to

offer additional choice, but they only offer the illusion of choice and generate high administrative costs. Low-wage incumbent workers who have demonstrated a strong attachment to the workforce but need additional skills to access career ladders cannot easily qualify for ITAs.

Fourth, SEIU recommends increasing the percentage of funding allocated to statewide activities. WIA currently allocates 15 percent of a state's WIA funding to statewide activities. Increasing this by 5 percent would allow governors to develop strategic plans for workforce development and have more authority to create larger initiatives and target funding to accomplish initiatives that address wage inequality and that can further sector strategies, such as a statewide initiative to upgrade the early childhood education workforce or an initiative to address the nursing shortage. Additionally, some incumbent workers are at risk of job loss due to changing technology or industry restructuring, and it may be more cost-effective to intervene before they become unemployed.

Fifth, SEIU suggests requiring greater coordination among other education and training programs. Training dollars should be an integral component of broader strategies to promote economic development and alleviate poverty. SEIU supports a broader vision of education and lifelong skills building that can leverage student loans and Pell grants with WIA dollars and community college resources, for example. Federal child care subsidies should also be made available to workers who would otherwise be unable to continue their education and training. This kind of coordination is more feasible at the state level than at the level of local WIBs.

Finally, SEIU recommends that the Committee reform the structure of local WIBs as it reauthorizes WIA. Many local WIBs lack a broad vision and real community representation, including unions and other advocates for workers and distressed communities.

#### *Conclusion*

SEIU appreciates the significant resources the Congress provided in the American Recovery and Reinvestment Act to modernize unemployment benefits, increase support for state employees to serve unemployed workers, and increase WIA funding and competitive training grants during this extremely difficult economic time. SEIU looks forward to working with the Subcommittee, as well as the full Education and Labor Committee, to devise a workforce development system that works for all workers.

Thank you and I look forward to your questions.

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Chairman HINOJOSA. I am going to interrupt you and say that we love the information that you are sharing with us. I am going to make sure that the entire statement is put into the record.

Votes have been called, two of them, and I am going to request of members who wish to stay that we have enough time to listen to the presentation by Mr. Smith and the presentation by Mr. Lanter. After your 5 minutes each, we will then run to vote and return to have the question session with each one of you.

So with that, I would like to proceed to listen to Mr. Smith's presentation.

#### **STATEMENT OF KEVIN G. SMITH, EXECUTIVE DIRECTOR, LITERACY NEW YORK, INC.**

Mr. SMITH. Chairman Hinojosa, Mr. Guthrie, members of the subcommittee, current economic conditions notwithstanding, America's supply of adequately skilled workers does not meet its demand. It is essential to consider what skills are available versus those needed to support and sustain national, state and local economic development strategies.

As the nation succeeds in building an economic recovery, including job creation, the skills gap will impede progress. Simply, citizens who lack basic literacy and language skills will continue to draw from, rather than contribute to, efforts to create economic sta-

bility and growth. We must invest in our nation's human infrastructure, as we do the nation's capital infrastructure.

When discussing the issue of adult literacy, advocates point to studies indicating millions who function below basic levels. The 2003 National Assessment of Adult Literacy and more recent National Center for Education Statistics reports chronicle the issue, indicating that more than 30 million, or 14 percent of adults, possess skills below basic.

In my home state of New York, that number is 22 percent, although in Congressman Bishop's district, it is the same as the national figure, where 1 in 7, more than 160,000 working-age individuals, have below basic skills. The simplest information processing tasks are challenging.

Another 63 million, or 29 percent of adults, function at levels considered to be at basic. These adults may become challenged as accessing, understanding and utilizing information at work or elsewhere becomes more complex.

In many cases, these are native-born adults who have attended public school, but for a variety of reasons not gained the desired abilities. For many others, they are immigrants who have come to the United States with varying levels of academic exposure and success, but do not speak English well enough to fully engage in social and economic activities.

It is very important for the committee to consider the wide scope of adults that may benefit by improved literacy and language skills to support their training and employment goals when crafting legislation that better supports the development of a more highly and appropriately skilled workforce.

My written comments go into greater detail on the condition of the two systems operating under Title I and Title II of the Workforce Investment Act. Suffice to say that each has been severely limited by the level or loss of funding and the scope of the need and expectation of service. Neither system is able to provide the services to meet the current demand, and both are challenged to respond to the emerging increase in programs needed to meet the nation's economic recovery and development plans.

The need for adult education services far exceeds the capacity of the current system to deliver. There is no doubt that we will need to enhance efforts to serve more, better, not just to help people to help themselves, but to maximize the country's investment in economic recovery.

However, before we consider how much it would cost to serve 3 million or 5 million or 17 million more adults, it is important to consider re-engineering the current system into one that can and will efficiently and effectively assess the compatibility of skills available in the nation, state, community and individual to specifically meet the demands for skills in these current and future economies.

Obviously, difficult decisions will have to be made regarding how many may be served how well in order to expedite development of skills needed to fill jobs available and being created.

Analogous to plans to focus on sector employment, we should consider literacy and language skills needed to fill jobs in those sectors and concentrate and coordinate our efforts accordingly.

Adults seek education services due to a very wide range of learning needs and goals. Native-born adults with reading abilities ranging from the 1st-grade level all the way to the 12th seek support to advance to the next level. Immigrants who are not literate in their native language, as well as highly educated professionals, seek help to improve their English-language skills.

The system responding to this continuum of need include secondary, post-secondary, community-based, faith-based, library, and volunteer-based sectors. These programs are all competing for scant resources needed to serve the learning needs of this large, complex population. Very limited resources are spread very thin.

State and local contributions vary widely. The level of investment from program to program varies dramatically, as does the quantity and quality of service.

Community colleges seeking to serve higher-level students compete with community-based programs better suited to serving those with less skill. State education agencies, compelled to fund secondary or post-secondary institutions, finesse the competitive process, despite direct inequitable statutory language.

Programs are pitted against each other, rather than creating a greater sum, because there is such great need and so few resources and strategic planning.

[The statement of Mr. Smith follows:]

**Prepared Statement of Kevin G. Smith, Executive Director,  
Literacy New York, Inc.**

Current economic conditions notwithstanding, America's supply of adequately skilled workers does not meet its demand. It is essential to consider what skills are available versus those needed to support and sustain national, state and local economic development strategies. As the nation succeeds in building an economic recovery, including job creation, the skills gap will impede progress. Simply, citizens who lack basic literacy and language skills will continue to draw from rather than contribute to efforts to create economic stability and growth. We must invest in the nation's human infrastructure, as we do the nation's capital infrastructure.

When discussing the issue of adult literacy, advocates point to studies indicating the millions who function below basic levels. The 2003 National Assessment of Adult Literacy (NAAL) and more recent National Center for Education Statistics (NCES) reports chronicle the issue indicating that 30 million or 14% of adults possess below basic skills. In my home state of New York that number is 22%, although in Congressman Bishop's district it is the same as the national figure—where one in seven or 160,034 working age individuals have below basic skills. The simplest information processing tasks are challenging. Another 63 million or 29% of adults function at levels consider to be basic. These adults may become challenged as accessing, understanding and utilizing information at work becomes more sophisticated. In many cases, these are native born people who have attended public school but, for a variety of reasons, not gained the desired abilities. For many others, they are immigrants who have come to the United States with varying level of academic exposure and success but do not speak English well enough to fully engage in social and economic activities. It is very important for the Committee to consider the wide scope of adults that may benefit by improved literacy and language skills to support their training and employment goals when crafting legislation that facilitates the development of a more highly and appropriately skilled workforce.

The Workforce Investment Act of 1998 correctly tied the adult training and education systems together. The law suggests levels of coordination and cooperation. Many in the adult education community remain concerned about dedicating our work strictly on workforce development. Nonetheless, it is clear that supporting incumbent and unemployed workers with the skills they need to acquire and retain employment is critical. Honestly, while there are examples of successful local initiatives, much more needs to be done to research and implement more efficient and effective practices that seamlessly merge WIA Title I and Title II functions.

As has already been testified, the need for adult education services far exceeds the capacity of the current system to deliver. You know that of the 88 to 93 million Americans who have basic or below basic skills fewer than 3 million are getting help. Some, notably the National Commission on Adult Literacy (NCAL) have called for a new approach and investment supporting a massive expansion of the adult education system. There is no doubt that we will need to enhance efforts to serve more, better; not just to help people to help themselves but to maximize the country's investment in economic recovery as well.

However, before we consider how much it would cost to serve 3 or 5 or 17 million more adults, it is important to consider reengineering the current system in to one that can and will efficiently and effectively assess the compatibility of the skills available in the nation, state, community and individual to specifically meet the demand for skills in these respective current and future economies. Obviously, difficult decisions will have to be made regarding how many may be served how well in order to expedite development of the skills needed to fill the jobs available and being created. Analogous to plans to focus on sector employment we should consider the literacy and language skills needed to fill jobs in those sectors and concentrate and coordinate our efforts accordingly. The current system does not function in that manner. Why? \* \* \* because it lacks the capacity to do so, capacity that includes human and fiscal resources, flexibility, local authority and relative parity. The result is two distinct systems still operating as if they had no related purpose when, in fact, a large percentage of Title II students have employment goals and Title I customers need literacy or language improvement in order to avail and benefit by One-Stop services.

In order to further explain the problems faced by adults seeking skill development as needed to become and remain employed it may be useful to consider further the range of learning needs that the adult education system is expected to address and then, therefore, why coordination is so difficult. As you may know, the National Reporting System (NRS), WIA Title II reporting matrix has categorizes learners as Basic Literacy or English for Speakers of Other Languages (ESOL). Further, these two populations are divided into six levels each. A Level I Basic Literacy student tests in at reading below the second grade reading level while a Level 6 student demonstrates abilities between grade 11 and 12. For the ESOL population the six levels also create a scale of English language competency that is an equally broad spectrum of abilities. Simply, the adult education system accommodates learners the equivalent of a K-12 system for Basic Literacy students and a K-12 system for ESOL students. However, it must be considered, that the adult education system is working, for the most part, with the students who have not achieved success as school-aged learners and who present with multiple literacy-related issues including poverty, unemployment, incarceration, substance & alcohol abuse, chronic health problems and so on.

The system responding to this continuum of need includes secondary, post-secondary, community-based, faith-based, library and volunteer-based sectors. These programs are all competing for scant resources needed to serve the learning needs of this large, complex population. The very limited resources are spread very thin. State and local contributions vary widely. The level of investment from program to program varies dramatically as does the quantity and quality of service. Community colleges seeking to serve Level 5&6 students compete with community-based programs better suited to serving Level 1&2. State Education Agencies (SEAs) compelled to get funds to secondary or post-secondary institutions finesse the competitive process despite 'direct & equitable' statutory language. Programs are pitted against each other rather than creating a greater sum because there is such great need and so few resources and strategic planning.

On the WIA Title I side of the equation, years of deep funding cuts have diminished services and capacity. As in any economy, less is managed by reduction of costs. Fewer are served and, all things being equal, those who cost the least to serve are targeted. Programs that do not have fully developed partnerships are relegated to selecting those closest to job placement. Others have created structures and partnership that facilitate the disparity of readiness to work and availability of employment. This capacity should not be a local anomaly based on governmental structure or leadership. Rather, it must be systematic.

Despite the problems very good work is being accomplished within and between the WIA Title I and Title II systems. Here are few examples of what is or could be happening to improve the effort:

*Suffolk County, New York*

In Suffolk County, New York the Workforce Investment Board (WIB) and One-Stop have been structured in a way that allows for public assistance recipients lack-

ing the skill needed for employment to be served accordingly and avoiding inappropriate placement and rating for the One-Stop operator. They have developed a strong referral system with the Long Island Regional Adult Education Network (RAEN) that brokers services to a range of all sectors of adult education programs by learning need and service availability.

Despite this strong local solution to the structural and funding issues they face, they recognize that things could work better. Statutory authority to seek and secure the literacy and language skill development required to place customers in the jobs that are available would be greatly facilitated by making placement into educational services a positive outcome. Reinstating the multiple variable regression model from the Job Training Partnership Act (JTPA) would allow One-Stop Career Centers to address more difficult-to-serve populations without sacrificing their performance and accompanying incentive funding in this difficult fiscal climate. Veteran operators report that under the old system a weighted—scale permitted them to identify and serve adults with more serious and difficult employment barriers.

#### *Allegany County, New York*

In Allegany County, New York, a rural county in the western part of the state, a partnership between the WIB, the two major employers and the local volunteer literacy program has found great success. Dresser Rand, one of the largest global suppliers of rotating equipment solutions and a large regional Dairy, which together employ a significant percentage of the working population, have each established minimum skill levels for employment consideration. If a perspective employee enters the system lacking the skills needed to pass the employer-administered test, they are referred to Literacy West for a six-week course that has produced results highly satisfactory to both employers. The CEO of Dresser Rand has indicated that this flow of skilled workers and the support of the workforce and adult education communities has figured prominently in their decision to remain and continue to invest in upstate New York.

Again, improvements can and should be considered. As in Suffolk County, New York there is a lack of clarity regarding protocol and procedure in referring customers from the One-Stop to the adult education provider. Two distinct data systems that do not communicate or share information further hinder efficiency. The inability to obtain read only, much less limited data entry access, clearance for the adult education partner in Title Is data system forces multiple and more expensive steps.

The One Stops data system provides Literacy West with the employment status they need to complete their NRS data reporting required by New York State for all adult education funding. This is the only adult education program in the state that I am aware of that has this access. All others have used less reliable, more costly post-program survey strategies to track the employment outcome they are responsible to report. This cooperation and capacity, coupled with the exemplary educational gain results they produced, made them the most highly ranked adult education program in the state last year.

#### *Conflicting Outcome Expectations*

Another concept for consideration is retooling our adult education system to specifically deliver workplace skills. Currently, there is a growing conflict between demonstrating educational gain outcomes as indicated by norm-referenced tests and soft skill instruction and job protocols. Employers consistently report wanting employees who show up on time and work well with others but adult education is forced to focus on academic services to realize educational gain outcomes. There has simply got to be a way to modify service outcome expectations to support and report the delivery of services that effectively produce job acquisition and retention results and that encourage the continuation of literacy and language development while workers are employed.

#### *The Volunteer Asset*

The adult education system is unique for its significant volunteer-based service response. The nation should be proud of this history and heritage, yet many view it as evidence of the system's relative insignificance and value. I encourage this Committee to consider, especially with the renewed Presidential call to voluntary services, the worth and role of the volunteer sector. Currently relegated to serving the most in need with the least resources, the volunteer-based programs have persisted in organizing fundamental neighbor-helping-neighbor efforts across the country. Better supported and utilized as additional support to group instruction services or as job coach/ community mentors to high risk new hires are a couple of ways of considering to better utilize the rich volunteer resource already serving in adult education.

The nation and states need to sort out how many adults can be served how well with the resources made available under WIA Title II. In *Policies to Promote Adult Education and Postsecondary Alignment* Julie Strawn, CLASP Senior Policy Analyst, reported that the national average investment from all sources per student, per year is only \$645. Not surprisingly, she went on to report that few adult education students go on to postsecondary education and a very high percentage of those who do not complete. This analysis speaks clearly for the need to create a continuum of adult education services in each state and as required in law. The nation must strategically engage the assets it has available to serve the full spectrum of Basic Literacy and ESOL learning needs, and use the resources made available to develop and coordinate the same.

Both WIA systems have atrophied significantly in recent years and are in desperate need of reengineering and rebuilding. Together they represent an essential aspect of our country's infrastructure and capacity to close the skills gap between our nation's workforce and business needs to compete in this 21st Century global economy.

Chairman HINOJOSA. Mr. Smith, we are going to make your entire presentation part of this hearing.

Mr. SMITH. Thank you, Mr. Chairman.

Chairman HINOJOSA. And we are going to call on Mr. Lanter.

**STATEMENT OF BOB LANTER, EXECUTIVE DIRECTOR, CONTRA COSTA COUNTY WORKFORCE INVESTMENT BOARD**

Mr. LANTER. Good morning, Mr. Chairman, members of the subcommittee. On behalf of the California Workforce Association and our membership, I am pleased to be here today to share our best thinking on workforce investment in our country.

I am also pleased to point out that I am a constituent from Chairman George Miller's district and want to acknowledge how grateful we are that he has been a champion both nationally and back at home.

I want to take a second to thank and recognize members Buck McKeon and Susan Davis, who have both been strong supporters in California.

There are three essential ingredients to the Workforce Investment Act which serve as common themes that run throughout our local roles and regional focus.

First, WIA provides an infrastructure of workforce investment boards, led by the private sector. These WIBs are the only places in local communities that serve as a table, where key stakeholders come together to develop solutions to local and regional workforce issues.

This structure is not perfect—our boards are too big and sometimes unwieldy—but the concept is a smart one. Make sure the private sector is in the lead, they know where the jobs are, they understand the skills that are needed, and they demand accountability.

Second, WIA gives authority to a partnership of local elected officials and workforce investment boards to design and deliver solutions that meet their local communities' needs. Economist strategists throughout the world call for regional approaches in building global competitiveness and exhort us to devolve state and national approaches in favor of regional strategies.

Industry sectors, skill development, economic prosperity cannot be delivered at a state level through a state system. One size does not fit all.

Another key reason that this local design is so important is that millions of dollars are being leveraged through local funding streams. Research conducted in California showed that, by combining smaller WIBs into regional bodies, we would have lost a million dollars to the system. Mayors and county supervisors are just not able nor willing to give up their local funding to larger regional jurisdictions or state governments.

Thirdly, WIA established one-stop career centers, where in theory many resources would be targeted and leveraged. In reality, this occurs in wildly uneven examples across the country.

This is mainly due to the fact that the Workforce Investment Act requires other systems to invest in our one-stops. However, none of the corresponding federal law requires this investment.

This lack of investment has meant that WIA funding that would otherwise go to training is going to keep our one-stops running, and we must keep our one-stops running. In California, these career centers have been inundated with customers, some seeing 100 percent increase over the last year. In San Diego alone, since July 2008, 88,000 customers have went through their doors.

A word on innovation. California has been engaged for many years in focusing on industry sectors. They vary by design and activities and outcomes because they are customized to meet the needs of a certain industry. They all use labor market information to determine their industry of choice. They are driven by local demand from the business sector and are partners with diverse and public-private stakeholders. They are fantastic examples of what can be done with WIA funding.

In Contra Costa, we are faced with a shortage of process technicians in the petrochemical industry. We partnered with the region's refineries, with Dow Chemical and other large manufacturers, along with the United Steelworkers and community colleges, to develop a 20-week training program targeted to dislocated construction and airline workers and returning veterans. The program has been so successful, it is now offered as part of a normal semester-based system within the community college programs.

Lastly, Workforce Investment Act. CWA has spent a considerable amount of time developing suggestions for reauthorization. We are happy to provide this committee with specific examples, but I would like to highlight three quick points.

First of all, private-sector-led boards make sense. We need to adjust the requirement so that they are not too big to conduct business. Give local areas more autonomy under the law to appoint their key stakeholders. Give them their own title and their own budget authority so that they can serve as the very important intermediary and convening role.

One-stop career centers, as was quoted recently in the New York Times, are emergency rooms of the economic crisis. We must continue to innovate and create more flexibility in terms of requirements about who gets served and when, create more incentives for other community resources to locate and fund their staff within our centers, and, lastly, we need to continue to innovate youth programs providing opportunities for career pathways, work experience, and contextualized vocational education.

Let us all participate in constructive dialogue so that we can identify what needs to be fixed and the new elements that are required for the new economy. Thank you for the opportunity to provide testimony today. The California Workforce Association is pleased to be a resource to your committee and to other policymakers as we move forward with Workforce Investment Act reauthorization and continue the work to revitalize our nation's economy.

Thank you.

[The statement of Mr. Lanter follows:]

**Prepared Statement of Bob Lanter, Legislative Committee Chairman, CWA  
Executive Director, Contra Costa Workforce Development Board**

Good Morning, Mr. Chairman, and members of the Subcommittee. My name is Bob Lanter, and I serve as the Legislative Committee Director for the California Workforce Association (CWA), as well as the Executive Director for the Contra Costa Workforce Investment Board. On behalf of CWA, and our membership, I am pleased to be here today to share our best thinking on what innovations have already been initiated through the Workforce Investment Act, and provide you with suggestions on how to further strengthen the workforce investment system.

I want to recognize members of the Subcommittee for your outstanding leadership in the area of workforce development, and thank members Susan Davis and Duncan Hunter, who have been strong supporters in California. Of course, we are also very thankful for Buck McKeon's on-going commitment to the workforce system. And I am pleased to point out that I am a constituent from Chairman George Miller's district, and want to acknowledge how much we appreciate that he has been a champion, both nationally, and in his district, for workforce programs.

California's economy, as one of the largest in the world, has withstood booms and busts over its history, but now faces a unique set of challenging conditions: an unprecedented state budget gap, a statewide unemployment rate nearing 10%, increased housing foreclosures, and a widening achievement gap among students. The recession is disproportionately hitting low-skill workers, while at the same time some industries are still facing skill and/or labor shortages in higher-skill occupations.

Last year approximately three million customers were served through California's One-Stop Career Centers. We are hearing that in some areas, the number of customers walking through the door has doubled. In San Diego alone, more than 88,000 people have visited the One-Stops since July 2008. Confounding our ability to respond is the fact that the funding for our programs has been decimated in the last 8 years—California has lost almost 50 percent of our WIA funding.

Even with all of these challenges, we believe the economic crisis may prove to spur creativity and innovation and pave the way for a more optimistic future. We also believe there is a great opportunity for using the stimulus funding provided through the American Recovery and Reinvestment Act (ARRA) to build and repair this nation's human capital infrastructure and assist in getting Californians back to work.

In the 1930s, we were a nation with an economic engine fueled by the capacity of our physical infrastructure. Thus, when the need came to stimulate the economy, our country created millions of jobs for a nation of manual laborers to strengthen that physical infrastructure.

Today's economy is much more dependent on a skilled, knowledge-based workforce. If this human capital is the most important component of our economic infrastructure, then we must be building a skilled workforce. With help from Congress, America's public workforce system is poised to leverage this difficult moment to prepare our workers for the skills we need to once again be most prosperous and productive nation.

*Context*

*What is the Workforce Investment Act?*

One of the difficulties of providing testimony to Congress about the Workforce Investment Act (WIA) is that it means very different things to different people. To some, it is a job training program for the unemployed, and in particular, those with barriers to employment. For others, it is a system of One-Stop Career Centers, there to provide information to all of a community's residents about jobs, training opportu-

nities and other community resources; and to help people get jobs. To many, it is an infrastructure of Workforce Investment Boards—stewards of the WIA funds, but equally important, groups of community leaders who understand the needs of businesses in their region and who work to ensure that there is a skilled workforce to meet those needs. And to others, WIA is a set of programs specifically designed to meet the needs of unemployed adults, dislocated workers, and youth unconnected to school and work. Last (and probably not least) there are those who expect WIA funds to help businesses recruit and retain their workers, grow their businesses, increase productivity, and increase the overall competitiveness of economic regions.

The truth is that the Workforce Investment Act is all of these things. Different WIBs focus on different roles, largely to meet the needs of their local communities. The strength and the weakness of the locally-driven nature of the system is that it is tailored to meet local demand, but hard to classify and brand as one thing. These differing expectations of the workforce system have created misunderstandings about what is working and what isn't. For example, many One-Stop Career Centers have done what the federal law encourages—they have leveraged their resources with other funds in the community, and use Pell Grants and community college funding to pay for training. When you look at their statistics, you will see that they have spent virtually no WIA funding on training—but when you look at the total investment in the services being delivered through the One-Stop, you see that hundreds of people have received training and other services funded by other systems.

There are three essential ingredients, if you will, of the Workforce Investment Act, which serve as common themes throughout the differences in roles and regional focus.

#### *Private Sector led WIBs*

First, WIA provides an infrastructure of WIBs, led by the private sector, which are the only places in local communities that serve as a “table” where all are invited. The WIB includes business, organized labor, state and local government, education, and community organizations. This structure is not perfect—the boards are too big, sometimes unwieldy, and sometimes ineffective. We can provide suggestions on how to improve this problem, but the concept behind them is smart. Make sure the private sector is in the lead—they know where the jobs are, they understand the skills that are needed, and it is their job to be impatient with public sector bureaucracy and make sure that things get done.

#### *Partnership of Local Elected Officials and WIBs*

Second, WIA gives authority to a partnership of local elected officials and WIBs to design and deliver strategies that meet the needs of their communities and regions. Economic strategists throughout the world call for regional approaches to building global competitiveness and exhort us to devolve state and national approaches in favor of regional strategy. Although there is often disagreement about how many WIBs there should be, and whether regional governance and regional strategy are the same thing, strategies around industry sectors, skill development, and economic prosperity cannot be delivered at a state level through a state system.

The other key reason that this local design is so important is that millions of dollars are being leveraged through other local funding streams. In many parts of the country, TANF, Community Development Block Grants, Community Services Block Grants, economic development and other resources are contributed through the leadership of local elected officials. In California, we did research on these investments early in the Schwarzenegger administration, when there was an effort to reduce the number of WIBs in California. What we found surprised even us—by combining smaller WIBs into larger regional bodies, we would have lost millions of dollars—mayors and county supervisors are willing and able to contribute other funds when they are being managed through the local partnership, but unwilling and unable if they are offering up funds to a larger region or state government.

#### *One-Stop Career Centers*

Third, WIA established One-Stop Career Centers, where in theory, many community resources are invested so that much of the funding targeted towards the unemployed could be leveraged. No one can argue that this makes great sense. In reality, since WIA required other systems to invest in One-Stops but none of the federal laws governing other systems required this same investment, there has been wildly uneven around the country.

In California, where the State Workforce Investment Board commissioned a study on how much services cost in a One-Stop, the Employment Service is the largest investor outside of WIA, and then it is actually agencies that are not mandated by law to participate that bring in the most resources. In other states, such as Texas

and Michigan, because of laws passed at the state level, WIBs receive funding such as TANF, food stamps, child care and adult education. In demonstrations currently taking place around the country, One-Stops are providing supports for the working poor, including welfare, food stamps, earned income tax credits.

In most states, certainly in California, the lack of investment of other funds has meant that funding that would otherwise go to training is going to keeping the One-Stops running. And the problem is, One-Stops are successful community resources. In the last six months, California's One-Stops have been inundated with customers. Many of these customers are coming to the One-Stop for the first time; many One-Stops have seen a 100 percent increase in customers looking to get help in getting back to work. Again, One-Stops are not perfect, and the leveraging of funds is not working all over the country, but the concept of One-Stop services makes perfect sense.

#### *New innovations and best practice*

WIBs throughout the entire State have collectively worked together on a number of initiatives, and have started even more in response to the economic downturn. Through our Association, California's 49 WIBs have launched a website, [backtowork.org](http://backtowork.org), which provides information "in English" to those who have lost their jobs and want to upgrade their skills, file for unemployment, and look for work. We have established a Recovery Act Task Force, and are meeting with state-wide associations representing economic development, community college Career Technical Education programs, foster youth and TANF, organized labor, mental health programs, and those working on infrastructure and energy. We are also meeting regularly with our State and Federal partners. Last week, WIB staff from 40 WIBs met to develop a Summer Youth template that all WIBs can use to help ensure high quality programs throughout the State.

#### *Community Leadership*

At the local and regional level, California WIBs have increasingly taken on a community leadership role and serve to catalyze change in their communities. This work ranges from regional strategic planning, labor market research, aligning resources across systems, brokering services and training, to in-depth industry sector work. WIBs right now are quickly moving forward to develop plans for how best to respond to the current economic crisis, leveraging the funding that will be distributed under the ARRA, and have positioned themselves well to use the larger workforce system to ensure success.

We have also been working on developing the capacity of WIB staff across the State to operate in a transparent and participatory fashion. We are pleased to see President Obama's Executive Order that requires this form of governance. WIBs have invested in the capacity of their staff to develop relationships, collaborate with other systems, and codesign programs and initiatives with a broad range of public and private sector partners, rather than "going it alone."

#### *Regional Strategic Planning*

California has developed a new methodology for understanding regional economies, Clusters of Opportunity, which has allowed WIBs to gain new insights into the current and future jobs and occupations, and the skills required to become employed in those jobs. Developed by the Economic Strategy Panel and California Workforce Investment Board's California Regional Economies Project, this methodology is being used by WIBs and their economic development and education partners around the State. In Humboldt County, for example, even though there was a belief that there were no industry sectors with sufficient scale to launch training programs, using this methodology, they discovered 500 niche manufacturers within the region. This allowed the WIB to collaborate with the community college to develop a curriculum that would meet employers' needs, and provide training for residents who might otherwise have moved out of the region to pursue jobs in other counties.

In Tulare County, the WIB and local educational agencies—both K-12 and community colleges started to look at the assets and services in the region, and realized that there were a number of employer advisory groups, all established under different funding, that were all in essence providing the same function. They have collectively agreed that the WIB, in collaboration with the schools and colleges, will establish single advisory groups within targeted industries, and all of the agencies will use the same groups to advise them on training, education and strategy.

In the San Joaquin Valley, with funding from the State, 8 WIBs have agreed on the same target industries, the same assessment tools, and the same protocols with community colleges. The California Workforce Association has recently been given

a grant from the California Endowment, which will allow 4 or 5 consortia of WIBs throughout California to develop regional plans related to the healthcare workforce.

#### *Sector Strategies*

California has been engaged for many years in focusing on industry sector strategies; they vary by design, activities and outcomes because they are customized to the needs of a specific industry in a specific region. They all use labor market information to determine their industry and region of focus; are driven by employers in that industry; are partnerships of diverse public and private stakeholders; and are models for systems change. What is important to note is that building a pipeline for workers, and providing opportunities for low income individuals and youth to enter good jobs with sustainable wages often requires investment of time and money in activities other than training. Some industries, for example, need robust marketing and information dissemination about career pathways for youth in Middle School.

When a financial crisis forced the Los Angeles County Department of Health Services to lay off 2,500 entry-level employees, the local Service Employees International Union worked with the LA County WIB and local colleges to establish a coordinated effort to advance low-skilled workers into the allied health field. The partners established a nonprofit, the Worker Education and Resource Center (WERC) to coordinate solutions, including articulating career pathways within allied health, designing and implementing new courses with credentials. Since 2002, over 9,300 L.A. County DHS employees took courses; over 1,000 obtained new credentials or degrees; and graduates increased wages by an average of 20%.

The San Bernardino County WIB catalyzed the establishment of the Alliance for Education, an organization that links business to youth through the K-12 education system. The Alliance brings information about industry sectors growing in the county and career ladders in those sectors, bringing hands on learning environments to the campus. Twenty-seven businesses now have whole curriculum case studies and/or semester long class projects where a curriculum is based on a direct industry problem and how to solve it. For example, sheriffs taught students about how to solve a murder crime using algebra, Kelly Space Systems has walked through the algebraic equations with students who figure out how and launch their own rocket. An engineering company has run an environmental curriculum.

Faced with a shortage of skilled Process Technicians within the Petrochemical and Manufacturing sectors, the Workforce Development Board of Contra Costa partnered with the regions refineries and large manufacturers, including Shell Oil, Chevron, Tesoro and Dow Chemical, along with the United Steel Workers, Los Medanos College and Mt. Diablo Adult School to create a sector initiative. The program targeted dislocated construction, airline and returning veterans and put them through a 20 week intensive Process Technician certificate program (PTECH.) At the conclusion of this 18-month grant, a two semester course was integrated into the course offerings at the college. Currently the classes are at capacity and the majority of the graduates are successful in finding employment.

#### *Talent Development Learning Labs*

In an attempt to better serve our customers in the manner envisioned in WIA, California is piloting a Talent Development model, which includes the integration of State Employment Service staff and local WIB staff in a new service delivery model. Twelve WIBs began implementing an integrated services delivery model, on July 1, 2008. The delivery model includes a common set of services available to all customers in the pool through a common customer flow, and an integrated staff, sharing resources among WIA, Employment Service and TAA staffing.

The integrated services strategy is intended to shift service priority to an emphasis on worker skills, assisting workers to gain the skills leading to self-sufficiency and responding to employer demand. We also are increasing service levels and quality to improve performance.

At the end of the first year of the pilots, an evaluation will help determine the effectiveness of the model and assist WIB directors in making informed decisions about whether or not they want to adopt this model and/or implement successful components.

#### *Green Jobs*

With the passage of the California Global Warming Solutions Act, and many following implementation vehicles, California has positioned itself as a leader in the areas of renewable energy, energy efficiency, and environmental sustainability across many sectors of the economy. As a result, California WIBs are actively engaged in partnerships to support the growing demand in the area of green jobs.

The California Workforce Investment Board recently restructured its committees to focus on developing and encouraging sector strategies, and has established a Green Collar Jobs Council. The Green Collar Jobs Council has already begun a valuable effort to develop a data-driven action strategy about how California can grow a greener economy and facilitate the creation of green jobs. The Council has an opportunity with the passage of the stimulus package to significantly accelerate that work.

Activities are diverse as the areas of the state. In Southern and Northern California, for example, several WIBs, and counties, have come together to plan and implement regional strategies and programs. In the Los Angeles area, under the auspices of the South Bay WIB, the WIBs are working together with the community colleges and labor unions to develop regional strategies.

The Richmond BUILD Pre-Apprenticeship Construction Skills & Solar Installation Training program is recognized as a national “best practice” for Green Collar job training. This innovative program has helped create a pathway out of poverty, addressing a primary cause of youth violence in the community. To date, 35 program graduates have obtained Green Collar jobs and are making a livable wage. This program includes a solar installation, solar thermal, and energy efficiency components that were developed and implemented in partnership with Solar Richmond, Solar Living Institute, GRID Alternatives, & Rising Sun Energy Center. The program received the 2008 FBI Director’s Community Leadership award and has been selected as a semi-finalist for the 2009 Harvard Innovations in Government award.

*What’s next for the Workforce Investment Act?*

CWA has spent a considerable amount of time developing suggestions for the reauthorization of the Workforce Investment Act. We would be happy to provide specific recommendations to the Committee. In this testimony, we want to outline some directions to move forward, and directions to move away from.

*Directions to move toward*

We believe that there are many features of the current system that work, and that we should build on these. Private sector led boards make sense, and we should adjust requirements so that they are not big and unwieldy, and give them more autonomy on the law, with their own title and budget authority, so that they can truly serve an intermediary convening role. The voice of the private sector, and their “honest broker” role on a WIB, provides the kind of leadership that public agencies look for.

One-Stop Career Centers are, as was quoted recently in the New York Times, “emergency rooms of the economic crisis.” We must continue to innovate, create more flexibility in terms of requirements about who gets served when, and create more incentives for other community resources to locate and fund staff. One-Stops can still be what was envisioned in the original WIA, which was a true integration of employment and training services. They must also have enough flexibility so that they can respond to different economic conditions, sometimes more focused on helping business retain workers, sometimes on investing in longer term training for the economically disadvantaged, and at other times helping people quickly return to work.

Sector strategies provide many pathways to work with employers, economic development and education. We should codify these approaches in the law, and provide infrastructure and performance measures that allow us to do more of this work, and do it better. We should create incentives for WIBs to move to sector strategies, as have been done in Pennsylvania, Washington and other states.

Our youth programs provide critical services and supports for thousands of young people who are not connected to school or work, or who are in danger of dropping out. In Los Angeles, 1 in 5 young people between the age of 16 and 24 is not in school and not working. We need to continue to innovate with our youth programs, providing career pathway opportunities, and opportunities for work experience. We are very pleased that ARRA allows us to offer Summer Youth employment, and believe that this should be included in reauthorization.

*Directions to move away from*

You heard testimony several weeks ago, which recommended providing a stronger role for the Employment Service (ES) and its role in labor exchange. ES was designed to help people find jobs starting in the 1930s. At that time, finding a job meant reading classifieds in the newspaper, through word of mouth, and once the labor exchange was developed, by going into an Employment Service office. Just as in the past we needed travel agents to buy airplane tickets, unemployed people needed ES staff to help them look for work. Today, most people still find jobs through word of mouth, but the other predominant way is through on-line labor ex-

change. Using the Job Service purely as a labor exchange appears anachronistic and unnecessary. [Note: We are not suggesting that staff who belong to merit systems do not have a place—most of the staff who work for WIBs in California, for example, are members of labor unions and work in city and county government.]

In California, and a number of other states around the country, as mentioned above, we are piloting ways of using both ES and WIA staff in teams to provide these services to our customers. We believe that this integrated approach provides the best service to the people that need our help, and that isolating ES to deliver labor exchange, as has been proposed by others, is a step backward, and will not best meet the needs of the unemployed.

We are concerned about more restrictions on the use of WIA funding at the local level, such as a minimum percentage spent on training, for two reasons. First, the law requires WIBs to use Individual Training Accounts and the Eligible Training Provider List. Requiring a percentage expenditure on training may actually reduce leveraged resources, and force WIBs to pay for higher cost training. In California, as in other states because of State funding pressures, community colleges are at cap. This means that they can no longer take students. If we were required to spend a certain percentage of our funds on training, we would have to turn solely to the private schools (many of which offer high quality training, but do not leverage public funding) in order to “make our expenditure levels.” Second, in places where they have done a good job leveraging resources, using Pell Grants and public education funding, resources that now go to support services and intensive services would go to training, and we would essentially be supplanting other funds.

#### *Summary*

In summary, we believe that there are many important and innovative strategies that are allowable in current law. Changes to WIA to make it even more effective, more responsive to local communities and to our customers are needed—let us all participate in constructive dialogue such as this so that we can identify what needs to be fixed, and what new elements are required in this new economy.

Thank you for the opportunity to provide testimony today. The California Workforce Association is pleased to serve as a resource to you and other policy makers as we move forward with WIA Reauthorization and working toward revitalizing our nation’s economy.

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Chairman HINOJOSA. We thank you, Mr. Lanter, for sharing with us what is happening in California and how you all are working.

We will be gone for just a few minutes. There are only two votes. Those who wish to turn your head to the back, there is a big screen that shows you the voting going on in the House of Representatives. And only two votes are going to be called, so we should see you in just a few minutes.

I thank all the members. And we will be back.

[Recess.]

Chairman HINOJOSA. We are ready to reconvene. Members will be coming back from the Capitol in just a few minutes, but I will start with my first 5 minutes and direct my first question to Ms. Sandi Vito.

The governors would like Congress to align federal programs, since you mentioned 12 different executive departments fund a variety of workforce programs. Do they have a proposal for such a joint initiative that they would like to see us consider in the reauthorization?

Ms. VITO. What the National Governors Association is proposing is an alignment that looks at regulations, creating potentially an interagency team to streamline, coordinate and integrate regulations, policy, et cetera, so that the messages and indicators are clearer to both the states and local regions, and make it easier to coordinate, as well as eliminating any barriers to coordination.

We can get you the specific proposal, but I think the larger issue is that we would be happy to continue to engage in dialogue, in terms of what the specifics of—

Chairman HINOJOSA. We would like to see the drafts that you have in writing. And then we can certainly have our staff meet with you and your staff so that we can have a clear understanding. And then, if I have questions, I will be glad to call you.

Also, another question to you, Sandi. Can you speak on any new energy collaborations for green jobs, which was in your remarks? Or would you—or would the governors send us some of the examples in the recommendations you made?

And I ask that because I saw the amount of money that is in there—that is in the stimulus plan, and it is a sizable amount of money. So I would like to see what the Governors Association is thinking.

Ms. VITO. We can send you the list of innovative projects from throughout the states. I can talk specifically about some of the initiatives in my own state of Pennsylvania.

We have what we call energy partnerships which focus on energy conservation technologies. So we are training in weatherization, solar installation, where we actually have labor force shortages. In western P.A., we are actually training in retrofitting of building. And in a few areas throughout the state, we are doing training in energy auditing and assessment.

So there has been good work begun. More of it needs to be done. And, again, I will ask the staff at NGA to forward you examples from other states.

Chairman HINOJOSA. Good. We would love to see that.

My next question is to Charissa Raynor. The training partnership features fast-track credits for the entry-level homecare aides. How do these credits get accepted by higher education institutions, like our community colleges? How do they handle them? And do they have different accreditation systems?

Ms. RAYNOR. Well, that is an excellent question. We believe that to have a meaningful career ladder for homecare workers, we have to first make sure that homecare workers are a part of the fast-track, part of a career track.

And so we are in the development stage right now, working with community colleges all across Washington to design this fast-track. The notion is that the community colleges would apply credit based upon the credential. So it is a statewide credential, certified homecare aide, and so this streamlines the process for each community college to apply that credit for previous training and experience, based upon the credential that any worker can access.

If they have that certification, they go to a college with the program, the fast track in place, and they can access it based upon their credential.

Chairman HINOJOSA. I think that that could be a very useful program. And I had an experience back in the beginning of my first term in Congress where NAFTA had been approved. And many of the textile companies in my region moved to Mexico and to China and elsewhere, Central America.

And so we had a workforce of very loyal, good workers, working for Hagars, Dickies, Fruit of the Loom, Levi's, and they were dis-

placed, 20 years, some 25 years. And we had to re-train them for new jobs, and that was most challenging. So this would be something that I would be very interested in.

My time has expired. And I would like to yield to Ranking Member Guthrie.

Mr. GUTHRIE. Thank you, Mr. Chairman.

And thank you, panel, for this very informative session.

Mr. Lanter, I want to ask you one on—you mentioned that—or in your testimony that private-sector-led boards you thought was important to be maintained in the Workforce Investment Act, and you talked about challenges working sometimes with the public sector, just using private-sector people to push or push, prompt along the public sector.

You said you needed—boards needed to be smaller, but you needed to still maintain the private-sector lead. Could you give just some concrete examples of issues you have had with the public sector that, because it is private-sector-led or business people trying to get things done, have tried to shape a situation? Or any examples?

Mr. LANTER. Sure. And I will speak on behalf of my own local workforce area, as opposed to the entire membership of the workforce association.

I think for us the issues are that the private-sector folks have knowledge on what they need in terms of a workforce. They don't necessarily have knowledge, nor should they understand the inner working of all of our public sector's laws and regulations.

And I think there are times when the public-sector folks are, for a variety of reasons, using the intricacies of our laws to sway a vote one way or another or ensure that dollars are targeted to a certain area.

And I think the private-sector folks kind of cut through that very quickly and are able to say, you know, what is best for our local community? What is best for industry? What is best for our competitive advantage, in terms of our economy? And I think that gets people to kind of listen and straighten up very quickly.

Mr. GUTHRIE. Okay, thank you. And for Mr. Smith, in your testimony, you talked about the fact that many citizens lack basic literacy—maybe I am having a hard time—kind of allergies are bothering me right now—and language skills, I guess I am having—in a serious way, though, I mean, basic literacy and language, I know that is so important. I have worked on that in state government.

And my question, how do you ensure these adult programs are addressing those needs? And how do we ensure that we are preparing for that? Because kind of my experience was that I would see people kind of combing for people that were higher-level literacy, not fully literate by any imagination, but would not focus on the lower level, because it was just too difficult.

And so you could find somebody that read at maybe a junior high level and get them into a GED program. If they didn't read at all, it was difficult and they seemed to be kind of looked over. So how do we ensure that we are teaching that, is my question?

Mr. SMITH. It is a very good question. I think what has happened under the Workforce Investment Act, for the most part unintentionally, is we have reached out to the higher-level students and

adults who can benefit by workforce training, because they have the literacy and language skill and ability to do so.

Those who lack those basic skills who cannot benefit by training have been relegated to being served by other programs that have received, at least in my experience, less resource and less funding. Those same adults who present with those lower skills come to us with learning disabilities, other literacy-related issues that, in fact, should take more time, cost more money, and command a greater investment, rather than a lesser investment.

But they don't get it. And eventually I believe that they will, because, as we do move the, if you will, as you suggest, the higher-level adults forward, as we must, then we will have to bring the other adults forward in a one-step-up kind of an approach. So—

Mr. GUTHRIE [continuing]. Higher-level adults. I guess I should have said higher-level readers, instead of adults. Yes, that is exactly right, because we do need—I mean, if you can find somebody with a high-school diploma and get them into workforce training and move them up, I mean, we should move those people through.

Mr. SMITH. Yes.

Mr. GUTHRIE. Exactly. And we have debated this in Kentucky. And I have always said that is great; I am not criticizing that program at all. We need to get these people through. Well, we just can't forget that there are people that are going to take a little more investment, a little more time to get them to the level where we can get them through.

So we don't need to overlook the mass of people who are ready to go into workforce investment. We can't overlook the people at the lower level of reading.

Mr. SMITH. If I may, just to follow up, we must create a continuum of service for an adult education system in each state. There must be an entry point for adults with the lowest level, the middle-skill levels, and the higher levels.

We must coordinate with the workforce investment system, understand the skills that are needed by the workforce system to support training and employment, and identify those adults who need the additional adult education, literacy and language skill to move them forward on that track in parallel.

Mr. GUTHRIE. Well, you are working a noble cause, I can tell you that. That is for sure. It is a very noble cause. Thanks.

Mr. SMITH. Thank you, sir.

Mr. GUTHRIE. I yield back.

Chairman HINOJOSA. Thank you.

At this time, I would like to call on my friend from Illinois, Congresswoman Judy Biggert.

Mrs. BIGGERT. Thank you, Mr. Chairman.

I had a question to the previous panel, and I wanted to direct it here, about the sequence of services and the three-tier approach that has been used and was wondering if there would be greater flexibility if those that were in those tiers did not have to go through the sequence.

And maybe start with Mr. Lanter, and I know that Secretary Vito has talked about the flow of services.

Mr. LANTER. Thank you. The short answer is, yes, there would be greater flexibility if the tiers of services were eased, in terms of how we have to move people through our career centers.

When you have 88,000 people, close to 2 million in California going through our career centers, doing it through a tiered process is very difficult and slow at times.

Some people come in to our career centers just to need quick re-tool. They want to get their resumes done. They want to know how to look for work, because they have been in the job market for 15 years, and it is a new way of looking for work, and we can do that without having to put them into core, and intensive, and then training.

The other thing, in California, we are working on an integrated service delivery model that would allow us to move people quickly into talent development, rather than having to go through universal services, then staff-assisted, core, and then into intensive.

Everybody that comes in meets with the job coach immediately. The pilots are being run in 12 local areas around the state, and we are waiting for the results at the end of this program year.

Mrs. BIGGERT. Why was that put into the three tier, that they had to go through? I mean, what would be the pros for keeping that?

Mr. LANTER. I am not sure what the pros would be. At the time that the law was written, my understanding is that it was not meant to be—it was meant to be a work-first model and not a training model. And then, as we got into this, we kind of realized, hey, people need to be trained as job change and industries change.

Mrs. BIGGERT. Okay. Because it seems like it wastes a lot of time, because when people really need to get back into the workforce, they have to spend the time with that.

Secretary Vito?

Ms. VITO. I am not sure I have much to add that hasn't already been said, expect that the National Governors Association strongly endorses the concept of removing the sequence of service. It is clearly important, in terms of creating the intervention that is most appropriate to the individual coming through the workforce system. So we are in favor—

Mrs. BIGGERT. Would that also allow, then, more people to be in the system, that—

Ms. VITO. That is correct. I think that is true. I mean, if we do an upfront assessment of individuals, for some individuals, the core and intensive services are not going to be appropriate because they really need to be in literacy and occupational training right from the start.

Mrs. BIGGERT. Thank you.

Then, Mr. Lanter, one of the other issues that came up in the previous panel was the size of the board. And it has been suggested or I had heard from my community colleges that they would like very much to have a representation on the WIA board. Do you have community colleges on your boards?

Mr. LANTER. Yes. In Contra Costa County, we do have community colleges. Every board has an educational representative on it. The California Workforce Association would support allowing local

areas to be able to define their own key stakeholders. How that occurs, we would have to work through.

But currently, many boards in California have community colleges. We also have started over the last month a meeting between the State Association of Workforce Development and the California Community College Association of Occupational Educators, which is a community college state association, to work to see how we can really leverage the vocational training that the community college system provides and the one-stop career centers.

Mrs. BIGGERT. Do you think that the boards are too big?

Mr. LANTER. I do think the boards are too big.

Mrs. BIGGERT. Thank you.

Anybody else like to comment on that?

Ms. RAYNOR [continuing]. We don't have a specific recommendation on the number, but would recommend that there be balance in the composition of the board, especially balance between business and labor.

Mrs. BIGGERT. Okay, thank you.

And I yield back.

Chairman HINOJOSA. Thank you.

I want to ask my first question to Kevin Smith. Do you think the Department of Education and Department of Labor should coordinate on sponsoring some of the pilot projects specifically designed to merge literacy and workforce training?

Mr. SMITH. Absolutely. As you know, the Title II of the Workforce Investment Act did not benefit by the economic recovery stimulus bill. That means, Mr. Chairman, that the capacity of the adult education system to respond to the recovery WIA Title II—or Title I recovery program is even more stretched.

So I would strongly recommend and encourage that Labor and Education coordinate their plans and their programs. And Labor has the money, with—for Title I adult dislocated workers, and I think there already is, in just the few days I have spent here in D.C. with the Workforce Alliance, there is a sense of need for the workforce system to align with the Title II, the adult education providers to coordinate those programs at the ground level.

It is clearly the departments, both at the federal and state levels, have to have conversations, as well, to coordinate.

Chairman HINOJOSA. Well, I am looking forward to possibly having a joint committee hearing by Department of Labor and Department of Education coming before us and that we can have those experts and possibly the secretaries address all of this, because it is so important that we have a very strong reauthorization of WIA that will carry us the next 6 years, that I like the response that you gave.

I want to yield the balance—I mean, I want to yield back my time and recognize for 5 minutes the gentleman from Colorado, Congressman Jared Polis.

Mr. POLIS. Thank you, Mr. Chairman.

This question is primarily addressed to Mr. Smith. If anybody else would like to comment, I would love to have a discussion.

The share of individuals who are English-language limited proficiency that received training services has decreased significantly

in the last decade. Ten percent of exiters from the adult program in 2000 were limited English proficiency, 3.8 percent in 2008.

Clearly, this is not in relation to the need. I mean, the need has not gone down 60 percent for English-language services. So what are the barriers that are in getting in the way of blending occupational training with adult programs and ESL? Clearly, adult literacy and ESL are allowed uses through AEFLA of WIA.

How can, through reauthorization, can we support the development of more programs that integrate adult education and ESL with occupational training?

Mr. SMITH. Thank you, Mr. Polis.

It is simply an issue of capacity. Our organization, 40-affiliate-program strong, serving all of upstate New York and Long Island, are constantly dealing with the dynamic between the need of native-born adults with low literacy skills and adults with English—for speakers of other language.

Right now—and I have watched over the 26 years that I have been doing this in my program, that the ESOL population, at least for our network, is now up to 60 percent of our service. So, in fact, they have increased in percentage of service, but the overall number of people served has dramatically decreased.

So when you look at the large numbers of people over time, we decreased our capacity to serve, but I think we have increased, at least from my perspective, the service to ESOL. It is a capacity issue.

Mr. POLIS. And how can we ensure that there is access to WIA Title II state grants for community-based organizations that might specialize within that area of adult literacy and ESL, be they libraries or literacy programs run by nonprofits or churches, et cetera?

Mr. SMITH. Well, thank you, also, for that question. And as I have—that is specifically my area of concern and where I have—where we have struggled.

We have been successful in New York, ever since the Adult Education Act was amended way back in 1978 by our senior senator, in accessing funds in terms of to community-based organizations that allowed—that amendment allowed that.

We have watched our federal support go up and go down over time. We are in New York State, one of the few states that has received consistently federal dollars, until very recently changes in the law, how the distribution of funds—

Mr. POLIS. So I think what you are saying—the framework works. It is just the funding—it is just a matter of funding?

Mr. SMITH. I think it is. I think, again, it is a capacity issue. As there are fewer dollars available, LEA school districts, community colleges get the lion's share of the money, and the rest trickles down. And if there is no trickle-down, we don't get it.

Mr. POLIS. So there is—so you are saying that the current—the way that it has been run effectively allowed community partnerships, libraries, churches, et cetera, you partnered in some of that—

Mr. SMITH. There was specific direct and equitable access to all of those sector providers. How direct is pretty simple and operating well. Equitable, we need some work on defining what that means.

Mr. POLIS. Thank you.

I yield back the balance of my time.

Chairman HINOJOSA. Thank you.

I am going to try to bring this to a close and ask this question of Ms. Raynor. In your remarks, you recommend WIA fund job priority sectors, but for how long, in terms of years? And who will agree on those sectors as being more important than others?

Ms. RAYNOR. That is an excellent question. Perhaps I will answer the second part of the question first.

Chairman HINOJOSA. Okay.

Ms. RAYNOR. It seems to me that decisions concerning training priorities, sector prioritization are best made at the local level, because that is where folks really have a handle on the economic landscapes, what the job demand looks like now, what it will look like in the future.

So, for example, in Washington State we know that we currently have 60,000 homecare aid aides working in Washington State, all across Washington State, and we know that that demand is going to increase, of course, as the baby boomers age.

We also know we have a nursing shortage all across Washington State. If even 5 percent of homecare aides advanced along a career pathway into nursing, we would really make a dent in our nursing shortage in Washington. So I think those decisions are best prioritized at the local level.

And for how long? I don't know if I have an answer for how long, except that it seems that the sectors approach is a smart way to match training to jobs at the end of the line.

Chairman HINOJOSA. I have to agree with you. The acute shortage of nurses is throughout the land. Deep south Texas was spending—we saw where hospitals were spending millions of dollars going out to different countries, Canada, Philippines, India, many, many countries trying to recruit nurses.

And we have made a concerted effort to try to get those programs funded and taking folks who have possibly—who are what we call underemployed, making below the national poverty level, and taking them out of those jobs and training them to become 2-year associate degree nurses. And still we have not been able to fill that acute shortage.

So these programs that you are referring to are extremely important. And being that we have, again, so many different nationalities, individuals who are working here and have limited English proficiency makes it that much more challenging.

So we want to continue talking to your organizations, getting all the recommendations that you all can provide us, and allow me to try to bring this to a conclusion.

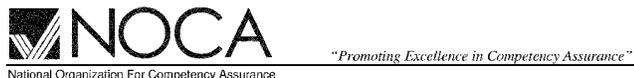
I have to say that this has been very informative, and I can assure you that we are going to make a strong effort to go outside of Washington and have field hearings so that we can get more folks who can't come to Washington to give us their recommendations that we can do the best job we can to reauthorize WIA.

Again, I wish to thank everyone on the second panel, as I did the first panel, for coming to join us in this hearing. And I want to thank the members of the subcommittee who participated in this very informative session.

As previously ordered, members will have 14 days to submit additional materials for the hearing record. Any member who wishes to submit follow-up questions in writing to the witnesses should coordinate with majority staff within the requisite time, without objection.

And this hearing is adjourned.

[Additional materials submitted by Mr. Miller follow:]



### Statement for the Record

Submitted by  
James Kendzel  
Executive Director,  
National Organization for Competency Assurance (NOCA)

To the  
Subcommittee on Higher Education,  
Lifelong Learning, and Competitiveness  
Committee on Education and Labor  
U.S. House of Representatives  
Washington, DC

Regarding its Hearing on  
*New Innovations and Best Practices Under the Workforce  
Investment Act*  
February 26, 2009

*Right now, three-quarters of the fastest-growing occupations require more than a high school diploma... And so tonight, I ask every American to commit to at least one year or more of higher education or career training. This can be community college or a four-year school; vocational training or an apprenticeship. But whatever the training may be, every American will need to get more than a high school diploma.*

– President Obama, Address to Joint Session of Congress, February 24, 2009.

#### **Introduction**

On behalf of the National Organization for Competency Assurance (NOCA), an international association representing organizations that grant occupational certifications, I am pleased to provide the Subcommittee with our views on the reauthorization of the Workforce Investment Act (WIA).

#### **What is Certification?**

The certification of professional and occupational skill sets affirms the importance and measurability of a knowledge and experience base for practitioners in a particular field, their employers, and the public at large. Certification represents a measurable demonstration of a particular individual's professional competence. In some professions certification is a requirement for employment or practice. In other professions and occupation, certification is a means of demonstrating mastery over skill sets and competencies required by the work place or consumers. In all instances, certification enhances the employability and career advancement of the individual practitioner or employee.

A certification is generally developed when an industry or profession is able to identify a "fundamental body of knowledge for the profession. There should be a relatively stable, expert-identified, peer-reviewed, objective, consensual set of tasks, activities and understanding that identifies what individuals in the profession do."<sup>1</sup>

The benefits of certification include:

- A more productive and highly trained workforce for employers
- Higher wages and a competitive edge for workers
- Consumer confidence and safety through verification of competence
- Protecting the general public from incompetent and unfit practitioners
- Establishment of professional standards for individuals in a particular field.
- Assisting consumers in making informed decisions about qualified providers
- Assisting employers in making more informed hiring decisions

Numerous occupations, such as doctors, nurses, accountants, and physical therapists, require a license to practice the profession at the state level. Certification is distinct from licensure in that it is voluntary and frequently requires recertification to maintain the currency of the credential. Recertification frequently takes the form of continuing education and testing. Recertification provides a reaffirmation of competency assurance by ensuring the certificant is up to date with the latest training techniques, research and methods for a particular field.

<sup>1</sup> John E. Kasper, Ph.D., CAE, *To Certify or...Not to Certify?*, Forum Magazine (January 2009), 28.

**WIA Reauthorization Should Recognize Importance of Certification**

NOCA recommends including information about occupational certification and licensure opportunities as a core service available through One-Stop employment and training career centers. NOCA also recommends including certification and licensure in the scope of services offered through the One-Stop system.

The Department of Labor launched its CareerOneStop<sup>2</sup> website several years ago. This user-friendly website allows job seekers to easily search for certification options in a number of different fields and professions. NOCA recommends that Congress continue to encourage the expansion of this valuable tool by providing resources to allow DOL to raise awareness about the site to workers as well as career development professionals.

In 2003, both the Senate and the House passed different versions of WIA reauthorization. NOCA supported the Senate version of the WIA reauthorization (S. 1021) in particular as it included provisions calling for a national study of the benefits of earning an occupational certification. The results of the study were to be presented to Congress and were required to include recommendations designed to promote the acquisition of occupational certifications. We recommend that this committee include a similar provision when reauthorization is written as a national study would provide quantitative evidence of the value of certifications to the workforce. A third provision would require states to determine if training programs would lead to industry certifications. The measure also authorized 10 pilot projects designed to create a "system of industry-validated national certification of skills" targeting the high tech and homeland security sectors.

NOCA was instrumental in ensuring these provisions were put into the 2003 Senate bill and again strongly supports the inclusion of similar language in the reauthorization. To the high technology and homeland security pilot projects, however, we would add certifications that would help build or expand our nation's investments in an electronic healthcare infrastructure and that advance the green technology and energy independence sectors.

Occupations in emerging green technologies are projected to continue to grow. With recent federal investments towards retrofitting buildings for energy efficiency and new investments in solar, geothermal, and wind energy, trained workers will be necessary to fully implement these policies. "Green jobs exist, and are growing, in a range of industries and at every skill and wage level. Many are in the skilled trades: manufacturing, construction, operation and maintenance, and installation. Most are 'middle-skill' jobs, requiring more education than a high school diploma, but less than a four-year degree. Some are a bridge to high-skill professional jobs or entrepreneurial opportunities; others are perfect entry level or transitional jobs for urban residents looking for a pathway out of poverty. In short, green jobs are the kind of family-supporting jobs that once anchored the American middle class, but in the industries of the future: industries like wind turbine manufacturing, solar panel installation, energy efficiency retrofits, and green building."<sup>3</sup> The U.S. Green Building Council, the nation's leader in developing green construction standards, is a member of NOCA and offers several occupational certifications in green technologies.

<sup>2</sup> <http://www.careeronestop.org/>.

<sup>3</sup> *Green Collar Jobs in America's Cities: Building Pathways Out of Poverty and Careers in the Clean Energy Economy*, Apollo Alliance, Green for All with the Center for American Progress, and the Center on Wisconsin Strategy (March 13, 2008). Available at: [http://www.americanprogress.org/issues/2008/03/green\\_collar\\_jobs.html](http://www.americanprogress.org/issues/2008/03/green_collar_jobs.html).

#### **Certification Leads to Better Jobs and Better Wages**

Many organizations in today's challenging economy have recognized their workforce as their most valuable asset. Likewise, as President Obama stated in his February 26 joint address to Congress, individuals recognize that now more than ever before they must acquire and maintain more comprehensive skill sets to ensure their own attractiveness and ability in the workplace.<sup>4</sup>

Certification offers a meaningful and direct pathway to re-employment for many individuals eligible for assistance through the One-Stop system. Certification may be a part of the training for specific job skills required in local markets. Including information about the vast array of credentials available to job seekers when they visit One-Stops is an excellent way to assist individuals in obtaining new work and possibly better career opportunities. In many instances, securing a voluntary credential will be the quickest and most effective means for an individual to achieve re-employment.

The value of acquiring an occupational certification is underscored in the existing data. Research conducted by the American Board of Nursing Specialties (ABNS) (a NOCA member) "document[s] a high level of agreement among certified nurses, non-certified nurses and nurse managers that certification is greatly valued among nurses."<sup>5</sup> Respondents to the ABNS survey revealed that some of the incentives their employers offer to promote and recognize nursing certifications include the reimbursement of exam fees, a listing of their credential on nametags and/or business cards, and receiving reimbursement for continuing education.<sup>6</sup> Other surveys indicate that certification results in higher wages for credentialed employees, as well as bonuses.<sup>7</sup> The data help career counselors point job seekers towards certification as a means to new job opportunities.<sup>8</sup>

Certification programs whose prerequisites and requirements displaced workers may quickly access—like those in the green technology movement—would enable those workers to move back into gainful employment and possibly enhanced career opportunities. Certification of one's specialized skills learned from years on the job may well be one of the quickest pathways to reemployment.

In many instances, an occupational certification does not require a four-year college degree. College is an expensive and time-consuming undertaking which may not represent a viable alternative for all job seekers. Persons who do not wish to pursue a bachelor's degree can pursue viable and rewarding careers in such fields as medical transcription, automotive mechanic, and medical assisting, among many others. These professions, as well as others, can open up a rewarding career path with excellent pay and opportunities for advancement for many individuals. Examples of occupations not requiring a baccalaureate degree include:

<sup>4</sup> See also Su Bacon, "Setting Strategy: Earning professional credentials has many benefits for businesses," *Kansas City Star* (Jul. 2, 2007), available at <http://www.kansascity.com/business/story/174730.html>.

<sup>5</sup> *Value of Certification Executive Summary*, American Board of Nursing Specialties (May 2006), 4.

Available at [http://www.nursingcertification.org/pdf/executive\\_summary.pdf](http://www.nursingcertification.org/pdf/executive_summary.pdf).

<sup>6</sup> *Ibid.*

<sup>7</sup> *Poll Indicates Certified Workers Earn More*, press release, Sept. 5, 2003. Available at: <http://www.noca.org/pdfs/09/poll%20results.doc>. See also *CertMag's 2006 Salary Survey*. Available at [http://www.certmag.com/articles/templates/CM\\_gen\\_Article\\_template.asp?articleid=2479&zoneid=223](http://www.certmag.com/articles/templates/CM_gen_Article_template.asp?articleid=2479&zoneid=223).

<sup>8</sup> *12 Money-Making Certifications to Boost Your Career*, Yahoo! HotJobs. Available at: [http://hotjobs.yahoo.com/career-articles-12\\_money\\_making\\_certifications\\_to\\_boost\\_your\\_career-653](http://hotjobs.yahoo.com/career-articles-12_money_making_certifications_to_boost_your_career-653).

- **Court reporters.** This profession remains in high demand. According to the National Court Reporters Association, 81% of those holding the Registered Professional Reporter (RPR) certification say their professional designation is important to them.<sup>9</sup> Court reporters earn close to \$64,000 annually on average.<sup>10</sup>
- **Crane operator.** The Bureau of Labor Statistics lists the annual mean salary for crane operators as \$42,940.<sup>11</sup> Most states require crane operators to have a certification obtained from an accredited certification body.
- **Automotive technician.** According to the National Automotive Technicians Education Foundation, automotive technicians receiving the ASE certification can earn \$60,000 or more per year. Positions such as automobile technician, autobody technician, truck technician, and parts specialist are in high demand across the nation.
- **Medical transcriptionist.** According to the American Association of Medical Transcription, the volume of dictation requiring transcription continues to grow; however, the availability of qualified medical transcriptionists has not grown at the same rate. This is an excellent career, offering a competitive annual salary. BLS statistics indicate the mean annual wage in 2006 for a medical transcriptionist is \$30,660.<sup>12</sup>
- **X-ray technician.** There continues to be a demand for trained professionals in healthcare. X-ray technicians can expect to earn a mean annual wage of over \$51,000 according to BLS statistics.<sup>13</sup>

These are just a small sampling of the occupations available to dislocated workers, new workforce entrants, and others seeking meaningful employment and living wages, who may choose not to go on to pursue a 2 or 4 year degree. Occupational certification is in most instances an affordable retraining option for many workers. A voluntary survey conducted by NOCA indicated the average cost of certification tests is \$350.<sup>14</sup>

The certification industry is also recognizing the changing face of the American workforce. While the United States has always been a nation of immigrants, U.S. Census figures indicate that the number of persons who speak a language other than English at home increased from 31.8 million in 1990 to 47 million in 2000.<sup>15</sup> In addition, while some immigrants enter the United States with high quality training and education, others lack advanced skills and will need to obtain training in order to advance in the workforce.

Certification bodies are adapting swiftly to meet the needs of America's changing workforce. For example, many certification boards are administering their coursework and examinations in languages other than English. Credentialing examinations for numerous occupations are now administered on a global scale. A 2006 survey of NOCA member organizations revealed that over 50% of respondents administer their exams in countries other than the United States and that 37% of respondents translate their exams into languages other than English.<sup>16</sup>

<sup>9</sup> See <http://ncraonline.org/certification/certification/pr/default.htm>.

<sup>10</sup> See <http://ncraonline.org/NCRA/pressroom/AboutCourtRep/>.

<sup>11</sup> <http://www.bls.gov/oes/2007/may/oes537021.htm>.

<sup>12</sup> See <http://www.bls.gov/oes/current/oes319094.htm>.

<sup>13</sup> <http://www.bls.gov/oes/2007/may/oes292034.htm>.

<sup>14</sup> *Average Certification Exam Fee Tops \$350*, press release, May 20, 2004. Available at:

[http://www.noca.org/portal/0/exam%20fee\\_header.pdf](http://www.noca.org/portal/0/exam%20fee_header.pdf).

<sup>15</sup> See Hyon B. Shin with Rosalind Bruno, "Language Use and English-Speaking Ability: 2000." U.S.

Census Bureau (Oct. 2003). Available at: [http://www.census.gov/prod/2003pubs/c2kbr\\_29.pdf](http://www.census.gov/prod/2003pubs/c2kbr_29.pdf).

<sup>16</sup> *NOCA International Staff Summary Report*, National Organization for Competency Assurance (Oct. 20, 2006). Not available online.

Certification bodies are also in full compliance with the Americans with Disabilities Act, thus allowing persons with disabilities to earn certifications with reasonable accommodation that does not compromise the validity or reliability of the testing process.

**About the National Organization for Competency Assurance (NOCA)**

NOCA, the oldest and largest organization representing certification agencies, testing companies, consulting firms and individuals involved in professional certification, was created in 1977 as the National Commission for Health Certifying Agencies (NCHCA) with federal funding from the Department of Health and Human Services. Its mission was to develop standards for quality certification in the allied health fields and to accredit organizations that met those standards. With the growing use of certification in other fields, NCHCA's leaders recognized that what is essential for credible certification of individuals in the healthcare sector is equally essential for other sectors. With this vision, NCHCA evolved into the National Organization for Competency Assurance. NOCA is a non-profit, 501(c)(3) organization, committed to serving the public interest by ensuring adherence to standards that ensure the highest competence of certification programs.

NOCA's membership is composed of more than 400 organizations responsible for certifying specific skill sets and knowledge bases of professions and occupations at the national and international level. Through certification, NOCA members represent more than 6 million individuals around the world and include certification programs of some 150 professions and occupations, including 60 healthcare professions. NOCA members certify individual skills in fields as diverse as construction, healthcare, automotive, and finance. A current roster of NOCA members is included in the appendix.

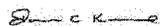
NOCA also brings the expertise of its internationally recognized accrediting arm, the National Commission for Certifying Agencies (NCCA). NCCA uses a peer review process to evaluate adherence to its standards by certification programs and grants accreditation to those programs that have met those standards. These standards exceed the requirements set forth by the American Psychological Association and the U.S. Equal Employment Opportunity Commission and thus help to protect the health, safety, and welfare of the public. NCCA is the national accreditation body that provides this service for private certification organizations in all disciplines.

**Conclusion**

The nation's growing numbers of unemployed are desperate to get back to work in an occupation that allows them to support themselves and their families. Improving the prospects for reemployment into new career opportunities represents the core of the Workforce Investment Act. Individuals, whether employed or self-employed, know that now more than ever before they must acquire and maintain more comprehensive skill sets to ensure their own marketability and competence in the workplace.

Certification represents an excellent pathway to employment opportunities for workers in all areas in the economy. It also serves as an important assurance for employers and the general public that individuals have attained the necessary skill sets to provide the services or carry out the scope of their employment. We hope that the Subcommittee will recognize the important role that certification has to play in the Workforce Investment system.

Respectfully Submitted,



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## APPENDIX

**NOCA Organizational Members**

[AAACE International](#)  
[Academy of Ambulatory Foot and Ankle Surgery](#)  
[Academy of Applied Personal Training Education](#)  
[Academy for Certification of Vision Rehabilitation and Education Professionals](#)  
[Academy of Lactation Policy and Practice](#)  
[Accrediting Bureau of Health Education Schools](#)  
[Accreditation Council for Accountancy and Taxation](#)  
[Advocis](#)  
[Aerobics and Fitness Association of America](#)  
[American Academy of Nurse Practitioners](#)  
[American Academy of Personal Training](#)  
[American Academy for Pet Practitioners](#)  
[American Academy of Young Management](#)  
[American Association of Colleges of Nursing](#)  
[American Association of Critical-Care Nurses Certification Corporation](#)  
[American Association of Medical Transcription](#)  
[American Association of Medical Assistants](#)  
[American Association of Medical Assistants Specialists](#)  
[American Association of Physician Specialists](#)  
[American Association of Poison Control Centers](#)  
[American Association for Respiratory Care](#)  
[American Board of Audiology](#)  
[American Board of Cardiovascular Perfusion](#)  
[American Board for Certification in Orthotics, Prosthetics, and Pedorthics](#)  
[American Board of General Dentistry](#)  
[American Board of Genetic Counseling](#)  
[American Board of Industrial Hygiene](#)  
[American Board of Lower Extremity Surgery](#)  
[American Board of Multiple Specialties in Podiatry](#)  
[American Board of Nursing Specialties](#)  
[American Board for Occupational Health Nurses](#)  
[American Board of Opticianry](#)  
[American Board of Registration of Electroencephalographic and Evoked Potential Technologists, Inc.](#)  
[American Board of Surgical Assistants](#)  
[American Board of Transplant Coordinators](#)  
[American Certification Agency for Healthcare Professionals](#)  
[American Chiropractic Board of Sports Physicians](#)  
[American Chiropractic Neurology Board](#)  
[American Chiropractic Registry of Radiologic Technologists](#)  
[American Clinical Board of Nutrition](#)  
[American College of Sports Medicine](#)  
[American College of Veterinary Ophthalmologists](#)  
[American Construction Inspectors Association](#)  
[American Council on Exercise](#)  
[American Culinary Federation](#)  
[American Fitness Professionals and Associates](#)  
[American Health Information Management Association](#)  
[American Hospital Association Certification Center](#)  
[American Institute of Certified Public Accountants](#)  
[American Indoor Air Quality Council](#)  
[American Manual Medicine Association](#)

American Medical Massage Association  
 American Medical Technologists  
 American Military Certification Board  
 American Nurses Credentialing Center Commission on Certification  
 American Occupational Therapy Association  
 American Optometric Association Commission on Paragonometric Certification  
 American Organization for Bodywork Therapies of Asia  
 American Pavlov Association  
 American Phlebotomy Association  
 American Physical Therapy Association  
 American Registry for Diagnostic Medical Sonographers  
 American Registry of Magnetic Resonance Imaging Technologists  
 American Registry of Radiologic Technologists  
 American Society for Association Executives  
 American Society for Metabolic and Bariatric Surgery  
 American Society for Clinical Pathology  
 American Society of Anesthesia Technologists and Technicians  
 American Society of Military Comptrollers  
 American Speech-Language-Hearing Association  
 American Veterinary Chiropractic Association, Inc.  
 American Veterinary Medical Association  
 APICS - The Association for Operations Management  
 Aquatic Exercise Association, Inc.  
 Architectural Woodwork Institute  
 Art Therapy Credentials Board  
 ASIS International  
 Association of Certified Anti-Money Laundering Specialists (ACAMS)  
 Association of Christian Alcohol and Drug Counselors  
 Association of College and University Housing Officers International  
 Association for Death, Education, and Counseling  
 Association for Financial Professionals  
 Association of Government Accountants  
 Association for Investment Management and Research  
 Association of Regulatory Boards of Optometry  
 Association of State and Provincial Psychology Boards  
 Association of Social Work Boards  
 Association of Surgical Technologists, Inc.  
 Association of Water Technologies, Inc.  
 Axion Resource Management, Inc.  
 Behavior Analyst Certification Board  
 Biofeedback Certification Institute of America  
 Board for Certification in Clinical Anaplastology  
 Board for Certification of Addiction Specialists  
 Board for Orthotist/Prosthetist Certification  
 Board of Canadian Registered Safety Professionals  
 Board of Certification for Emergency Nursing  
 Board of Certification in Professional Ergonomics  
 Board of Certification of Medical Illustrators  
 Board of Certified Safety Professionals  
 Board of Environmental, Health & Safety Auditor Certifications  
 Board of Pharmaceutical Specialties  
 Board of Registered Polysomnographic Technologists  
 Brenning Institute  
 California Association for Alcohol and Drug Educators  
 California Association of Alcoholism and Drug Abuse Counselors (CAADAC) and the California Certification Board of Alcohol and Drug Counselors (CCBADC)

[California Association of Drinking Driver Treatment Programs](#)  
[California Association of Community Managers, Inc.](#)  
[California Certification Board of Chemical Dependency Counselors](#)  
[California Certifying Board for Medical Assistants](#)  
[California Contractors State License Board](#)  
[California-Neways Section, American Water Works Association](#)  
[California Water Environment Association](#)  
[Canadian Alliance of Physiotherapy Regulators](#)  
[Canadian Board for Respiratory Care, Inc.](#)  
[Canadian Chiropractic Examining Board](#)  
[Canadian Council of Human Resources Associations](#)  
[Canadian Council of Professional Engineers](#)  
[Canadian Nurses Association](#)  
[Center for Credentialing and Education](#)  
[Certification Board for Music Therapists](#)  
[Certification Board for Radiology Practitioner Assistants](#)  
[Certification Board for Sterile Processing and Distribution](#)  
[Certification Board for Infection Control and Epidemiology](#)  
[Certification of Disability Management Specialists Commission](#)  
[Certified Financial Planner Board of Standards, Inc.](#)  
[Certified Fund Raising Executive International](#)  
[Certified General Accountants Association of Canada](#)  
[Certified Mine Safety Professional Certification Board](#)  
[Certifying Board for Dietary Managers](#)  
[Chartered Realty Investor Society](#)  
[Child Life Council](#)  
[College and Association of Registered Nurses of Alberta](#)  
[College of Massage Therapists of Ontario](#)  
[College of Medical Laboratory Technologists of Ontario](#)  
[College of Medical Radiation Technologists of Ontario](#)  
[College of Occupational Therapists of Ontario](#)  
[College of Opticians of Ontario](#)  
[College of Physiotherapists of Ontario](#)  
[College of Respiratory Therapists of Ontario](#)  
[Commission for Case Manager Certification](#)  
[Commission for Certification in Geriatric Pharmacy](#)  
[Commission on Dietetic Registration of the American Dietetic Association](#)  
[Commission on Graduates of Foreign Nursing Schools](#)  
[Commission on Rehabilitation Counselor Certification](#)  
[Competency and Credentialing Institute](#)  
[Compliance Certification Board](#)  
[Cooper Institute](#)  
[Council for Accreditation in Occupational Hearing Conservation](#)  
[Council on Certification of Health, Environmental, and Safety Technologists](#)  
[Council on Certification of Nurse Anesthetists](#)  
[Council on Licensure, Enforcement and Regulation](#)  
[Council on Professional Standards for Kinesiotherapy](#)  
[Crane Institute of America Certification, Inc.](#)  
[Crane Operator Certification Authority](#)  
[CSI Global Education Inc.](#)  
[Defense Activity for Non-Traditional Education Support](#)  
[Dental Assisting National Board](#)  
[Department of Environment and Labor, Province of Nova Scotia](#)  
[Entertainment Technician Certification Program \(ETCP/ESTA\)](#)  
[Esthetic Skin Institute](#)  
[Examination Board of Professional Home Inspectors](#)

[Financial Planners Standards Council](#)  
[Financial Planning Standards Board](#)  
[Financial Planning Association of Australia](#)  
[FITour](#)  
[Florida Certification Board](#)  
[Florida Nursery, Growers & Landscape Association](#)  
[Hand Therapy Certification Commission, Inc.](#)  
[The Healing Oasis Wellness Center](#)  
[Healthcare Financial Management Association](#)  
[Healthcare Information and Management Systems Society](#)  
[Healthcare Quality Certification Board](#)  
[Herman & Wallace Pelvic Rehabilitation Institute](#)  
[Human Resource Certification Institute](#)  
[Human Resources Professionals Association](#)  
[IEEE](#)  
[Illinois Department of Financial & Professional Regulation](#)  
[Infocomm International](#)  
[International Medical University of Natural Education \(IMUNE\)](#)  
[Indian Alcoholism Commission of California](#)  
[Infusion Nurses Certification Corporation](#)  
[Institute of Business and Finance](#)  
[Institute for the Certification of Pharmacy Technicians](#)  
[Institute of Hazardous Materials Management](#)  
[Institute of Internal Auditors](#)  
[Institute for Supply Management](#)  
[International Accountants Physiotherapists, Inc.](#)  
[International Air Filtration Certifiers Association](#)  
[International Alliance for Fitness Professionals](#)  
[International Association for Colon Hydrotherapy](#)  
[International Association of Eating Disorders Professionals](#)  
[International Association of Healthcare Central Service Material Management](#)  
[International Board of Lactation Consultant Examiners](#)  
[International Executive Housekeepers Association, Inc.](#)  
[International Fitness Association](#)  
[International Fitness Professionals Association](#)  
[International Foundation for Retirement Education](#)  
[International Lactation Consultant Association](#)  
[International Society of Arboriculture](#)  
[International Society for Clinical Densitometry](#)  
[International Social Events Society](#)  
[International Society for Performance Improvement](#)  
[Investment Management Consultants Association](#)  
[Irrigation Association](#)  
[ISA](#)  
[Joint Commission on Allied Health Personnel in Ophthalmology](#)  
[Kessler, Dvck and Associates](#)  
[Lanaze International](#)  
[The Lash Association for Safety and Health](#)  
[Mad Dogg Athletics](#)  
[Marketing Research Association](#)  
[Massachusetts Association of 766 Approved Private Schools](#)  
[Michigan Institute for Health Enhancement](#)  
[Mountain Measurement](#)  
[NAA Education Institute](#)  
[NAADAC - The Association for Addiction Professionals](#)  
[National Academy of Sports Medicine](#)

[National Accrediting Commission of Cosmetology Art and Science](#)  
[National Alliance Wound Care](#)  
[National Association of Boards of Pharmacy](#)  
[National Association of Certified Valuation Analysts](#)  
[National Association of College Stores](#)  
[National Association of Forensic Counselors](#)  
[National Association of Legal Assistants](#)  
[National Association for Health Professionals](#)  
[National Association of Medical Staff Services](#)  
[National Association of Mortgage Brokers](#)  
[National Association of the Remodeling Industry](#)  
[National Association of Social Workers](#)  
[National Association of State Contractors Licensing Agencies](#)  
[National Asthma Educator Certification Board, Inc.](#)  
[National Athletic Trainer's Association Board of Certification](#)  
[National Board of Certification for Community Association Managers, Inc.](#)  
[National Board for Certification in Dental Laboratory Technology](#)  
[National Board for Certification in Hearing Instrument Sciences](#)  
[National Board for Certification of Hospice and Palliative Nurses](#)  
[National Board for Certification of Orthopaedic Technologists](#)  
[National Board for Certification in Occupational Therapy](#)  
[National Board for Certification of Orthopedic Physician Assistants](#)  
[National Board for Certified Counselors](#)  
[National Board of Chiropractic Examiners](#)  
[National Board of Examiners in Optometry](#)  
[National Board of Nutrition Support](#)  
[National Board of Orthotics, U.S.](#)  
[National Board for Professional Teaching Standards](#)  
[National Board for Respiratory Care](#)  
[National Board of Surgical Technology and Surgical Assisting](#)  
[National Business Aviation Association](#)  
[National Center for Competency Testing](#)  
[National Certification Board for Diabetes Educators](#)  
[National Certification Board for Therapeutic Massage and Body Work](#)  
[National Certification Commission for Acupuncture and Oriental Medicine](#)  
[National Certification Corporation for the Obstetric, Gynecologic, and Neonatal Nursing Specialties](#)  
[National Commission on Certification of Physician Assistants](#)  
[National Commission for Health Education Credentialing](#)  
[National Commission for Certification of Continuing Medical Education Professionals](#)  
[National Commission for the Certification of Crane Operators](#)  
[National Concrete Masonry Association](#)  
[National Contact Lens Examiners](#)  
[National Cooperative of Health Networks Association](#)  
[National Council for Interior Design Qualification](#)  
[National Council for Therapeutic Recreation Certification, Inc.](#)  
[National Council of Architectural Registration Boards](#)  
[National Council of Examiners for Engineering and Surveying](#)  
[National Council of State Boards of Nursing, Inc.](#)  
[National Council on Strength and Fitness](#)  
[National Credentialing Agency for Laboratory Personnel](#)  
[National Dental Hygiene Certification Board](#)  
[National Enrichment Teachers Association](#)  
[National Examining Board of Opticians](#)  
[National Exercise and Sports Trainers Association \(NESTA\)](#)  
[National Exercise Trainers Association \(NETA\)](#)  
[National Federation of Professional Trainers](#)

[National Fitness Professionals Association](#)  
[National Healthcareer Association](#)  
[National Indian Civil Warfare Association](#)  
[National Institute for Automotive Service Excellence](#)  
[National Institute for Certification in Engineering Technologies](#)  
[National Kitchen and Bath Association](#)  
[National League for Nursing](#)  
[National Occupational Competency Testing Institute](#)  
[National Recreation and Park Association](#)  
[National Registry of Emergency Medical Technicians](#)  
[National Registry of Food Safety Professionals](#)  
[National Strength and Conditioning Association \(NSCA\) Certification Commission](#)  
[Nephrology Nursing Certification Commission](#)  
[North American Board of Certified Energy Practitioners](#)  
[North American Registry of Midwives](#)  
[North Carolina Substance Abuse Practice Board](#)  
[Nuclear Medicine Technology Certification Board](#)  
[Oasis Certification & Competency Board](#)  
[Oncology Nursing Certification Corporation](#)  
[Ontario College of Pharmacists](#)  
[Ontario College of Social Workers and Social Service Workers](#)  
[Optometric Photographers' Society, Inc. Board of Certification](#)  
[Pediatric Nursing Certification Board](#)  
[Performance Testing Council](#)  
[Petrafac Training International](#)  
[Pharmacy Examining Board of Canada](#)  
[Pharmacy Technician Certification Board](#)  
[PHT Pilates](#)  
[Pilates Method Alliance, Inc.](#)  
[Professional Development Solutions, LLC](#)  
[Professional Landcare Network](#)  
[Psychiatric Rehabilitation Certification Program](#)  
[Radiology Coding Certification Board](#)  
[Registry of Interpreters for the Deaf, Inc.](#)  
[Rain Bird Services Corporation](#)  
[School Nutrition Association](#)  
[Society of Actuaries](#)  
[Society of American Foresters](#)  
[Society of Cable Telecommunications Engineers](#)  
[Society of Certified Senior Advisors](#)  
[Society of Permanent Cosmetic Professionals](#)  
[Society of the Plastics Industry](#)  
[Society of Tribologists and Lubrication Engineers](#)  
[Software Engineering Institute](#)  
[Southern California Crane and Hoisting Certification Program](#)  
[Tire Industry Association](#)  
[Top Tier Personal Trainer Certification](#)  
[Transportation Professional Certification Board, Inc.](#)  
[Turnaround Management Association](#)  
[UCSD - Center for Criminology, Addiction Research, Training, and Application \(CCARTA\)](#)  
[Universal Public Purchasing Certification Council](#)  
[U.S. Green Building Council](#)  
[Veterinary Hospital Managers Association](#)  
[The Wedding Planning Institute](#)  
[Wound, Ostomy, and Continence Nurses Certification Board](#)

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### Prepared Statement of Hon. John Baldacci, Chairman, Jobs for America's Graduates Board of Directors

First, let me thank you for your continuing interest in the work of Jobs for America's Graduates as one of the nation's largest and most successful programs for helping very high-risk youth succeed both in school and on the job.

We very much appreciated the time you took to meet with Ken Smith, President for Jobs for America's Graduates, and myself several months ago, when there was consideration for the reauthorization of the Workforce Investment Act, to learn more about the 28 year track record of success having served over 600,000 of our nation's most at risk and disadvantaged young people.

As you may recall, the results have been most consistent and compelling. The latest across the 30-state JAG National Network include:

- Graduation Rate: 93.6 percent
- Positive Outcome Rate: 82.7 percent (12 months after leaving school)

- Job Placement Rate: 60.0 percent
- Full-time Jobs Rate: 67.4 percent
- Full-time Placement Rate: 89.8 percent (jobs, colleges, the military or some combination)
- Higher Education Rate: 45% (the highest ever)

Here in Maine, the JAG program is, by far, the most effective and most valuable program we have for serving this high-risk population. Despite the very difficult economic issues we face, we continue to expand the program because it makes such an enormous impact, both educationally and economically, in our state.

The Workforce Investment Act provides approximately one-third of all the funding that finances the JAG program across the 30-state JAG National Network.

State and local Workforce Investment Boards invest in JAG because, in almost every case, JAG programs exceed the performance standards for youth by convincing margins. It is also one of the cost effective uses of WIA funds.

As you consider the reauthorization of the Workforce Investment Act we urge your consideration of these key issues from our standpoint.

1. Eligibility: One of the most costly aspects in utilizing WIA funds is the often massive amount of paperwork, time, and energy required to try to prove that young people are poor in order to qualify for JAG programs. As you well know, WIA today has a separate eligibility compared to other programs that seek to determine the same economic standing. Easily, 10 percent—or in some cases as much as 20 percent—of the costs of the program are tied up in trying to “prove poverty”. We believe that a far better use of the resources would be in serving more young people and by utilizing the same eligibility requirements for the free or reduced-priced lunch program satisfactory for WIA eligibility. A significant increase in the investment in young people through WIA will occur with this simple change.

2. In-school versus out-of-school youth: It is our understanding that a significant issue is the amount of WIA funds that would be set aside for “in-school” versus “out-of-school” youth. This is not an easy decision, since both populations urgently need the kinds of services that WIA—and JAG—can provide. We believe that, in the end, prevention is far more effective and less costly than the remediation of a high school dropout while one who is unemployed.

Therefore, we urge that the majority of the funds be made available for serving high-risk, academically disadvantaged youth in school, while still investing a significant amount in serving high school dropouts.

3. Long-term funding: We strongly support the inclusion of much larger scale funding for at risk and disadvantaged youth at levels similar to those in the Stimulus Package. We understand the stimulus funding will expire in two years. Given the enormous impact that the recession is having on our young people—unemployed by a factor of three times more than that of the general population—we urge that the higher level of sustaining funding be included in the reauthorization. WIA is one of the only sources of funding at either the federal or state level to serve this rapidly growing part of our population. A population that, if we intervene now with the kinds of results that Jobs for America’s Graduates is able to achieve, we will dramatically change the long term costs while equally dramatically increasing the lives and futures of our young people.

The reauthorization of the Workforce Investment Act is a vitally important piece of legislation that will drive programs, and state and local policies, for years to come. We stand ready to help in any way that we can in the consideration of this legislation. Please don’t hesitate to contact me directly with any questions you may have, given the critical importance of WIA to our organization and to my own state of Maine.

I know that my colleagues on our Board of Directors, including five other Governors, two Chief State School Officers, and leaders from some of America’s best-known businesses (listed on our letterhead) would be more than pleased to join in the discussions.

Ken Smith, the President of Jobs for America’s Graduates, and our staff will be in touch with yours to answer any questions and to offer the lessons we have learned over the past 28 years on how to most effectively serve this at-risk population.

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[Additional submissions of Mr. Guthrie follow:]

#### **CWA Priorities for Workforce Investment Act Reauthorization**

Workforce investment is a critical policy issue for California and the nation. It is perhaps the only policy area that directly links the ability of California companies

to compete, the ability of communities and regions to retain and grow key industries, and the opportunity for working people to develop the skills needed to prosper in a changing economy. California's future depends on the development of comprehensive workforce investment systems, appropriately aligned at the federal, state, and local levels and flexible enough to reflect the diversity of each Workforce Investment Area's social, ethnic, and economic conditions.

The federal Workforce Investment Act (WIA) was enacted and implemented during a period of relative economic growth, allowing California's 50 local Workforce Investment Boards (WIBs) to invest in building the infrastructure for a comprehensive "One-Stop" delivery system. Local areas progressed significantly toward strengthening private-sector leadership; streamlining multiple programs; setting long-term, proactive policy that enhances the competitiveness of local and regional industries; and developing unique local initiatives, programs, and partnerships.

California now faces a new set of economic challenges in crisis proportions, challenges that have already strained this new infrastructure. With adequate WIA resources and strategic statutory fine-tuning through the reauthorization of WIA, many of these challenges can be addressed and California's economy strengthened.

It is no surprise that surveys of California's business leaders continue to cite the lack of a trained workforce among the most significant cost drivers for California businesses.<sup>1</sup> At the same time, business investment in skills training is declining in California and is nearly nonexistent among small businesses, which employ over 50% of the state's workforce. Finally, reports show that 90% of job growth in California over the next 5 years will occur in industries where ongoing skills training will be critical for maintaining competitiveness.

The Workforce Investment Act provides the foundation through its system of Workforce Investment Boards and One-Stop career centers to fully address the workforce needs of all companies, both large and small. After four years of implementing the 1998 law in local communities, much has been learned about what works and also about what can be done statutorily to better focus the system envisioned by Congress. Reauthorization of WIA presents an important opportunity to make strategic adjustments

Over 1,000 businesses on 50 local Workforce Investment Boards throughout California have spoken. Their thoughts and those of their One-Stop partners are reflected in the following recommendations for Congress and the Administration to consider for reauthorization of the Workforce Investment Act of 1998. Through the California Workforce Association, these 50 WIBs represent 10% of this country's workforce investment system funding in a state that represents 13% of the national economy. Our recommendations fall within three broad categories:

- Strengthen Business as Customer and Business Leadership
- Align Resources and Accountability to the Needs of Customers and the Goals of WIA
- Clarify and Strengthen Federal, State, and Local Roles

#### *Strengthen Business as Customer and Business Leadership*

Why is this important? Both the message and promise of the Workforce Investment Act (WIA) is that business is a primary customer. As the economy continues to evolve, and a trained, high skilled workforce becomes more critical to the success of business, it is essential that the public workforce investment system has the capacity to provide the product businesses need. In order to do this, local Workforce Investment Boards and their One-Stop system networks need guidance, tools, support, and incentives in the law.

Current Status: California's network of local Workforce Investment Boards (WIBs) and its One-Stop service delivery system have progressed significantly in establishing products and services for the business community throughout the State. Much of this has been done as a result of urging by the private sector leadership of WIBs and encouragement of state and federal agencies. Unfortunately, there are a number of impediments within the Workforce Investment Act that hamper working with business in the community and engaging private sector leadership on the WIBs.

What we have learned:

- WIA's performance measures have a strong tendency to drive the activities and direct the limited resources. Without performance standards specifically focused on services to business, local One-Stops have little incentive to develop those services.
- Most local WIBs cobble together funding for business services through a combination of adult, dislocated worker, and rapid response funding. Services to busi-

<sup>1</sup> 12th Annual Business Climate Survey, California Business Roundtable, California Chamber of Commerce

nesses are needed for these programs, as well as for youth programs. Specific allowable activities written into WIA and the ability to use any funding stream for business services would substantially increase those services in California.

- Even in recessionary times, over 90 percent of the workforce is employed; to be relevant to business, the workforce development system must target skill acquisition and career advancement for those workers.

- Businesses value employed worker training for skill acquisition and customized training as two of the most critical and important services. These services should be better defined, more broadly allowed, and encouraged in the law.

- Sequence of services (also described as “work first”), as mandated in the law, require training opportunities to be some of last services provided, and, therefore, limit employer access to WIA trained workers. Greater flexibility in the sequence of services will provide greater opportunity to train workers.

- When properly engaged, business participates and influences the development of the local workforce, as envisioned by the authors of WIA. However, the mandated minimum size of local boards is often counter-productive to fostering private sector participation that focuses on outcomes and systems change. Greater flexibility in membership and responsibility will allow for much greater local business participation.

- Business members of local WIBs seek integrated business solutions as well as integrated approaches to community needs, not just targeted services as provided through WIA Title I. The effectiveness of business leadership in local workforce investment would be enhanced if local WIBs had planning and oversight authority over all WIA Titles, in addition to Title I.

Recommended Changes and Amendments to WIA:

- States, in consultation with WIBs and local elected officials, shall develop performance measures for services to business. Incentives for performance will be established.

- Business services activities are allowable and encouraged under Adult, Dislocated Worker and Youth funding.

- Employed worker training is allowable and encouraged under Adult, and Dislocated Worker funding.

- The following is a list of allowable activities for services to business. Allowable activities may include (but are not limited to):

- All phases of recruitment services, from general open postings to referring prescreened candidates

- Business seminars and classes offered in partnership with Small Business Development Centers, Economic Development Organizations, Chambers of Commerce and other business organizations

- Interview and meeting facilities

- Rapid Response Services

- On-the-Job and Customized Training opportunities

- Training for incumbent workers

- Job Fairs

- Information brokers providing information on HR Issues, labor laws, licensing, permitting and economic development

- Linkages with economic development

- Business to business referrals

- Labor Market Information

- Assessment for job preparedness

- Work Readiness Certificates—designed by the local WIB and industry

- Performance consultation

- Business services marketing

- Economic development data preparation

- Business incubation services

- Other business services not inconsistent with this Act

- Every WIB must have a private sector majority and be chaired by a private sector member. WIBs, in negotiation with Local Elected Officials, shall have discretion over the additional membership of the WIB.

*Align Resources and Accountability to Needs of Customers and Goals of WIA*

Why is this important? The common needs and interests of our two sets of customers—businesses and job seekers—are employment opportunities, skill acquisition, and career advancement. With the current economy, business requires a higher level of service with a broader range of solutions for their workforce needs. Job-seekers, too, are demanding higher levels of services. Although the spirit and intent of WIA focus on the capacity of the system to deliver these sets of products and

services, certain provisions of the law impede One-Stop Career centers and WIBs from fully meeting our customers' requirements.

*Current Status:*

**Employment.** In California, thousands of businesses recruiting workers and millions of job seekers have used One-Stop centers. Despite the fact that clients of most One-Stop partners benefit from the provision of core (universal) services, these services have largely been provided through WIA Title I funding.

**Skill Acquisition.** The transition from a limited/targeted client base under the former Job Training Partnership Act (JTPA) to "universal access" for core services to all citizens under WIA has been a success. But providing these core services to virtually anyone who wants them is costly and has reduced the resources available for funding training for those who need it. The simple fact is that within WIA Title I, there is insufficient funding to both provide universal service and provide training for those in need. In addition, the requirements of the system are so restrictive that many other training funds are not being used. Finally, given the current, narrowly focused WIA language, skill acquisition for employed workers, an increasingly important business-driven service, is difficult to provide.

**Career Development.** WIBs and their partners throughout California are beginning to focus efforts on sectoral approaches to the needs of industry sectors, working with partners to understand and define career ladders and paths of progression through a set of occupations. A set of allowable activities and funding resources would encourage and strengthen this important work, thereby increasing our business effectiveness.

*What we have learned:*

- WIA legislation significantly increased the adult population to be served from economically disadvantaged and/or dislocated workers under the JTPA program to the nation's entire labor force. However, the funding levels for WIA are comparable to JTPA. The assumption implicit in WIA that One-Stops would be funded through multiple funding streams would have meant that additional resources would be brought into the system. A One-Stop survey conducted by the State EDD found that less than 30% of the resources supporting the One-Stops come from required partners.<sup>2</sup> Because there has not been significant additional funding, and due to their own funding restrictions, many One-Stop partner agencies simply cannot finance or support core services. With the greatest share of funding coming from WIA Title I to support the One-Stop system, WIA training resources have all but been eliminated.

- The "work first" sequence of services prescribed in WIA limits customer choice for both job seekers and employers. Particularly in a weak economy, it is clear that many people seeking work need skill enhancement. Requiring a sequence of services limits One-Stops' ability to appropriately target services to individuals.

- Current income-based eligibility requirements in youth programs arbitrarily exclude at-risk youth who would most benefit from services. This exclusion impedes establishment of comprehensive systems for all youth, such as the All Youth—One System approach as adopted by the California Workforce Investment Board (CWIB) and many of the 50 WIBs' Youth Councils. Additionally, the requirement that 30% of the Youth funds be spent on Out of School Youth is too prescriptive for every area in a state as diverse as California.

- Current WIA performance measures do not capture the relevant information needed to aid strategic planning and continuous improvement for the workforce development system. They are not easily understood by business, don't align with business needs, are not timely, and do not measure service to business. The measures do not capture all of the participants, and focus too much on job placement and too little on progress toward self-sufficiency.

- The variations among different agencies' performance measures and requirements, including the multiple reporting requirements and inconsistent definitions of success among partners, and the need to measure both system-wide success as well as good performance in WIA Title I funded programs, present serious obstacles to aligning local service delivery among partners. In addition, the administrative difficulty of collecting performance data undermines access to and delivery of services and discourages partner participation in WIA.

<sup>2</sup>The One-Stop Career Center System Survey, California Employment Development Department, December 2001

*Recommended Changes and Amendments to WIA:*

- Workforce Investment Boards may transfer funds from one title to another—Adult, Dislocated Worker and Youth—based on needs identified in the local labor market.
- Individuals may be enrolled into core, intensive or training services depending on the needs of the customer and the local labor market.
- WIBs have the authority to waive income eligibility requirements for youth based on local needs and priorities, including for youth with barriers to employment or at risk of dropping out of school.
- If funding other than WIA Title I is made available to the local One-Stop systems for core, intensive or training services, requirements for the use of those funds are to be waived, and the requirements of Title I shall be applied.
- Performance standards should be streamlined to a minimum of relevant, timely, and meaningful measures.
- Authorizing legislation of each federally mandated partner program should include specific language adding funding, over and above their existing funding levels, for financial contribution to the One-Stops.
- Additional mandated activities, including but not limited to the assumption of the WIA 167 program, will not be required without appropriate funding.
- A Local Innovation Fund shall be created and used at the discretion of Local WIBs for such purposes as innovative business outreach, local marketing, labor market and economic research, community audits, and coordinated local planning. Funds shall be earmarked from each federal required partner's funding stream and formula-allocated to local Workforce Investment Areas for the purposes of the Local Innovation Fund.

*Clarify and Strengthen Federal, State, and Local Roles*

Why is this important? To meet the challenges mentioned above, California needs a comprehensive workforce development system, aligned at the federal, state, and local levels, one that leverages the resources, missions, and capacities of currently disparate programs and services. No single program, agency, or level or government can do it alone. If effective coordination is to occur and duplication of efforts is to be avoided, local, state, and federal roles must be clearly and appropriately defined.

*Current Status:*

Local areas have made significant progress over the last few years in building local partnerships and aligning systems and resources. Unfortunately, existing federal and state administrative restrictions have limited the success of this effort. California's system of workforce investment would be better served and substantially improved if there was greater coordination at the state level among the state departments and agencies that administer federal workforce development funds.

State, federal and local partnerships have been important for the success of WIA to date. As an example, many statewide workforce development efforts have been effective in addressing key needs such as the state's nursing shortage, moving teachers into classrooms, and building the capacity of the state's youth councils through its Youth Council Institute. However, greater coordination and consultation with the 50 WIBs is needed to align statewide initiatives with local economic and workforce investment planning and the local infrastructure of service delivery.

*What we have learned:*

- Business members of WIBs value and contribute to locally driven workforce investment efforts tied to local economic development efforts. More state or federal control would threaten private sector engagement in the workforce development system. Private sector WIB members believe that they need even more authority, resources and discretion to establish and nurture on-going relationships with economic development activities in local communities.
- Discretionary funds used to address statewide workforce development issues would be more effective if the local workforce systems were always used as the local coordinating and planning mechanism for statewide efforts. In California, Governor's discretionary funding has been allocated to local agencies without coordination with or even notification to the WIB. This approach is not the best strategy to encourage WIB engagement in workforce systems building and in fostering collaboration.
- Better utilization by states of the waiver authority provided in WIA could have greatly enhanced the ability of local workforce areas to serve clients.

*Recommendations:*

Below are the appropriate roles for each level of government.

## FEDERAL

- Provide clear and timely guidance
- Provide training, technical assistance, and general capacity building for the national system
- Fund research on national and international workforce development issues
- Collect and demonstrate innovative practices around the nation
- Fund innovative initiatives
- Make federal partner funding work together in the One-Stops
- Coordinate the various training and employment program efforts through the WIA One-Stop delivery system

## STATE

- Earmark funds for building capacity in the One-Stops and incentives for innovative initiatives
- Make other state funded programs support One-Stops
- Utilize existing waiver authority to remove barriers to improve local service delivery to business and job seekers
  - Institute a bottom-up approach through local WIBs for understanding local needs and the disbursement of Governor's Discretionary funds
  - Invest in real-time labor market information
  - Develop statewide plans
  - Develop common reporting systems across state partner programs
  - Encourage local and regional initiatives that support the strategic growth of industry clusters
- Certify local WIB composition

## LOCAL

- Appoint membership to WIBs
- Certify One-Stops
- Engage the local community in developing local plans
- Approve all grant recipients
- Manage fiscal resources
- Oversee and evaluate all programs
- Certify proposals for Governor's Discretionary WIA projects
- Determine priority of service
- Advocate for/with business
- Create local performance measures that make sense for desired outcomes
- Provide LMI intelligence

[Additional submission of Mr. Scott follows:]

#### Why GAO Did This Study

Since the Workforce Investment Act's (WIA) enactment in 1998, GAO has issued numerous reports that included recommendations regarding many aspects of WIA. These aspects include performance measures and accountability, funding formulas and spending, one-stop centers, and training, as well as services provided to specific populations, such as dislocated workers, youth, and employers. Collectively, GAO studies employed an array of data collection techniques, including surveys to state and local workforce officials and private sector employers; site visits; interviews with local, state, and Department of Labor (Labor) officials; and analyses of Labor data and documents. This testimony draws upon the results of these reports, issued between 2002 and 2008, and discusses issues raised and recommendations made. Specifically, this testimony addresses (1) progress made by Labor in addressing areas of concern, particularly related to GAO recommendations for action, and (2) what steps Labor has taken to ensure an understanding of what works and for whom in addressing the needs of workers and employers.

#### Workforce Investment Act

#### Labor Has Made Progress in Addressing Areas of Concern, but More Focus Needed on Understanding What Works and What Doesn't

##### What GAO Found

Labor has made some progress addressing earlier concerns regarding performance measurement and the accuracy of performance data, but issues with funding remain.[0] The move to common measures helps provide a more complete picture of

WIA services and may encourage services to challenging clients. With regard to such clients, Labor has chosen not to systematically adjust expected performance levels to account for different populations and local economic conditions, as recommended.[0] Labor has made strides in improving the accuracy of performance data by requiring states to conduct data validation efforts. And, it has made progress in states' ability to share data for tracking WIA performance, securing the participation of all but one state in the Wage Record Interchange System.[0] Labor is also moving ahead with plans to implement an enhanced data reporting system that would, for the first time, allow Labor and states to track an individual's progress through the one-stop system.[0] While progress has been made with regard to performance data, ensuring that funding is consistent with the demand for services and reflects funds states have available remains an issue.[0] Statutory formulas have caused wide fluctuations in the funding states receive, particularly under the Dislocated Worker program. In addition, Labor has chosen not to consider states' obligations when estimating their available funds, as recommended.

To date, Labor has been slow to comply with the requirement to conduct impact evaluations of its programs and activities carried out under WIA. In 2004 and 2007, we recommended that Labor comply with the requirements of the law and conduct an impact evaluation of WIA services to better understand what services are most effective for improving outcomes. In its fiscal year 2008 budget, Labor identified a WIA assessment as an effort the agency would begin, and it has since initiated two studies. One, a nonexperimental study, is now complete, and officials expect to publish the results in March 2009. The other uses a random assignment experimental design, and will not be completed until June 2015. To address what Labor perceived as shortcomings in the one-stop service delivery system, Labor developed three separate discretionary grant initiatives to focus on the employment and training needs of high-growth, high-demand industries and awarded almost \$900 million for these initiatives. However, Labor will be challenged to assess their impact given methodological issues related to outcome data. Moreover, Labor does not plan to include them in the assessment of the impact of WIA services because the initiatives have their own evaluations.

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[Additional submissions of Ms. Vito follow:]

SOCIAL, ECONOMIC AND WORKFORCE PROGRAMS DIVISION

**Aligning State Workforce Development and Economic Development Initiatives\***

*Executive Summary*

Driven by the rapidly changing, highly competitive global economy that puts a premium on skilled workers, many states are taking steps to better align their workforce and economic development programs. When these programs are well-aligned, economic development officials work closely with their counterparts in workforce development to ensure that both long-term planning and current recruitment and expansion efforts take into account the skills of the region's workforce and the workforce development systems capacity to train additional workers. Similarly, workforce development professionals work closely with economic development officials and employers to ensure that their training and job placement efforts are designed to meet the skill needs of regional industries—especially those viewed as key to future economic growth.

In pursuing this alignment, states are confronted with the challenge of two systems that operate very differently, with workforce programs historically targeted to individuals and funded primarily through federal funds, and economic development focused on business with state and local funding. The different funding streams add a level of complexity to differences among governance and planning structures, performance and reporting requirements, and geographic focus areas. Complicating matters are very distinct institutional cultures: people in the workforce system are trained in the helping professions, while economic developers see themselves as “deal makers.” Overcoming these challenges is not easy; it requires persistent leadership from officials at all levels, but particularly the governor.

This issue brief examines the reasons governors undertake such efforts, the challenges involved, and several promising state practices that highlight the critical role of governors. Some governors have merged agencies or created new coordinating bodies. Others have established common missions, goals, and performance meas-

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\*This Issue Brief was written by Mark Troppe, National Center on Education and the Economy, with Stephen Crawford and Martin Simon, NGA Center for Best Practices.

ures. Still others have pursued economic and workforce development strategies, such as cluster-based initiatives and regional skill alliances, that by their nature promote collaboration. Their efforts point to several basic lessons for states that are considering the alignment of workforce and economic development.

- Complete a candid assessment of the status quo as the essential first step in determining appropriate actions.
- Evaluate the positive and negative aspects of each reform option (including restructuring versus other alternatives) and create a sequence of decisions based on the current state of affairs.
- Strengthen the quality of the economic and workforce information available to decisionmakers by revamping the data collection, analysis, and dissemination systems.
- Organize economic and workforce development activities around regions and groupings of firms to improve labor market performance.
- Use financial incentives and administrative actions to resolve the administrative and jurisdictional differences between economic and workforce development.
- Set broad performance measures across multiple workforce programs so they align with state economic goals.

#### *Background*

Traditionally, economic and workforce development agencies, and the professionals who staff them, have gone their separate ways. Economic development agencies focused on mobilizing the state and local resources needed to achieve business recruitment or expansion deals. Workforce development agencies focused on administering a “second-chance” system of federal employment and training programs. With the emergence of a knowledge-based economy, however, it became evident that economic development requires a skilled, innovative, and flexible workforce. The severe “skill gaps” that appeared in the 1990s showed that workforce development is about much more than assisting the unemployed and disadvantaged; it also is about producing a workforce with the skills that employers need if they are to succeed in a rapidly changing and highly competitive global economy. It became clear that economic development and workforce development are two sides of the same coin, and therefore their strategies and activities needed to be aligned.

When economic and workforce development are well-aligned, economic development officials work closely with their counterparts in workforce development to ensure that both long-term planning and current recruitment and expansion efforts take into account the skills of the region’s workforce and its capacity to train additional workers. Similarly, workforce development professionals work closely with economic development officials and employers to ensure that their training and job placement efforts are designed to meet the skill needs of regional industries—especially those viewed as key to future economic growth.

Such collaboration requires a level of mutual trust that takes time to develop. Trust can be nourished through committed leadership, shared missions, joint planning and reporting, and shared performance measures. Building a trusting relationship can include other approaches, such as joint staffing of governance bodies and merged research teams, jurisdictional alignments, and regional and sectoral strategies.

Yet, genuine alignment goes further than mutual consideration and assistance. When their agencies are fully aligned, economic and workforce development officials work together to create a common vision for the regional economy and its various parts that transcends employment to include innovation and entrepreneurship. They develop a unified set of goals spelling out this vision and an integrated strategy—with common performance measures and shared incentives—for achieving them.

Such advanced alignment is rare, especially at the state level, in part because states are just beginning to work at alignment and in part because it is not easy to accomplish. The quip that “economic developers are from Mars and workforce developers are from Venus” speaks to real differences in occupational cultures and institutional settings that complicate alignment efforts. A growing number of governors are taking steps to overcome the obstacles because they are concerned about their states’ ability to compete in a knowledge-based global economy, increasingly aware that workforce quality is critical for economic development and job creation, and committed to making better use of resources in tight fiscal times.

#### *Obstacles and Challenges*

For economic and workforce developers to collaborate effectively, each party must understand the very different operational contexts in which they operate. For several decades, the publicly funded workforce system operated under strict eligibility requirements that provided services almost exclusively to economically disadvan-

taged and unemployed persons. This severely limited the programs' usefulness to economic developers. Although the Workforce Investment Act has provided more flexibility for working with different customers, including employed workers and employers, it takes time to change long-engrained habits, and longer yet to change the program's reputation.

Complicating matters are two very different institutional cultures. Economic developers frequently have a business background and view themselves as "deal makers." They tend to focus on companies as their primary customer, helping them with real-estate development, financing, and water or sewer infrastructure issues. They excel in putting together funding packages using multiple local, state, federal, and private resources from a variety of programs and agencies.

In contrast, workforce system staffs typically were trained in the helping professions and saw individuals as their primary client. Only in recent years have they taken a more demand-driven approach that addresses individual needs in the context of the needs of a company, industry, or regional economy.

Another ongoing difference between most economic and workforce developers is the source of their funding. While workforce agencies depend on the federal government for the vast majority of their funding, most economic development activities are funded by state and local governments. Differences among funding streams create tensions because each funding source has its own policy, reporting, and performance requirements.

To fulfill diverse and varied missions, workforce and economic development organizations typically seek to meet these requirements based on guidance from different governance boards or councils, which use different tools and engage in different planning processes that cover different geographic areas and adhere to different schedules. The responsible program officials collect data on different performance indicators that are submitted to different oversight authorities via different reporting processes. This "silo" approach occurs despite the often considerable overlap among the issues addressed and strategies outlined in the individual plans and initiatives.

#### *Governance Solutions to Alignment*

Overcoming the alignment barriers—both structural and cultural—does not happen naturally or easily. It takes creative and persistent leadership from officials at many levels, and most critically the governor. Only governors have the authority and influence to reorganize departments, redefine missions, undertake major strategic initiatives, or reallocate state government's resources. Only governors are in a position to bargain with the legislature if necessary. Once governors decide to act, the key question is how best to achieve the desired results.

One governance approach to promoting greater alignment of economic and workforce development is to consolidate multiple workforce and economic development agencies and programs into one department under a single commissioner or secretary. Another approach uses mechanisms, such as mini-cabinets, that facilitate "structured coordination" among existing agencies.

#### *Consolidation*

In theory, consolidation is a fairly straightforward way to align workforce and economic development. It typically involves merging similar agencies and programs into a single existing department or creating a new department with programs pulled from other agencies. In practice, it is usually more challenging. It can consume a great deal of time and energy due to the resistance and maneuvering of those affected. Legislators and advocacy groups may get involved, causing the governor to expend political capital in the process.

In addition, the results of reorganization often are quite disappointing. Employees sometimes spend considerable time figuring out their new roles and responsibilities, old habits can persist under new arrangements, and long-lamented silos may continue, only now within the same department. This is especially likely when the agencies opposed the consolidation and are as culturally different as economic and workforce development.<sup>1</sup>

Despite these challenges, organizational consolidation can produce many benefits and lasting change that justify the effort, such as unified authority and its potential

<sup>1</sup>In *The Price of Government*, David Osborne and Peter Hutchinson go further, suggesting that "simply moving boxes on an organization chart can actually make matters worse, increasing costs while sowing confusion that hampers performance." They recommend "consolidat[ing] funding streams and 'steering' authority, so steering (policy) organizations can purchase results from any 'rowing' organizations—public or private—that can best produce them. See *The Price of Government: Getting the Results We Need in an Age of Permanent Fiscal Crisis* (Basic Books, 2004), p.13-14.

for ensuring more coordinated planning, implementation, and evaluation. In addition, consolidating agencies can break up dysfunctional bureaucracies and send strong signals about new directions and expectations. The difficulty of achieving consolidation discourages subsequent political leaders from reversing direction. Because it makes intuitive sense, it is difficult to justify returning to agencies reflecting programmatic silos.

Several states have consolidated agencies and departments, usually by executive order. As far back as 1995, Texas consolidated 24 workforce programs scattered across 10 agencies into one new agency, the Texas Workforce Commission (TWC). Within this framework, the Texas Workforce Solutions emerged, a partnership among TWC, 28 local Workforce Development Boards (WDBs), service providers, and other stakeholders.

TWC allocates federal funds through annual contracts with the WDBs to provide services in five programs: Temporary Assistance to Needy Families (TANF), Workforce Investment Act (WIA), Food Stamp Employment and Training, Child Care and Development Fund, and Welfare to Work. TWC also contracts with local boards to operate the Trade Adjustment Assistance program and Project RIO (Re-integration of Offenders) and to locally manage Wagner Peysers staff, who remain state merit staff. This gives WDBs the opportunity to manage a broader set of funding streams and program requirements. Later, an Office of Employer Initiatives was established in the TWC to coordinate with the Governor's Office of Economic Development and ensure that the training needs of industry sectors are served. Coordination between workforce and economic development was further strengthened when the Department of Economic Development was moved to the Governor's Office through legislation enacted by the legislature and signed by Governor Rick Perry.

Former Missouri Gov. Mel Carnahan and Oklahoma Gov. Brad Henry also consolidated their states' various employment and job-training programs and moved them into the economic development agency. In Missouri, Gov. Carnahan placed the resulting division of workforce development in the Department of Economic Development and Commerce under a sub-cabinet appointee.

Gov. Henry moved the Oklahoma Employment Security Commission (OESC)—the primary agency responsible for administering WIA programs—under the Cabinet of the Secretary of Commerce to work more closely with the business recruitment team. In part, this realignment involved local one-stop centers and employment offices and personnel who serve as initial contact points and action agents for the state's economic development efforts. A newly appointed deputy secretary of commerce for workforce development oversees the effort and reports directly to the DOC Secretary. The deputy secretary also directs the Governor's Council for Workforce and Economic Development, established by Gov. Henry to serve as the state's reconstituted WIB. The council is supported by the Workforce Solutions Staff Team, created when the Governor asked workforce department heads to designate senior executives to support the council and align department objectives and resources with economic development.

Other states have gone still further, including several that created new, consolidated departments. In 2003, after four years of restructuring efforts that included a governor's mini-cabinet and a transition team that managed the final merger, Minnesota Gov. Tim Pawlenty established a single Department of Employment and Economic Development. That same year, Michigan Gov. Jennifer Granholm created by executive order a consolidated Department of Labor and Economic Growth, and saw to it that the state's workforce investment and economic development boards shared members.

In 2004, the Idaho legislature passed and Gov. Dirk Kempthorne signed legislation creating a combined workforce and economic development agency, the Department of Commerce and Labor. As an outgrowth of the merger, the state held a joint meeting of economic and workforce development leaders to refine goals for better integration of economic and workforce development services. In addition, the one-stop and former job service offices added the full spectrum of economic development, community development, and related services to the menu of services in the new agency's service centers.

Kansas Gov. Kathleen Sebelius included higher education in the alignment of workforce and economic development. In January 2004, she issued an executive order that transferred WIA, Wagner Peysers, and adult education funds for employment and training from the Department of Labor to the Department of Commerce (DOC). The connection with community colleges was strengthened through a partnership with the Kansas Board of Regents, which cofunded an executive position with DOC to oversee the partnership.

### *Structured Coordination*

Some governors are tackling the governance challenge by developing mechanisms to improve coordination among economic and workforce development agencies. For example, jobs cabinets are mini-cabinets that coordinate and focus state efforts to attract and retain good jobs. Typically they operate within the existing agency structures and are charged with bringing focus and resources from across agency lines to achieve some common objectives. Tennessee's Department of Economic and Community Development administers a Jobs Cabinet and Gov. Phil Bredesen chairs its meetings. In Ohio, Gov. Bob Taft's policy director has hosted monthly meetings of the relevant cabinet directors to promote mutual understanding.

Other states have developed additional mechanisms for promoting the desired alignment. Virginia former Gov. James Gilmore moved the state's WIA programs from the Department of Health and Human Services to the Department of Commerce and Trade, and current Gov. Mark Warner appointed a Governor's Special Advisor for Workforce Development to forge a system that meets the needs of workers and employers. Florida created Workforce Florida, Inc. (WFI), a corporate entity that oversees the Florida Agency for Workforce Innovation, with strong leadership from the legislature. Representatives from WFI sit on the state economic development board, Enterprise Florida, Inc., and the board's representatives sit on WFI.

In Florida, WIBs control not only WIA funding, but TANF and Wagner Peyser funds as well. Each local board has signed a memorandum of understanding with the state. The state employs career service employees and Veterans Reps, who are paid with Wagner Peyser funds but work under the day-to-day supervision of local WIB managers. Funding for salaries and benefits stays at the state level, where payroll is managed, but all other funding comes down to the regional WIBs.

In Pennsylvania, Gov. Edward Rendell appointed a deputy secretary of workforce development in the state's Department of Labor and Industry to oversee alignment issues among five agencies: Aging, Education, Community and Economic Development, Labor and Industry, and Public Welfare. In Massachusetts, Gov. Mitt Romney's cabinet-level Executive Office of Economic Development (EED) oversees four departments: business and technology, workforce development, labor, and consumer affairs and business regulation. The directors of all four departments within the EED are members of the Governor's cabinet.

Missouri merged its workforce development agencies into the Department of Economic Development, but also formed a team among the departments of Economic Development, Labor and Industrial Relations, and Social Services that led to the creation of nine task forces to examine specific issues and make recommendations for better aligning and coordinating their activities. State officials point to impressive results, including significant savings in administrative costs and substantially higher rates of job placement and retention. Sometimes such planning is part of a more comprehensive assessment of the state's economic and social policies.

It is important to note that such structured coordination can complement as well as substitute for consolidating programs and agencies. No organizational structure is sufficient to efficiently address the multitude of issues and populations that come and go without effective coordination across agencies. Governors need to promote such coordination, whether through ad hoc and temporary bodies or more permanent ones.

### *Strategies and Tactics to Achieve Greater Alignment*

To align economic and workforce development, reorganizing governance structures is often helpful, but it is neither necessary nor sufficient. Strategies and tactics are needed to align the everyday activities of state and local economic and workforce development officials, one-stop career center operators, community college leaders, and other key personnel. Three strategic approaches show special promise: focusing on specific industries and occupations, joint planning and information management, and integrated performance management.

### *Segmenting the Market by Industry and Occupation*

A common criticism of job training programs has been that they did not train workers to meet the real needs of local employers. Often as a result, workers lack the skills they need to qualify for existing jobs, while employers have difficulty filling vacant positions, especially in high-skill, high-growth occupations and industries.

A growing body of research suggests that the most practical way to match supply and demand is to organize communications between skill providers and skill consumers according to some subsegment of the broader universe of employers. Some of this segmentation happens anyway, but states are finding that they can promote improved labor market performance by organizing their own economic and work-

force development efforts around particular occupations, industry sectors, or clusters of employers with common characteristics (e.g., members of a supply chain or companies in a specific stage of growth, such as start-up firms or at-risk companies). The National Network of Sector Partners recently published a paper<sup>11</sup> on sector-responsive state policy models that identifies the following common elements.

- Combining economic development goals with workforce development goals by targeting specific industries that are critical to the state or regional economy, and analyzing the workforce needs in those industries.
- Encouraging and sometimes providing incentives for the development of partnerships among multiple stakeholders such as employers, education and training providers, workforce boards, philanthropic organizations, and organized labor.
- Investing in helping employers within those industries to prepare their workforce to become more skilled and productive, and also in preparing new, dislocated, or disadvantaged workers for jobs in those industries.
- Supporting a variety of solutions to meet employer and worker needs, in addition to traditional workforce training, such as business services, supervisory training, and supportive services or ESL training for disadvantaged clients.
- Encouraging regional collaborations that cross traditional workforce and economic development boundaries or link traditional education and training systems.
- Including accountability measures that enable the state to ensure that the investments are producing the intended outcomes.

Several states have launched initiatives that exemplify this sectoral approach. Typically, these efforts are regional in geographic scope rather than statewide or local, reflecting the regional nature of labor markets. Indeed, one of the helpful steps that state leaders can take is to align economic and workforce development jurisdictions around the same regional labor markets.

Michigan's Regional Skills Alliances are public-private partnerships that convene key stakeholders in a particular industry to address the employers' workforce needs. The conveners of such partnerships can come from various institutions, including industry associations, labor unions, workforce boards, and community colleges. They mobilize the various stakeholders and facilitate the needs assessment, planning, and implementation of the sector initiative. Activities include examining, designing, and implementing improvements to the sector's human-resource practices; realigning training curricula; and addressing such nonworkplace issues as transportation. In 2004, the state invested \$1.05 million to foster the development of 12 alliances, with no single grant exceeding \$100,000. The state also offers direct technical assistance to each alliance.

Washington's Skill Panels, initiated by the Governor and State Legislature, are public-private partnerships of business, labor, and education working together through regional alliances to improve the skills of workers in industries vital to Washington. Industries see the skill panels approach as a successful model, providing leadership, innovation, and solutions to grow and keep a competitive workforce. The state workforce investment board provides funding to each skill panel, which leverages additional financial support from other public and private sources.

The industry skill panels continuously examine the workforce needs of the industries they serve. Panels push for change and recommend new training programs where none existed before. They demand more training capacity when there are not enough graduates to meet the industry's needs. They press for modernized training for the industry's current workforce. They demand that public training budgets are strategically used. They support economic development initiatives aimed at building industry competitiveness.

Industry skill panels increasingly influence Washington's workforce development system. Effective industry skill panels allow private enterprise to contribute intellectual and financial resources to ensure both workers and employers stay competitive. Community colleges are responding to employer needs with more flexible, higher quality training. They are expanding and creating more modular courseware options, providing additional weekend and evening classes, offering greater numbers of distance learning opportunities, and improving their systems in numerous other ways. As a result, participants in the workforce development system are better trained and prepared for industries' skill demands.

New York State officials decided five years ago to invest WIA discretionary funding in helping local areas meet specific business needs in important industry sectors. They launched a series of initiatives incrementally, building on lessons learned in each step. The state funded projects to understand and support career ladders,

<sup>11</sup>Marano, Cindy and Dexter Ligot-Gordon. From food Processing to Fabricating Metals: a Profile of Manufacturing Sector Initiatives Across the Country, Oakland, CA: National Network of Sector Partners, 2004.

targeting key industries that use developing technologies such as information technology, biotechnology, and nanotechnology.

New York created Building Skills in New York State (BUSINYS) to provide process-improvement training that helps employees reduce production costs and increase efficiencies through processes such as lean manufacturing and six sigma. More than \$20 million has been awarded to businesses of all sizes, with a significant number of awards going to small and emerging businesses. The state also initiated Accelerate New York to help companies in key industries with business planning—after state economic development officials observed that businesses’ incumbent-worker training funding requests often did not demonstrate a strategic approach to training or take advantage of the opportunity to use the training to advance overall company objectives.

Oregon Governor Ted Kulongoski, as part of his initiatives to create and maintain jobs in the state, implemented an incumbent worker training project, the Employer Workforce Training Fund. The fund was specifically designed to increase the coordination among workforce, education and economic development entities at the local level.

Funds are awarded directly to employers for training their workforce. Projects are selected and managed by a Workforce Response Team (WRT) in each of Oregon’s fifteen regions. Required membership on the WRTs includes the WIA Title IB provider, the state employment department, the community college, and local and state economic development entities. Besides assisting local employers in creating and maintaining jobs, the funds have provided an incentive for economic development, workforce development and education to work together on real projects. This has resulted in a growing awareness among economic development practitioners on the importance of workforce development and education and more demand-side thinking on the part of the workforce development and education partners.

#### *Joint Planning and Information Management*

Because of the myriad sources of federal and state funds, the varied planning requirements that accompany the funds, and the different agencies, elected officials, and jurisdictions responsible for them, planning efforts often occur independently from one another. Aligning planning efforts provides a practical opportunity for states to focus multiple resources on priorities agreed upon by the Governor and other state leaders.

Illinois Gov. Rod Blagojevich designated 10 Economic Development Regions to develop individual “Opportunity Returns” economic development plans. As part of Opportunity Returns, the Critical Skills Shortage Initiative is designed to establish local WIB-led coalitions that identify key industry sectors, collect and analyze information about shortages in key occupations, determine root causes and solutions, and develop proposals to test and implement solutions that leverage existing resources.

Using WIA discretionary funds, the Illinois Department of Commerce and Economic Opportunity awards \$3 million in planning grants to these coalitions on a noncompetitive basis and \$15 million in total training grants on a competitive basis to those that submit the best plans. In the first year, the training grant funds 100 percent of the cost of activities authorized under WIA. Grants are renewable for a second year to fund up to 50 percent of costs, with each region expected to secure funds from other sources to make up the difference and continue without any state funds in subsequent years.

Indiana Gov. Mitch Daniels is pursuing a strategy similar to the Illinois approach, with the major exception of asking the U.S. Department of Labor for a waiver to create a single state-designated WIB (plus an Indianapolis WIB). Under this single state WIB, Indiana will designate regional workforce boards with greater flexibility and accountability. In the process, the state proposed consolidating 16 local WIB areas into 11 regions that correspond with economic development and community college boundaries.

Missouri took a different approach, merging its economic and workforce development research units, along with the Missouri Occupational Information Coordinating Committee staff, to create the Missouri Economic Research and Information Center (MERIC). In 2004, the center began to provide comprehensive services to local WIBs. In addition, Missouri developed a performance scorecard that includes measures in three major categories: workforce development, education, and the economy. MERIC collects and analyzes the data across the three categories of indicators and reports the results to the Missouri Training and Employment Council. The combination of MERIC and the scorecard provide management with valuable information to clarify policy direction and priorities and direct their investments toward desired results.

New Jersey initiated a demand-side skills assessment project to strengthen the relationship between workforce and economic development and better inform the planning processes across these systems. As a first step, the state identified key growth industries in the state. Then, working with local WIBs in four regions of the state with a concentration of these industries, the state gathered data on the skills required by specific industry clusters.

During the project, the four participating WIBs formed industry advisory groups composed of local employers, educational providers, economic developers, and training specialists. These groups helped the local WIBs identify key demand occupations in their regions and the skills employers needed in these occupations. Information gathered through this process was made available to state agencies, one-stop centers, and institutions of higher education to better align the services and occupational training available through the education and workforce systems with the demands of employers in the regional economies. The effort has expanded to other regions of the state, with information on this initiative available online (see [www.NJNextStop.org](http://www.NJNextStop.org)).

#### *Integrated Performance Information*

The multiple programs that invest in workforce development have dozens of different measures with numerous definitions that make it difficult for policymakers to accurately assess their collective benefits and contributions to statewide economic competitiveness. Because workforce development is recognized as a critical factor in state and regional economic development strategies, a clear understanding of its results is increasingly important to governors and other state policymakers.

Many states have taken on the challenge of aligning the measures and integrating the performance information across workforce programs, and several have made significant progress, including Florida, Oregon, Texas, and Washington. In 2004, these states joined with two other states, Michigan and Montana, in the Integrated Performance Information project funded by the U.S. Department of Labor and led by the Washington State Workforce Training and Coordinating Board. The project aimed to develop a guide for states interested in creating or further developing integrated performance information to better align workforce development programs and provide policymakers with the information necessary to make strategic investment decisions.

The project produced a “blueprint”<sup>iii</sup> or state guide for simplifying measures and developing integrated performance information, drawing heavily on the experiences of the participating states—particularly Florida, Oregon, Texas, and Washington. Each of these states took a separate path to integrated performance information, but they all experienced a journey that took many years and multiple steps.

Florida’s journey, spanning more than 20 years, involved close collaboration between the Governor’s office and the State Legislature to create the Florida Education and Training Placement Information Program (FETPIP). Today FETPIP is the primary tool for informing policymakers about the performance of education and workforce programs and how these investments contribute to Florida’s economic competitiveness.

The path to creating FETIP started in 1982 when the Governor’s office sought to use unemployment wage records to analyze the labor-market outcomes of vocational education students. This led to legislation in 1984 to create the Occupational Identifier Project, which used unemployment wage records to measure post-program employment. The legislation also enacted performance requirements for secondary and post-secondary education that tied funding to outcomes. Building on this effort, in 1988 the legislature created FETPIP within the education agency. Since then, the program scope has broadened to include most education programs and a variety of employment and training programs. Its functions have broadened as well to include program evaluation, performance-based funding, consumer information, and research.

Oregon tied the development of its integrated performance information to building a vital state economy and a competitive workforce. Today the state has a culture of shared accountability, focused on outcomes and imbedded in programs, agencies, and sectors at all levels. The Governor initiated this effort in 1988 in response to a severe economic recession. It started with a strategic-planning process, “Oregon Shines,” with the goal of creating the most competent workforce in America by 2000 and in the world by 2010.

<sup>iii</sup> Washington State Workforce Training and Education Coordinating Board, *Integrated Performance Information for Workforce Development: A Blueprint for States*, Olympia, WA: Washington State Workforce Training and Education Coordinating Board, 2005.

Oregon's process involved leaders from business, labor, education, and government and led to the formation of the Progress Board, chaired by the Governor. It also resulted in the Oregon Benchmarks: 259 measures that crossed multiple programs, agencies, levels of government, and the public and private sectors, with shared responsibility for achieving the benchmark goals. The Progress Board issued "Oregon Shines II" in 1997, which updated the benchmarks, reduced the number of measures from 259 to 100, and recognized the importance of workforce training and academic skills to jobs and the economy. Oregon's system of cross-system workforce performance indicators has evolved into three tiers of measures: the broadest measures or benchmarks, systemwide measures, and program-specific measures.

Texas took the governance path to creating a system of integrated performance information by creating Texas Workforce Investment Council to assist the Governor and Legislature with strategic planning and evaluation of the Texas workforce system. Today, the council is the state's primary source of information on building a competitive workforce.

The Texas Legislature established the council in 1993 and gave it broad strategic planning authority and oversight of the state's workforce programs. With its majority private sector and cross-agency membership, the council also serves as a vehicle for linking workforce and economic development programs. The 1995 legislation that consolidated 24 workforce programs under the Texas Workforce Commission enhanced the council's role by giving it responsibility for establishing systemwide performance measures for all workforce programs and moving it to the Governor's office. Subsequent legislation has reinforced the council's role in establishing systemwide performance measures.

Washington also took the governance path to integrated performance information, creating the Workforce Training and Education Coordinating Board as an independent agency responsible for policy planning and performance accountability. Today, both business and labor view the board's performance information system as a key source of information on the performance of workforce programs and their impact on the state's economic competitiveness.

Legislation enacted in 1991 created the board with strong support from the business community, which was concerned that the state lacked a good system for tracking the results of its workforce investments. With a majority of private-sector members and no responsibility for program operation, the board is seen as a neutral third party in establishing common measures and evaluating program performance across state agencies. The board led a two-year process of developing and adopting a performance accountability system with common performance measures. After using the system for several years, the board refined the measures to a core set of indicators.

#### *Conclusions and Recommendations*

The emergence of regional knowledge economies and evolution of federal workforce-development programs have created new opportunities for fruitful collaboration among economic and workforce development agencies. Where that collaboration works well, the resulting partnerships facilitate progress in several areas. Most notably, they help establish combined regional entities and identities that create a climate for seeking region wide solutions to competitiveness challenges and opportunities—including those of marketing and of improving the skills and agility of the workforce.

Governors are in an ideal position to promote such alignment. They can define a vision that will win support from a wide variety of key individuals and organizations. They can use the bully pulpit to amplify the message. They can use discretionary funding to encourage collaboration in desired areas, including planning, research, staff cross-training and collocating, and even the merging of agencies or aligning of agency missions and funding streams.

There is no single right way to do any of this. Rather, the chosen path—whether it involves agency consolidation, pooled funding, joint research shops, unified regional districts and entities, or other methods—should reflect each state's economic, political, and institutional realities and be designed to achieve intended outcomes.

Nevertheless, universal lessons emerge from the experiences summarized in this Issue Brief. First, governors can play a critical role in promoting alignment. Although many economic development decisions are made at the regional or local level, governors can define the vision, use the bully pulpit to promote change, and advance specific strategies for aligning economic and workforce development activities at all levels of government. In addition, states that are successfully moving toward alignment have incorporated many of the following practices or lessons.

- Complete a candid assessment of the status quo as the essential first step in determining appropriate actions. The assessment can identify areas of misalignment

and illuminate their nature and implications, relevant actors and stakeholders, the history of any previous attempts to address it, and the potential costs and benefits of reform.

- Evaluate the positive and negative aspects of each reform option (including restructuring versus other alternatives) and create a sequence of decisions based on the current state of affairs. With a clear understanding of the status quo, state leadership can begin to assess the relative merits of various approaches, from changes in governance structures to less dramatic reform options. Good decisions about consolidating economic and workforce development agencies versus alternative methods for eliciting the needed collaboration—such as jobs cabinets and other forms of structured coordination—are made with careful consideration of the political and economic contexts, history of relationships among relevant agencies, and other such variables.

- Strengthen the quality of the economic and workforce information available to decision makers by revamping the data collection, analysis, and dissemination systems. Accurate assessments and effective plans both depend on access to quality, real-time data about practices and economic conditions. Many states have improved the quality of relevant data available to key decision makers by revamping the mechanisms for data definition, collection, analysis, packaging, and dissemination. Some states have required regional and local entities to incorporate the use of this data into plans and proposed initiatives in order to compete for discretionary funding.

- Organize economic and workforce development activities around regions and groupings of firms to improve labor-market performance. Increasingly, states are using various levers at their disposal to encourage regional and local entities to segment the marketplace into groups of employers that have a more meaningful economic context. This includes customizing targeted economic and workforce development activities to the needs of specific industries or economic sectors, clusters, start-up companies—whatever groupings make sense—to improve labor market performance.

- Use financial incentives and administrative actions to resolve the administrative and jurisdictional differences between economic and workforce development. The state can help regional and local entities sort out the confusing array of administrative and jurisdictional differences (e.g., different agencies, counties, cities, regional authorities, etc.) when studying trends or organizing responses. State leaders can use discretionary funds, reporting guidance or administrative measures such as jobs cabinets to promote the creation of aligned economic and workforce development jurisdictions and joint planning within them.

- Set broad performance measures across multiple workforce programs so they align with state economic goals. Because “you get what you measure,” many states are establishing broad performance metrics that encourage collaboration and alignment across programs and funding streams. Innovative performance strategies such as an integrated performance information systems, system wide performance measures, and cross-system performance scorecards can advance these efforts.

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#### Answers for the Record Submitted by Ms. Vito

On behalf of the nation’s governors, thank you for the opportunity to testify before the U.S. House Education and Labor, Subcommittee on Higher Education, Lifelong Learning, and Competitiveness on February 26, 2009 regarding the reauthorization of the Workforce Investment Act (WIA). Included below are the National Governors Association’s responses to Chairman Hinojosa’s questions asked during the hearing, which supplement the testimony given by Sandi Vito on behalf of NGA.

##### *What can be done to align workforce programs across federal agencies?*

Governors and state leaders are transforming state workforce systems by merging and consolidating state agencies and bringing missions, goals and objectives into alignment with one another to better respond to job seekers’ needs, reduce fragmentation, promote accountability, and create shared responsibility. However, governors will be unable to achieve the kind of true alliances and collaborations that are necessary to streamline the state-led workforce system without integration and alignment of workforce programs at the federal level.

To address this need, governors recommend a joint federal initiative to align workforce programs and services across executive agencies. The joint initiative must work in consultation with state leaders who understand the effect of national policies and programs on the delivery of services to our citizens and can help shape federal support. The joint initiative should develop a shared purpose, possess high-level

technical and programmatic expertise, and be given sufficient authority to decide and enact necessary changes.

The components of a joint initiative should, at a minimum, address:

**Federal regulations:** The process of integrating and streamlining workforce education and training regulations will provide a needed opportunity for federal agencies to jointly examine and eliminate conflicting regulations and expose the potential for collaborative guidance that facilitates seamless service delivery mechanisms at the state and local levels.

**Reporting requirements:** Jointly aligned federal data reporting requirements will support state data systems, simplify data collection and data validation, and reduce costs and duplication. It will also produce federal data sets that are comparable to one another and thereby better able to inform planning and evaluation.

**Performance measurements:** As set forth in NGA's written testimony, NGA and the National Association of State Workforce Agencies propose common performance measurements applied across federally funded workforce education, training and employment related programs to replace all performance measures and other indicators. The proposal streamlines the current complex system and will provide comparable and meaningful outcome measures across workforce programs.

**Oversight:** Consistent and coordinated federal oversight that focuses on helping states improve their practices and effectiveness across all workforce programs will foster a stronger federal-state relationship and will result in better program performance and outcomes.

**Service integration:** Federal agencies must work together to make a paradigm shift that embodies and prioritizes integrated service delivery for citizens and supports mechanisms that maximize the concept of "one-stop shopping."

*What new energy collaborations for green jobs have governors created?*

Emerging and growing industries are dynamic and often distinct, evolving differently within states and regions. Governors are uniquely positioned to integrate and align economic development, education and workforce resources to respond to the needs of emerging industries like clean, renewable energy and also for growing industries like healthcare and education. Governors can set public policy agenda, influence agency leadership and bring the work of public institutions into alignment with the needs of emerging and growing industries to support job creation and drive regional economies. Governors are leading reforms to prepare individuals for today's emerging fields, as well as jobs of the future. Our nation's economic interests require a nimble, flexible, forward looking workforce system. While green jobs are an exciting, promising and growing field today, the needs of our nation will continue to shift.

To ensure our nation's ability to compete in an evolving global economy and respond to crucial energy and environmental challenges, governors across the nation are making significant investments in establishing new and broad clean and renewable energy collaborations and designing and implementing initiatives to train and prepare workers for green jobs.

It is important that Congress recognize that each state is unique and that practices in one state may not necessarily result in the same outcomes in another state. To that end, NGA provides the following as a small sample of the wide variety of Governors' green jobs innovations being implemented across the country. While governors are leading a broad array of green initiatives through changes in state tax laws, economic incentives, and infrastructure modernizations, the examples below highlight the use of "workforce" levers to achieve change.

California Governor Schwarzenegger enacted new law to expand career and technical education programs (CTE) in the state by connecting CTE to postsecondary and career options, thus making the CTE courses more meaningful for students. One program within the initiative will establish partnership academies in green technology in each of the state's nine economic regions. Partnership academies are schools within a high school that integrate academic and career technical education. Green technology partnership academies will train young people in emerging environmentally sound technologies.

In Connecticut, Governor Rell established guidelines to train and develop Connecticut's green collar workforce to meet the needs of the growing clean energy business sector. The Connecticut Employment and Training Commission will create a Green Collar Jobs Council that will bring together representatives from business and industry and the Departments of Education, Higher Education, Environmental Protection, Labor and Economic and Community Development, and the Energy Workforce Development Consortium. Additionally, the Labor Commissioner will establish a 21st Century Green Jobs Training Initiative which will provide training

to meet the needs of the energy industry and other green industry workforce needs as identified by the Energy Workforce Development Consortium.

As part of Governor Crist's commitment to reduce Florida's dependence on foreign oil, lower greenhouse emissions and develop renewable energy resources, he recently released a study "GreenForce Florida, An Alternative Energy Workforce Profile." Based on direction from the report, the Department of Education is working collaboratively with a group of stakeholders to fast-track the development of the career pathways, standards, benchmarks and frameworks for several solar industry occupations. By utilizing the existing Workforce Education Career Clusters Pathways as a platform, Florida will be able to rapidly create a green-collar workforce that will be prepared to serve Florida's growing alternative energy industries.

Governor Granholm expanded Michigan's No Worker Left Behind program to include a Green Jobs Initiative. The No Worker Left Behind program, which the Governor launched in August 2007, provides up to two years of free tuition at any Michigan community college, university or other approved training program. The Green Jobs Initiative expands the program to include a focus on creating training programs needed to help green companies succeed.

The Green Jobs Initiative invests in training for jobs in alternative energy industries, including wind, solar, biofuels and geothermal energy. The main goal of the initiative is to ensure that Michiganders are prepared to enter the new jobs that emerge as employers expand operations or add new components to their workforce in response to a changing energy market. A website will facilitate collaborative partnerships between businesses, educational institutions, and government to better link research and development in renewable energy with education and training.

Governor Paterson of New York created a Renewable Energy Task Force to identify a means of attracting clean energy industries and promoting renewable energy technologies. One of the 16 specific recommendations made by the Task Force was a green jobs pilot program to examine existing training programs in the state and identify the skill sets and specific job titles in the efficiency, solar and offshore wind sectors. Unemployment data collected by the Department of Labor and temporary disability assistance data collected from Department of Housing and Community Renewal is then used to match displaced workers, particularly those who are disadvantaged and living in low-income communities, with job training such as certified weatherization installation and solar energy technician.

In Oregon, Governor Kulongoski utilized federal Workforce Investment Act resources to develop a statewide Strategic Training Fund Grant program. One of the grants provided funding to build an Alternative Energy Career Pathway to support the skilled workforce needed to maintain and operate wind turbines, with transferable skills for hydro, solar, and biofuel occupations. The funds were used to expand lab curriculum and create an on-line and distance learning program for the Wind Turbine Technician Training program at Columbia Gorge Community College.

Vermont Governor Douglas supports four innovative statewide training initiatives in renewable energy and energy efficiency. One program through the Center for Sustainable Practices trains new and incumbent workers in six different modules of weatherization certificate training. Trainees are recruited through Workforce Investment Act programs. WIA eligible trainees and TANF recipients typically complete more than one module in the progressive series of skill training to secure green jobs. The project is a partnership of the Division of Economic Services, the Vermont Technical College, the Office of Economic Opportunity and the Vermont Department of Labor.

In Washington, Governor Gregoire created statewide goals to reduce Washington's global-warming pollution and increase the number of green jobs. One component of this initiative is the Green-Collar Job Training Fund that trains workers for high-wage occupations, or occupations that are part of career pathways in high-demand industries related to clean energy. Competitive grants are awarded to partnerships that draw on labor market analysis and work in collaboration with a range of stakeholders to leverage and align other public and private resources, link basic education with skills training, involve employers and unions in the development and validation of career pathways, and integrate support services. Targeted populations include low-income adults and youth, entry-level and incumbent workers, and dislocated workers in declining industries who can be re-trained for high-wage occupations in high-demand green industries.

Thank you for the opportunity to make additional comments on the reauthorization of WIA. If you have any additional questions, please do not hesitate to contact Linda Lawson, Legislative Director, Education, Early Childhood, and Workforce Committee at (202) 624-5369 or via email at LLawson@nga.org; or Joan Wodiska, Committee Director, Education, Early Childhood, and Workforce Committee at (202)624-5361 or via email at jwodiska@nga.org.

**Common Measure Proposal Reauthorization of the Workforce Investment Act**

A critical element of the Workforce Investment Act (WIA) reauthorization is the development and use of common measures to increase system-wide accountability, while significantly decreasing administrative costs and inefficiencies. The NGA-NASWA WIA Common Measure Proposal streamlines the complex system of nearly 100 varying and incomparable performance measures into four critical measures focused on customer outcomes, including short-term and long-term employment rates, earnings, and credential completion.

The intent of the NGA-NASWA proposed legislative language is to replace all performance measures and additional indicators across all programs directly or indirectly authorized under WIA, including WIA Dislocated Worker, Wagner-Peyser, WIA Adult, WIA Youth, Job Corp, Veterans' programs, and related programs authorized at the U.S. Department of Education, including Adult Education and Rehabilitative Services.

PROPOSED LANGUAGE

(b) STATE PERFORMANCE MEASURES.—

(1) IN GENERAL.—For each State, the State performance measures shall consist of

(A)(i) the core indicators of performance described in paragraph (2)(A); and (ii) additional measures of performance (if any) identified by the State under paragraph (2)(B); and

(B) a State adjusted level of performance for each measure described in subparagraph (A).

(2) INDICATORS OF PERFORMANCE

(A) CORE INDICATORS OF PERFORMANCE.—

(i) IN GENERAL.—The core indicators of performance for employment and training activities authorized under the Workforce Investment Act [insert section references, as applicable] (except for informational activities) shall consist of—

(I) the percentage of program participants who are employed during the second quarter after exit;

(II) the percentage of program participants who are employed during the fourth quarter after exit;

(III) the median earnings of program participants during the second quarter after exit;

(IV) the percentage of program participants who obtain an education or training credential during participation or within one year of exit;

(ii) CORE INDICATORS FOR ELIGIBLE YOUTH.—The core indicators of performance (for participants who are eligible youth age 14 through 18) for youth activities authorized under WIA Youth [insert section reference, as applicable], shall include—

(I) the percentage of program participants who are in education or training, or employed during the second quarter after exit;

(II) the percentage of program participants who are in education or training, or employed during the fourth quarter after exit;

(III) the median earnings of program participants during the second quarter after exit among participants not enrolled in education or training;

(IV) the percentage of program participants who obtain an education or training credential during participation or within one year of exit;

(B) ADDITIONAL INDICATORS.—Additional indicators of performance shall consist of

(i) A State may identify in the State plan additional performance measures for workforce investment activities authorized under this subtitle.

For more information, please contact Joan Wodiska with the National Governors Association (NGA) at [jwodiska@nga.org](mailto:jwodiska@nga.org) or 624-5361 or Curt Harris with the National Association of State Workforce Agencies (NASWA) at [charris@naswa.org](mailto:charris@naswa.org) or 434-8023. Last updated: May 2, 2007

## ECW-1.—Governors’ Principles to Ensure Workforce Excellence

### 1.1 Preamble

The strength of America is our citizens—their innovation, creativity, and hard work. In the 21st century’s rapidly advancing global economy, the foundation and economic prosperity of this nation will depend on a responsive workforce that has specialized and advanced training, cutting-edge skill sets, and higher levels of education. It also will depend on a workforce system that can anticipate the business needs of the future and rapidly align the necessary resources to stay ahead of the emerging demands.

Competitive economies include aligned economic, educational and workforce development systems that address the needs of workers, regardless of the worker’s skill level, age or circumstance. Through a comprehensive, integrated, and flexible workforce system, the nation will be equipped to swiftly respond to the changing needs of its workers and businesses to keep them competitive.

Globalization demands a bold transformation of our nation’s federal-state-local workforce system. Since enactment of the Workforce Investment Act of 1998, the nation’s governors made significant progress and led innovative new strategies to restructure workforce development systems, forge new alliances with federal, state, and local governments and the private sector, and ultimately, upgrade the skills and knowledge of America’s workforce. To accelerate these transformations and help ensure that every job seeker remains competitive for work in a global economy, governors need new flexibilities to create a nimble, flexible, market-driven and supply-focused workforce system.

The time is ripe for the laws and policies of this country to catch up with the realities and possibilities of the 21st century. Governors call on Congress and the Administration to enact transformative legislation that will authorize governors to proactively implement innovations, build broad and inclusive partnerships, and activate structural reforms across education, workforce, and economic development systems.

### 1.2 Governors’ Priorities for a World-Class Workforce

Governors recommend the following key priorities for a world-class workforce.

Nimble state systems that can anticipate and respond to the current and emerging demands of workers and business require that governors have flexibility and discretion over funding and the authority to rapidly implement innovations.

Every worker must have access to training and lifelong learning opportunities that will improve their employability and earning potential through education, training, and career advancement.

Education and training must align to the current and future needs of business.

Emerging entrepreneurs and small business owners must be cultivated to accelerate the capacity for innovations that will lead to new knowledge, new technologies, and new jobs.

Workforce development strategies must produce broad and prosperous regional benefits for residents and businesses and result in high-quality job growth and business attraction and retention.

The business community should engage with the workforce development system in mutually beneficial joint ventures that will increase the education, training, and employment capacity for workers, strengthen business, and stimulate regional economies.

Responsibility for governance of the state workforce system should reside with the governor. The governor can deploy resources based on regional economies rather than geopolitical boundaries.

Meaningful collaborations between federal agencies should support and help to streamline workforce, education, and economic development programs at the state and local levels.

National investments in workforce must provide substantial, reliable, and flexible funding and support commensurate with their importance and contribution to the economic success of our nation.

System-wide accountability and transparency with decreased administrative costs can be achieved with common, customer-centric, state-driven performance measures.

Governors need additional flexibility in regard to workforce policy, funding and federal regulations to allow for workforce services integration across the workforce system at the state and local levels, to reduce administrative costs, and to streamline and integrate workforce policy and services for business, workers and job seekers.

### *1.3 Recommendations for Transforming the Workforce System*

Governors urge Congress and the Administration to adopt the following recommendations to transform the workforce system.

*1.3.1 Governor-Led, Business-Guided Workforce System.* The new challenges confronting our nation and economic position in the world emphasize the need for a comprehensive and flexible state-based workforce system focused on the needs of local regions and communities that is led by governors and guided by business leaders. To be effective agents of systemic state change, Congress must recognize the authority of governors in state-led workforce systems and eliminate the rigid, one-size-fits-all laws and regulations, federally-mandated governance, and prescribed service delivery structures that get in the way of state and local innovations.

*1.3.2 Globally Competitive State-Led Regional Economies.* Economies are regional in scope. Integrating economic and workforce development initiatives through a governor-led state-regional framework offers the greatest potential for economic expansion and industry competitiveness, while providing job growth and stability for workers and opening career advancement opportunities. State-regional approaches and sector strategies often include and cross several jurisdictional boundaries including city, county and even state lines. National policy should be designed to support governor-led state-regional initiatives and sector strategies, particularly state efforts to build broad partnerships with business and industry. Federal policy also should support strong public/private partnerships and provide governors with the authority to cultivate these partnerships to attract and retain high-growth industries and high-wage occupations.

*1.3.3 Focus On Emerging Industries.* Globalization has increased the world demand for energy. To address a number of national concerns, clean and domestic energy has become one of the governors' top priorities. Governors are proactively involved in establishing new and broad energy collaborations and designing and implementing "green job" and "green economy" initiatives. Governors also have taken the lead in developing collaborations and initiatives to address critical skills shortages in the health care, technology, and industry sectors experiencing skill shortages. To further expand these and other regional efforts, governors need the discretion to identify targeted and emerging industries and the flexibility to expend workforce, education, and economic development assets and available resources accordingly.

*1.3.4 Responsive Assistance for Businesses in Transition and Affected Workers.* As the economy ebbs and flows, business and workers have to adapt. In times of business downsize or closure, employers turn to states to help laid-off workers find new employment. Often, this first means helping workers upgrade their skills or learn new skills. Federal initiatives and funding targeted at this population must be immediately available and flexible so that appropriate services are responsive to the unique circumstances within each state and are readily accessible to workers. In addition, workers affected by federal policy decisions should receive adequate Trade Adjustment Assistance, incorporated into the overall state workforce system, in a timely and efficient manner. All federal assistance should be provided through state-based networks and initiatives, and final authority to implement the provision of assistance should be determined by the governor.

*1.3.5 Increased and Agile Funding.* Federal funding has not kept pace with the growing training and education needs of workers to stay competitive and for states and localities to provide those services. Governors support an adequate and consistent federal investment for workforce development and should be given the authority to determine how federal funds are allocated within their states as demands dictate. Economic necessity already requires governors and local leaders to cobble together funds to provide enhanced training and education to workers and the existing barriers must be removed to make it more effective and cost efficient. Furthermore, Congress should acknowledge the role of governors by providing enhanced flexibility to coordinate and, when necessary at a state or local level, integrate workforce, education and economic development funding to meet the unique needs of their states and communities. Additionally, governors should be given the option to pool federal funds for various employment, economic development, education, and training programs at the state level to respond to the needs of workers and businesses.

*1.3.6 Alignment of Federal Programs.* Portions of the workforce system span across many agencies within the federal government, including the U.S. Departments of Labor, Education, Commerce, Health and Human Services, Justice, Veterans Affairs, and Defense. These myriad administrations, agencies, funding sources, regulations, and responsibilities needlessly complicate, and in some cases prohibit, the kind of true alliances and collaborations that are necessary to stream-

line the workforce development system and to provide seamless services at the state and local levels.

To that end, governors recommend that Congress and the Administration direct federal partner agencies to develop a joint initiative to align federal programs, oversight, and regulations, consolidating redundancy and conflicting regulations where possible, and to establish transparent levels of responsibility and accountability. The initiative also should be tasked to identify and eliminate obvious and hidden barriers to program alignment that are embedded in standard operating procedures within the federal government.

*1.3.7 Accountability and Reporting.* Accountability and workforce system performance outcomes should be addressed separately from reporting. A set of common performance measures applied across the workforce system will increase accountability and transparency, while significantly decreasing data collection inefficiencies. Governors urge Congress to adopt a performance measurement system applied across the system and developed by the states to streamline varying and incomparable performance measures into four critical areas focused on customer outcomes, including short-term and long-term employment rates, earnings and credential completion.

*1.3.8 Incentivize Innovations.* To foster invention and sustain a culture of innovation, states must be incentivized and rewarded for their efforts to build a world-class workforce system. Governors support incentivizing states with additional federal funds and flexibilities for initiatives including comprehensive system building, anticipating and addressing emerging education and training needs, and developing regional economies.

*1.3.9 Maximize Advanced Technologies.* Every aspect of the workforce system can be improved upon by technological advances to help streamline service delivery, modernize data collection and validation investments, and simplify reporting efforts. Initial investments will marginalize costs over time, and produce better outcomes for workers and businesses and for system accountability. Congress should provide transitional financial support that will give states and localities the ability to utilize technological advances to achieve greater system efficiencies.

*1.3.10 Vital Role of Community and Technical Colleges.* Community and technical colleges have an important and broad role in America's workforce system. Community and technical colleges are responsive to the demands of the labor market and provide customized career and technical training programs, adult basic education and English Language Training to meet the specific needs of industry sectors and individual employers, including training for incumbent workers. Governors acknowledge the vital role of community and technical colleges in workforce education and training and in state-led regional and sector initiatives, and support including these entities in funding and collaborative opportunities that align the necessary resources to meet the emerging needs of a highly-skilled workforce.

*1.3.11 Preparing Youth for Work.* The varying challenges facing youth in our country today require programs that are designed to help them acquire foundational skills and progress through the education continuum regardless of the point of entry and needed supports, and to prepare them for future employment and life-long learning. Governors must be given the flexibility to coordinate funding streams and to utilize funding where appropriate given the unique needs of youth and the available resources within each community. Governors are leading efforts to increase high school completion rates and keep more students in school. The workforce system needs to build upon this work and help empower youth to succeed.

Time limited (effective Winter Meeting 2009—Winter Meeting 2011). Adopted Winter Meeting 1993; reaffirmed Winter Meeting 1995; revised and reaffirmed Winter Meeting 1997; revised Winter Meeting 1998, Winter Meeting 2000, Winter Meeting 2002, Annual Meeting 2003, and Winter Meeting 2005; reaffirmed Winter Meeting 2007; revised Winter Meeting 2009 (formerly Policy HR-1).

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[Other submissions of Ms. Vito may be accessed at the following Internet addresses:]

<http://www.sectorstrategies.org/system/files/AcceleratingSectorStrategies-Phase1Report.pdf>

<http://www.nga.org/Files/pdf/06STATESECREG.PDF>

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[Question for the record submitted to Ms. Keenan follow:]

U.S. CONGRESS,  
[VIA FACSIMILE],  
Washington, DC, March 3, 2009.

Ms. CHERYL KEENAN, *Director*,  
*Division of Adult Education & Literacy, U.S. Department of Education, Washington, DC.*

DEAR MS. KEENAN: Thank you for testifying at the February 26, 2009 hearing of the Committee on Education and Labor on “New Innovations and Best Practices Under the Workforce Investment Act.”

Representative Marcia L. Fudge (D-OH), member of the Higher Education, Lifelong Learning and Competitiveness Subcommittee and member of the Health, Employment, Labor, and Pensions Subcommittee, has asked that you respond in writing to the following question:

1. Are there any programs that you know of that focus on financial literacy within your division of adult education and literacy? I know many people are strapped for money due to the fact that the costs for many sectors, from health care to education, are increasing. How do we effectively educate adults about saving and being prepared for unexpected economic situations?

Please send an electronic version of your written response to the questions to the Committee staff by close of business on Tuesday, March 10, 2009—the date on which the hearing record will close. If you have any questions, please do not hesitate to contact us.

Sincerely,

GEORGE MILLER, *Chairman*.

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#### **Answer for the Record Submitted by Ms. Keenan**

*Question:* Are there any programs that you know of that focus on financial literacy within your division of adult education and literacy? I know many people are strapped for money due to the fact that the costs for many sectors, from health care to education, are increasing. How do we effectively educate adults about saving and being prepared for unexpected economic situations?

The ability to comprehend and analyze information to make sound, informed financial decisions is an important skill and necessary to ensuring the financial well being of families. The Office of Vocational and Adult Education has identified the following financial literacy programs and resources that can help adults with low literacy manage their money:

- The Adult Literacy Media Alliance (ALMA) has enriched literacy and community outreach programs nationwide since 1998. Building on a shared interest in improving the financial literacy of some 70 million undereducated adults in America, ALMA and the Federal Deposit Insurance Corporation (FDIC) joined forces to develop multimedia financial literacy workshops targeted to adults who read between a 5th and 8th grade level. ALMA’s multimedia tools offer web-based, paper and video-based curriculum to help learners become smart about their money. The curriculum can be used by adult education instructors to provide simple math and reading instruction to help learners develop the skills they need to start budgeting, saving, control their debts, and investing. Additional information on ALMA can be found on TV 14’s website at <http://www.tv411.org>

- The Howard County Library system in Maryland is another good example of how adult education programs typically integrate or contextualize financial literacy within the content of a broader adult education program. Additional information can be found on the Howard County Library’s website at <http://hclibrary.org>

- The National Center for Family Literacy, through a partnership with the National Endowment for Financial Education, developed the complete Financial Opportunity: Family Progress curriculum. The adult student workbook is aimed at parents who read on a fourth grade reading level. Additional information can be found on the National Center for Family Literacy’s website.

- Lastly, the Massachusetts Community and Banking Council in June 2008 published *Expanding Financial Skills in Low-Income Communities*. This framework is presented as a guide for non-profit executive directors, trainers, financial institutions, and others to provide financial education training for adults.

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[Whereupon, at 12:42 p.m., the subcommittee was adjourned.]

## **NEW INNOVATIONS AND BEST PRACTICES UNDER THE WORKFORCE INVESTMENT ACT**

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**Monday, March 23, 2009**  
**U.S. House of Representatives**  
**Subcommittee on Higher Education,**  
**Lifelong Learning, and Competitiveness**  
**Committee on Education and Labor**  
**Washington, DC**

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The subcommittee met, pursuant to call, at 10:10 a.m., in the auditorium of the New York State Department of Education Building, 89 Washington Avenue, Albany, New York, Hon. Ruben Hinojosa [chairman of the subcommittee] presiding.

Present: Representatives Hinojosa, Tonko, and Polis.

Staff Present: Ricardo Martinez, Policy Advisor; and Paulette Acevedo, Legislative Fellow, Education.

Chairman HINOJOSA. A quorum is present. The hearing of the subcommittee will come to order.

Pursuant to committee rule 12, any member may submit an opening statement in writing, which will be made part of the permanent record. Without objection, all members will have 14 days to submit additional materials or questions for the hearing record.

Good morning to everyone in the audience. Welcome to the Higher Education, Lifelong Learning, and Competitiveness Subcommittee's third hearing in preparation for the reauthorization of the Workforce Investment Act.

This is also the first field hearing for the 111th Congress, and I would like to personally thank our good friend and colleague, Congressman Paul Tonko, and the New York State Department of Education for hosting us.

The last reauthorization of the Workforce Investment Act was in 1998. I came to Congress in the class of 1996 and I had the distinct pleasure of going through the process in 1997 and 1998 to get that job done.

I wish to divert a moment from my prepared remarks and say that I came from the world of business, a family business that my father and mother started back in 1947, 61 years ago. And I happen to have been the first of seven brothers to graduate from the University of Texas in Austin, and I came back to the family business at the request of my father. I had actually been given a real nice offer by IBM and he talked me into coming back and helping the family grow this family business.

So, in 1976, when he passed away, the board of directors elected me as the president and chief financial officer of this food processing company, which at that time had exactly 28 employees; and I put to use the training that I had gotten. Over a period of time, in the 20 years that I was in that position, I helped grow that family business with a strategic plan that called for investing in training for our employees to make them computer literate and be able to bring in, through loans guarantees by the Small Business Administration, equipment that made us a little bit more competitive.

We grew our business to \$50 million, over a 20-year period, to over 300 employees. And one of the things that I remember was that the board that ran what we used to call PIC, the Private Industry Council board, were of different thinking. I thought they were antiquated, and when I saw the opportunity to have input into changes in what is now WIA, I thought that was the best thing that could ever happen.

However, it has been long overdue that we reauthorize WIA. And that is why I am so pleased that the leadership from Nancy Pelosi all the way down to our committee, agreed that we come to Albany, New York, because there is a great, great brain trust here that we want to tap into and listen to the recommendations of employers and trainers of the workforce so that we can work that into the reauthorization act of, hopefully, 2009.

I am an optimist; I always have been, thanks to my mother. And that is that if all goes well and we have at least three or four congressional hearings in Washington and two to four field hearings from the East Coast to the West Coast, we are going to—we have a goal, a time line that will help us bring it to the House floor before the August recess. That means we have to work rapidly, smart, and very convincingly so that other 435 Members of Congress will also support our proposal.

Having said that, I want to say that times have changed. To say that times have changed would be an understatement. In 1997, our economy generated 3 million new jobs; since the start of this recession in December of 2007, we have lost over 7 million jobs. In 1998, our unemployment rate was only 4.5 percent; in February of this year, it hit 8.1 percent.

We need to be much smarter and more innovative in our workforce investment system if we are going to turn these numbers around. And that is why today's congressional field hearing is entitled Subcommittee on Higher Education Lifelong Learning and Competitiveness—Subcommittee that is looking for creative ideas that will increase the amount of money that is available for retraining instead of the 40 percent that seems to have been the rule of thumb in the last 6 to 8 years. We need to be much smarter, innovative with our workforce investment system if we are going to turn these numbers around.

We have taken bold and swift action with the passage of the American Recovery and Reinvestment Act, which will infuse approximately \$4 billion into our workforce investment system. This is an opportunity, as well as a challenge, for all of the stakeholders. The opportunity comes with the unprecedented increases in resources. There is also some new flexibility in being able to develop

contracts for training to meet the community workforce needs rather than relying solely on individual training accounts.

Additionally, we will be able to provide youth opportunities on a much larger scale. Most exciting is the major commitment to green jobs in high-growth areas such as allied health.

The challenge is handling the dramatically increased number of individuals seeking services while scaling up best practices and testing innovative new ones. We need to do a much better job of putting youth and low-skilled adults on career pathways that will enable them to answer President Obama's call to commit to 1 year of college or career training.

I believe that we are up to the challenge. The testimony of today's witnesses shows that we have ideas and tested practices that work. We just need the resources and the sustained commitment to have a world-class workforce development system that works for those starting at the bottom rung of the career ladder, as well as for those racing to the top.

I would like to thank our witnesses today for joining us. It is invaluable for our subcommittee to have the opportunity to get outside of Washington, D.C., and visit the communities that our Federal policies and programs are intended to serve.

I thank you for hosting us and thank you for your testimony today.

In closing, I would like to yield to my good friend, a valuable new member of the subcommittee, Representative Paul Tonko, for an opening statement.

[The statement of Mr. Hinojosa follows:]

**Prepared Statement of Hon. Rubén Hinojosa, Chairman, Subcommittee on Higher Education, Lifelong Learning, and Competitiveness**

Good Morning. Welcome to the Higher Education, Lifelong Learning, and Competitiveness Subcommittee's third hearing in preparation for the reauthorization of the Workforce Investment Act. This is also our first field hearing for the 111th Congress, and I would like to personally thank Congressman Paul Tonko and the New York State Department of Education for hosting us.

The last reauthorization of the Workforce Investment Act was in 1998. To say that times have changed would be an understatement. In 1997, our economy generated 3 million new jobs. Since the start of this recession in December of 2007, we have lost over 4 million jobs. In 1998, our unemployment rate was 4.5 percent. In February of this year, it hit 8.1 percent. We need to be much smarter and more innovative with our workforce investment system if we are going to turn these numbers around.

We have taken bold and swift action with the passage of the American Recovery and Reinvestment Act, which will infuse approximately \$4 billion into our workforce investment system. This is an opportunity and a challenge for all of the stakeholders.

The opportunity comes with the unprecedented increase in resources. There is also some new flexibility in being able to develop contracts for training to meet the community workforce needs rather than relying solely on individual training accounts. Additionally, we will be able to provide youth opportunities on a much larger scale. Most exciting is the major commitment to Green Jobs and high growth areas such as allied health.

The challenge is handling the dramatically increased number of individuals seeking services while scaling up best practices and testing innovative new ones. We need to do a much better job of putting youth and low-skilled adults on career pathways that will enable them to answer President Obama's call to commit to one year of college or career training.

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Thank you for hosting us and thank you for your testimony.

I would now like to yield to my good friend, a valuable new member of the Subcommittee, Rep. Paul Tonko, for an opening statement.

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Mr. TONKO. Thank you, Chair.

First, I would like to thank our chairman, Ruben Hinojosa, for calling this hearing. And it is a hearing on such an important subject at such an important time. In addition, I would like to thank both the Chair and Congressman Polis for their efforts to join us today on what will be a very busy day for us on the Hill.

I would like to thank the witnesses, certainly, for their testimony and their continued efforts on workforce development in the State of New York, which is indeed incredibly important to all sectors of our economy.

This hearing commences at a time of historic economic uncertainty. While the current recession may have started at the end of 2007, many American workers have been facing significant economic challenges for years. The decline of manufacturing, for instance, across the country has left millions out of work with few opportunities to earn the salaries that they and their families require.

In addition, millions more Americans face tremendous barriers to employment, either through lack of education or the skill sets necessary to advance and attain living-wage employment. The Workforce Investment Act reauthorization offers a unique opportunity for all of us to address these issues and transition millions of Americans into careers that will allow them to support their families and build this Nation's economy.

I believe that one particular area of work where WIA can be effective is by training workers for jobs in what will be and is now this emerging green energy industry. As demand for renewable sources for energy will grow, this industry will need those skilled workers to install new high-tech equipment ranging from wind turbines to photovoltaic systems to geothermal and other emerging technologies. The demand for workers to manufacture and to install and to maintain these equipments will provide an opportunity for millions of Americans to have access to middle-class careers.

Chairman, I am happy to note that you recognize the brain trust in this area. We have placed a major investment in emerging technologies of all sorts from transmission and generation in the energy field. This area is blossoming with all sorts of opportunity, with nanotechnology, with superconductive cable, with work done at the Wind Institute at GE—and we are going to, I am certain, hear of that issue from Tom.

But all of this is now growing a need for advancing the workforce agenda. We will need those quality workers in order to make this all work. The alarms on these issues have been sounding for quite some time now, and I believe getting this right is critical to ensuring our energy independence, our economic stability, and to guaranteeing a future for hardworking Americans.

Certainly, when you talk about the resources being committed, I couldn't agree more. But that commitment will be most effective and most efficient if it is engaged with a synergy of planning with laser-sharp focus that will put together the plan that will guide us.

The traditional blueprint for the structuring and guiding of all of us to reach our goals, I believe, will now become our "green print" for our innovation economy. And all of us here working will have a cornerstone of development in the workforce development that will build that green print to be the strongest that we can have for the innovation economy.

Thank you very much, Mr. Chairman.

Chairman HINOJOSA. Thank you.

Before introducing our distinguished witnesses and panelists, I want to say how pleased I was to meet each one of you before we started this program and to say to the audience that yesterday I had a windshield tour of some of the facilities here. And I was so impressed with the nanotechnology investment that is here. To see a billion dollars invested by the State and another \$4 billion by private industry is a sign of the commitment that there is for this type of technology, which is extremely important in today's times, something that—in the State of Texas, I wish we had that kind of a facility.

But we will partner with you, universities like Rice University and others that have great talent pools, working with some of your organizations out here; I am sure we will come up with great ideas on energy and discoveries of nanotechnology.

Lastly, I want to say that when I met Joe Sarubbi from Hudson Valley Community College, it reminded me of the investment that we have made in deep south Texas with South Texas Community College, 23,000 students. And when we heard of the passage of the stimulus plan and the \$787 billion that will be available, our President, Dr. Shirley Reed, and I talked about bringing stakeholders together with the workforce investment boards from Laredo, from McAllen, Edinburg and Brownsville, and all of our community colleges and universities so that we could write up applications to compete for some of that money.

I am sure you all have already done that and know that the money is going to go fast, and we hope that your congressional district here is going to get its fair share.

Mr. TONKO. We will be in line.

Chairman HINOJOSA. With that, we will start the introductions.

It is my pleasure to introduce Mr. Mario Musolino, Executive Deputy Commissioner, New York State Department of Labor. Mario has served in his position since March of 2007, supervising all executive staff members on behalf of the commissioner and developing policies and procedures that have had an impact on millions of New Yorkers.

He oversees the day-to-day operations of agencies responsible for the unemployment insurance program, workforce development funds, as well as a variety of worker protection programs.

Mr. Musolino also serves as the Labor Department's liaison to the New York State Insurance Fund and Governor Paterson's Recovery and Reinvestment Cabinet. He holds an associate's degree in criminal justice from Hudson Valley Community College and has

a bachelor's degree in political science from the State University of New York.

Welcome to our hearing this morning.

The second participant is Ms. Gail Breen, Executive Director, Fulton, Montgomery and Schoharie Counties Workforce Development Board in Amsterdam, New York. Gail has 25 years of experience in workforce development, including nearly 20 years as a national trainer and as a presenter at State and national conferences. She has served as Executive Director since July of 2000. Gail is currently serving as President of the Board of the New York Association of Training and Employment Professionals.

She holds a master's degree in social work management from the University of Albany, State University of New York. And it is a pleasure to have you with us today.

The third presenter is Mr. Thomas Quick, Senior Human Resources Manager for GE Energy Infrastructure—Power and Water. Mr. Quick represents GE Power and Water's business headquartered in Schenectady.

Boy, that is as hard as saying "Hinojosa."

The business is a world-leading provider of traditional and renewable power generation technology. He has been in his current role for several years, and previously worked as a Senior Vice President of Human Resources, NBC Universal for Television Stations Divisions, Telemundo and Media Works. In addition, he has held human resources positions in manufacturing, in engine assembly, engineering and finance, and information technology as well as in legal and business development.

He is a native of Amsterdam, New York, and holds a bachelor's degree from Le Moyne College in industrial and labor relations and has earned an MBA from Syracuse University.

It sounds like we really need to listen to you, and welcome.

The next presenter will be Joseph Sarubbi, Executive Director of Tech-Smart, which is a training and education center for semiconductor manufacturing, alternative and renewable energy, at Hudson Valley Community College. Joe has 35 years' experience in education in the electrical construction and maintenance industry.

He has garnered a national reputation for the design and delivery of RE training programs. He was responsible for the design and delivery of photovoltaic installers programs at the college, that is nationally recognized as the model program for other institutions to emulate. The programs include credit and noncredit courses, and a State University of New York certificate program. He is a member of Governor Paterson's Green Collar Workforce Development Task Force subcommittee. Joe has a bachelor of science in vocational technical education from SUNY Institute of Technology, and earned a master of science in education administration and policy studies from the University of Albany, as well as a journeyman's certificate from the International Brotherhood of Electrical Workers.

We look forward to your comments.

And last but not least, Ms. Nanine Meikljohn, Senior Legislative Representative for the American Federation of State, County and Municipal Employees, Washington, D.C. Nanine has over 25 years of experience in congressional relations, intergovernmental affairs,

and political organizing. She has been with the union since 1973 and is currently the Senior Representative specializing in job training, unemployment insurance, social services and welfare, employee protections, and privatization of public services.

Prior to coming to AFSCME she spent 4 years working on employment and training and poverty issues at the U.S. Conference of Mayors and the National League of Cities.

We have an excellent panel. Welcome. And let's begin.

I want to give some rules, though, that we abide by; and that is the lighting system that you are going to see being utilized here. Those of you who have not testified before our subcommittee, please let me explain our lighting system and the 5-minute rule. Everyone—including our members—is limited to 5 minutes of presentation or questioning.

The green light is illuminated when you begin to speak. When you see the yellow light, it means you have 1 minute remaining. When you see the red light, it means your time has expired, and you need to conclude your testimony.

I will be a bit lax with that rule, but do try to stay within that time of 5 to 6 minutes. Please be certain, as you testify, to turn on and speak into the microphone that you will share, because there are only two mics there on the table. We are trying to save some money, I believe.

We will now hear from our first witness. Mario.

**STATEMENT OF MARIO MUSOLINO, EXECUTIVE DEPUTY  
COMMISSIONER, NEW YORK STATE DEPARTMENT OF LABOR**

Mr. MUSOLINO. Thank you, Mr. Chairman. And thank you, Congressman Tonko, as well.

On behalf of Governor Paterson and Commissioner Smith, I really appreciate the opportunity here to spend a few minutes talking about the Workforce Investment Act, as well as the area of green job training.

In 1998, under the Workforce Investment Act, a new system was set in motion with the goal of making worker training both locally driven and responsive to the demands of the private sector. If we fast-forward a decade from there, upon her swearing in as Labor Secretary, our new Labor Secretary Hilda Solis said, "In a time of economic crisis, giving Americans the tools they need to find and keep a job must be our priority."

Here at the New York State Department of Labor, we have been working with every region of the State to tap into potential high-growth industries. We realize that our State is not just one economy, but a compilation of regional economies, each with its own needs.

Here in the State there are 33 local Workforce Investment Boards across the entire State, and sometimes, even in the respective regions, communication and coordination of common issues can be problematic. This is one of the reasons why the State requires local Workforce Investment Boards to partner together to apply for regional, sector-based partnership grants.

This type of regional economic focus needs to be a foundation of any WIA reauthorization effort. In addition to encouraging the development of regional partnerships, we are cultivating sector-based

approaches that align with our State's overall economic goals and policies. An industry-specific approach helps a region bolster its economic competitiveness by engaging partners to align education, economic and workforce planning, and targeting public resources more wisely in sectors with growth potential. The green area is one, of course, that we see as really part of the future of the State.

It is clear from established practices that the WIA program requires comprehensive and strategic overhaul. To put this in some context, 33 local Workforce Investment Boards operate independently across New York State, each with its own governing body and established policies for program implementation. This sometimes can create confusion for the customers we serve.

For example, WIB-established maximum levels for individual training accounts, or ITAs, vary from local area to local area and can be substantially different even among adjacent counties. We recommend that program goals and guidelines be based on policies determined by the State in consultation with the State Workforce Investment Board and consistently applied throughout the State.

In New York, we are looking for more flexible alternatives to getting training funds to community colleges. We are exploring possibility of funding entire classrooms in priority demand occupations that can serve multiple individuals on the basis of a single payment.

We also know that one of the biggest challenges facing community colleges is in the field of health care, such as the demand for registered nurses. The cost of hiring faculty to train nurses, who earn substantially more through practice than teaching, and the cost of purchasing equipment and laboratories makes the cost of delivering and expanding training programs in nursing prohibitive. WIA funding should have the flexibility to address these issues along with the cost of per participant training.

New York State currently operates the same service delivery system it did when WIA was first signed into law, but with only half the funding. In New York services once funded with \$305 million are now restricted to about \$159 million, while user demand has increased dramatically. Consider that 30 years ago, in 1978, the Federal Government spent \$9.5 billion on job training. Adjusting for inflation, the GAO has calculated we would have to spend \$30 billion today to provide the same level of training that was provided with that funding in 1978.

To support the ongoing needs of the program, we ask that the WIA funding levels be established, at a minimum, to program year 2000 levels, when New York received \$3.5 million in WIA funds.

In addition to funding, Congress should review WIA obligations and spending provisions, giving consideration to the time frame of the receipt of the current year WIA Federal resources. We also recommend consideration of continued use of obligation requirements that are in existing legislation, rather than impose restrictive spending requirements which may pressure States to place individuals in short-term training opportunities which may not be the best fit for the local economy or for the individual.

As mentioned earlier, there is hope in Washington in the form of the new administration and the American Recovery and Reinvestment Act, supported by you, Mr. Chairman, and Congressman

Tonko. We are very thankful for the resources that will be coming into the State under the ARRA package. We also support the expansion of the Trade Adjustment Assistance program that was in the ARRA package, and we think that there are some lessons there for WIA as well.

Previously, TAA was only available to workers in industries whose production was affected by import competition. The new provisions of TAA improve on the existing benefits available to workers and increase eligibility to include communities, firms, and service sector employees affected by trade.

In a perfect world, we would like to see the same flexibility that is in TAA, which includes 1 to 2 years of training and income support made available to all dislocated workers under WIA reauthorization.

Regarding WIA youth, as you know, current legislation for youth eligibility requires that individuals meet the age criteria of 21, have multiple barriers to employment; we request that WIA reauthorization eliminate the need for these multiple barriers and we recommend that the age be increased to 24, as it was done in the ARRA.

Chairman HINOJOSA. The gentleman's time has expired.

I want to assure you, Mario, that all of your statement in its entirety will be made a part of the record of today's hearing, and I thank you.

[The statement of Mr. Musolino follows:]

**Prepared Statement of Mario Musolino, Executive Deputy Commissioner,  
New York State Department of Labor**

Good morning, Mr. Chairman, Congressman Tonko, and invited guests. My name is Mario Musolino and I serve as Executive Deputy Commissioner of Labor for the State of New York. On behalf of Governor David Paterson and Labor Commissioner Patricia Smith, I am pleased to offer testimony today on the federal Workforce Investment Act (WIA), as well as on related work in areas such as green job training, and more importantly, how we can work together at the local, State and Federal levels to improve the current service delivery system on behalf of New York's current and emerging workforce.

In 1998, under the Workforce Investment Act, a new system was set in motion with the goal of making worker training both locally driven and responsive to the demands of the private sector. Since 1998, however, our world has drastically changed, and with it the workforce needs of both business and industry.

Upon her swearing-in as Secretary of Labor, Hilda Solis, said, "In a time of economic crisis, giving Americans the tools they need to find and keep a job must be our priority." The Secretary went on to emphasize the need for more training in high-growth industries such as green collar jobs. Here in New York we are taking the steps necessary to meet this national priority and our Department of Labor is a key part of Governor Paterson's Economic Recovery and Reinvestment Cabinet, which is expediting employment and training activities using stimulus funding.

The following are improvements we would recommend including in WIA reauthorization.

*Sector-based strategies / Regional-based system*

At the Department of Labor, we are working with every region of the state to tap into these potential high-growth industries. We realize that our state is not just one economy, but a compilation of regional economies, each with their own needs. Sometimes, these regional economies affect workers in other states as well. Earlier this year, New York, New Jersey and Connecticut were awarded a \$22 million National Emergency Grant to help workers affected by the recent downturn in the financial sector. Each state recognized this as an issue that translated beyond borders—an issue that required a regional solution.

We are going to continue this approach with our neighboring states in the coming months. As neighbors, oftentimes we share the same media markets, weather and

geographic conditions, and very often, similar economic conditions and interests. One has to look no further than the Southern Tier of New York State, which shares a border with the Northern Tier of Pennsylvania. Southern Tier issues and Northern Tier issues are intertwined, and in this current economic climate, we need to explore every possible way to work with our neighboring states to overcome this crisis together.

There are 33 local Workforce Investment Boards (WIBs) across the state, and sometimes even in their respective regions, communication, and coordination of common issues, is problematic. This is one of the reasons why the state requires local WIBs to partner together to apply for our regional sector-based partnership grants. In the future we will be looking at more ways that we can better align our WIB structure to best suit our regional economies. Strategic investment of employment and training funds, based on regional collaboration and dialogue, can not only build on a region's strengths but maximize its ability to address weaknesses. This type of regional economic focus needs to be a foundation of any WIA reauthorization effort.

In addition to encouraging the development of regional partnerships, we're cultivating sector-based approaches that align with our state's overall economic development goals and policies. The sector approach builds strategic partnerships with key stakeholders around specific industries to address the workforce needs of business, as well as the training, employment and career advancement needs of workers, particularly career pathways or ladders, which have shown great promise under WIA, and should be expanded in the upcoming reauthorization.

An industry-specific approach helps a region bolster its economic competitiveness by engaging partners to align education, economic and workforce planning and targeting public resources more wisely in sectors with growth potential. This, in turn, brings about systemic change. Take renewable energy—if we can focus on specific career pathways within areas such as wind or solar, we can develop and provide training for entry-level jobs as well as skills development to sustain and grow high-skilled jobs within those high-growth industries.

#### *Individual Training Accounts*

It is clear from established practices that the WIA program requires a comprehensive and strategic overhaul, since program design and delivery capabilities fall far short of the goals intended by the original legislation. To put this into context, 33 WIBs operate independently across New York State, each with its own governing body and established policies for program implementation. Oftentimes, this can create confusion for the customers we serve. For example, Individual Training Account (ITA) practices vary by locality. The WIB established maximum levels for ITAs vary from local area to local area and can be substantially different even among adjacent counties. As a fundamental component of WIA reauthorization, we recommend that program goals and guidelines be based on policies determined by the state, in consultation with the Statewide Workforce Investment Board, and consistently applied throughout the state. In this way, the state can effectively compile data for monitoring and report out a common set of services and standards.

In regard to Individual Training Accounts, in New York we are looking for more flexible alternatives to getting training funds to community colleges. As mentioned, ITAs are processed on an individual basis. We're exploring the possibility of funding entire classrooms in priority demand occupations that can serve multiple individuals on the basis of a single payment.

We also know that one of the biggest challenges facing community colleges is in the field of health care, such as the demand for registered nurses, which exceeds the supply. As of last year, there are approximately 5,300 openings for registered nurses annually in New York. Community colleges, our largest provider of trained nurses, supply about 2,000 graduates each year. While other colleges have nursing programs, the demand is not being met. The cost of hiring faculty to train nurses, who earn substantially more through practice than in teaching, and the cost of purchasing equipment and laboratories makes the cost of delivering and expanding training programs in nursing prohibitive. WIA funding should have the flexibility to address these issues along with the cost of per participant training. What if WIA could be used for these additional costs of training? Imagine the possibilities and the positive impact on the economy.

#### *Current resources*

To do this, the current system as we know it would require significant change. Over the last year, our state has undergone the most severe economic downturn since the Great Depression. Our local communities, large and small, are feeling the effects of this recession, and in turn this has put tremendous strain on our current

service delivery system. In New York State, we anticipate serving in excess of 700,000 individuals through our WIA programs this year, which are especially vital in today's job market, where currently there is only one job opening for every three unemployed workers.

At present, New York State currently operates the same service delivery system it did when WIA was first signed into law, but with only half the funding. In New York, services once funded with \$305 million are now restricted to \$159 million while user demand increased exponentially. Reductions in the Wagner-Peyser Employment Service staff have added to this strain. WIA Reauthorization must ensure that adequate resources are appropriated to support its goals.

It's clear that the time to change business as usual is now. Consider that 30 years ago, in 1978, the federal government spent \$9.5 billion on job training. Adjusting for inflation, the GAO has calculated we would have to spend \$30 billion today to provide the same level of funding.

To support the ongoing needs of the program, we ask that the WIA funding levels be established at a minimum, the PY 2000 levels when New York received \$305 million in WIA funds. While we are aware ARRA funding is currently available to support services, we expect that the funds will be primarily used within a year.

We're certainly hopeful the ARRA or stimulus package will help the country slowly begin to emerge from the recession, but we anticipate that when we do finally emerge there will still be many workers in the pipeline looking for our services. Without increased funding for normal program operations, it will be difficult for local areas to address the ongoing program needs. In fact, without an increase in normal program appropriations, there will likely be a downward ripple effect in funding and subsequent employment and training services which could be devastating to New Yorkers.

In addition to the funding, Congress should review WIA obligation and spending provisions giving consideration to the timeframe of receipt of the current year WIA federal resources. The majority of the current year funds are received in October, not the onset of the year which occurs in July each year. In addition, consideration should be given to the time necessary to procure training and the fact that spending will occur throughout the duration of the training contract against existing obligation requirements. We recommend consideration of continued use of the obligation requirements that are in existing legislation rather than impose restrictive spending requirements which may pressure states to place individuals in short term training opportunities which may not be the best fit for the local economy and/or the individual.

#### *ARRA Package*

As mentioned, there is hope in Washington in the form of a new Administration and the American Recovery and Reinvestment Act (ARRA), supported by you and Congressman Tonko and other members of this Committee, to guide us on a path to renewal. Once again, we thank you for your support. Earlier this year, Governor Paterson wrote to the President and the New York Congressional Delegation strongly urging the passage of this package, detailing our state's goals of creating new jobs for a green economy with an ambitious clean energy agenda. The ARRA aims to save or create 3.5 million jobs nationwide, including 215,000 here in New York State, while making investments in worker training for emerging industries such as green, health care and advanced manufacturing.

The ARRA authorizes \$3.95 billion to be spent on training and employment services nationwide. Of this amount, New York will receive nearly \$170 million in training funds for adults, youths, and dislocated workers and an additional \$22 million in employment services, including re-employment services for current unemployment insurance claimants. Most of the WIA funds will go directly to the 33 Local Workforce Investment Areas across the state where New Yorkers can access a variety of training programs and connect with employers and potential job opportunities at their local One-Stop Centers. We're working to get this money to the local workforce areas as soon as possible, and will be out doing press events in the coming weeks in local communities to make certain that individuals know where to go to tap into these training funds.

We were also actively supportive of the expansion of the Trade Adjustment Assistance program in the ARRA package. Previously, TAA was only available to workers in industries whose production was affected by import competition. The new provisions of TAA improve upon the existing benefits available to workers, and increase eligibility to include communities, firms, and service sector employees affected by trade. In a perfect world, we would like to see the same flexibility that is in TAA, which includes one to two years of training and income support, made available to all dislocated workers under WIA reauthorization. Like TAA, WIA reauthorization

should recognize that workers now face a dramatic break from one industry or career to an entirely new industry or career and require significant training and education. As some regions are hit harder by trade than others, the inception of Trade Impacted Regions would also ensure that more workers are covered by TAA provisions.

*Ways to improve the current system*

I've run a couple of "perfect world" scenarios by you today and with WIA reauthorization we have the ability to make "real world" solutions to strengthening the workforce system of tomorrow.

Underpinning the entire workforce development system is the issue of adequate resources. Simply, without appropriate funding levels, the system will not work for a large majority of its customers. Restoring previous funding levels will make the system more relevant at a time of economic crisis when people really need it and as ARRA funds spend out, will ensure continuity of services.

WIA should explicitly address the issue of regional and sector based approaches. These strategies are crucial for making the locally based workforce system relevant to the communities they serve by training and connecting workers for viable employment opportunities in their region.

The state should be in a position to establish policies that reinforce coordination amongst the WIBs and ensure a consistent set of statewide services. The reauthorization should address Individual Training Accounts, and allow them to be used more flexibly in order to purchase services and equipment to assist in areas of high demand, like the green economy and health care, that can serve a wider array of customers.

Regarding WIA Youth, as you know, current legislation for youth eligibility requires that the individual meet the age criteria of 21, be considered low-income and meet one of six barriers to employment. We request that the reauthorization remove these additional eligibility barriers to employment, and allow the state the flexibility to do summer or year round programs. We recommended to Congressman Rangel and former Senator Clinton to expand the WIA Youth age criteria up through 24 in the ARRA package, and we strongly recommend the age change be made permanent. Additionally, we recommend the income criteria be expanded to allow the use of School Lunch eligibility to be used as the poverty criteria.

Further, in New York, we require that those receiving Unemployment Insurance come into the WIA system. We believe in connecting those on UI into the WIA system early to receive value added services in our one-stop system, and recommend this be replicated in any national legislation and resourced accordingly.

*Conclusion*

I hope I have shared with you my vision for the future WIA system to better meet the needs of the New Yorkers. On behalf of Governor Paterson and Commissioner Smith, we would welcome continuing to be a part of this critical national conversation.

Thank you again for this opportunity to testify, and I welcome any questions you may have.

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Chairman HINOJOSA. At this time, I want to welcome another friend and colleague from the great State of Colorado. Jared Polis who has just arrived. He serves on the Education and Labor Committee and is a valued member who makes great contributions as we are going through this process. Welcome this morning.

Mr. POLIS. Thank you.

Chairman HINOJOSA. I now call on the second presenter, Gail.

**STATEMENT OF GAIL B. BREEN, EXECUTIVE DIRECTOR, FULTON, MONTGOMERY, AND SCHOHARIE COUNTIES, WORKFORCE DEVELOPMENT BOARD, INC.**

Ms. BREEN. Good morning, Mr. Chairman. Good morning, Congressmen. It is my pleasure to be here today; I was really delighted and honored to be invited.

I particularly would like to acknowledge Congressman Paul Tonko. I have known him for many, many years and he is going to be a great asset to the committee as you go forward.

Mr. TONKO. Thank you.

Ms. BREEN. You are welcome.

I am going to talk quickly today about some best practices and innovations from the local level. When Congress established the Workforce Investment Act of 1998, it envisioned a locally driven, business-sector-led program that would bring together the resources of 19 workforce partners to provide quality services to both job seekers and businesses.

In 2000, FMS—Fulton, Montgomery, and Schoharie, where I am the WIB director—began to move to an integrated service delivery system, which has since become a statewide requirement by the New York State Department of Labor. Our One-Stop Center staff and supervisors work in teams that are based on job functions rather than funding organizations.

Our local Workforce Investment Board took WIA partnership seriously right from the beginning, as did our local partners. And with reduced funding across all workforce agencies, functional alignment of staff has become critical. We simply do not have the resources for agencies to provide quality workforce services through program silos.

Our customers don't need to know and they don't really care where an individual staff person's paycheck comes from. What they are interested in is receiving quality services. And although I believe that the best systems are those that are locally driven, we all need opportunities to identify and work with regional partners on projects of mutual interest and benefit.

FMS has been working with Saratoga-Warren-Washington and the Capital District and Columbia-Greene since 2002 on joint workforce summits and on workforce reports. We are a natural region that is based on common interests, common industries, commutation patterns, common workforce needs and collaborations of local colleges and other organizations.

Now, through a regional grant from the New York State Department of Labor, the Capital Region Workforce Coalition is developing a sector strategy that is regional, skill focused, systemic and collaborative. We are focusing on advanced manufacturing careers, including energy, nanotech, biotech and green initiatives. Our coalition encompasses four local Workforce Investment Boards, 11 counties, and includes partners from K-through-12 education, community colleges, 4-year colleges, training providers, economic development organizations, organized labor, and industry.

The American Recovery and Reinvestment Act of 2009 offers tremendous opportunities for our workforce programs. There has been a decrease in WIA funding of almost 50 percent since 2000, and local workforce areas have struggled to maintain quality services. Thanks to the stimulus bill, however, for at least 1 year we will be back at 2000-level funding and we will be able to train many, many more people for the jobs of the future.

Additionally, with significant increases in youth funds, we will be able to provide stronger year-round youth services. Looking towards the summer where we will see many dislocated workers

competing for the same jobs that our summer youth have had in the past, if we don't have a summer youth program, we are going to have young people that will have no opportunity for a job.

Other opportunities under the stimulus include the ability to buy an entire classroom customized to meet the needs of our participants in their preparation for the jobs of the future. This will allow us to spend stimulus funds quickly and wisely and encourage community colleges and WIBs to strengthen our relationships.

I also believe that we will be building on and creating new relationships with organized labor, focusing on the skills necessary for the workforce of the future. But we will continue to have challenges. Our potential workforce is shrinking and it is growing older; there are fewer workers in the pipeline and many have outdated skills. If we are going to be successful in our region in attracting emerging industries and retaining those we currently have, we need to have a globally competitive workforce. We have an untapped and underutilized segment of the greater workforce pool: older workers, individuals with disabilities, dislocated workers, the disadvantaged, disengaged youth, and the formerly incarcerated. We must engage them all.

Finally, I can't recommend too strongly that we continue to build on locally driven, business-sector control boards with local control and the flexibility to customize our services to meet our customers' needs. One-size policies do not always fit everyone.

While I know you are the authorizing committee and not the Appropriations Committee, our challenge is the need for ongoing financial support for these critical programs. We need this financial support if we are going to continue to provide the quality services that our dislocated workers and other job seekers so desperately need and deserve.

And finally I would like to highlight the importance of funding opportunities for regional partnerships, partnerships that are skill focused, collaborative, and reflect the common workforce needs of the natural region.

So again thank you for allowing me to provide testimony today. If I can continue to give you input as a local WIB director and as the partner of a regional sectoral strategies grant, or as the President of the Board of the New York Association of Training and Employment Professionals, I would be delighted to do that. Thank you very much.

[The statement of Ms. Breen follows:]

**Prepared Statement of Gail B. Breen, Executive Director, Fulton, Montgomery, and Schoharie Counties Workforce Development Board, Inc.**

Good Morning Congressman Hinojosa and Congressman Tonko. My name is Gail Breen, and I am Executive Director of the Fulton, Montgomery, and Schoharie Counties Workforce Development Board, Inc. in upstate New York. I also currently serve as President of the Board of the New York Association of Training and Employment Professionals (NYATEP), New York State's workforce association, and am the grant recipient for a four-Workforce Investment Board regional coalition initiative addressing sector strategies. I am delighted to be here with you today to share information on best practices and innovations, as well as ideas on how we might continue to build on our successes while identifying and acting on opportunities for further growth and success. Although I am here representing the FMS Workforce Investment Area, I will also be speaking to regional activities and issues and the thoughts of other local WIB directors as they relate to my positions in our Greater Capital Region Workforce Coalition and NYATEP.

I appreciate very much the invitation to testify at this field hearing today, and I would like to particularly acknowledge Congressman Paul Tonko, in whose district I both reside and work. I've known Paul for many years, and I believe he will be a great asset to the Committee.

*The Workforce Investment Act of 1998*

When Congress established the Workforce Investment Act of 1998 (WIA), it envisioned a locally driven, private sector led program that would bring together the resources of up to 19 mandatory partners to provide quality workforce services to jobseekers and businesses. This sounds very straightforward, but the "workforce services" is defined very differently by different people. Some interpret WIA as a straight forward jobs training for the unemployed who are primarily disadvantaged. Others see it as a system of One-Stop Career Centers with services for a universal population of jobseekers, while still others see it as a set of workforce programs that would meet the needs of unemployed adults, dislocated workers, and disadvantaged youth with few if any connections to school or work. Finally, still others see WIA as a way to provide business with a quality workforce so that businesses and the local economy can flourish.

Although different WIBs concentrate their efforts based on their own local needs, the fact remains that locally and nationally this is a very successful program. According to PY 07 WIA annual reporting data, nearly 3.5 million people received assistance from WIA funding. And 75% of WIA program participants and over 70% of employers indicated they were satisfied with the assistance they received. Seven out of ten WIA Adult and Dislocated Worker program participants gained employment by utilizing WIA programs, with these numbers exceeding 80% when participants received training. These workers also have a retention rate of 85%, and DOL's own data indicates that dislocated workers who are enrolled in WIA programming have an earnings gain over their previous employment. I believe that these successes can be attributed to a locally-driven system where local WIBs use their expertise to develop policies and implement programs targeted to their areas and those adjacent to them. One size simply does not fit all.

*Fulton, Montgomery, and Schoharie Counties LWIA—the Demographics*

The Fulton, Montgomery, and Schoharie Counties Workforce Investment Area lies 30 miles to the west of Albany, NY and is bisected by the Mohawk River and the NYS Thruway, creating a major east/west transportation system through the region. Fulton and Montgomery Counties have a long tradition of manufacturing particularly in textiles and leather. Over the last 50 years, however, manufacturing has declined dramatically as leather mills have closed their doors and textile mills have moved first to the southern states and then off shore. Schoharie County, which is primary agricultural, lost its only textile manufacturer in 2001, dislocating over 500 workers.

As traditional manufacturing companies have closed or moved abroad they have left behind an older population that still wants and needs to work but is lacking in education and skills to find jobs in other industries that have moved into our area or the adjacent capital region. In addition, fewer young people are staying in the area, which adds to a skewing of population percentage to the older end. Most of the young people who go away to college do not return. The young people who stay are predominantly those with a high school education or less. The 2000 census shows that 21% of the workforce in FMS does not even have a high school diploma, let alone post-secondary training.

Currently our area is experiencing some of the highest unemployment rates in the state. Schoharie County was at the top of list in January with an unemployment rate of 11.3%. Fulton and Montgomery followed closely with 10.5% and 10.7% respectively. Traffic in our Amsterdam One Stop Career Center is up by 45% in the first six months of this year as compared with the same time period of the previous year. Center traffic is also up significantly in our One Stop Career Centers in Cobleskill and Gloversville, as are repeat visits by jobseekers.

In spite of the current economic climate, we still have our successes. We offer youth GED programs in all three counties. Our GED students have a passing rate of well over 80%. Our youth programs also have a soft skills/work readiness component that has our local Board certification. We are using Adult and Dislocated Worker WIA dollars to assess current skills and abilities and then train people in emerging and expanding fields such as health and medical, advanced manufacturing, the trades, and now green jobs. Our private sector Board membership reflects these industries and lends their expertise to our workforce initiatives. We also work hard to help businesses keep a trained workforce by providing employed worker and customized training. This training, similar to Ireland's One-Step Up Pro-

gram, provides additional training to incumbent workers to enable them to stay competitive in their current jobs. In FMS, and in the majority of the local workforce areas across the state, we consistently meet and exceed state and federal expectations and measures. As I stated earlier, I believe that these successes can be attributed to a locally-driven system where each local workforce investment area has the flexibility to focus on different activities, at different times, depending on the current economic climate as well as to develop policies to meet the attendant needs.

#### *Best practices*

In 2006, One-Stop Centers across New York State moved to an integrated service delivery approach called Functional Alignment. Center staff work in teams based on job function rather than funding organization. We also utilize functional supervision for these teams. In other words, the day-to-day supervisor of a team may or may not be employed by the same organization. In the FMS Workforce Solutions Centers we have functional teams for our front desks, resource rooms, workforce advisors, business services representatives and youth. Teams are made up of staff funded through WIA, DOL Employment Services, Experience Works, local TANF and other programs. Functional Alignment is not as easy and straightforward as it sounds, however. Functional Alignment brings together staff with different job cultures, different organization and agencies, with vastly uneven pay scales, and expects them to learn and take on additional duties, while sharing skills and duties and identities with others that they may have invested years in attaining.

FMS is very fortunate, because we have been practicing the concept without knowing the name, since WIA was enacted in New York State in 2000. We developed this concept early on because our local workforce investment board took the WIA partner collaboration seriously—as did our local partners. In many local workforce investment areas, WIA and ES carry most, if not all, of the load for infrastructure costs for the One-Stop Centers. In FMS, all partners in our three Centers contribute to the infrastructure costs. Although WIA is still the primary funder, our Center partners include the Employment Service, VESID (Vocational Rehabilitation), local TANF programs, Experience Works, Literacy Volunteers, a community action program, and a local educational institution providing secondary and post second education. Even before 2000, the JTPA program (the predecessor of WIA) and ES were co-located.

In just a few steps, we moved from co-location to sharing costs, to sharing duties. And with reduced funding—we have lost nearly 50% of our WIA funding over the last 8 years—functional alignment of staff has become critical. We simply do not have enough staff from any one agency to provide workforce services through program silos. Staff all wear nametags with the FMS Workforce Solutions System logo—there is no reference to partner organization identities. This is an evolutionary process however, and each local workforce area moves forward at a different rate. At FMS, we still have improvements that we can make. As I talk with other WIB Directors across the state, I hear many different stories about why functional alignment is struggling; sometimes because some staff are reluctant to assume duties that are not in their job description, sometimes because other staff don't want to share control of duties, and other times because long time supervisors and managers of different programs just can't seem to change. By focusing on what we have in common, and by supervisors and managers of all organizations embracing and not just tolerating functional alignment, I believe we will be hearing more and more stories about differences being put aside and staff working together to provide quality services.

The customers don't need to know—and don't care—where the individual staff's paycheck comes from, customers only care that they are receiving quality services.

#### *Innovations*

Although I believe that the best systems are those that are locally driven, we all need opportunities to identify and work with regional partners on projects of mutual interest and benefit. Industries and commutation patterns cannot be defined—or confined—by political boundaries. Industries and jobseekers do not stop at the county line.

In 2007, NYS Department of Labor provided funding for local workforce areas to develop projects along regional lines. Fulton, Montgomery, and Schoharie had been working with Saratoga-Warren-Washington, Columbia-Greene, and the Capital Region WIBs on joint workforce summits and state of the workforce reports since 2002 but without the support and encouragement of significant additional funding. We are a “natural” region based on common industries, emerging industries, commutation patterns, common workforce needs, and collaborations of local colleges. We are not a region defined by political boundaries.

With FMS as the grant recipient, the four LWIBs, identifying ourselves as the Greater Capital Region Workforce Coalition, submitted a proposal to develop a sector strategy that is regional, skill focused, systemic, and collaborative, the goal of which is to play a significant role in helping the region develop a highly skilled, technology-capable workforce. The Coalition encompasses 4 LWIBs, 11 counties, and includes partners from K-12 education, community colleges, 4-year colleges, training providers, economic development organizations, organized labor, industry, chambers of commerce, and local government.

Working closely with partners, in Year 1 the Coalition is:

- Completing a talent pipeline to be used in addressing current and emerging needs of regional industries, particularly those in green and high technology areas;
- Promoting Advanced Manufacturing careers including energy, nanotech, biotech, green, and construction to all segments of the worker pipeline; including dislocated workers, youth, career changers, mature workers, individuals with disabilities, and formerly incarcerated individuals;
- Providing training opportunities in STEM skills (science, technology, engineering and math) dependent jobs;
- Adopting a regional consensus on the definition and measurement of work readiness skills;
- Developing a Technical Career Awareness Program directed to parents, youth, guidance counselors, teachers, and school administrators.

Year 2 proposed activities include:

- Working with local community colleges and organized labor to develop training programs around clean room technology and green technology;
- Supporting apprenticeship programs in emerging regional technologies;
- Developing innovative training methodologies including virtual training;
- Providing training opportunities to address gaps identified through the talent pipeline activity of Year 1; and
- Rolling out the marketing products of the Technical Career Awareness Program developed in year 1.

The Greater Capital Region Coalition Regional Sector Strategies Grant is just one of a number of regional workforce efforts currently funded by NYS Department of Labor. Although all are in various stages of implementation, all are reporting successes.

#### *Opportunities and challenges to the success of our work*

There are both opportunities and challenges to the success of our work. The American Recovery and Reinvestment Act of 2009 brings tremendous opportunities on many levels. In terms of workforce programs, this stimulus is critical in providing the funding levels of WIA programs to meet the challenge. In New York State, WIA was funded at \$304,953,605 in 2000. By 2008, New York State's allocation was \$159,224,210. This is a decrease of \$145,729,395 or -47.79%. In FMS, our 2000 allocation was \$2,072,033. In 2008 our allocation was \$1,092,730. Again, there has been a decrease of almost 50%, and it has weakened us as the country entered this deep recession.

Local workforce areas have struggled to reduce costs while maintaining quality services. This is especially difficult in rural multi-county areas that are lacking in public transportation. We have been forced to feel that we must choose between closing workforce centers (depriving many of those most in need to ready access of our services such as skills assessment and career counseling) or reducing the amount of funds we spend on training (which also deprives people of financial support in attaining new and necessary skills).

There has been no good choice. Many of us have chosen to reduce staff and to maintain funds available for participation in training by reducing the amount of training funds available for each individual going. Reducing the amount of training funds per participant has allowed us to maintain participant training numbers, but more people are now being trained for lower level jobs on the career ladder. We have found ourselves in the position of training people for lower level, career ladder jobs, but not always jobs that help people immediately become self-sufficient. These jobs do, however, start at a higher wage than our area's entry level wage for a total of all occupations. Thanks to our stimulus package allocation, FMS will once again be able to train people for the jobs of the future, including health care and green initiatives, without reducing the number of people we serve in training.

Additionally, with significant increases in youth funds, we will be able to provide stronger year-round youth services and work experience. Looking towards a summer where we will find many dislocated workers competing with young people for traditionally summer youth jobs, a WIA summer youth program may be the only opportunity for a young person to have a summer job.

Other opportunities include a renewed interest in partnership between organizations providing workforce and related services. We are all in real need of designing new training programs for the jobs of the future. The stimulus funding will provide us with the opportunity to buy an entire classroom customized to meet the needs of our participants in their preparation for the jobs of the future. This will allow us to spend stimulus funds quickly and wisely and will encourage community colleges and WIBs to re-new and strengthen our relationships. I also believe we will be building on and creating new relationships with organized labor. Together, we will focus on skills necessary for a technologically competent workforce that will attract emerging industries to our region.

We will continue to have challenges. Our potential workforce is shrinking—and growing older. There are fewer workers in the pipeline and many have out-dated skills. If we are to be successful in our region in attracting emerging industries, and retaining those we currently have, we need to have a globally competitive workforce. For that we must be ready to look beyond the traditional pool of emerging workers—young people with high school and post secondary school educations. We have untapped and underutilized segments in the greater workforce pool; older workers, individuals with disabilities, dislocated workers, the disadvantaged, disengaged youth, and the formerly incarcerated.

While I know you are the Authorizing Committee, not the Appropriations Committee, our final challenge is on-going financial support of these critical workforce programs—or the lack of it. We have all done more with less for many years now. But there comes a time when no one can do more with less, and worse—no one can continue to provide the quality services that our dislocated workers and other job-seekers so desperately need and deserve. Between 1990 and 2007, New York State lost 44% of its traditional manufacturing jobs. In 2008 and into 2009, the continued downward spiral of lost jobs—and companies—in New York State, and the nation, has been dizzying. Many of us firmly believe that we can turn this around. The economy will improve. Jobs will return. But they will not necessarily be the jobs that we have lost. And without continued and consistent funding of workforce programs, we cannot train the workforce of the future.

*WIA reauthorization—where do we go from here?*

I cannot recommend too strongly that we continue to build upon locally driven, private sector-led local workforce boards. Local Workforce Investment Areas will only be able to provide quality services to jobseekers and businesses alike if we have the local control and the flexibility to customize our services to meet local needs, while utilizing the knowledge and expertise of our private sector members.

We need to further strengthen our youth programs. In FMS, as in many workforce areas across the state, we believe in spending more than the required 30% of our youth funds on out-of-school youth. These are young people, many times young single parents, who have been given up on by their schools and their families. We are their last best hope. We need to continue to provide GED services and soft skills training, while increasing career pathway opportunities and opportunities for work experience.

We also need increased and consistent funding at a level that will allow us to invest in our future workforce by providing quality training opportunities, while continuing to fund the One-Stop Career Centers that provide the skills assessment and career counseling critical for jobseekers to make informed decisions for future careers.

Finally, I would like to again highlight the importance of opportunities for regional partnerships—partnerships that are skill-focused, systemic, collaborative, and reflect the workforce needs of a region. These also require funding—funding specifically targeted to regional efforts where local workforce areas come together to address common workforce and economic needs.

*Conclusion*

Thank you again for the opportunity to provide testimony today. I would be pleased and honored to continue to be a resource to this committee, as an executive director of a local workforce board, a partner in a regional sector strategy initiative, and as president of a statewide workforce membership organization. Please do not hesitate to call on me again as you move forward with WIA Reauthorization.

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Chairman HINOJOSA. Thank you, Gail. In your closing remarks, you said that you realize that we are not appropriators that we are authorizers. The question comes up what is first, the chicken or the

egg? And without us, the appropriators are worthless; they can't do a thing. We are very important, too.

We are pleased now to introduce from General Electric, Tom Quick.

**STATEMENT OF TOM QUICK, HUMAN RESOURCES LEADER,  
POWER & WATER, GE ENERGY INFRASTRUCTURE**

Mr. QUICK. I appreciate the opportunity to come here this morning and discuss green collar skills training in the United States.

The GE Power & Water business offers a diverse portfolio of products and services such as wind and solar renewable energy. The record-setting growth of wind energy is a bright spot in the U.S. economy. According to the American Wind Energy Association, AWEA, the U.S. Installed 8,358 megawatts of wind power in 2008. Currently, wind power in the U.S. Is enough to power 7 million homes.

The U.S. is now the global leader in wind power, having surpassed Germany in both wind generation and installed capacity. AWEA estimates that the wind industry employs over 85,000 people directly and indirectly, with 13,000 manufacturing jobs created in 2008 alone.

At GE, we now have installed over 10,000 1.5 megawatt wind turbines worldwide and one out of two wind turbines installed in the U.S. is a GE turbine. We have wind turbine assembly locations in Florida, South Carolina, Virginia, Pennsylvania, and California. The headquarters of our renewable business is located locally, here in Schenectady, New York.

The installed base of wind power in the U.S. has spurred a demand for skilled workers who can operate and maintain wind turbines. As the U.S.-installed base continues to grow, there is a growing demand for skilled wind technicians. A report from the Department of Energy states that if wind power supplied 20 percent of the U.S. electricity by 2030, this would result in over 160,000 direct jobs. The total direct and indirect jobs supported by the wind industry could exceed 500,000 by 2030, according to the DOE report.

The ability to train skilled turbine technicians—wind turbine technicians is a collective challenge faced by the business community and educational institutions, with the Federal Government playing a key role. At GE, we hire wind technicians with associate degrees in electrical or electronic repair and 3-plus years of work experience in the electrical or electronics repair industry. There are currently a number of community and technical colleges with programs to address these training needs, yet these represent only the beginning of the training effort required to support the wind industry growth.

Community and technical colleges with programs that emphasize a technical curriculum are good candidates to consider expanding their course offerings to include such courses as wind turbine mechanical systems or wind turbine site construction.

The business community has to expand their own job skills training as well. GE has expanded our Energy Learning Center located in Niskayuna, New York, to include a wind training program and facility. The wind training facility has eight classrooms, 11,000 square feet of lab space, and dedicated control room to train wind

technicians. We provide training to our own employees and employees of 200 customers in the United States.

Partnerships between the wind industry manufacturers, site operators, with local educational institutions are good for everyone. A recent example of such partnership is the one between GE and Hudson Valley Community College to create the machinist training program in 2006. This partnership results in students receiving 2-year associate degrees, and GE enrolls employees into the program.

The Capital District Workforce Investment Board encourages job training and skills development partnerships in our local area. The Federal Government can provide critical leadership to ensure these partnerships extend to the renewables industry. Through the Workforce Investment Act and the creation of regional Workforce Investment Boards across the U.S., the Federal Government can ensure that money is spent on educational programs today that can be leveraged to provide the green collar skills required for tomorrow.

The Federal Government can ensure that public education and private business partnerships are encouraged to prepare interested students for jobs in the green economy. A trained workforce able to meet the demands of this expanding green economy benefits all of us in United States, and GE welcomes the Federal Government's leadership to provide the necessary skills for workers to have rewarding careers in the renewable energy industry.

Thank you for the opportunity to speak to the subcommittee this morning on this very important topic.

Chairman HINOJOSA. Thank you, Tom.

[The statement of Mr. Quick follows:]

**House Committee on Education and Labor  
Subcommittee on Higher Education, Lifelong Learning and  
Competitiveness**

**Hearing on  
"Green Jobs and Training"**

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March 23, 2009

Written Testimony of  
Tom Quick  
Human Resources Leader  
Power & Water  
GE Energy Infrastructure

Mr. Chairman and members of the Committee, I am Tom Quick, Human Resources Leader for GE's Power & Water business. I appreciate the opportunity to testify before you today on the topic of green collar jobs and training.

GE Power & Water is a global leader with more than 100 years of industry experience. Our global team of more than 30,000 employees operates in 140 countries around the world, and had 2008 revenues of \$23 billion. GE Power & Water offers a diverse portfolio of products and services including renewable energy technologies such as wind, solar, and biomass, and fossil power generation, gasification, nuclear, oil & gas, water, transmission, and smart meters. The focus of my testimony

will be on the opportunities and challenges for jobs and training in the wind industry.

#### **Wind Energy in the US**

The recent record-setting growth of wind energy has been one of the bright spots of the US economy. According to the American Wind Energy Association (AWEA), the US installed 8,358 MW of wind power in 2008, setting another record for annual growth. This growth increased installed wind capacity by 50 percent to 25,170 MW, enough to power 7 million households, and stimulated \$17 billion of investment in the economy.<sup>1</sup> The US is now the global leader in wind power, having surpassed Germany last year in both wind energy generation and wind installed capacity.

In 2008, wind accounted for 42 percent of all new US nameplate installed capacity, second only to natural gas at 46 percent. AWEA estimates that the wind industry employs over 85,000 people directly and indirectly, with 13,000 manufacturing jobs created in 2008 alone. When one includes the induced economic effect of new workers spending money on goods and services, the number of wind-supported jobs approaches 185,000.<sup>2</sup>

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<sup>1</sup> American Wind Energy Association (AWEA), "Wind Energy Grows By Record 8,300 MW in 2008," press release, 27 January 2009.

<sup>2</sup> Estimate is based on Navigant Consulting analysis prepared for AWEA, November 2008, which uses US Department of Energy (US DOE) Jobs and Economic Development Impact (JEDI) model.

**Wind Energy at GE**

GE's Wind business has grown dramatically to keep up with growing US and global demand. Since entering the industry in 2002, GE has invested over \$850 million in renewable energy technology and production. We have tripled the number of US assembly facilities and increased wind turbine production six-fold, ramping our production rate from 10 per week to 13 per day.

As a result of these investments, over 10,000 of our 1.5-megawatt wind turbines have been installed worldwide. GE is the leading wind turbine supplier in North America, and nearly one out of every two wind turbines installed in the US is a GE turbine. This growth supports GE wind turbine assembly in Pensacola, Florida; Greenville, South Carolina; Salem, Virginia; Erie, Pennsylvania; and Tehachapi, California.

The industry growth also supports professional jobs at our headquarters in Schenectady, New York, many of these related to our Wind Services business and ensuring the reliability of our wind turbines. We have invested in a world-class service center and a 24-hour call center. And we have hired engineers to track the availability of our fleet and provide remote monitoring of our turbines. These investments have boosted the availability of our turbines by a full percentage point, from 98 to 99%, in just one year.

The growth of our installed base of wind power has also spurred unprecedented demand for skilled workers who can operate and maintain wind projects. These are long-term jobs, lasting the full 20-year lifetime of a wind farm. But the need for more of these workers is great, and it reflects a broader challenge facing the US wind industry.

#### **Job Opportunities in Wind**

A 2008 report from the US Department of Energy illustrates the labor requirements to support the growth of the wind industry. The report examined a scenario in which wind supplies 20 percent of US electricity by 2030. It assessed the manufacturing, material, and labor requirements; transmission and integration needs; siting and environmental concerns; and economic and environmental impacts of achieving the 20-percent scenario.<sup>3</sup>

The DOE report indicates that a 20-percent wind scenario could support over 160,000 direct jobs in the wind industry by 2030. These jobs include manufacturing the major components and subcomponents of wind turbines, towers and blades; constructing wind turbines onsite; and operating and maintaining wind turbines over the lifetime of a project. Including the induced effect from these wind-related jobs, the total number of jobs that can be supported by the industry exceeds 500,000 in 2030. (See Figures 1 and 2.)

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<sup>3</sup> US Department of Energy (US DOE), "20% Wind by 2020: Increasing Wind Energy's Contribution to U.S. Electricity Supply," July 2008.

Figures 1 and 2

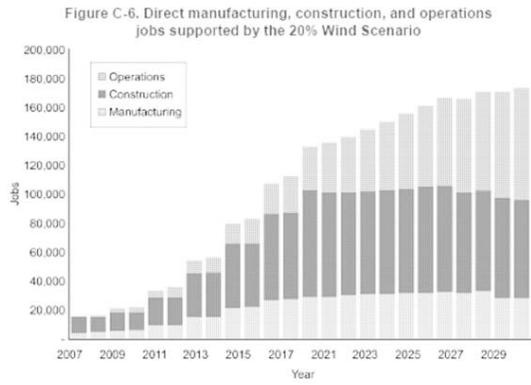
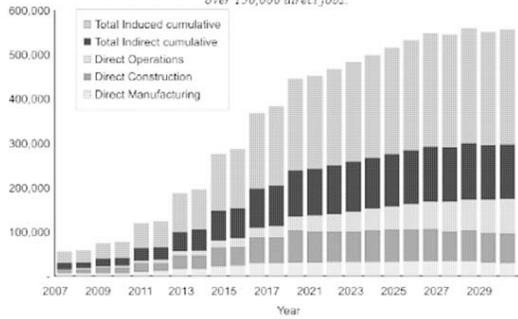


Figure C-7. Jobs per year from direct, indirect, and induced categories  
*In the last ten years of the scenario, the wind industry could support 500,000 jobs, including over 150,000 direct jobs.*



Source: US DOE, op. cit. note 3, p. 209.

**Wind Training Challenges**

While it is true that the growth potential of the wind industry presents substantial employment opportunities, it is equally true that the educational infrastructure does not exist to support this opportunity. The DOE identifies availability of labor as one of the largest potential constraints to achieving its 20-percent wind scenario: "major expansion of wind power in the United States would require substantial numbers of skilled personnel available to design, build, operate, maintain, and advance wind power equipment and technology."<sup>4</sup>

As the 20-percent report indicates, several educational programs already exist to train personnel for the wind industry are being offered around the nation, including several community colleges in New York and Texas. (See Table 1.) The list below is not comprehensive but provides an indication of the types of activities that are now underway to address training needs in the wind industry. Yet they represent only the beginning of the training effort that is truly needed to support the growth of the wind industry.

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<sup>4</sup> US DOE, *op. cit.* note 3.

Table 1

Table 3-6. Wind technology-related educational programs around the United States today

School	Location	Degree or Program
Wind Energy Applications Training Symposium	Boulder, Colorado	Workshops for industry
Colorado State University	Fort Collins, Colorado	65 MW turbine on campus for research (engineering, environmental, etc.)
Advanced Technology Environmental Education Center: Sustainable Energy Education and Training	Bettencourt, Iowa	Workshops for upper level high school and community college technology instructors
Iowa Lakes Community College	Estherville, Iowa	One-year diploma for wind technician; two-year associate in applied science degree for wind technician
University of Massachusetts at Amherst: College of Engineering, and Renewable Energy Research Laboratory (becoming University of Massachusetts Wind Energy Center in late 2009)	Amherst, Massachusetts	MS and Ph.D. level engineering programs specializing in wind energy
Minnesota West Community and Technical College	Canby, Maine	Associate of applied science degree program in wind energy technology; diploma for wind energy mechanic; online certificate program for "windsmith"
Southwestern Indian Polytechnic Institute	Albuquerque, New Mexico	Under development: integration of renewable energy technology experiential learning into the electronics technology, environmental science, agricultural science, and natural resources certificate and degree programs
Mesalands Community College: North American Wind Research and Training Center	Tuzumcani, New Mexico	Under development: Curriculum for operations and maintenance technician; two-year associate degree in wind farm management
Wayne Technical and Career Center	Williamson, New York	New Vision Renewable Energy Program for high school seniors
Columbia Gorge Community College	Hood River, Oregon	One-year certificate and two-year degree for renewable energy technician
Lane Community College	Eugene, Oregon	Two-year associate of applied science degree for energy management technician; two-year associate of applied science option for renewable energy technician
Texas Tech and other American universities: Wind Science & Engineering Research Center	Lubbock, Texas	Integrative graduate education and research traineeship
Lakeshore Technical College	Cleveland, Wisconsin	Associate degree in applied science; electromechanical technology with a wind system Technician track
Fond du Lac Tribal and Community College	Fond du Lac, Wisconsin	Clean Energy Technician Certificate Program

Source: US DOE, op. cit. note 3, p. 71.

**GE Wind Training Activities**

At GE, training a skilled workforce to operate our power generation turbines has been part of our business for decades. At our Energy Learning Center, located just north of Albany in Niskayuna, New York, we have been training personnel to operate and maintain our steam, gas, and nuclear turbines for 35 years. In response to the dramatic growth of our wind turbine fleet, in 2007 and 2008 we expanded the Center to include a Wind Training Program and Facility. The mission of our Wind Training Program is to deliver an educational foundation to facilitate the development of a world-class services team and support the world's best running fleet. The program's instructors are technical and field experts and its curriculum includes topics such as the fundamentals of wind turbine operation and management, the roles of site managers and leaders, and updates on GE turbine technology.

To support this program, our new Wind Training Facility features wind turbine components, eight classrooms, over 11,000 square feet of lab space, and a dedicated controls room in which to train future wind fleet operators. Combined with our training facility in Germany, GE's wind facilities trained more than 2,700 students globally in 2008. In the US, we provided training to more than 200 customers and added over 500 O&M technicians, turbine commissioners, installation technicians, site leaders and managers to our US field operations.

GE is also reaching out to colleges to advance wind technician training. The goal of these college partnerships is to develop entry-level technicians who are well educated in electrical and mechanical theory and practice, as well as in basic wind theory and practice, and are well positioned to be top candidates for GE-specific wind technical training. We have initiated discussions with seven colleges in New York, Texas, New Mexico, Iowa, and Wyoming. These are colleges that have developed or intend to develop a wind technician program and are located near wind farms.

Partnerships like these are mutually beneficial for both colleges and GE. Colleges receive advice on curriculum design, network with other colleges and universities participating in the program, and develop a pipeline for internships and entry-level positions. And by developing this pipeline of technicians to serve our Wind Field Operations, GE ensures that its growing US fleet of wind turbines runs reliably.

#### **Industry Wind Training Activities**

GE is also working to address wind training needs as a member of the American Wind Energy Association, a national trade association consisting of more than 1,900 members. AWEA has created an Education Working Group that provides a forum for wind industry members and individuals from the educational community to promote: wind K-12 education programs; job and career training programs for community and technical colleges; academic and career development

programs at undergraduate and graduate institutions; and scholarship opportunities through an AWEA Educational Scholarship Program.<sup>5</sup>

As one outgrowth of this group, AWEA is currently working with member companies and educational institutions to develop a national skill set for wind technicians. Programs abiding by the skill sets will receive a "stamp of approval" from AWEA.

The AWEA Education Working Group recently conducted a national survey in which over 200 industry and educational members participated. The goals of the survey were to:

- Identify the industry's short- and long-term workforce needs;
- Identify the skill set required for wind turbine technicians;
- Gather information regarding wind energy programs currently offered or under development by AWEA member companies, community colleges, technical schools, universities and other training groups;
- Identify community and K-12 outreach efforts; and
- Anticipate future industry needs in order to plan educational programs to meet those needs.

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<sup>5</sup> AWEA, "Education Working Group," <http://www.awea.org/education/workinggroup/goals.html>.

Results of this survey will be presented at the industry's annual WINDPOWER Conference & Exhibition, which will be held in Chicago from May 4<sup>th</sup> to May 7<sup>th</sup>. In conjunction with this conference, AWEA is also working with the U.S. Department of Energy, and National Renewable Energy Laboratory to hold a Workforce Action Plan Development Meeting on May 4<sup>th</sup> to discuss the implications of workforce development for the wind industry.

In closing, GE and the wind industry are working to address the wind training challenge. We welcome the federal government's support of this work, such as the recent authorization of grants for research, labor exchange and job training projects to prepare workers for careers in energy efficiency and renewable energy. And we look forward to partnering with you in coming weeks and months to build a robust "green jobs" pipeline.

Thank you for the opportunity to present this testimony. I look forward to your comments and questions.

Chairman SARUBBI. Now I call on Joe Sarubbi.

**STATEMENT OF JOSEPH T. SARUBBI, EXECUTIVE DIRECTOR,  
TEC-SMART, HUDSON VALLEY COMMUNITY COLLEGE**

Mr. SARUBBI. Mr. Chairman, Congressman Tonko, Congressman Polis, it is a pleasure to provide testimony to you providing regarding new innovations and best practices under the Workforce Investment Act.

I have spent the last 30 years of my life in higher education at the community college level, and I can say with confidence that regarding workforce development, there is no better place to develop a national agenda for green collar jobs. Community colleges are our Nation's best bet for retooling America.

I believe community colleges can be looked upon as the SWAT team for workforce development because of their ability to provide rapid development of customized courses to meet the needs of the workforce, green collar and otherwise.

One of the missions of community colleges is to be responsive to the educational needs of adult learners, displaced workers, returning veterans, and disadvantaged youths. Currently, there are 1,166 community colleges in the Nation and most offer workforce development type training.

I believe that the Workforce Investment Act should ensure that local Workforce Investment Boards provide for community college representation to strengthen their relationships. And as our Nation continues to advance renewable energy and energy efficiency programs with ambitious goals, there is a great urgency to create a green collar workforce; and community colleges, as the Nation's best bet, have been rallying to that cause. That could not be any more evident than right near in the Capital Region of New York State as Hudson Valley Community College has been providing nationally recognized PV training programs for 3 years and is considered by many in the business to be the model program, and it also offers geothermal training as well.

In fact, Hudson Valley Community College's multipronged approach could be a prototype for the renewable energy discipline and other community colleges nationwide, utilizing a combination of noncredit and credit courses and certificate and degree programs to meet the needs of all constituents. HVCC's program has been so successful that the college partnered with NYSERDA to expand its programs across New York State. Congressman Tonko is quite familiar with this initiative and, as former president of NYSERDA, supported the cause.

NYSERDA and Hudson Valley Community College also partnered to establish a statewide network of community colleges for energy efficiency training, and by 2010, will have trained a few thousand people. Such collaborations have provided a geographic blanket of green collar training across New York State in both the renewable energy and energy efficiency environments.

But NYSERDA and HVCC didn't stop there. They also partnered with the Interstate Renewable Energy Council and the Partnership For Environmental Technology Education to organize a Renewable Energy and Energy Efficiency Workforce Education Conference, which was held at Hudson Valley Community College. Educators from 34 States and 6 countries came together to learn and share best practices and effective approaches to teaching green collar workforce skills. We are now on our third conference, which will be held in November 2009.

The Workforce Investment Act should help support such endeavors to encourage stronger connections between workforce investment and green collar jobs training.

Hudson Valley Community College is now taking green collar training to another level as it will be constructing a state-of-the-art training facility dedicated to green collar jobs. With the creation of TEC-SMART, Hudson Valley Community College will have a facility with dedicated laboratories to specific green technologies:

photovoltaic, geothermal, large and small wind, alternative fuels, and semiconductor manufacturing.

Through TEC-SMART, the college will seek to work with local Workforce Investment Boards to offer training for the adult learners, displaced workers, returning veterans and disadvantaged youth I mentioned earlier. Through TEC-SMART, the college will be able to offer train-the-trainer programs to help other colleges ratchet up their green collar training programs, as well as partner with 4-year institutions to continue to develop green collar skills.

And it is also important to continue to support blue collar training programs, as many of these act as feeders to green collar jobs training.

In conclusion, community colleges can and are providing the backbone for green collar jobs. It is critical that the reauthorization of the Workforce Investment Act recognizes the role that community colleges play in workforce development training and will provide the necessary resources to support this training.

Thank you for allowing me the opportunity to testify and share these observations and opinions with you.

Chairman HINOJOSA. Thank you.

[The statement of Mr. Sarubbi follows:]

**Prepared Statement of Joseph T. Sarubbi, Executive Director, Training and Education Center for Semiconductor Manufacturing and Alternative and Renewable Technologies (TEC-SMART), Hudson Valley Community College**

Mr. Chairman, Congressman Tonko, Members of the Committee, it is a pleasure to provide testimony to you regarding “New Innovations and Best Practices Under the Workforce Investment Act.”

The timing couldn’t be better to talk about what’s happening at the higher education level regarding “Green Collar” jobs and the role Community College’s can play (and are playing) in support of the Workforce Investment Act.

*The Case for Workforce Training at Community Colleges*

As a former Journeyman Electrician who was trained through the International Brotherhood of Electrical Workers, I’ve devoted the last three decades of my life to workforce training at Hudson Valley Community College; first as a Professor, then as a Department Chair, and now as the Executive Director of the College’s renewable energy training center. I feel strongly about the positive impact our college alone has had on the Capital Region community regarding job placement, and I’ve witnessed other community college’s having a similar impact within their respective regions.

One of the main objectives of a community college is to be responsive to the educational needs of adult learners, displaced workers, returning veterans, and disadvantaged youths. This is achieved by providing services and vocational training that will develop independent and confident learners, as well as life skills. There’s no question that community colleges are best suited to serve this mission. In fact, community colleges could be viewed as the “Swat Team” for workforce training because of their ability to provide rapid deployment of customized courses and services to address the employment needs of the community.

As our national economy continues to experience a major transformation, the need to aggressively re-tool our workforce has never been more paramount, and community colleges should be the epicenters for making this happen. Currently, there are 1,166 community colleges nationwide, and most offer workforce development type training. Moreover, numerous community colleges have a Workforce Development “Center” that often provides a one-stop system for easy access. With the ability to offer flexible training schedules, on-line courses, credit and non-credit courses, workshops, certificate programs, and degree programs, community colleges can quickly manage the challenges ahead and respond to learner needs in a rapidly changing environment. The Workforce Investment Act should ensure that local Workforce Investment Boards provide for community college representation.

As a Department Chair with oversight of numerous vocational training programs I've had the opportunity to work with Workforce Investment Boards for the purpose of retraining displaced workers. I've witnessed first-hand the value of the Workforce Investment Act (WIA) and the role it's played in improving the lives of many. Yet, I've also found that the administrative complexities associated with aligning training programs and individual benefits to be challenging. Depending on individual needs, effective, high quality job training and education can take anywhere from two weeks to upwards of two years. Aligning flexibility in benefits to mirror training programs will greatly improve completion of training and a better chance of leading to a "living wage." For example: if a displaced unskilled worker needs a two-year vocational training program to become successful, and was displaced at a time of the year where such training was offered, but the training program already started, it precluded the worker from starting. Often benefits would "run-out" before the worker could complete the training since the worker had to wait until the next training cycle. The Workforce Investment Act should focus on helping workers through the entire training process.

#### *Green Collar Jobs and the Community College*

As our nation continues to advance Clean Energy and Energy Efficiency programs with ambitious goals, the need to develop a Green Collar workforce has brought about a new sense of urgency, and community colleges have been rallying to the cause. Hudson Valley Community College, for example, has been providing photovoltaic (PV) training for three years, and is recently training students in geothermal technology as well. In fact, it should be noted that Hudson Valley Community College's model for photovoltaic training has received national attention for its three-pronged delivery that meets the needs of all constituents. So much so that Jane M. Weissman, Executive Director, Interstate Renewable Energy Council and Vice-Chair, North America Board of Certified Energy Practitioners, has stated, "The photovoltaic course programs at Hudson Valley Community College are national models for other educational providers across the country. Combining class-room instruction based on strong electrical curriculum, coupled with an extensive laboratory plus on-site training opportunities, have positioned Hudson valley as a leader in photovoltaic training. They have clearly demonstrated their ability to produce high-end instruction for a strong renewable energy workforce." Furthermore, Jerry Ventre, Engineering Consultant and Former Director of the Photovoltaics and Distributed Generation Division of the Florida Solar Energy Center stated: "In a relatively short time, Hudson Valley Community College has established itself as a clear leader in photovoltaic training in the U.S. They have extremely well designed course offerings, highly qualified faculty, excellent relationships with industry, outstanding facilities, and strong institutional support. And, most importantly, they provide their students with the proper combination of classroom activities, hands-on training in the laboratory and on-the-job experience with actual photovoltaic system installations in the field." While Hudson Valley Community College is a forerunner in Clean Energy and Energy Efficiency training, many other community colleges have demonstrated their ability to "ratchet-up" their training programs and offer similar "green" technology skills. All across the country community colleges are beginning to re-tool their trainers who can provide the green collar workforce training that would be supported under the Workforce Investment Act.

#### *Best Practices*

The success of Hudson Valley Community College's (PV) programs lies in the multi-pronged approach to training, ensuring access to any and all who seek such skills: (1) the 40 hour introduction to photovoltaic installation non-credit course offers access to those who demonstrate some existing construction and/or manufacturing skills and want to enter the PV installer industry. This could be a displaced worker, or someone seeking to enhance their skills in preparation for transitioning into renewable energy workforce. Upon completion of this course, students are eligible to take the Entry Level Certificate of Knowledge exam, which upon passing, awards them an entry level credential that is recognized by photovoltaic contractors, (2) the 19 credit Photovoltaic Installation Certificate program offers training to those who do not have any prior knowledge or skills, but seek to become a PV installer. This one year certificate can be completed in the evenings and weekend to provide flexibility to students, (3) Hudson Valley Community College also offers two credit courses in photovoltaic design and installation that is offered to students of the electrical Construction and Maintenance two-year degree program. Upon training completion, students will have multiple career paths thus ensuring that the size of the workforce does not out pace market demands, and visa-versa. Lastly, students of all three paths can enroll in the 40 hour non-credit "advanced PV installer train-

ing” course that prepares students to take the North American Board of Certified Energy Practitioners exam, which can lead to becoming a “Certified” PV Installer.

Hudson Valley Community College has partnered with the New York State Energy Research and Development Authority (NYSERDA) to expand such programs across New York State. In fact, I’ve had the pleasure of working with Congressman Tonko, who at the time was President of NYSERDA and understood the value of this training, which he supported 100%. With a combined vision to expand such training, Hudson Valley Community College and NYSERDA collaborated to provide a geographic “blanket” of green collar training across New York State by networking with other community colleges eager to provide similar training at their institutions. This training model is an offshoot of NYSERDA’s New York Energy Smart Residential Program that, again, with Hudson Valley Community College serving as the lead institution, established a statewide network of community colleges for energy efficiency training programs as well. By 2010 the energy efficient training programs will have trained a few thousand people across New York State. Hudson Valley Community College has created a paradigm for green collar training that, with the right resources, can be replicated across the country.

To further facilitate best practices in green collar job environment a: Renewable Energy & Energy Efficiency Workforce Education National Conference was sponsored by NYSERDA and organized by the Interstate Renewable Energy Council (IREC), Partnership for Environmental Technology Education (PETE) and Hudson Valley Community College was held in November 2006 at Hudson Valley Community College. It was the first national conference on workforce education for the renewable energy and energy efficiency trades and industries. The event was an opportunity for educational providers and faculty at Technical High Schools, Community Colleges, four-year Schools and other training programs to learn about best practices and effective approaches to teaching renewable energy and energy efficiency workforce skills. The conference attracted over 250 educators from 34 states and six countries, and was held over a three day period. The second national conference was again held at Hudson Valley Community College and attracted over 350 people from across the country and world. The audience again was community colleges, technical high schools, labor and apprenticeship programs, industry, government agencies and others who are planning to start or are providing practitioner training for the renewable energy and energy efficiency industries.

Sessions focused on some of the critical workforce topics such as jobs and how to prepare for workforce needs; how to create Vocational High School Trade Program to Community College to four-year College articulation agreements; model solar energy, wind energy, energy efficiency, geothermal curricula and programs; and how to integrate energy efficiency and renewable energy into other trades on campus. Other important areas covered included industry-based task analysis certification and training standards; establishing successful business and industry advisory committees; conducting local job market assessments; and creating hands-on renewable energy laboratories. The third national conference, being held in November 2009 in Albany, New York, will offer the most current information on instructional strategies, curricula development, and best practices for training in the renewable energy and energy efficiency fields. It will address many of the jobs outlined in the green jobs initiatives being launched nationwide. Most of the attendees are from community colleges seeking new and innovative ways to grow and improve their green collar practitioner training. The Workforce Investment Act should seek to become a partner for the National Conference to encourage stronger connections between workforce investment and green collar job training. The Workforce Investment Act should help local WIBs become more active in training programs by helping to facilitate articulation agreements that allow for seamless education from secondary and adult education to post-secondary education.

#### *Innovative Ideas*

Hudson Valley Community College is committed to training a green collar workforce and has taken a giant step towards enhancing its practitioner training initiatives. With the support of state funding, the College will be constructing a state-of-the-art training facility dedicated to green collar jobs. TEC-SMART (Training and Education Center for Semiconductor Training, and Alternative and Renewable Technologies) will have individual laboratories each dedicated to a specific green technology: photovoltaic, geothermal, large and small wind, alternative fuels, and semiconductor manufacturing. This facility will support many of the training initiatives mentioned earlier and serve the region, state and nation as the premiere resource for green collar training and education.

Through the TEC-SMART facility, Hudson Valley Community College will seek to work closely with local Workforce Investment Boards to offer training in myriad

ways. For example, with the necessary WIA resources, the College would focus its energies by turning its attention to the returning veteran. The number of returning veterans continues to grow well past the half-million mark, and providing green collar job training to many makes sense in today's competitive economy. Through TEC-SMART, Hudson Valley Community College will also seek to provide "Train-the Trainer" programs to other community colleges to help accelerate the availability of green collar training programs whereby local WIBs across the Country can provide the necessary services returning veterans anticipate. Furthermore, by collaborating with four-year institutions such as SUNY Stony Brook, the college could establish 2 + 2 programs that WIBs could support with a focus on higher-skilled, higher-wage green collar jobs.

Through TEC-SMART, and with the necessary WIA resources, Hudson Valley Community College will be able to provide upgraded training to low-income workers who seek to advance to a higher skilled green collar job. By working closely with local WIBs, the college can develop customized green collar training programs to meet the needs of the low-wage earner. In fact, another strength of a community college is its ability to effectively assess the academic skills of those seeking to upgrade their employment status and provide the services necessary to access training. Most community colleges have Learning Assistance Centers that help each worker's ability to succeed in training, and improve worker retention. There is nothing more daunting to a low-wage worker than to take up the practice of life-long learning, and there's no better place for them to have a feeling of accomplishment and achieve success than a community college. The Workforce Investment Act could help bridge that "disconnect."

#### *Non-Green Collar Jobs*

Many community colleges offer tremendous technology programs that have continued to provide training for "blue collar" jobs for decades. The importance of the WIA to continue to support these programs cannot be overstated. In fact, many of these "blue collar" programs provide a feeder system to green collar jobs. For example, most PV installers and wind technicians who hold the higher skilled positions within those respective "green collar" fields first received training in the electrical/electronic environment. Similarly, those seeking employment as a geothermal technician first gained valuable training in the HVAC/R environment. As the green technology job market continues to ebb and flow, those who are cross trained are most like to retain "living wage" jobs. The same could be said about alternative fuels.

#### *In Conclusion*

Community Colleges can and are providing the backbone for green collar jobs. It's critical that the reauthorization of the Workforce Investment Act recognizes the role Community Colleges play in workforce development training. The best practices I shared today can be implemented across the country with the right resources. Facilities like TEC-SMART can be instrumental in Train-the Trainer programs for other colleges and technical schools to ensure rapid deployment of training programs. Colleges like Hudson Valley Community College, who have learned to walk-the-walk regarding green collar training, can be active in helping other schools address the green collar work force needs of our nation.

Thank you Mr. Chairman, and Members of the Committee, for allowing me the opportunity to testify and share these observations and opinions with you.

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Chairman HINOJOSA. And now we call on Nanine.

#### **STATEMENT OF NANINE MEIKLEJOHN, SENIOR LEGISLATIVE REPRESENTATIVE, AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES (AFSCME)**

Ms. MEIKLEJOHN. Mr. Chairman, Congressman Tonko, and Congress Polis, thank you for the opportunity to present AFSCME's views on reauthorization of WIA. AFSCME represents 1.6 million members around the country, many of whom work in State and local workforce programs.

The daunting economic challenges we are facing have revealed some underlying weaknesses and call into question some of the assumptions in Federal workforce policy over the last 10 years. We

believe it is time for a new direction that expands on and strengthens all of the components of the workforce system.

WIA was enacted during a period of economic growth and amid pressures to block grant, decentralize and reduce funding for Federal workforce programs, it was an uneasy compromise that caused tensions between the publicly operated State programs and the local, more privatized WIA-funded programs. For our members and the State agencies, WIA came to represent a way to weaken or privatize the services they provide.

Difficult issues emerged, such as how to finance one-stop operations and how much control local boards would have over the work of the State agency employees. Declining funding exacerbated these tensions. Organizational structures, policies, and services vary widely and the sequence-of-services rule focused resources on core services instead of training.

As local WIA providers increasingly duplicated some of the Wagner-Peyser Employment Service functions, the previous Labor Department tried to eliminate it, contending it was unnecessary. In fact, though, the employment service is much more than another job matching program. It is a crucial partner in the unemployment insurance system, conducts foreign labor certifications, helps administer the Trade Adjustment Assistance Act, and the Targeted Jobs Tax Credit. It also maintains statewide job banks and a comprehensive system of labor market information in each State.

The close relationship of the employment service to the UI system is especially important. Traditionally, States maintain flexible staffing patterns between the two that were undermined as they centralized their UI operations into call centers and ES staff moved into local one-stop centers. As a result, UI claimants rarely get the early reemployment services they need, and one-stop centers are ill-equipped to help jobless workers get through overburdened UI application systems. This situation and the role of the employment service in the broader workforce system requires more attention.

Typically, when the Nation has faced extraordinary challenges, we have turned to the Federal Government for leadership. This is true today. Already the economic recovery program asserts a stronger Federal role in workforce policy, limits local flexibility to modify Federal funding priorities, and calls for more balance between the needs of workers and employers.

We hope WIA reauthorization will continue this new direction. We specifically recommend the following: The sequence-of-service policy should be abandoned; WIA programs should have to devote more resources to training; training should focus on high-growth fields, while local areas retain flexibility to run programs specifically suited to their local needs.

We need a stronger, more comprehensive capacity to provide labor exchange services and counseling to an increasingly diverse group of disadvantaged and dislocated experienced workers seeking help.

A strong statewide employment service can complement the work of local WIA programs. Strengthening its ability to provide comprehensive job-matching tools and good labor market information will benefit the entire system because it will attract more employers, improve job matching for all workers, and support regional sec-

tor and labor management training initiatives which extend beyond local one-stop boundaries. Without the sequence-of-services rule, more effective and professional career planning and assessment will be needed to carefully match workers' skills and interests with the right services at the front end.

A computer is not enough. Just as real estate agents help house hunters, even though there are many real estate Web sites, knowledgeable counselors can help job seekers and employers achieve good matches. The State agency can establish a level of consistency for these functions statewide through its policy-setting authority.

The fact that State employment service employees are in merit-based personnel systems is a benefit. Merit system principles of personnel administration were originally adopted to ensure government accountability, fairness, and transparency. When applied well, they lead to quality services by a staff accountable to the public, not individual private interests. These principles currently in regulation should be codified in law.

Mr. Chairman, you are considering WIA reauthorization at an unusual point in time. We look forward to working with you as you begin this process and again thank you for the opportunity to testify.

Chairman HINOJOSA. Thank you for your presentation.  
[The statement of Ms. Meiklejohn follows:]

**Prepared Statement of Nanine Meiklejohn, Senior Legislative Representative, American Federation of State, County and Municipal Employees (AFSCME)**

Chairman Hinojosa and Congressman Tonko, my name is Nanine Meiklejohn, and I am a Senior Legislative Representative for the American Federation of State, County and Municipal Employees (AFSCME).

AFSCME's 1.6 million members work in state and local government agencies, health care institutions, and nonprofit agencies across the country. They include the employees in state employment security and workforce agencies and in local one-stop operations. We appreciate this opportunity to present AFSCME's views on reauthorization of the Workforce Investment Act (WIA).

We face a starkly different economic situation now than when WIA was enacted and when Congress last considered legislation to reauthorize WIA. The accelerating pace of job loss is breathtaking. In February, unemployment surged to 8.1 percent as non-farm payroll employment fell sharply. Over the past year the number of unemployed persons jumped by five million as the unemployment rate rose by 3.3 percentage points. The number of workers receiving unemployment benefits has risen by 54 percent in the last 12 months to over five million people, and 2.9 million workers still had not found jobs after 26 weeks of unemployment in February—a 55% increase over last year.

This extraordinary situation is creating extraordinary demands on our workforce system. The unemployment insurance system, which relies on telephone call centers and electronic applications, is under enormous strain and in some states, including here in New York, has experienced temporary breakdowns. Long lines of unemployed workers have formed at overwhelmed local one-stop centers—the only physically available place they can go for help.

These challenges have revealed some underlying weaknesses and call into question some of the assumptions in federal workforce policy over the last 10 years. Since WIA was enacted, and especially during the last eight years, workforce funding declined; federal leadership continued to shrink; efforts were made to collapse workforce programs into each other despite their unique roles; training activities have been extremely limited; the voice of workers in the system was almost silenced; and publicly administered systems were neglected in favor of publicly-funded but privately-provided services.

This is not to imply that there have not been important innovative programs during that time. Indeed, many are operating in local areas. They include sector and regional training initiatives, labor-management partnerships, such as the long-

standing health care training partnership conducted by AFSCME's affiliate, District 1199 (c) in Philadelphia, career pathways initiatives for young people, and closer linkages between the workforce system and economic development strategies. The testimony of Bill Camp, on behalf of the AFL-CIO on February 12, 2009, described a number of important and exciting policies and initiatives taking place in California. They should be strengthened and encouraged during WIA reauthorization.

However, more is needed to enable our workforce system to meet today's challenges. We believe now is the time to guide federal workforce policy in a new direction that expands on and strengthens all of the components of the workforce system so that it can provide the highest level of services for workers and employers possible. We support all of the recommendations made by the AFL-CIO at the February hearing, but in this statement, I will focus specifically on key aspects of the delivery system.

#### *WIA's Place in the Workforce System*

WIA was enacted during a period of relative economic stability and amid pressures to block grant, decentralize and reduce funding for federal workforce programs. It established a one-stop center system with the laudable goal of facilitating access to a wide range of related services, including the WIA adult, dislocated worker and youth programs, Unemployment Insurance (UI), Employment Services (ES), Trade Adjustment Assistance (TAA), Vocational Rehabilitation and Adult Education.

As originally conceived, these programs would be coordinated by locating WIA services and other workforce programs in local one-stop centers and by linking them electronically. As much as possible, the programs were to be integrated with each other; a term that has been interpreted in different ways in different states and local areas and which has represented an uneasy compromise between block granting and coordination.

In moving in this direction, WIA created significant tensions between the publicly operated state programs, such as Vocational Rehabilitation and Wagner-Peyser Employment Services, and the local more privatized WIA programs, particularly where local workforce boards attempted to assert control over the large state public agency operations. For our members in the state agency programs, WIA came to represent a mechanism to weaken or privatize the programs in which they work and the services they provide.

Difficult issues emerged, such as how to finance one-stop operations (because WIA did not provide operational funding for the one-stop centers) and the extent to which local boards and one-stop operators, some of them private companies, would control the work of the state agency employees. As a result, considerable energy has been spent on governance, financing and process issues, and significant WIA resources have been spent building an operational infrastructure of one-stop centers. Declining WIA funding and stagnating Wagner-Peyser funding greatly exacerbated these tensions.

Because of the highly decentralized nature of the program, organizational structures, policies and services vary widely among, and even within, states. This has made it virtually impossible to paint a clear picture of the way the system operates from a national perspective.

At the same time, WIA's effectiveness as a source of meaningful training services was weakened by a mandate to provide universal services through a sequence of core, intensive and training service with no effective job quality criteria and heavy reliance on self-service. As a result, WIA providers increasingly focused primarily on general labor exchange services and on placements with low-wage employers at the expense of a consistent policy of providing value added quality services for job seekers and employers.

#### *Wagner-Peyser's Role in the Workforce System*

As local WIA providers increasingly duplicated some of the labor exchange services historically provided by the state Wagner-Peyser Employment Service, the previous Labor Department pursued an aggressive effort to defund and eliminate the state Employment Service. Department officials based their case primarily on the claim that the state Employment Service is essentially like other local job matching activities funded by WIA, a view shared broadly among those providing local WIA funded services.

In fact, though, the Employment Service is much more than another job matching program. It is a crucial partner of the Unemployment Insurance program, conducts labor certifications, and helps administer the Trade Adjustment Assistance program and the targeted jobs tax credit. In addition, it maintains statewide job banks and a comprehensive system of labor market information in each state, both of which

are valuable resources that support state and local economic development strategies and regional and sector partnerships.

Maintaining this flexible state agency workforce can provide both efficiencies and flexibility. For example, Ohio state staff is trained in ES, UI, TAA, labor market information and outreach services to employers, which allows the state to provide more universal services that can respond to emerging and changing local needs.

The relationship of the Wagner-Peyser Employment Service to the Unemployment Insurance program is especially important. In administering the Unemployment Insurance program, the states also must ensure that UI claimants are looking for and securing employment.

Traditionally, ES and UI staff worked closely together in providing benefits and employment services to help UI claimants find jobs. They often were cross trained so that they could shift between the more technical functions of processing unemployment benefit applications and matching job seekers with employers. This flexibility to adjust staffing patterns was substantially undermined as states centralized their UI operations into call centers and ES staff moved into local one-stop centers.

Separating the ES and UI operations has had several consequences. In any state that does not require it, and most states don't, Unemployment Insurance recipients have no obligation to go to a one-stop center at all. Even if they do go, they rarely get early reemployment services that can shorten their time without work or help move them to a new career. In addition, local one-stop centers are ill-equipped to help jobless workers get through the overburdened UI application system other than offering them a telephone connection.

However, the severity of the economic downturn has led some states to seek ways to rebuild the connection between the two programs. Connecticut and Ohio are moving to assign some of their ES staff situated in local one-stop centers to help workers with their UI claims. This ability to adjust duties and functions as economic circumstances change is possible only because the states retain authority over the ES staff.

Although the transition of ES staff into local one-stop centers appears almost complete, its role in the centers requires more attention both in terms of its relationship to the UI program and as part of the overall workforce system.

#### *Moving Forward—A New Balance*

Typically, when the nation has faced extraordinary challenges, we have turned to the federal government to achieve important national objectives and priorities. This is true today. The American Recovery and Reinvestment Act (ARRA) asserts a stronger federal policy in the workforce system.

The law provides specific guidance on how some funds are to be used. In particular, it requires that states use \$250 million of the \$400 million appropriated for the Employment Service specifically to provide reemployment services for UI claimants. Our hope is that the U.S. Department of Labor will consider a requirement for all contractors receiving ARRA funds to list new jobs on the state job banks to facilitate matches for all job seekers. The program also directs training resources to high priority areas, in particular green jobs and health care, through a grant process that will be managed by the Secretary of Labor.

A subsequent March 4, 2009 notice from the Labor Department further asserts federal policy and calls for more balance between the needs of workers and employers. It urges alignment with economic and community development strategies and close alignment of education and training with jobs and industries that are important to local and regional economies. The Department also has determined that several waivers will not apply to Recovery Act funds on the grounds that they are contrary to congressional intent, including a waiver providing authority for full transfer of funds between the Adult and Dislocated Worker Programs. In addition, services and training are to be maximized and administrative costs minimized.

AFSCME applauds this new direction and hopes that WIA reauthorization will continue to foster it. In particular, we hope to see more balanced membership on workforce boards, including stronger participation by organized labor, and increased support for labor-management partnerships in industry and sector training initiatives. We also hope to see more balance among available services and a new stronger partnership among the public and private agencies and state and local governments. In addition, we hope greater attention is given to reemployment services for UI claimants by the Employment Service.

#### *Training and Services*

The sequence of services policy has caused local WIA programs to emphasize core services at the expense of other services and training. As demands on the local cen-

ters escalate though, it is becoming apparent, at least in some states, that there are important gaps in the services available for job seekers.

In order to ensure that WIA programs provide more intensive services and training, the sequence of service policy should be explicitly abandoned. WIA programs should have to devote a certain percentage of their funding for training as previous job training laws required.

In addition, federal law should place a priority on training in high growth fields, such as alternative energy, broadband, advanced manufacturing, child care, and health care that are of a high national priority. The recently enacted Higher Education Act embraced a similar concept of high national need in the loan forgiveness program. Guiding, but not requiring, states and localities to direct services and training in such areas can help ensure a meaningful role for the workforce system in a new economy without stifling other initiatives specifically suitable to local economic conditions and populations.

#### *Expanding the Scope of the One-Stop System*

As more experienced jobless workers seek help at local one-stop centers, the demands on the system are expanding and changing. While WIA may have been largely a last resort for low-income and disadvantaged persons, increasingly others with different experiences, but perhaps similar skill development needs, are lining up at local centers. It is not clear yet whether this is a temporary phenomenon due to the downturn or a more fundamental shift. Some analysts predict that many of the lost jobs will never return.

In either case, this development means that the workforce system needs to strengthen both its labor exchange—or core services—capacity and its ability to guide and provide services to workers with increasingly disparate needs. It also needs to be able to help them acquire new skills in a changing economy.

The statewide and public character of the Employment Service makes it a potentially valuable asset in achieving this objective. A study of six states conducted by WESTAT for the U.S. Department of Labor, “Evaluation of Labor Exchange Services in a One-Stop Delivery System Environment”, which was completed in 2004 but suppressed by the Department for four years, is instructive. It noted that by virtue of its statewide character the state Employment Service overcomes a tendency of local workforce areas to engage in more targeted job development and job matching at a time when job seekers are more willing to look for opportunities beyond their immediate communities.

The WESTAT study further observed that “Effective job-matching systems linked high-quality technology with well-trained staff dedicated both to ensuring that employers were appropriately listing their jobs and job seekers were able to effectively use the technology.” Achieving both involves staff outreach and a concerted effort to attract and hold employers as well as the staffing capacity to make good matches.

This is an important finding. The broader the scope of information available to local one-stop centers, the more effective all of the partner programs can be. Strengthening the ability of the state employment services to provide comprehensive job matching tools and good labor market information will benefit the entire system because it will attract more employers, improve job matching, and support regional and sector training initiatives. It can be a rich resource for all job seekers, experienced and disadvantaged alike, particularly helping to open up opportunities for disadvantaged job seekers they might not otherwise have.

Eliminating the sequence of services rule will have important consequences for the system. It will create more flexibility to provide a broader range of services, but it also will create a new need for effective and professional career planning and assessment in order to carefully match workers’ skills and interests with the right services, training and jobs. It will open up new ways to align services functionally and perhaps in teams of staff from different programs, even as dedicated funding continues to be provided for specific groups of workers.

A skilled and professional state Employment Service staff that competently advises workers and employers will become even more necessary. An analogy with the real estate industry helps make this point. Although there are many websites that list homes for sale, house hunters still seek out real estate agents to help them narrow their search and make the best decision.

The state Employment Service staff already conducts assessment and career planning functions when they provide reemployment services to UI claimants and counsel TAA enrollees. The state can control the quality and consistency of these services statewide through its policy setting authority, the ability to set high standards for job counselors, and, if resources are available, professional training and upgrading. Because it is not limited to the local boundaries of one-stop systems it is well posi-

tioned to perform such functions to support both sector and regional training and skill development partnerships.

WIA reauthorization should strengthen the state Employment Service capacity by, among other measures, providing resources for staff development. We note that New York state is moving to upgrade its Wagner-Peyser staff by hiring labor service representatives with masters degrees in counseling.

A strong statewide Employment Service can compliment, rather than compete with, the work currently being done by local WIA programs which focus on the more intensive work involved in serving populations with significant barriers to employment.

The fact that state Employment Service employees are in merit based personnel (civil service) systems is an additional benefit despite claims of the previous administration which tried to eliminate this longstanding regulatory requirement. It did so because the merit staffing rule stood in the way of its effort to dismantle the Employment Service, devolve it to local WIA boards, and contract out the funds to private contractors.

The merit staffing rule was characterized erroneously as a "labor protection", but the reality is that merit system principles of personnel administration were originally adopted in the interests of government accountability, fairness and transparency. They require adherence to the following principles to insure improvement of public service:

a) Recruiting, selecting, and advancing employees on the basis of their relative ability, knowledge, and skills, including open consideration of qualified applicants for initial appointment.

b) Providing equitable and adequate compensation.

c) Training employees, as needed, to assure high quality performance.

d) Retaining employees on the basis of the adequacy of their performance, correcting inadequate performance, and separating employees whose inadequate performance cannot be corrected.

e) Assuring fair treatment of applicants and employees in all aspects of personnel administration without regard to political affiliation, race, color, national origin, sex, religious creed, age or handicap and with proper regard for their privacy and constitutional rights as citizens. This "fair treatment" principle includes compliance with the Federal equal employment opportunity and nondiscrimination laws.

f) Assuring that employees are protected against coercion for partisan political purposes and are prohibited from using their official authority for the purpose of interfering with or affecting the result of an election or a nomination for office.

These principles should be codified in the Wagner-Peyser Act to establish them more firmly in the law. In fact, we suggest that the substance of these principles is unassailable and that they also are appropriate for the operators of the one-stop centers as well.

Mr. Chairman, you are considering WIA reauthorization at an unusual point in time. Our economic circumstances present both unique challenges and opportunities for the workforce system. If reformed by building new partnerships and creating a new balance, we believe WIA along with its workforce program partners will be well positioned to play a much more expansive and meaningful role in the economic life of our country. AFSCME looks forward to working with you as you begin this process. Thank you again for this opportunity to testify here today.

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Chairman HINOJOSA. I liked everything I heard, and I am sure that my colleagues are going to have some questions that will be directed to one or more of the presenters.

I would like to start myself. I will be limited to 5 minutes also by the rules, and if necessary, we will have a second round.

I believe that your contributions will be very valuable to us as we move forward in the reauthorization of this WIA reauthorization act of 2009, so my first question is going to be directed to the Hudson Valley Community College. And let me look at the one that I think was engraved in my mind, because you talked about even partnering with high schools. And I think that stakeholders include our schools, our community colleges, our workforce boards, and of course, our 4-year universities.

So I would like to ask you, Joe, you mentioned that there are some challenges in the administrative complexities related to the alignment of training programs and the individual benefits. So would you elaborate on how the reauthorization of WIA should consider these issues?

Mr. SARUBBI. Certainly, some of the concerns we have seen at the community college level:

Nobody can predict exactly when they anticipate getting laid off from a job. So if we were to take a particular displaced worker, for example, the way most community colleges are set up in our Nation is on a semester-by-semester basis. Courses usually start around the 1st of September, finish at the end of December, pick up in January, end in May. If a particular worker gets displaced in October and that is the starting point for them to start to earn their actual funding, part of the problem is they can't get into training until either January or the following September of the next year because of the sequence of actual course work that they would have to complete, knowing that they have to start out with the simpler courses.

Chairman HINOJOSA. If I may interrupt you, have you seen the model of the Maricopa County Community College system in Phoenix, Arizona, which is the open entry and open exit for community colleges?

Mr. SARUBBI. No.

I have heard about that, and other community colleges are looking at that particular model. A lot of it has to do with when we talk about the type of green collar jobs, you still need a certain level of on-the-job, you know, hands-on training that needs to be done at specific institutions.

So if you have got the type of technologies where you can offer that training in a way that—again, knowing the size of the actual classes that you would be able to have coming through, sometimes it works good, sometimes it doesn't.

I have heard mixed reviews about it right now, and I have not had a chance to research it at the highest level.

Chairman HINOJOSA. I think there are some advantages and disadvantages of that model, but it was listed by Newsweek as one of the largest and best community college systems in the country, so there must be some good qualities to that.

Mr. SARUBBI. Certainly.

Chairman HINOJOSA. You said one of the factors leading to the successful efforts between Hudson Community College and local entities was the investment of the New York State Energy Research and Development Authority.

Is this a model that we should consider for other areas in the Nation?

Mr. SARUBBI. Without a doubt. NYSERDA has been a fantastic partner in helping us to get to the level where we are. They have the resources and the skill sets to allow a technical school like Hudson Valley to gear for the Green Collar Jobs Initiative that we have been able to get to the level that we have. Without NYSERDA, we would not have been able to pull that off.

Chairman HINOJOSA. My area has about 30 percent of its population in my congressional district below the national poverty level.

What efforts are being made by your community college to recruit a diverse and typically underserved population?

Mr. SARUBBI. Right now, we have worked closely—I am drawing a blank at the name of the organization that we have been working with right now, with youth programs that are bringing disadvantaged youths to Hudson Valley to help them earn their GED. And once they finish that, they can continue on with actual skills within the technology—

Chairman HINOJOSA. Could it be HEP-CAMP?

Mr. SARUBBI. No, it is—Youth Skills of America is the actual organization, and we have been working with Albany, Schenectady and Troy to do that. They helped us build homes for disadvantaged people, too, and—to be able to get us to that next level. So that has been successful so far.

Chairman HINOJOSA. I thank you for your responses, and it looks like I am running out of time. But I would like to call on my colleagues; and we will start out with Paul and see what questions he would like to ask.

Mr. TONKO. Thank you, Mr. Chairman. A question to all of you.

I hear this whole concern with structure and focus. And maybe just hearing from each of you, from your varying perspectives: If you could structure the best response programmatically to the needs of underskilled or those needing training in new skills, how would it work?

I am hearing these regional boards, I am hearing the regional concepts, I am hearing an employee service sector, training sector to the side, and allowing some of our agencies to do more of the routine work.

What is the best way for—from an industry perspective and a governmental perspective and education perspective, what is the best way you could structure it? In an ideal sense, what would it be in order to really maximize training opportunities?

Mr. MUSOLINO. There is a lot in that question, Congressman, needless to say.

Mr. TONKO. I am not looking to make enemies.

Mr. MUSOLINO. I think there are probably two different structural issues that we certainly struggle with at the State level, both equally important.

One of the structural issues is the geography of the State. New York State is a large State as is Texas—Colorado. So when we are thinking about the State, we are thinking in terms of various regional economies that exist. And in New York State we have placed some bets, as it were, in different areas of the State. State policy is invested in photonics in the Rochester area, nanotechnology here in Albany, and health sciences, biotechnology in the Buffalo area. And trying to create an employment and training system that is flexible enough to be able to deal with those different regional economies, knowing that even though those are target areas, they are not the only jobs and industries that exist in those large swaths of the State.

We have 33 local Workforce Investment Boards. It is an interesting geographic question whether there should be fewer or more. But ultimately the need for on-the-ground, local-level input matters

a lot. We have to know what the businesses in the areas of the State need.

Mr. TONKO. So do these boards—as established, do they get to that issue? Are they the best outreach?

Mr. MUSOLINO. Some do and some don't, and that is one of the issues.

We have—you are fortunate, you have Gail Breen here who is really one of the best in the State. Other areas of the State aren't often as sensitive to the needs of the business community. They don't have the same level of active business participation.

We have tried to incentivize the Workforce Investment Boards from the State by doing regional grants that require Workforce Investment Boards to apply as a partner with their neighboring Workforce Investment Boards; and we think you get more strength from doing that. So there is the local geographic area that is tricky to deal with. I think business participation is a big help with that.

The other structural issue that I think is important is how we use Workforce Investment Act funds in the State government agencies, within the world where there is an awful lot of other public money in the system—and, in fact, Workforce Investment Act funds are dwarfed by educational funds that come into the State—but using this as a coordinating mechanism and as a lever to be able to keep our policies unified.

We have been looking at different ways to deal with community colleges in the State. We agree that community colleges are a great delivery mechanism, and they are publicly funded and they have great penetration across the State. But things don't always align so well, so I think you have to deal with those structural things in both ways.

Mr. TONKO. Let me go across quickly—I don't want to go beyond my 5 minutes, but I think it is a fundamental question.

Ms. BREEN. I will try go quickly because I see the orange light on.

From the perspective of our own level Workforce Investment Board, we have taken the business sector perspective very seriously on our board. And if you look at the people to sit on our board now, as opposed to the people who were on the board in 2000, it is a different board. It reflects the industries, health care, manufacturing, distribution centers, service industries that are there now that might not have been there 8 years ago. So we have tried to repopulate the board, looking at what do people need locally.

But beyond that, we have looked at our natural regional area. And when I say “natural,” it is very difficult to draw boundaries in New York State because they don't work for everyone. When we look at Fulton, Montgomery and Schoharie, we are in the Mohawk Valley region, according to the State; but when you look at our commutation patterns and where people go to work and school every day, they go east, they do not go west.

Schoharie County has 40 percent of the working population leaving the county every day, 70 percent go to the Capital Region. Montgomery and Fulton Counties are not far behind that. That is why we talk about natural partnerships between our regions. And that is why I think that working with Fulton, Montgomery and

Schoharie, Saratoga-Washington-Warren, the Capital Region and Columbia-Greene, we have wonderful relationships with community colleges, with industries. That is a natural fit for us, and I would like to see that continue.

Chairman HINOJOSA. The gentleman's time has expired.

Before I call on my colleague from Colorado, Congressman Polis, I want to take advantage of something you said, Gail.

Is it possible for workforce boards like yours to help us increase the percentage of the Federal dollars that go towards retraining folks who are jobless? The rule of thumb has been in our hearings that only 40 percent of every dollar goes towards retraining; so it seems to me that the administration and profits for the subcontractors is just too high.

Is it possible to increase that 40 percent? And if so, quickly tell me how to do it.

Ms. BREEN. First of all, we have to talk about 40 percent of what?

Chairman HINOJOSA. Of a dollar.

Ms. BREEN. Of whatever the dollar is?

Chairman HINOJOSA. Federal money that we send down to you.

Ms. BREEN. I think that we can meet that goal and exceed it, if we go back to—the original funding level was 2,000 or higher, but at the current funding level—you look at Fulton, Montgomery, and Schoharie, we get an allocation of a million dollars a year. In 2000, we got an allocation of 2 million a years. You can't cut funding like that and expect people to be able to keep centers open that are critical for the workforce, particularly in rural areas.

Chairman HINOJOSA. Thank you.

At this time, I would like to call on Congressman Polis from Colorado.

Mr. POLIS. Thank you, Mr. Chairman.

I would like to thank Chairman Hinojosa for helping to arrange this hearing today, and Representative Tonko for making sure that our colleagues on this subcommittee are aware of the best practices here in New York.

One of the important things for us to take into account as we work to reauthorize WIA is regional diversity, and we can learn from programs that work in Colorado, New York, and other States and try to incorporate and scale best practices; and this is a particularly valued hearing for that.

I would also like to thank the New York Department of Education, I served 6 years on the Colorado Department of Education and I am jealous of this venue. We would have loved to have had such a wonderful venue. I thank the New York Department of Education for opening up their building to us.

My first question is to Ms. Breen. I would like you to elaborate on the manner in which you map the needs of the private sector to your workforce training programs and how you incorporate evaluating trends and making sure that your programs are geared towards the growth areas and areas that jobs will be needed in.

Ms. BREEN. Excellent question. Not to give too much to other organizations and not enough to the actual board, but we rely very heavily on New York State Department of Labor, our regional analysts, to provide us with the initial information. But then we have

a business services team that works closely with us and our board members to look at what are the declining industries, where are the industries expanding?

And then we look at the dislocated workers, the people who are being laid off and do some skills assessment on them, because what we are finding, at least in our area, the dislocated workers are generally an older population and they have fewer skills. They have worked in manufacturing where maybe a high school education is the best they have had.

And in emerging industries and advanced manufacturing, you need those STEM skills, you need science, technology, engineering, and math to make it work. So how do we get those dislocated workers who are older to come back in and take an interest in getting the additional skills they need so that they will be successful in health care, so they will be successful in advanced manufacturing?

Mr. POLIS. Just to follow that up, does your State Department of Labor give you regional job things? Is it broken out regionally, or is it just a State assessment?

Ms. BREEN. Not only will it break it out regionally, but we have regional analysts that will work with us by county. So we can look at not just my three-county region, but we have an 11-county coalition that I talked about before.

Mr. POLIS. Mr. Musolino, first of all, it sounds like you provide some excellent information to the regional centers. But my question is about the age restrictions, and I am wondering if you have any indication of interest of what level of interest there is in the 22-to-24-year-old demographic for the youth services?

Mr. MUSOLINO. Well, certainly as we have begun to talk to providers around the State—I was in Harlem last week meeting with a number of community-based organizations—they see being able to deal with the older youth population as pretty critical to what they are doing. A lot of kids, young people, dropped out of school and maybe aren't thinking about getting back in until later on. And so there is anecdotal evidence that they think this would be a valuable change.

Mr. POLIS. Mr. Quick, the wind training facility that you mentioned, is that strictly a privately run facility or is that also a private-public venture?

Mr. QUICK. It is a privately run facility, run by General Electric.

Mr. POLIS. And you have public partnerships working with the community colleges?

Mr. QUICK. Yes.

As a matter of fact, in the example with Hudson Valley Community College with our machinist apprentice program, certainly one of those kind of private and public partnerships that have happened.

You know, as we look and continue to expand in the wind industry, I would expect with the Workforce Investment Boards and the demand for green collar jobs that it is only going to increase, the partnership that is going to be needed in our wind facility with the local community colleges and educational institutions.

Mr. POLIS. Do these public-private partnerships, like with the community college, help justify your corporation to have this wind training facility?

Mr. QUICK. I believe so. In order for us to meet certainly the demand of our customers who are requiring our wind turbines, we have to make certain that we have not only our own skilled employees, but the customers having to skill their own employees as well.

Coming to General Electric in our facilities in concert with local communities here from an educational perspective, or community colleges around the country, I think is the way to go, quite frankly.

Mr. POLIS. Thank you.

Chairman HINOJOSA. We have time for a second round of questions, and I would like to start that second round and continue with the line of thinking of Congressman Polis. My question is to Tom Quick.

There is a lack of skilled labor, and you said that that was a major obstacle to the expansion of the wind industry. But—obviously it may be easier to work with college graduates, but what contributions should come from the high schools, the community colleges, and technical schools so that we can help those jobless individuals get a job?

Mr. QUICK. Well, I believe it is a critical component, Congressman. I think that, you know, it is the folks with the 2-year associate degrees in a technical discipline that will be the wind turbine technicians that we will need going forward, not necessarily the 4-year degreed individual.

I think that the Workforce Investment Act needs to consider where it spends its money. If it spends its money across all community colleges or technical colleges across the U.S., it may not getting it biggest bang for the dollars spent. I think current educational institutions that already have a technical degree program are probably best prepared at this point in time to augment that program with training that would be involved in the renewables industry.

Chairman HINOJOSA. I want to say that we in Texas have some regions along the Gulf of Mexico that are ideal for setting up windmills. And I think that Kleberg County and Refugio County and those areas there are, as we speak, some of those windmills being put up. We have some technical colleges in Harlingen, South Texas Technical College, that would be ideal after listening to your answer.

How would they be able to partner with you here in Albany so that they could get that 2-year associate degree program for this specific trait?

Mr. QUICK. Thinking about that specific location, Congressman, I think the question would be, what would be one of our customers who would want to take that area of the country where the wind is blowing and like to create a wind farm? Once that potential customer is identified, obviously not only are they purchasing our wind turbines, but they have staff and skill their own wind technicians to be able to stay on these wind farms. There becomes the local labor connected with the local community colleges and where our wind training facility can help train those specific employees to return back to Texas to really have a career, quite frankly, in that wind farm.

Chairman HINOJOSA. I will put their president in contact with you and see if we can take advantage of that offer.

My next question would be to the last presenter, and Nanine, you mentioned that local one-stop centers are ill-equipped to help jobless workers get through the overburdened application system. How can we get more cooperation from all of the workforce training partners to expedite services during this period of severe national unemployment problems where our Nation's jobless rate is over 8 percent?

Ms. MEIKLEJOHN. Well, it is not an easy answer.

Before WIA was established, the employment service and the unemployment insurance workforce sat in the same location and often were cross-trained so that they could do each other's jobs; and when the economy changed, they could be shifted around to meet the existing need.

Now, there are a couple of States that have actually started to make an effort to get their employment service staff, who are sitting in the local one-stop offices now, to help process unemployment claims again as workers come into those local offices. At the moment, most one-stop centers only have a telephone link to the UI call center, but both Connecticut and, now, Ohio are moving to shift some of their employment staff who are sitting there over to doing UI claims again.

So they are trying to knit back together a connection that has frayed very badly over the last 8 years or so.

I wanted, if I might, just to supplement what some of the other panelists have said about training and partnerships and sectoral initiatives. And I would like to call your attention to a program that our affiliate in Philadelphia, 1199 C, has had actually for 35 years.

It is a very strong partnership with hospital employers in the Philadelphia area. There are over 40 employers in that partnership, and it is a labor-management partnership which brings—they train—half of the people that they bring into the training program are from the local low-income communities and half are incumbent workers in the health care sector; and they have created career pathways so that they can move people who are unemployed and unskilled into jobs and move them up.

They have trained about 1,300 workers in the last year. And they also partner with the Philadelphia school board and Youth Build and the Philadelphia Youth Network. It is a very expansive program which also receives WIA funding from the State. So it is a really good model for a sectoral partnership approach which involves strong participation by the local union.

And I just want to also make the observation that WIA—one of the, I think, unfortunate effects of WIA was that the role of organized labor was sidelined pretty significantly by the law and the extent to which it exists in local programs now is very hit or miss.

Chairman HINOJOSA. I like your recommendation, and after we close this session, I would like to talk to you a little bit more. Because we have a program in McAllen, Texas, that has been very successful in increasing the number of students that were underemployed and then trained in an associate degree program that is

allied health and nursing that has been very successful. But we need to increase it even more, so I would like it talk to you.

With that, I yield to Congressman Paul Tonko.

Mr. TONKO. Thank you, Mr. Chair.

Joe Sarubbi, you mentioned that there are some challenges in the administrative complexities in your testimony that relate to the alignment of training programs. Can you just elaborate on that, please?

Mr. SARUBBI. Again, when you look at the great job that the Department of Labor is doing as far as pulling together statistics and what is happening with the Workforce Investment Board, sometimes there is a disconnect when it gets to the level of the training, you know, within, for example, at a community college, of kind of pulling that all together.

I don't believe we have enough business representation involved with this creating that consortium of companies with the Department of Labor, with Workforce Investment Boards and community colleges together to figure out the best way to get this training off the ground.

When I see students come to Hudson Valley, it is a daunting task for most of them to be able to say, if I am a 40- or 50-year-old person who has been laid off, "I need to be retrained; how do we make this happen?" And they are brought to Hudson Valley or any community college; we are trying to give them the best services. What we need is a stronger connection between the Department of Labor and the Workforce Investment Boards and the colleges to make that happen, so that we can be more successful with these students. I am starting to see that kind of disconnect right now.

Mr. TONKO. Is there something in the reauthorization of the act that you would recommend to this panel? Would there be a specific improvement that would be required?

Mr. SARUBBI. I would like to see more employers invested in some type of consortium that involves the Workforce Investment Act that would allow employers to help us—working with the Department of Labor and Workforce Investment Boards, help us understand their employment needs and how they could also participate in this particular process, whether it is on-the-job training or supporting students who are coming out of high school who need to get to that next level, displaced workers, and/or the returning veterans.

If it is incentivized in a way that employers are willing to take on these types of candidates in a way that would allow them to grow within the job, I think we would have a strong chance for them to succeed within the program while they are gaining their training. So I see a stronger connection bringing some of the employers into this act to make it happen more successfully.

Mr. TONKO. And, Tom, when you talk about the 500,000 projected jobs by the Department of Energy—

Mr. QUICK. Right.

Mr. TONKO [continuing]. In the wind industry?

Mr. QUICK. Correct.

Mr. TONKO. I am going to make an assumption here that if an underskilled, displaced worker or a student who comes to you

wants this training, might have an interest in an across-the-board renewable opportunity, are we at risk of maybe siloing what we train someone for?

Is there a way, once you capture that individual, to provide PV training, the geothermal and wind? Is there an across-the-board introduction, or do we channel that into the site operators or wind technicians?

Mr. QUICK. That is a good question. I think that there is certainly a unique skill set for each part of the renewable industry. It would be nice if one brush touches everyone who had an interest in a career in the renewable industry.

I think there is a need to go deep inside of these technical skill sets. Someone, for example, who goes deep with the skills to be a wind technician may not be necessarily trained to immediately go in and set up a solar farm. That is a different type of a skill set.

I think we have got to work in concert with private employers, with the Federal Government, and the educational institutes to watch as we move forward with the Department of Energy goal of 2030 to have 20 percent of electricity be wind power, to determine where best do we need to train the workers of tomorrow.

Mr. TONKO. Does the training focus come through your training program that you described, or do you reach to a program like Gail's that might have that traditional regional aspect going, or to Nanine, where she might be able to provide for, like, what use is there of apprenticeship programs for the labor community?

Mr. QUICK. I think you can really touch, quite frankly, all three. We can sort of hire students who have gone through the community college or technical colleges immediately to be placed, for example, around the U.S. on wind farms.

But I think we can take that student, bring them then to our wind training facility and train them specifically on General Electric wind turbines so that they are in the best position, quite frankly, to service our own manufactured wind turbines across the U.S.

Mr. TONKO. Does anyone else on the panel have a response to that? Anything you would add?

Mr. MUSOLINO. I have a quick point I would make.

At the department we are actually trying to deconstruct various jobs in the green area now to understand what the common skill sets might be. Because a lot of what we have to think about in WIA and all the training programs is really about career ladders. And you might bring a young person in or someone in with maybe not a high school education, maybe just a GED, to start thinking about things like weatherization, which is a fairly low level of skill. It requires some training, short training courses, 40 hours to be able to do the building envelope analysis.

But we would like to see how you move people up to higher and higher skill levels, so they get more family-sustaining wages and a better career path for that. We are doing that work at the department now, and we are seeing that there are cross-skill sets that we will be able to deal with.

Mr. TONKO. Do I still have time, Mr. Chairman?

With the concern for resources, that a couple of you have made mention of, and the fact that the 2000 level is double what you are

working on right now, when you have that sort of economic fiscal pressure, what gives?

Do you serve fewer people? Do you have less intense training? Just how do you absorb that sort of shortfall?

Ms. BREEN. I will take that one from a local level.

What we looked at, because obviously when you lose 50 percent of your funding, you are losing a tremendous amount of money. Being three rural counties and people not have having the computer skills that they might need to access our programs by computers, the first decision we made that was that we need to have a center in every county, and that was reinforced by chief elected officials that said, You can do anything you want, but don't take my resource room away from me.

After that, we looked at staffing. How much staffing could we lose and still provide quality services? And again that goes back to having an integrated service delivery system. If we had to rely on just WIA staff or just employment service staff or just VocRehab staff, we would never be able to continue to operate our programs, but by having integrated services delivery with functional supervision of those teams we have done very, very well.

When you get down to the training aspect, you want to continue to train at least at many people as you did before, if not more. What that means then is, you have to train people for shorter periods of time for lower level jobs. Where for years we trained registered nurses, we have gone back to LPNs and certified nurse assistants. Even a certified nurse assistant still makes more money than an entry level wage than our actual average level wage across the three counties.

Another thing we have started to do is going to the community colleges and look at student who are in their second year, who in trouble financially and might not be able to complete the radiology technology programs, the histotechnology, the RN, and bring them in and serve them too. We don't serve less people; in fact, we serve more. But we serve them with newer resources, and it means that we have to serve at a different level.

Mr. TONKO. And for a facility like yourself, if someone has an interest or finds that their makeup perhaps is such that they are suited for a green collar opportunity, would you then integrate them into a program like that at Hudson Valley?

Ms. BREEN. Absolutely. And Fulton-Montgomery Community College is currently working with HVCC in conjunction with them. They might start out at FMCC.

Absolutely, we are looking at green jobs not just for dislocated workers, but also for young people coming out of high school or our GED programs. And we have GED programs in each of our three counties and we have a pass rate of over 80 percent for our students.

Chairman HINOJOSA. The gentleman's time has expired.

We are about to bring this to a closing, and I wanted to ask the gentleman from Colorado, Congressman Jared Polis, if he would like to have any closing remarks.

Mr. POLIS. Yes, thank you. Closing remarks or questions for the panel, as well?

Chairman HINOJOSA. I will allow you to ask one or two questions, then a closing remark.

Mr. POLIS. Thank you, Mr. Chairman.

A question for Mr. Sarubbi: What efforts are being made by your institution to recruit and remain a diverse and typically underserved population, including women, in nontraditional fields and minorities?

Mr. SARUBBI. That is a great question. We have reached out into the inner cities. We have traveled to—faculty have traveled even towards New York City, trying to attract inner city youth about the value of technology programs.

Again, working with Youth Build programs, trying to get students who are disadvantaged or are struggling just to finish high school right now, we brought them to Hudson Valley Community College. We actually get them through special program that allows them to finish their GED and, while doing that, pick up real trade technical skills in a construction industry. And we have employers who are happy to pick them up.

We are reaching out to the female population as well. We are starting to see an increase in the number of women in our program, so much so that we highlight them on our marketing materials to attract more women; and we move those publications towards places where you would see more women actually interact with those types of publications with the idea of attracting females in that regard. And it has been successful so far.

Typically, most of the construction industries, as we know, has been nontraditional for females, but we are doing our best to try to publicize that as much as possible.

Mr. POLIS. Thank you.

Final question for Mr. Musolino: Your State requires the 33 WIB boards to apply for regional, sector-based partnership grants. My question is, are all of them participating and do you recommend this model for consideration on a national basis?

Mr. MUSOLINO. All of them are not participating. Those are optional. That is additional funding that they can apply for.

I believe we have nine that have received those grants, nine consortia across the State. Not all Workforce Investment Boards are involved in it.

We do highly recommend it. It is a way to use incentive dollars to get people to think in regional terms and cooperate across our traditional Workforce Investment Board lots.

Mr. Polis. I would like to thank Mr. Tonko, in particular, for helping to arrange this hearing, as well as highlighting some of the wonderful work that upstate New York is doing in this area that will help inform our own discussions as we work towards the reauthorization of WIA. And again I express my gratitude to Chairman Hinojosa for his efforts in leading the WIA reauthorization efforts and making sure that we learn from best practices across the country.

In my district, as well, there are many green collar jobs. In addition to wind, we also have solar—a strong solar industry. In fact, some of the turbines that Mr. Quick's lab teaches people to use were tested in my district at the wind farm of the National Renewable Energy Laboratory in Golden, where they apply stress testing

to wind turbines to see how they will hold up over time, usually at the prototype stage before they are rolled out.

Due to the excellent geophysical characteristics for solar power in Colorado, we have also had tremendous growth in that area, including both distributed solar installations on homes as well as primary and applied research and development, some of which is related to the Federal lab, the National Renewable Energy Laboratory, others which now occur in the private sector.

The testimony that you have given today will help all of us on our committee, both those of us who are here and those of who us can read the written testimony back in Washington, to better formulate a national WIA Act that will truly take into account our regional differences, as well as best practices nationally, including some of the wonderful accomplishments you have had here in upstate New York.

Thank you.

Chairman HINOJOSA. Now I would like to ask our host, Congressman Tonko, if you would like to make any closing remarks.

Mr. TONKO. Thank you, Chair.

Certainly, I thank all of you for the focus that you provide with the essential work that is done in training the workforce of the future.

But an added thank you, and probably the most sincere I can offer, is for the hope that you provide to individual workers and their families. The despair of not having work opportunity and the opportunity that you provide for individuals to know that they have these capabilities and can develop even more is a great bit of hope that you can instill, and I thank you for that.

What I take from this is the need to continue to provide, somehow with the reauthorization, enhanced flexibility so that you can have that opportunity to strike those regional strategies or partnerships that will best get the dollars to most effective use.

And then the collaboration—if you can advise us into the future, as we work on this mission, to best understand how we can strike that collaboration amongst the States, working with the Federal dollars, in our academic settings, our community colleges and others, the apprenticeship programs and the private sector needs and the private investments that are being made—if we can strike a strongest bit of collaboration there, with your guidance, it would be most useful.

And then I heard the message clearly about resources, and whether we are dealing with the appropriators or the authorizers, it is the amount of money that you have to invest locally that is most telling. And to be able to address that in meaningful measure, as we did in a down payment in the stimulus package, certainly should be our goal.

So I thank you for your advice and the sage wisdom you have imparted.

Chairman HINOJOSA. As I come to my concluding remarks I want to say that the American Recovery and Reinvestment Act signed in mid-February by our President Obama included over \$4 billion in funding for WIA programs; and now that the stimulus plan has been approved with the \$787 billion, it is our responsibility to bring all the stakeholders who can work together in different programs

and take advantage of this Federal investment to create jobs, good-paying jobs.

And so I want to say that, once again, I would like to thank the witnesses and the members of the subcommittee for a very informative session. As previously ordered, members will have 14 days to submit additional materials for the hearing record. Any member who wishes to submit follow-up questions in writing to these witnesses should coordinate with our majority staff within the requisite time.

And without objection, this hearing is adjourned. Thank you.  
[Whereupon, at 11:45 a.m., the subcommittee was adjourned.]



## **NEW INNOVATIONS AND BEST PRACTICES UNDER THE WORKFORCE INVESTMENT ACT**

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**Tuesday, May 5, 2009**

**U.S. House of Representatives  
Subcommittee on Higher Education,  
Lifelong Learning, and Competitiveness,  
Committee on Education and Labor  
Washington, DC**

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The subcommittee met, pursuant to call, at 10:12 a.m., in room 2175, Rayburn, Hon. Ruben Hinojosa [chairman of the subcommittee] presiding.

Present: Representatives Hinojosa, Bishop, Tonko, Titus, Andrews, Tierney, Wu, Davis, Fudge, Polis, Pierluisi, Guthrie, McKeon, Castle, Ehlers, Biggert, and Roe.

Staff Present: Tylease Alli, Hearing Clerk; Alice Cain, Senior Education Policy Advisor (K-12); Fran-Victoria Cox, Staff Attorney; Adrienne Dunbar, Education Policy Advisor; David Hartzler, Systems Administrator; Jessica Kahanek, Press Assistant; Mike Kruger, Online Outreach Specialist; Ricardo Martinez, Policy Advisor, Subcommittee on Higher Education, Lifelong Learning, and Competitiveness; Alex Nock, Deputy Staff Director; Joe Novotny, Chief Clerk; Melissa Salmanowitz, Press Secretary; Margaret Young, Staff Assistant, Education; Stephanie Arras, Minority Legislative Assistant; Robert Borden, Minority General Counsel; Cameron Coursen, Minority Assistant Communications Director; Chad Miller, Minority Professional Staff; Susan Ross, Minority Director of Education and Human Services Policy; Linda Stevens, Minority Chief Clerk/Assistant to the General Counsel; and Sally Stroup, Minority Staff Director.

Chairman HINOJOSA. A quorum is present. The hearing of the committee will come to order.

Pursuant to the committee rules, any member may submit an opening statement in writing, which will be made part of the permanent record; And I will recognize myself, followed by the ranking member, Congressman Brett Guthrie, for an opening statement.

Welcome to the Higher Education, Lifelong Learning, and Competitiveness Subcommittee's fourth congressional hearing in preparation for the reauthorization of the Workforce Investment Act, better known as WIA. As with our previous hearings, we are going to focus on new innovations and best practices that will improve the workforce development system. Today, we will turn our attention

to the adult education and family literacy programs that are authorized under Title II of the Act.

We are facing the greatest world economic crisis since the Great Depression. We need to retool our economy, and that starts with investing in our people. The President made clear his commitment when he set the goal of returning the United States to number one in the world in producing college graduates. He also issued a challenge to every American to commit to at least 1 year of college or advanced training.

Adult education programs provide us the bridge to achieving the President's goals. Unfortunately, today, this bridge does not have the capacity to do the job. According to the national assessment of adult literacy, an estimated 93 million adults lack sufficient literacy skills to enroll in postsecondary education or training.

Funding for adult education has actually declined. Today, the adult education State grant program is funded at \$554 million, roughly \$20 million less than the funding level for fiscal year 2004. These low levels of funding mean that we are only able to reach an estimated 2 to 4 percent of the population that needs adult education services.

In 2008, 2.3 million adults participated in federally supported education programs. Of this total, roughly 1 million participated in English as a second language programs. Nearly another million enrolled in basic education programs for adults with reading and math levels below the 8th grade, and the rest were enrolled in secondary education programs that lead to a GED.

The adult education programs have also played a critical role in helping adult immigrants learn English and learn about American society and American government. \$68 million of the adult State grant formula is dedicated to integrated English as a second language and civics programs.

There are long wait lists for all of the adult education services. Our challenge for the reauthorization of the Workforce Investment Act is to develop innovative models that will significantly expand our capacity to deliver adult education. We need to fully develop the talents of our entire population. We cannot afford to write off the other 93 million adults. Therefore, we need a targeted, we need a focused strategy to build a bridge to postsecondary education advanced training and a better quality of life for adults.

This is where you panelists come in. We want to hear from you, your recommendations and how we can make this a reauthorization act that is going to take us the next 6 years and get over this economic crisis and put more people to work.

Today's panel brings together experts in the field of adult education, including the most important experts of all, adult learners who have been able to achieve their goals through adult education programs. I would like to thank you witnesses for joining us today. I am looking forward to your testimony.

And now I yield to the ranking member, my friend Congressman Brett Guthrie of Kentucky, for his opening statement.

[The statement of Mr. Hinojosa follows:]

**Prepared Statement of Hon. Rubén Hinojosa, Chairman, Subcommittee on  
Higher Education, Lifelong Learning, and Competitiveness**

Good Morning. Welcome to the Higher Education, Lifelong Learning, and Competitiveness Subcommittee's fourth hearing in preparation for the reauthorization of the Workforce Investment Act. As with our previous hearings, we are going to focus on new innovations and best practices that will improve the workforce development system. Today, we will turn our attention to the adult education and family literacy programs that are authorized under Title II of the Act.

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Our challenge for the reauthorization of the Workforce Investment Act is to develop innovative models that will significantly expand our capacity to deliver adult education. We need to fully develop the talents of our entire population. We cannot afford to write off 93 million adults. Therefore, we need a targeted and focused strategy to build a bridge to postsecondary education, advanced training and a better quality of life for adults.

Today's panel brings together experts in the field of adult education—including the most important experts of all—adult learners who have been able to achieve their goals through adult education programs. I would like to thank you witnesses for joining us today. I am looking forward to your testimony.

I now yield to the Ranking Member, Mr. Brett Guthrie of Kentucky, for his opening statement.

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Mr. GUTHRIE. Thank you, Mr. Chairman, for calling this hearing; and I welcome our distinguished witnesses, a great Kentucky company here with us today, founded right near my district.

Our country continues to face tough economic challenges. We face complex and difficult problems as we work to restore economic growth. Investing in our workforce is important to ensure that workers are adequately prepared to meet the changing demands of our economy. With proper investment, our workforce can be strengthened and maintain its competitive advantage.

When I first began in politics, I was running for the State legislature in Kentucky and in the State Senate, and people talked to me. What are you focused on? K-12? Secondary? Adult? I said, really, it is K-R, kindergarten through retirement. It became my mantra.

And several witnesses here that fit the mold is that some people were not educated at the level they should have been when they were younger and need education to get back in the workforce. Be-

cause it is difficult to work without it. My father went to work for Ford Motor Company, thought he would work there until he retired. They shut the plant down, and he had use his education to become a businessperson to find a job for himself. And there are people who are working within companies that see other opportunities and need to continue to move forward.

Another thing I learned in Kentucky, we had a lot of people that were functionally illiterate and then illiterate completely and worked on those issues because you couldn't even read a menu or a book to their grandchild. And we created programs to get them into the system for higher education.

So it is an important thing that we are doing here, and our economy depends on it. For us to have opportunities for people absolutely depends on what we are doing on this committee, and what you are sharing with us is going to help us do a better job because of your life stories. We have some great life stories. I am familiar with one, just being a fan; and I know what your companies are doing with others.

Today, there are 5,000 federally sponsored adult education centers across the country; and these centers are located in schools, community centers, libraries, public housing, community colleges, and volunteer organizations. In Kentucky, Dollar General is one that we are working with in some counties, because we realized people weren't going to school because they had bad experience in a school. So let us go find them where they are. And Dollar General has been a great, great partner with us in moving forward with that.

And as we work to improve the Adult Education Family Literacy Act of this Workforce Investment Act, we must remain focused on improving the quality of instruction, promoting the use of technologies, encouraging the business community to invest. I look forward to today's testimony and learning more of the best practices and innovative ideas around the country as we work to improve the Workforce Investment Act.

Again, thank you all for coming to Washington today. It is going to be great and informative, and I appreciate the chairman calling this meeting, and I yield back.

[The statement of Mr. Guthrie follows:]

**Prepared Statement of Hon. Brett Guthrie, Ranking Minority Member, Subcommittee on Higher Education, Lifelong Learning, and Competitiveness**

Thank you, Mr. Chairman, for calling this hearing and I welcome our distinguished witnesses.

Our country continues to face tough economic challenges. We face complex and difficult problems as we work to restore economic growth. Investing in our workforce is important to ensure that workers are adequately prepared to meet the changing demands of our economy. With the proper investment, our workforce can be strengthened and maintain its competitive advantage.

Education, including adult education and family literacy programs, will be a critical component of ensuring that individuals have the basic skills needed to move up the economic ladder to better paying jobs or a higher education.

Today, there are some 5,000 federally-sponsored adult education centers across the country. These centers are located in schools, community centers, libraries, public housing, community colleges, and volunteer organizations, both public and private, for-profit and non-profit.

As we work to improve the Adult Education and Family Literacy Act of the Workforce Investment Act, we must remain focused on improving the quality of instruc-

tion, promoting the use of new technologies, and encouraging the business community to co-invest in the skills of the local workforce.

I look forward to today's testimony and learning more of the best practices and innovative ideas from around the country as we work to improve this aspect of the Workforce Investment Act.

Thank you, Mr. Chairman.

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Chairman HINOJOSA. Thank you.

Without objection, all members will have 14 days to submit additional materials or additional questions for the hearing record.

Before we start, I want to talk a little bit about the lighting system that we use for our congressional hearing. For those of you who have not testified before this subcommittee, please let me explain that lighting system and the 5-minute rule. Everyone, including Members of Congress, are limited to 5 minutes of presentation or questioning.

The green light is illuminated when you begin to speak. When you see the yellow light, it means you have 1 minute remaining. When you see the red light, it means your time has expired and you need to conclude your testimony.

Please be certain as you testify to turn on and speak into the microphone in front of you.

We will now hear from our first witness, and I wish to recognize Representative Phil Roe of Tennessee to make our first introduction. Congressman.

Mr. ROE. I thank the chairman for yielding.

I would like to take this time to introduce a fellow Tennessean to the committee, Ms. Gretchen Wilson. Ms. Wilson is a multi-platinum recording country music singer and songwriter. Her work has won numerous awards, including Female Vocalist of the Year from both the Country Music Association and the Academy of Country Music and the Grammy Award for the best female country vocal performance. Right before this briefing, members of the Tennessee delegation heard firsthand about Ms. Wilson's passion for promoting and improving adult education.

Until last year, like so many Americans, she hadn't completed her high school education. As she told us, it was important for her to earn her diploma, not only for herself but to show her 8-year-old daughter the importance of education. At the age of 34, she received her GED on May 15, 2008, through the Adult Learning Center of Wilson County in Lebanon, Tennessee. We are not sure they didn't name the county after her, too.

This perseverance helped make her a role model, and I am pleased she chose to come to Washington to share her experiences and insight to create a stronger adult education system. She is very busy. She didn't have time to—did take the time, due to a very busy and hectic schedule, to do this; and we appreciate you spending your valuable time and passion with us today. You are making a difference. Welcome to this committee.

Mr. Chairman, I yield back.

Chairman HINOJOSA. Thank you very much for your introduction.

The next person I wish to introduce is Mr. Marty Finsterbusch. Marty was appointed VALUE's first Executive Director in 2001. VALUE is the only national nonprofit adult literacy organization in

the United States governed and operated by current and former literacy students.

Since 2000, Marty has served on Pennsylvania's Adult Basic and Literacy Education Interagency Coordinating Council, having been appointed by three different governors. During his National Institute for Literacy Fellowship in 2000, Marty studied adult learner involvement in all 50 States. He has also served on the governing boards of several national and State organizations, including SCALE, including Laubach Literacy Action, which became ProLiteracy, and has also served on Pennsylvania's State Coalition for Literacy. Welcome.

The next person will be Mr. David Beré, who is President and Chief Strategy Officer of Dollar General. David joined the company in December, 2006, after serving as a Director since 2002. Beré served from December of 2003 until June 2005 as the Corporate Vice President of Ralcorp Holdings, Incorporated and as the President and CEO of Bakery Chef, Incorporated. From 1996 to 1998, Beré served as President and CEO of McCain Foods, U.S.A., a manufacturer and marketer of frozen foods and a subsidiary of McCain Foods Limited. He spent 17 years at the Quaker Oats Company, where he served as the President of the Breakfast Division and the Golden Grain Division. In 1983, he was appointed White House Fellow by President Ronald Reagan. Beré earned both his bachelor degree and his master's of business administration degree from Indiana University, and we welcome you.

Ms. Kathy Cooper serves as Policy Associate for the Adult Basic Education Office, Washington State Board for Community and Technical Colleges, with an emphasis on external relationships and new initiatives. She provides primary support to the State's governor-appointed Advisory Council and has served as a member of the subcabinet team that implemented welfare reform. She acts as one of the leaders in developing the integrated basic skills and professional technical instructional model known as I-BEST.

Kathy started her career in education as a middle school reading specialist in the State of Idaho. During her tenure, she became department head at her school and eventually the coordinator of secondary reading services for that district.

Mr. Stephen Reder is a university professor and chairman of the Department of Applied Linguistics at Portland State University. Dr. Reder's interests focus on adult education and literacy and language development during adulthood. He was the principal investigator of two recently completed major projects in adult education, the National Lab Site for Adult ESOL and the Longitudinal Study of Adult Learning, which followed a random sample of about 1,000 high school dropouts for nearly 10 years, focusing on the way youths and adults failed or succeed in reconnecting with learning, education, and work. A new project directed by Dr. Reder is applying the findings of this study to design an innovative learning support system called the Learner Web.

Professor Reder is the author of numerous publications about adult literacy, including the forthcoming book, *Dropping Out and Moving on: Life, Literacy and Development Among School Dropouts*, which will be published by Harvard University Press.

Also with us is Ms. Donna Kinerney. She is the Instructional Dean for Adult ESOL and Literacy Programs, the workforce development and continuing education unit for Montgomery College. As Instructional Dean, Dr. Kinerney provides administrative and instructional leadership for grant-funded adult educational programs, including the Adult ESOL and Literacy GED Program and Refugee Training Program, which serve approximately 12,000 learners in need of English language or literacy skills development per year.

Dr. Kinerney serves on the board of the Maryland Association for Adult Community and Continuing Education and was the chairwoman of the adult education interest section for Teachers of English to Speakers of Other Languages.

Also with us is Roberta Lanterman. Ms. Lanterman has been working in the field of family literacy for over 15 years and currently serves as Director of the Long Beach Family Literacy Program in the Long Beach Unified School District. She also serves as the Southern California training coordinator for the McDonald's Family Mealtime Literacy Nights.

Ms. Lanterman has a bachelor's degree from the University of California at Santa Barbara, a California multiple subject teaching credential, and she is a certified trainer for the National Center for Family Literacy.

I welcome each and every one of you, and I look forward to your testimony.

At this time, we are ready to start with Ms. Wilson.

**STATEMENT OF GRETCHEN WILSON, GRAMMY WINNING  
RECORDING ARTIST AND GED GRADUATE**

Ms. WILSON. My name is Gretchen Wilson. I came here today to share my story of what adult education has meant to me and to my family.

I, like many other young children, Americans, lived in a household that was sort of volatile, wasn't the kind of place where I really wanted to be or that my mother wanted me to be, either. And at a young age, 14, my mother helped me to sign out of school, and I moved out on to my own and started to support myself. And I think what happens with a lot of young people is that life just starts, and it takes over, and education gets put on a back burner. You have to start worrying about more adult things, like paying your bills and where your next meal is going to come from. So I think that happens to a lot of young people, as it did with me.

Life kind of got away from me, and I found myself in my 20s uneducated and still not sure if this incredible dream that I was chasing was ever going to come true. I was one of the lucky ones, and the impossible did happen for me. I am incredibly lucky, living a life that most people can only dream of.

I am a single mother of a beautiful child, and I also have a musical career. But I found myself in my early 30s still missing something, still feeling like there was a piece of me that I had not completed. The first time I thought about going back and getting my GED was almost immediately. And I feel like that a lot of people feel that they would like to go back and do something more, but it is not there for them. It is not easy to find. It is not financially feasible.

In fact, if this dream hadn't happened for me, I don't think I would have been able to go back and afford to finish my education. This was something that I didn't have to do, but I did for myself, for my daughter, for my family. I feel that I am a better mother, a better person, a better human and a better American because of this education. And I hope and I am here to help other people's dreams come true, and hopefully we can make other people feel as complete as I do.

Thank you.

Chairman HINOJOSA. Thank you.

[The statement of Ms. Wilson follows:]

**Prepared Statement of Gretchen Wilson, Grammy Winning Recording Artist, GED Graduate**

Hi. My name is Gretchen Wilson, and I'm here to tell you about how important the adult education program has been to me.

I was one of many teenagers who was forced to leave home and school at a very young age. And for most people, education takes a back seat to work and financial commitment almost immediately. I know this because I was one of those people. I struggled financially until I was almost thirty years old, and the impossible dream came true. I became a mommy \* \* \* and a major recording artist for Sony Records. After having been blessed with a life that most people only dream of, there was still something missing, a piece of me that was incomplete. I chose to continue my education not only for myself, but also for my daughter, Grace. She's in second grade now, and she's getting ready to start doing long division.

I realized that, as she got older, I would have to address important issues with her, including the educational needs that had not been met in my own life. I knew that she would be curious about things that I valued, such as an education, and that she would ask me probing questions like, if school is that important, then why didn't you graduate? I also knew that she would need to ask me to help her with much more difficult math problems than long division, and I wanted to be ready to meet the challenge. I wanted to set a good example for her. I was determined to complete my high school education by finding a local adult education program and earning a GED, and I am proud to stand before you today and say that I did. I'm not only blessed, but also relieved that I'll be able to help her with her homework next year.

Going back to school was an eye-opener for me in many ways. After talking with others who had gone back to school, I realized that I was only one person out of many people in need of a GED credential. Not only was I among nearly 6,500<sup>1</sup> adults in Wilson County that lack basic education skills, but also among 577,000 adults in Tennessee and 93 million adults in America with basic skills deficiencies.<sup>2</sup> Additionally, one in five adults have not completed high school,<sup>3</sup> and nearly 7,000 high school students drop out every school day.<sup>4</sup>

Why do young people leave school in your Congressional districts? For many reasons, and the reasons may surprise you. Perhaps a family member was sick, or they had to quit school to work for their family's survival. Some had to travel with their parents who were in the military or who were otherwise mobile because of job requirements. Their education, as a result, was fractured. Credits that counted in one school system would not count in another. They realized they did not have enough credits to graduate, and they felt they had no alternative but to quit. These are only a few examples out of the many diverse reasons why young people leave.

In talking to people, my heart began to ache. There are so many people struggling to make ends meet and they cannot because they do not have high school diplomas. Their parenting skills are lacking. Many do not have the basic education skills themselves nor do they understand that they need to nurture and encourage their children to become well educated. They do not have the social skills needed to navigate the workplace, they feel inferior to their cohorts, and they often just give up. People need the tools to succeed in America, and, at the very minimum, a major tool on the road to success is a high school diploma or GED. All Americans deserve

<sup>1</sup> NAAL State and County Estimates: <http://nces.ed.gov/naal/estimates/StateEstimates.aspx>

<sup>2</sup> National Assessment of Adult Literacy: <http://nces.ed.gov/naal/>

<sup>3</sup> U.S. Census: [http://factfinder.census.gov/home/saff/main.html?\\_lang=en](http://factfinder.census.gov/home/saff/main.html?_lang=en)

<sup>4</sup> Alliance for Excellent Education: <http://www.all4ed.org/files/NCLB-HighSchools.pdf>

a basic education so that they can take advantage of opportunities otherwise not open to them.

Adult education and literacy is a silent epidemic that has been growing for years. It isn't easily recognized like poor health or hunger, although it can alleviate both. For example, nearly half of all American adults—90 million people—have difficulty understanding and using health information.<sup>5</sup> In order to get good health care and to raise healthy families, adults need to be able to understand the health information available to them. That understanding increases as adult literacy increases.<sup>6</sup>

Educated parents help children succeed and break the cycle of educational deficiencies in families. Adult education and literacy issues are invisible to America because most people who suffer are ashamed of it, try to hide it, and will not speak out. Adult education and literacy is not a priority for our country, but if you have had your eyes opened like I have, then you see that it should be.

The sad truth is, if my dream hadn't come true, I probably wouldn't have been able to afford to take off work in order to get my GED. A lot of Americans out there who really want and need to continue their education can't afford it, either.

Those who do go back to school, in between work and family responsibilities, may be put on waiting lists. In a recent survey,<sup>7</sup> 80,000 adults (in 41 of 46 states reporting) confirmed students on waiting lists in their state, not counting waiting lists with community-based organizations that do not receive federal funds. There is no excuse to wait list people. What would parents say if they were told their child had to wait three months, six months, a year or more to enroll their child in school? Americans would be in an uproar! Parents would not tolerate it. Why do we tolerate it for adults?

Adults are wait listed for adult education and literacy programs because these programs are severely underfunded. We invest heavily in K-12, Head Start, and Early Head Start but the amount spent on adult education and literacy is significantly less. Invest more in educating the parent, and you'll educate the child and break the cycle of illiteracy for generations to come. The reality is, you wait list people, turn them away, and they're probably not coming back. You've just added more undereducated adults to the statistics. The cycle continues.

Talking to adult educators, every year they are under a cloud of threats for closure or diminished funds. I can only imagine how difficult it would be to work under that type of stress. These highly educated and very dedicated men and women already work on a dime and get more bang for their buck with the dollars spent on their programs than on most federally-funded education programs. I challenge you to show me another program out there anywhere in America that does so much for its people with so little.

Less than an hour ago, I delivered thousands of letters from Tennesseans to Tennessee Congressmen requesting additional funding for adult education. Many of those who wrote are students, sharing their educational goals and aspirations. Here are just a few examples of why adult education is important to them (refers to stack of letters, reads a sentence or two from them):

- I lost my job after nine years because my plant moved to Mexico, and I need to get my GED.
- I'm the son of military parents who were constantly on the move which kept me from receiving many credits, and I'd like to complete my high school education.
- I'm a single dad with two young boys. I come from a bad side of the city where drugs and gangs run the streets. I want to turn my life around through adult education.
- I went from a person who could not read or write to an operation's manager for a major company thanks to this program.
- I came to America to get my education; I would like to open a business here and help my community.
- I had a traumatic head injury and lost my ability to read and write.

These are just a few examples of hundreds of thousands of stories told to Congress yearly about adult education and literacy. Why does Congress seem to pay so little attention to this issue, when year after year it is raised?

Last, I have been amazed at the numbers of lives I have personally touched as a result of achieving my own GED. You have no idea how many people approach me at my concerts to say that I have inspired them to continue their own education. That knowledge inspires me, invigorates me, and compels me to ask you to join me in championing adult education and literacy. Begin now by urgently funding serv-

<sup>5</sup> Institute of Medicine of the National Academies: <http://www.iom.edu/?id=19723&redirect=0>

<sup>6</sup> National Assessment of Adult Literacy: <http://nces.ed.gov/naal/>

<sup>7</sup> National Council of State Directors of Adult Education. 2007-2008 Adult Student Waiting List Survey: [www.ncsdae.org](http://www.ncsdae.org)

ices to help adults increase their skills and reduce waiting lists. Shape legislation that truly meets the need. Raise this issue on every front. Advocate for it in every hall. Be the pioneer that brings this silent epidemic to light.

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Chairman HINOJOSA. I now call Mr. Finsterbusch.

**STATEMENT OF MARTIN FINSTERBUSCH, EXECUTIVE DIRECTOR, VALUE, INC. (VOICE OF ADULT LEARNERS UNITED TO EDUCATE)**

Mr. FINSTERBUSCH. Thank you, chairman and committee members, for allowing me to speak today.

My name is Marty Finsterbusch. And, yes, I am a director of a national organization, but I am an adult learner. I went into a literacy program in 1984 as a student. I was in special ed and came out with only a 4th grade reading level. How do you survive with that?

I found the literacy program. It got me up to a level, and I finally got into community college, but it took 10 years to get through community college with all the things that were going on.

But what I really want to talk about and share with you is that it is not just me. A lot of adult learners across the country are coming into programs, getting some help, and they are giving back, and they are getting involved. And we, the students, have gotten together; and we have come up with recommendations that we believe that will help us, our families, our communities, and strengthen the United States. Here are some of these recommendations that I would like to share with you:

One is technology, investment in technology for adult education. For a lot of us, we do have learning disabilities. I cannot spell. Regardless of how long you sit me in a class, I cannot spell. I can comprehend. I can do a lot of stuff. I can plan a lot of things. But I can't spell. With the new technologies out there for the blind and deaf, my workload would double. I could do—if these technologies were introduced into adult education for a lot of people.

Also, another issue that would help a lot of us is case management for adult education. As I was going through the system and wanted to move from ABE literacy programs into community college, there is no direct path for us. How do we maneuver this system? This system has a lot of silos in it. How do we, if we don't know, if we want to go to college, who is telling us about Pell grants? We don't have counselors like in high school saying these are what you are going to face; these are the requirements you need. So we are left trying to figure out the system.

And what would help the whole entire system is case management and introducing that to adult education. That would help us navigate and help us more be successful in getting through this.

The other issue that we came up with is soft skills. Reading and writing and math is critical for our society, but also critical in our society's survival is critical thinking, organizing skills, diversity training. What we are hearing—and this is what business is saying they need about people, but this is what we are saying. And we are asking adult education to look at what labor classifies as soft skills and allow that into adult basic education.

We need these other skills besides. We can't wait until we finally have 3 or 4 years in reading and writing if we have don't learning disabilities or other issues before we can be able to access these other—before somebody teaches these other skills. We need them before we hit higher education or job training.

And so these are just some of the recommendations that we really believe that—let me just—I am getting nervous. I apologize. Slow down. All right.

In summing up this, that adult education has helped millions, and it helped me personally, and I cannot thank them enough. But if we are going to help multimillions of Americans who need help right now, we need to do a couple of things; and that is, one, invest in adult basic education. We need to upgrade it. And that is bringing in the technology and all the other stuff that is out there into adult education.

And then the third is connect adult education to what is going on in our society now, what is all the things that we are facing. Higher education needs to be realistic. It is not here is a book and here is a thing and it has no relationship to our life. Project learning. We can get information as we are doing something for ourselves, our family, and our community.

These are the recommendations that we are asking you to consider; and in closing of this, we would like to thank you for your support for our recommendations. We really do believe, if we work together, we can make the American dream for millions of men and women in this country.

Again, we would like to thank you for giving us this opportunity to say this to you.

Chairman HINOJOSA. Thank you.

[The statement of Mr. Finsterbusch follows:]

**Prepared Statement of Martin C. Finsterbusch, Executive Director of  
VALUE, Inc.**

Thank you Mr. Chairman and members of the Committee for this opportunity to speak to you about the need for innovation to improve our nation's adult education and literacy system.

My name is Marty Finsterbusch. I am the Executive Director of VALUE, Voice of Adult Learners United to Educate. VALUE is the only national nonprofit organization in the U.S. governed and operated by current and former adult literacy students. VALUE's mission is to improve our nation's education system and empower adults with low literacy skills to realize their human potential. VALUE asserts that almost all successful for-profit companies systematically use consumer input and feedback to improve their products and services. VALUE helps adult learner leaders, literacy professionals, and policy-makers do this too. In addition to policy advocacy, we help state-level agencies and organizations develop the capacity to train and support adult learner leaders. We also conduct biennial national adult learner leadership institutes and operate a national resource center on adult learner involvement and leadership.

Ninety million adults in our nation have low literacy skills according to the 2004 National Assessment of Adult Literacy. The current adult basic education system is serving fewer than 3 million of them. That means, 87 million aren't being served at all. The vast majority of them don't want to seek help from a system that looks like the schools that failed them in the past—a system that by its design continues to reinforce the stigma of adult low-literacy. Many who do seek help drop out because they can't achieve their own real goals in a timely manner within a system that uses outdated methods. I come to you today to plead for extensive changes to the current adult basic education system authorized under Title II of the Workforce Investment Act (WIA). If ever there was a system that cried out for reform and innovation, the current approach to adult literacy in this country is one such system.

But before I make specific recommendations on reform, let me give you a bit more background on who we low-literate adults are and the very real threats we face daily. First, I need you to put out of your mind the unfortunate stereotypical image of the person with low-literacy as being homeless and of low intelligence. For many, adult literacy issues can be traced to undiagnosed learning disabilities, failing schools, and family issues—all having more to do with class, race, gender, and cultural bias than intelligence. As one of our members stated:

“We are your family-members; we are your neighbors; we are your co-workers. We are small-business owners; we are first-responders. We are among the working poor and some of us are even millionaires. Few around us ever know our truth. Because of shame and stigma, we keep it hidden.”

And let me add, we are among the millions of people who worked for decades in the industries of America that no longer exist or whose jobs are being relocated to other countries.

When adults with low literacy skills publicly admit this deficiency, some lose their jobs—jobs for which they received good performance appraisals up until their secret was revealed; they lose the chance at promotion; some lose the respect of their family, friends, and co-workers. As another member stated:

“When we loose jobs, we are unable to transfer to new jobs and new industries, not for lack of desire, but lack of literacy skills. We are people who can’t get into job training programs or off of welfare, not for lack of desire, but because of a lack of literacy skills. We are also people who want to learn English as the language of our new country, but we can’t because of the learning skills we failed to get in our nations of origin.”

Far too few adults with low literacy skills are going to seek help when faced with these very real threats. Especially, they will not seek help from the current system.

My personal experience provides an example of what some low-literate adults experience in our nation’s educational system. As a small child, I suffered from a serious ear infection that caused me to miss-hear certain sounds. In the course of testing, my family discovered that I have a learning disability. I started out going to public school, but had to stay after school almost every day. I wasn’t learning to read, but my teachers would have promoted me anyway because I was a good kid who tried hard. Instead, my parents sent me to a semi-private special education school where there were no grade levels and few challenges. The kids in my neighborhood asked, “Why do you go to that retard school?” I graduated in 1982 with a 4th grade reading level and a poor self-image.

After working for two years, I decided I wanted to go to college. I knew I needed to improve my reading so I went back to my former school. They said they couldn’t help me because I already had my high school diploma. They referred me to a community-based volunteer program. There, I improved my reading 6 grade-levels in 14 months. I began taking courses at the community college. Despite getting A’s and B’s in all of my other courses, I kept failing English composition. Documentation of my learning disability didn’t excuse my inability to spell. I was told I could never graduate until I passed my English courses. With this obstacle on top of job and family responsibilities, it took me 10 years to earn my Associates Degree.

During that time period, I dedicated the rest of my life to adult literacy. I started by organizing a student support group in the program that had helped me so much. I became a part-time staff member there before moving to serve on its Board of Directors. Beginning in 1986, I organized a state student network; conducted workshops and conferences at state and national levels; and served on the boards of several national literacy organizations. I have been appointed to the Pennsylvania State Interagency Coordinating Council under three different Governors. In 1999, I was a National Institute for Literacy Fellow, after which I became the Executive Director of VALUE, the national adult learner organization I helped create.

I talk with adult learners from around the country continually. They share with me their insights, their frustrations, and promising practices. I continually talk with my colleagues from state and national literacy organizations too. I feel I am able to share with you a good sense of what works and what doesn’t work in our system—from the consumer perspective.

VALUE believes it is unacceptable for the current adult basic education system to serve less than 3 million adults each year using 19th Century methods, requiring 3-5 years on average for an adult to achieve “functional literacy.” It is no wonder that perhaps as many as 20% of learners drop out of adult literacy programs before completing ten hours of instruction and less than 3% reach their primary goal of earning their GED in 3-5 years. The system is simply not designed to meet the self-identified and evolving needs of today’s learners and employers in a realistic time-frame—needs that should redefine adult basic education.

VALUE's Social Change Initiative calls for a consumer-driven redesign of the current adult basic education system in this country. It must be redesigned to help many times more learners achieve their personal goals faster using 21st Century approaches. Funding must be dramatically increased to pay for this system modernization and expansion. And finally, adult literacy policy must not be dealt with in isolation; it must be integrated with other federal policies and programs.

The Model T car, silent movies, and vaudeville have long been outdated, yet the approach to adult literacy we use in this country today is still based on assumptions and practices created before the first Model T rolled off the assembly line, and long before the advent of silent movies. We need to modernize this system. Many of the recommendations that follow are based on the promising practices of exceptional providers in the adult education and vocational rehabilitation fields that VALUE asserts should be implemented throughout a modern, innovative system.

First, adult learners should be taught to use modern technology for reading and writing.

The adult basic education system must take advantage of tremendous advances in technology. The current system uses the computer mostly as a tool for drill and practice and largely ignores its potential to speed up the process of meeting learner goals. Technology that reads, writes, and translates exists today for the blind, the deaf, diplomats and international business people. With widespread access to knowledge through technology, adult learners can more rapidly gain the skills and knowledge needed to be productive members of the global workforce.

UNESCO, the United Nations Educational, Scientific, and Cultural Organization defines literacy as:

“the ability to identify, understand, interpret, create, communicate, compute and use printed and written materials associated with varying contexts. Literacy involves a continuum of learning to enable an individual to achieve his or her goals, to develop his or her knowledge and potential, and to participate fully in the wider society.”

The focus of the current system in the U.S. is on reading and writing. The focus should be on accessing and processing information independently, as stated in the UNESCO definition of literacy. The Act should require the use of technology, such as what is currently used in the blind and low-vision community to enable adult learners to access and process information independently much sooner than they are able to in the current system.

Using modern technology to help them read and write, adult learners could turn their attention to employment and training information much sooner than if they had to first master reading and writing. It can take three to five years for an adult learner to reach the point of being able to access information by first learning to read. Using technology, an adult learner can learn to access information in three to five months.

VALUE is not asserting that learning to read and write is no longer important. We're simply saying that it doesn't have to hold back adult learners from employment-related information and training when modern technology provides access. Essentially, what we're suggesting is replacing the current adult education and literacy approach with one that looks much more like the vocational rehabilitation model. This would shorten the time required for WIA Title II activities and make it fit better with the Title I timeframe.

Those of us in the field promoting this new approach have coined the term “virtual literacy” to describe it. Virtual literacy merely is attempting to allow for the literacy assistive technologies currently being used successfully in the disability community be used throughout the adult literacy and job training communities. Because of the major technological breakthroughs, the ability to make almost anyone “virtually literate” is currently available, affordable, and gaining wide acceptability in the general public. In fact, Congress recently added a free software download to their website to enable anyone with limited literacy capacity to be able to be “read”—through hearing—all Congressional materials.

Text-to-speech and speech-to-text dictation software is widely available for personal computers. There are even very good software programs available for free. And continually, new and improved handheld devices are being introduced that make virtual literacy an increasingly viable mobile option. With us here today we have representatives from virtual literacy pilot programs at Drake and Michigan State Universities who will be doing a hands-on demonstration this afternoon for Senate HELP Committee staff.

Let me just add that with my learning disability, it is still a tortuous exercise for me to write. Consequently, I dictate messages to my interns. For longer documents like this testimony, I discuss with writers what I want to say and then edit what

they draft for me. I have not yet learned to use the technology that I'm telling you about. However, I am confident that when I do learn to use it, my productivity will increase significantly because I will be able to do the writing myself.

The adoption of this "virtual literacy" approach will require a significant investment, as much or more in professional development as in hardware and software. However, while data does not yet exist to back me up, I think the cost/benefit ratio will be compelling as the significantly reduced time required per student will make it possible for many, many more adult learners to get the help they need.

Second, make case management a core service.

Currently the Act does not require the provision of case management. Due to the complexity of the lives of adult learners, case management should be required as a core activity. Case managers should help adult learners deal with problems in their lives that prevent them from pursuing their education and provide career guidance, making it possible for them to make informed decisions and prepare for future education, a job and/or job training.

Case managers are needed both in adult literacy programs and in One-Stop centers. In OneStops, many adults with low literacy skills find it very difficult, even intimidating, to navigate the one-stop system of job, education, and training services. In some cases, low-literate adults get bumped around from program to program, not knowing how to describe their situation in a way that will help someone determine what services they really need and in what order. Skilled case managers could help them understand what is available and successfully get the services they need and get them in the order they need them. This would not only improve the customer experience, it would also increase the overall efficiency of the system.

The situation is similar in adult literacy programs. Many adult learners have personal difficulties, sometimes related to their low-literacy skills, but sometimes unrelated, which distract or prevent them from focusing on their adult basic education. Literacy-related low self-esteem tends to make a bad situation worse. This is one of the prime reasons adult learners drop out of a program. A case manager could help learners get the help they need so they don't have to drop out.

In some exemplary programs, having a current or former adult learner take on this role enhances the rapport between client and staff.

Adult learners' transition from the literacy program to further education, employment, or job training is another area in which a case manager is essential. Figuring out what your options are, what the requirements are for each option, what next steps to take, and how to prepare yourself for the transition can be a bewildering set of tasks; I know it was for me at one point. In exemplary programs, a case manager makes this process less intimidating and enhances the chances for success. The critical policy point here is that the Act must permit and encourage case management as a core service, not relegate it to an ancillary or administrative function.

Third, adult education instruction should include workplace essential skills.

Currently the Act doesn't address the much needed soft skills including customer/client service; critical thinking/problem solving; cultural sensitivity; leadership; negotiation; personal responsibility; teamwork; and time-management are essential for the success of all workers. Teaching these skills should be a core responsibility of all adult literacy providers.

These skills are needed by those of us who pursue higher education as well as those who take part in job training. The adult literacy program is the place to teach them because many of us work one or more jobs while we are in a literacy program or we get a job without taking part in job training. These skills help us do better in our literacy programs too.

Fourth, measure performance differently.

Learner goal achievement must be the primary measure of success for a redesigned adult basic education system. The current system uses standardized test scores as a primary measure of success and consequently, the program focus is on successful test-taking rather than goal attainment. Adult learners want to focus on their own goals, not on artificial goals generated for local programs by "experts." The use of measures such as standardized test scores are inconsistent with a consumer-driven system.

The current system treats learners not as adults with time-sensitive real-life goals, with job and family responsibilities, with knowledge and experience acquired over a lifetime, and with the burden of shame and stigma associated with low literacy, but it subjects them to a traditional fixed drill-and-practice classroom model more appropriate for working with children. So few seek help and many that do drop out because this approach is completely inappropriate given the complexities of adult lives in the 21st Century.

Adult education instruction should be customized to help individual adult learners meet their self-defined personal goals. One size does not fit all. Learners stay in pro-

grams as long as they see the connection between instruction and their personal goals. Adult education instruction should be based on a “wealth model” rather on a “deficit model.” The wealth model, which is more appropriate for adults, helps learners realize their own strengths and knowledge and use them as a basis for further learning; this builds better self-esteem. Zeroing in and focusing on what adult learners can’t do may be appropriate in child education, but in adults it reinforces already low self-esteem.

Fifth, share leadership with adult learners.

One of VALUE’s core beliefs is that most successful for-profit companies rely on consumer input and feedback to improve their products and services; the adult literacy system should do this too. Adult learners should be part of the planning, delivery, and supervision of adult education services and research at every level. As recipients of adult education services, adult learners have a unique, important, and all-too-often overlooked perspective regarding what does and does not work.

The consumer, the adult learner, isn’t asked for input or feedback about adult literacy policies and programs in any systematic way. Low-literate adults are sometimes viewed as ignorant—at best, people to be pitied and taken care of; at worst, people to be looked down on and dismissed. As one of our members stated:

“When people find out we have low literacy skills, some suddenly start to treat us differently—they talk down to us and show less respect for our opinions, knowledge, and experience than they did before they found out.”

Currently, the Act does not require that adult learners be specifically included in program operation and governance at local, state, and national levels. The system should be much more consumer-driven. The Act should specifically require the integration adult learners into program operation and governance at all levels; our perspective is as important as that of literacy professionals and bureaucrats and must be heard.

During the upcoming intergovernmental conference on adult education to be held later this month in Brazil, UNESCO will consider an International Adult Learners’ Charter. In addition to affirming adult literacy as a human right, this charter states that adult learners have the right to a central role in policy development for adult and lifelong learning systems. UNESCO officials anticipate approval of this charter.

I should add that by and large the community-based program sector of the adult literacy field has been the most willing to embrace an advisory role, and in many programs a governance role for adult learners.

Sixth, change participation requirements.

The adult education system should take into consideration that adult learners have job and family responsibilities that limit their ability to participate in adult literacy activities. The adult education system must be flexible so learners can fit instruction into their busy lives. Because research shows that learners make greater learning gains with increased participation, participation requirements were established for publicly funded programs. While they may be fine for adults without significant job or family responsibilities, they are unrealistic and inappropriate for many others.

Consequently, these participation requirements serve as a barrier to some who seek help and cause others to drop out when they find they just can’t fit the required level of participation into their busy lives. In such cases, dropping out or opting not to participate is a choice they shouldn’t have to make, especially since it is based on research that fails to take into consideration the real-life demands of adults. Additionally, a significant number of community-based adult literacy programs forego public funding because they primarily serve adult learners who can’t meet the participation requirements. The Act should expressly permit the flexibility needed so these programs don’t have to forego public funding in order to serve adult learners with one or more jobs and family responsibilities.

Personal shame and societal stigma of low-literacy also present significant barriers to participation in adult literacy programs. Adult education policy and outreach efforts should be designed to address these barriers.

Lastly, encourage adult basic education and job training activities to be done together.

For many low-literate adults, the amount of time required to master reading and writing skills under WIA Title II doesn’t fit well with the employment and training timeframe under WIA Title I or under TANF, Temporary Assistance to Needy Families. This incompatibility has resulted in far too few opportunities for adults with low literacy skills to participate in job training and literacy instruction at the same time.

Research shows that learners can make gains more rapidly if education and training are done together. In his 1997 book entitled *Functional Context Education: Making Learning Relevant*, Dr. Thomas G. Sticht wrote:

“Functional Context Education is designed to generate swift gains in reading and math skills by teaching academics in the context of learning and performing a given task. For instance, an electrician in training may learn math concepts while she fixes a malfunctioning device. Or a maintenance worker may improve his reading skills while learning to use job-specific manuals, specifications, and forms. Military researchers have found that compared with general literacy instruction, this kind of learning-to-do instruction generates robust and rapid gains in job-related literacy that endure over time.”

By having the adult basic education system adopt a “virtual literacy” approach, the incompatibility between Title I and Title II timeframes can be minimized. As a result, more bridge programs combining adult literacy and job training can be offered, which benefits both adult learners and the system as a whole.

In conclusion, the adult basic education system must not be viewed as a second chance system for people who failed earlier in life. For many like me, it was the inadequacies of the K-12 system that failed us. Rather, a strong adult basic education system must be viewed as an essential part of the prescription for our nation’s economic health and prosperity. Adult literacy is an essential public policy concern; it must not be dealt with in isolation, but rather integrated with other policies and programs. The success of policies and programs dealing with early childhood education, health care, welfare, retraining the American workforce, and maintaining a strong military with capable recruits are all linked to having an adult population with better literacy skills. We cannot continue to waste the potential of the current adult population by devoting so little attention and resource to the adult basic education system. With all federal and state funding combined, less than 4% of adults with low literacy skills are in adult basic education programs and many programs have long waiting lists. And we can not well serve the current adult population by attempting to simply replicate the existing traditional fixed drill-and-practice classroom model.

Thank you for this opportunity to talk with you today. I look forward to working closely with you and your staff in creating a modern and appropriate adult literacy system that is truly designed to meet the 21st century needs of adult learners.

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Chairman HINOJOSA. The next presenter is Mr. David Beré.

**STATEMENT OF DAVID BERÉ, PRESIDENT AND CHIEF STRATEGY OFFICER, DOLLAR GENERAL CORP.**

Mr. BERÉ. Mr. Chairman, respected members of the committee, thank you for the opportunity to speak.

As you mentioned earlier, my name is Dave Beré; and I am the President and Chief Strategy Officer of Dollar General Corporation. I am here today to talk as a businessperson that views this topic as one of the most important issues facing our country.

Chairman HINOJOSA. Would you please turn on your microphone?

Mr. BERÉ. It is on. Does that help?

Chairman HINOJOSA. Much better.

Mr. BERÉ. As a way of background, Dollar General is the largest discount retailer in the United States by number of stores, with more than 8,400 stores in 35 States. We are a 70-year-old company in the Fortune 300, \$10 billion in sales, with more than 72,000 employees.

Adult literacy is important to Dollar General for a number of reasons. Our cofounder, J. L. Turner, was functionally illiterate, with only a third grade education. His family’s recognition of that tremendous burden formed the beginning of the company’s long legacy of support for adult learners.

But, today, we see more than ever the pressures that low literacy skills can put on business success and productivity. Importantly, adult literacy challenges in this country impact our customers and

our employees in particular. We see the hardships they face every day, and we want to help them.

And indeed we are helping. In the last 15 years, Dollar General has donated more than \$33 million to literacy and basic educational efforts that have helped more than 1.6 million adults improve their literacy skills. We underwrote the work of the National Commission on Adult Literacy, which released its findings and recommendations last June in a report entitled, *Reach Higher America: Overcoming Crisis in the U.S. Workforce*.

As members of this subcommittee, I know you are aware the tremendous need to improve the literacy skills of our adult labor pool goes beyond the reach of the public K-12 school systems. We live in the most powerful nation in the world, and yet one-third of our adult population cannot read well enough to succeed in most work environments. And, at the same time, a large majority of the new jobs created over the next 5 years will require a bachelor's degree or some secondary education or training.

Let me put it to what it means to Dollar General. Simply put, if we continue our current track, over time Dollar General and other businesses across America will not have the skilled workers required for growth and competitiveness. Even worse, we will continue to grow economically apart as a nation; and key segments of our population will be left out of the new workforce.

During the 2009 fiscal year, Dollar General will expand our workforce with the creation of more than 4,000 new jobs in our stores and distribution centers as we open at least 450 stores in neighborhoods across the country. Many of these jobs provide a great point of entry into the workforce. However, because of the evolution of the retail industry and the increased use of technology, even those entry level jobs require competent literacy and basic technology skills.

Now, to help increase the skill set of our employees, we have on-site GED classes and ESOL classes at our distribution centers. We offer a GED reimbursement program for full-time employees; and through the partnership of ProLiteracy, we offer a literacy and basic educational referral program for employees and customers that generates more than 6,000 referrals annually.

We recognize the value of incumbent worker training, tax credits, incentives to encourage businesses to hire and invest in professional development and basic skills of lower skilled workers. However, as we all know, the business community cannot tackle all the challenges. We need your partnership and that of the States and nonprofit sector to effectively address this need.

As we address this important issue, we highly recommend that together that we keep adult literacy high on the national agenda. Specifically, we ask the following:

We ask for the committee's consideration of the recommendations presented by the National Commission on Adult Literacy.

Two, we ask that the committee evaluate the funding sources for literacy and ensure there is an open dialogue between funding streams. We need to build strategic collaborations between and among government agencies and between those agencies and the private sector.

Three, we ask the committee to recognize the valuable role and increased support for community based organizations that help adults at the lowest levels of literacy so that they can receive the personal instruction that they need.

Thank you very much for your time and attention.

Chairman HINOJOSA. Thank you.

[The statement of Mr. Beré follows:]

**Prepared Statement of David Beré, President and Chief Strategy Officer,  
Dollar General Corp.**

Mr. Chairman and respected members of the Committee, thank you for the opportunity to speak with you today. My name is David Beré. I am President and Chief Strategy Officer of Dollar General Corporation. Dollar General is the largest discount retailer in the United States by number of stores with more than 8,400 neighborhood stores located in 35 states. We are headquartered in Goodlettsville, Tennessee and employ more than 72,000 workers. As a large employer, we have a vested interest in ensuring that this country has a workforce that is prepared to meet the challenges of doing business in the 21st century.

*Dollar General's History with Adult Literacy*

Dollar General's history of supporting literacy dates back to 1939. Our co-founder, J.L. Turner, was functionally illiterate. He had to drop out of school in the third grade when his father was killed in an accident. As the oldest child in the family, he never had the opportunity to return to school. However, with hard work and determination he started the Fortune 300 company we recognize today as Dollar General.

Dollar General is committed to supporting literacy, not only because of our founder's legacy, but also because of our commitment to meeting the basic needs of our customers and employees. Since 1994, we have donated more than \$33.4 million to nonprofit literacy efforts. We have helped more than 1.6 million adults receive basic education assistance and provided more than 50,000 literacy referrals to individuals who would like to learn to read, prepare for the GED or learn the English language. Dollar General also underwrote the work of the National Commission on Literacy, which released its findings and recommendations last June in a report titled, *Reach Higher America: Overcoming Crisis in the U.S. Workforce*. This report shows the connection between our country's global competitiveness and the need for a workforce that can read, write, do math, speak English, and use technology.

While we are proud of our investments in literacy and basic education, we recognize that the staggering number of adults in need of basic literacy and education assistance continues to grow. It will take the federal government, state governments and an increased awareness across the nation to initiate the tide of change needed to give back the American Dream to the American people and to those arriving in our country looking for opportunities to improve their lives.

*Adult Education in the United States*

According to the National Assessment of Adult Literacy, 93 million adults in the United States—or roughly 30 percent of our nation's total population—read at the two lowest levels of literacy.

Unfortunately, we have become a society that is desensitized to numbers and statistics. So, I would like to put this statistic into context. According to the U.S. Census Bureau, 93 million exceeds the total population of the following states combined:

- New York;
- Texas;
- Pennsylvania;
- Tennessee;
- Ohio;
- Delaware;
- Indiana; and
- Michigan.<sup>i</sup>

<sup>i</sup>US Census Bureau, Population Finder

*Impact on Business*

According to the Bureau of Labor Statistics, 63 percent of the 18.9 million new jobs created during the 2004—2014 period are projected to be filled by those with at least a bachelor's degree.<sup>ii</sup>

According to the Employment and Training Administration's report on Why America Needs an Educated and Prepared Workforce, 90 percent of the fastest growing jobs in the United States require some level of post-secondary education or training.<sup>iii</sup>

We live in the most powerful nation in the world, and yet one third of our population cannot read well enough to succeed in most work environments.<sup>iv</sup>

The National Center on Educational Quality of the Workforce estimates that literacy deficiencies result in an estimated \$60 billion loss in productivity in the United States annually.<sup>v</sup>

There are more than 150 million people in the US work force.<sup>vi</sup> While there is great need for support of K-12 programs, only two percent of the annual workforce will come from the current year's high school graduating class.<sup>vii</sup> Therefore, there is a great need to invest in the adults that are already in the workforce to maintain our global competitiveness and increase the employability of the current labor pool.

What does this mean to business?

To maintain the United States' ability to compete globally, we must address the issue of adult literacy and basic education in our nation. We can no longer allow this silent epidemic to cripple our productivity and diminish our standing in the world's economy. The inability of so many of our adult citizens to read, write, speak English, and to perform other vital basic work and life tasks at a proficient level threatens the social fabric of our nation as well as the vibrancy of our local and national economies.

What does this mean to Dollar General?

Dollar General employs more than 72,000 people across 35 states at our stores, distribution centers and corporate office. Despite the tough economic times, we are creating more than 4,000 new jobs this year and opening at least 450 stores in communities across the country.

Retail jobs are a great entry point into the workforce for many individuals. Through the retail experience, individuals learn basic business skills, customer service and technology skills that can help them transition into higher paying management positions within retail or transition to other sectors.

While retail is a great point of entry into the workforce, the evolution of the retail industry has necessitated that Dollar General and many other retailers require a higher level of basic skills for entry-level workers. This is true at our neighborhood stores and in our distribution centers.

To meet the educational needs of our workforce, we have on-site GED classes and ESOL classes at our distribution centers. We offer a GED reimbursement program for full-time employees. Through a partnership with ProLiteracy, we offer a literacy and basic education referral program for employees and customers across our 35 state market area. That program, which we are very proud of, generates more than 6,000 referrals annually.

We recognize the value of incumbent worker training and are developing plans to expand and strengthen our training programs for lower skilled workers. We support training programs that are designed to increase productivity and the potential for company growth while increasing an employee's basic education, work skills, earnings potential and potential for upward mobility. Other companies support and provide similar programs. However, for a variety of reasons, businesses alone cannot tackle all the needs of incumbent workers. The cost of training and lost or delayed productivity can present challenges for businesses. Additionally, because individuals have different preferences in terms of where and how they want to receive instruction, it is difficult for a company like Dollar General to meet the needs of all of its workers who want to improve their literacy skills. To meet those critical needs, we need continued support from and partnership with federal and state governments.

<sup>ii</sup> United States Department of Labor, Employment and Training Administration, Why America Needs an Educated and Prepared Workforce

<sup>iii</sup> United States Department of Labor, Employment and Training Administration, Why America Needs an Educated and Prepared Workforce

<sup>iv</sup> US Department of Education, Institute of Education Sciences, National Center for Education Statistics, 1992 National Adult Literacy Survey and 2003 National Assessment of Adult Literacy

<sup>v</sup> Policy Brief, The Working Poor Families Project: Strengthening State Policies for America's Working Poor;

<sup>vi</sup> Bureau of Labor Statistics, Employment Situation Summary, March 2009

<sup>vii</sup> Bureau of Labor Statistics, Economic News Release, College Enrollment and Work Activity of High School Graduates, 2008

Therefore, we encourage and ask for your continued support of tax credits and incentives to encourage businesses to hire and invest in the professional development and basic skills of lower skilled workers.

We also need to increase access to programs for employees outside of the work environment. Entering a classroom for an adult learner can be intimidating. For matters of privacy and pride, some employees do not want to take classes on-site or in a setting with their peers. We understand and respect our employees' desire for confidentiality. Therefore, in those circumstances, we make every effort to refer them to a local program to receive the assistance they need. When making outside referrals, we are challenged by access to instruction due to a waiting list or the absence of programs in rural markets for learners at all levels. Therefore, we ask for your continued support in increasing access for learners.

With increased funding for incumbent worker training programs and more parity in funding for community-based and institutional-sponsored programs, we can help resolve some of the challenges noted above.

Dollar General remains steadfast in our commitment to literacy. Our support for adult education will not waiver. Today, we extend our hand in partnership and hope that you will join us in expanding opportunities for adult learners across the nation.

#### *Conclusion*

Winston Churchill once said, "It is no use saying, we are doing our best. You have got to succeed in doing what is necessary."

As you address this important issue, we ask that you help ensure that adult literacy is high on the national agenda and that you consider these four specific things.

1. We ask for the Committee's consideration of the recommendations presented by the National Commission on Adult Literacy in its report titled, *Reach Higher America: Overcoming Crisis in the U.S. Workforce*.

2. We ask that the Committee evaluate the funding sources for literacy and ensure that there is open dialogue between funding streams. We need to build strategic collaborations between and among government agencies and between those agencies and the private sector to ensure that we are working toward a common goal and strategically focusing funding efforts.

3. We ask the Committee to continue to support employment tax credits such as the Work Opportunities Tax Credit, the Welfare-to-Work Tax Credit and also incentives for Incumbent Worker Training Programs across the United States.

4. We ask the Committee to recognize the valuable role and increase support for community-based organizations that help adults at the lowest level of literacy receive the personalized instruction they need to increase their employability and advance to traditional Adult Basic Education programs.

Thank you for the opportunity to present this testimony and for your work in this area of critical importance to our country.

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Chairman HINOJOSA. At this time, I would like to call on Kathy Cooper.

#### **STATEMENT OF KATHY COOPER, POLICY ASSOCIATE, OFFICE OF ADULT BASIC EDUCATION, WASHINGTON STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

Ms. COOPER. Thank you for the opportunity to talk with you this morning about innovation by adult basic education programs and community and technical colleges in Washington State.

I would like to start by telling you what caused us to innovate. Simply put, we looked at what was happening in our State and compared that with the outcomes of our efforts. Despite good work, we fell short of meeting the accelerating needs of our students and State. We were serving well less than 10 percent of the people that needed our services, with serious implications, because these underprepared and underserved adults are our fastest growing population and will make up all of the growth in our State's workforce.

Second, our students were not succeeding. Joint research by the State Board and the Community College Research Center at Co-

lumbia University found that too few adult learners reach what the study called the tipping point. That is enough education to significantly impact their own self-sufficiency and move students into the talent pipeline.

Finally, our employers couldn't find the workers that they needed.

This combination of factors caused us to look at change.

So what are we doing that is different? Our flagship effort is I-BEST, Integrated Basic Education and Skills Training. I-BEST puts an adult basic education and professional technical instructor in the same classroom at the same time. They offer instruction that integrates job-specific and basic skills for students ready to succeed. That instruction leads to a real certificate recognized by local employers in a demand field with a living wage job. It is the same certificate earned by traditional college students, and it earns college credit. And this instruction prepares students not only for the first step on an education career pathway, but it gives them the skills and knowledge they need to continue. You add to that a full range of student support, and you have I-BEST.

So how then do we know that it is working? One measure of I-BEST's success is the growth of our programs. In 3 years, we have gone from 10 pilots to 138 approved programs at all 34 community and technical colleges in our State.

Another measure is how I-BEST students perform. For example, Tacoma Community College has an I-BEST accounting program that includes adult basic education and traditional students. But there is a difference in the performance of these two groups. One hundred percent of I-BEST students are retained in this program. Their average grade point average is a 3.5, and all of them pass the courses.

We also have independent evidence of our success. The Community College Research Center just released a working paper that documents that I-BEST students on average earn not only 52 credits more than needed to reach the tipping point, but they also increase their basic skills faster than students enrolled in traditional classes. The data confirmed that I-BEST works.

Finally, what can we ask you to do to support these kinds of efforts as you reauthorize WIA Title II?

First, we would ask you to redefine the purpose of Title II as students success in postsecondary programs and progress along career pathways.

Second, we would ask you to reform the data and accountability system to reflect that new purpose and to make sure that the data we report is useful for teaching and learning as well as accountability.

Finally, we would ask you to link a clear purpose for adult basic education and reformed accountability with increased funding. It makes no sense to acknowledge the exponential increases in under-filled populations in our country, as well as the continually increasing levels of skill required for a recovering economy, and then starve the solution for both of those issues. At a specific level, we recommend that new legislation include a \$75 million appropriation for seeding and scaling up approaches like I-BEST.

We are proud of the innovative efforts at community and technical colleges in Washington State. As you reauthorize WIA Title II, you can make it possible for us to expand those efforts and to be joined in innovation by colleagues across our country.

Thank you.

Chairman HINOJOSA. Thank you.

[The statement of Ms. Cooper follows:]

**Prepared Statement of Kathy Cooper, Policy Associate, Washington State Board for Community and Technical Colleges**

Mr. Chairman, members of the committee, my name is Kathy Cooper, representing the Office of Adult Basic Education for the Washington State Board for Community and Technical Colleges in Olympia, Washington.

Thank you for the opportunity to address the innovative efforts of adult basic education programs at Washington state's community and technical colleges. I'm going to do that by answering four questions:

"Why innovate? Why isn't the way we've always done adult education good enough?"

The short answer is that we looked at what was happening in our state and compared that to the outcomes of our efforts. Despite good work, the data showed that our efforts fell short of meeting the continually accelerating needs of our students and our state. Specifically we learned three important things:

First, we were serving less than 10% of those that needed our services. This had serious implications for our state's future because these under-prepared and under-served adult workers are from our fastest growing populations and will account for all of the net growth in our state's workforce for at least the next two generations.

Second, not enough of our students were succeeding. Joint research by our state board and the Community College Research Center at Columbia University found that too few low-income adult learners in our colleges ever reach what the study called the "Tipping Point," that is, enough education to make a significant difference in economic self-sufficiency and to enter into the talent pipeline needed by our state's employers to compete.

Third, our employers, in the midst of the last recession and at the height of our economic boom, couldn't find enough qualified workers. In fact, the number of Washington employers who identify lack of basic and English language skills among workers as a barrier to their success tripled in two years.

This combination of changing demographics, accelerating skill requirements, students' goals, and our determination to help every student move forward further and faster toward the Tipping Point is what spurred us to innovate.

*What are we doing that's different?"*

The flagship effort among our innovative practices is I-BEST—Integrated Basic Education and Skills Training. (See the I-BEST summary.)

At its core, I-BEST tosses to one side traditional assumptions about educational scope, sequence, and readiness to learn. I-BEST puts an adult basic education and a professional-technical instructor in the same classroom at the same time. They offer instruction that integrates jobspecific and basic skills for any student that is ready to succeed, whether or not they have a GED or high school diploma. That instruction leads to a real certificate recognized by local employers in a demand field that pays a living wage. It's the same certificate earned by traditional college students and it carries college credit. And that instruction prepares students not only for that first step on their education and career pathways, but it gives them the skills and knowledge they need for the next step. Change your mental image from the picture of a career ladder with rungs spread too far apart for some of us to reach into the image of a chain with links that interlock. That's IBEST.

Beyond integrating basic skills and professional-technical education, I-BEST students also receive a full range of student supports, including advising, counseling, case management and financial aid. This blend of enhanced student services with innovative instruction is also I-BEST.

*"How do we know it's working?"*

This question has the same answer as the first question: We listen to what our data are telling us.

One measure of I-BEST success is the growth of the program. I-BEST has expanded from pilots at 10 colleges to 138 approved programs at all 34 community and technical colleges in our state. (See the Program Inventory)

Another measure of success is how much better I-BEST students perform. For example, Tacoma Community College has an I-BEST accounting program that includes adult basic education and ESL students along with the adults you would expect to see in a community college classroom. But there is a difference in the performance of these two student groups. 100% of I-BEST students are retained in the program. Their average GPA is a 3.5. Finally, all of the I-BEST students pass the courses. In short, their outcomes outpace traditional students.

We have independent evidence of I-BEST success as well. Columbia University's Community College Research Center just released a working paper at the end of April that documents IBEST's positive outcomes. The paper notes that I-BEST students, on average, not only earn 52 credits—more credits than needed to reach the Tipping Point, but they also increase their basic skills more than students enrolled in traditional ABE classes. With the same hours of instruction, 62% of I-BEST students make significant gains compared to 45% of traditional ABE students.

The data just confirms what our students tell us all the time: I-BEST works.

*What can Congress do to support these kinds of efforts, especially as you consider reauthorization of WIA, Title II?*

From the perspective of Washington state we need three changes in order for us to continue to innovate and bring to scale successful practices.

Redefine the purpose of Title II as student success in post-secondary education and progress along career pathways. 86% of the students who come to adult basic education in Washington state come to get and keep a good job. And we know that they must progress at least as far as the Tipping Point to achieve that dream. Surely the focus of our national system should reach as far as the vision of our students.

Reform the data and accountability system to reflect the new purpose and make the data useful for teaching and learning, as well as accountability. We embrace accountability that is objective, measurable, and evidence-based and we want it to be useful. The data must tell us if students are making progress toward the skills and credentials that have meaning in the labor market and their own lives. And it must tell us which program activities are most effective. And we need it in real time so that we are able to improve outcomes.

Link a clear purpose for adult basic education and a reformed accountability system with an increase in funding so that adult basic education programs can expand services to the growing numbers of adults that needs them. It makes no sense to acknowledge exponential increases in under-skilled population groups as well as continuously increasing levels of skills required by a recovering economy and then starve the solution to them both.

On a specific level, we recommend that new legislation target \$75 million in new Title II state grant appropriations for seeding and scaling up approaches that integrate basic skills and postsecondary education and training or which dually or concurrently enroll students in basic skills and post-secondary education and training.

We also recommend that the Secretary of Education conduct an evaluation of the impact of integrated programs on the rate at which students attain career and post-secondary success.

We are proud of the innovative efforts of adult basic education providers at community and technical colleges in Washington state. As you reauthorize WIA Title II, you have the opportunity to create a fresh vision and new opportunities that will make it possible for us to expand those efforts and be joined in innovation by our colleagues across the nation.

Thank you for your time this morning. We believe that better skills lead to better jobs, leading to better lives. And that is still the American dream.

I am happy to take your questions.

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Chairman HINOJOSA. Now I would like to call on Stephen Reder.

**STATEMENT OF STEPHEN REDER, PH.D., UNIVERSITY PROFESSOR AND CHAIR, DEPARTMENT OF APPLIED LINGUISTICS, PORTLAND STATE UNIVERSITY**

Mr. REDER. Thank you.

Mr. Chairman and subcommittee members, I am Steve Reder, University Professor and Chair of the Department of Applied Linguistics at Portland State University and a board member of ProLiteracy. Thank you very much for the opportunity to speak this morning.

Like you, I am moved by Gretchen's and Marty's compelling stories.

With my colleagues, I have been conducting the Longitudinal Study of—

Chairman HINOJOSA. Would you please turn on your microphone? Move it closer to you.

Mr. REDER. Thank you.

With my colleagues, I have been conducting the Longitudinal Study of Adult Learning in which we have followed a random sample of about 1,000 high school dropouts for nearly 10 years. Even though I am formally representing only myself in this hearing, I am humbled by the opportunity to speak for the thousand adults whose stories we have been listening to and learning from and the millions more just like them across the country.

America likes to celebrate people such as Gretchen and Marty who have beat the odds. What I have learned is that, through adult education, we can do something even better. We can change the odds.

The population we followed includes adults who have attended literacy programs and ones who haven't. Careful comparison of their experiences over a long period of time reveals the impact of programs on literacy development, continuing education, and family wage employment.

The bottom line is that programs make a difference. So I urge Congress to reauthorize WIA Title II programs to contribute to our economic recovery. The research shows that many adults work independently to improve their basic skills or prepare for the GED, including many who never attend a basic skills program. This, along with the long waiting lists found at many programs, tells us that there is much more demand for services than the system can supply. So I urge Congress to expand Title II programs to meet the needs.

If we really do want to change the odds, this increased funding should not be used only to do more of exactly the same things. We need to increase the capacity and effectiveness of the adult education system, especially for those most in need.

Here are four priorities my research suggests we pursue:

One, build persistence in adult learners. The road to many adult learners' goals is long, requiring great motivation and persistence of learning. Programs need to engage students for much longer periods, especially those coming in at the lowest skill levels. As the poet William Butler Yates put it, education is not filling a bucket but lighting a fire. We need an adult literacy system that not only lights the fire but keeps it burning.

Two, improve the National Reporting System, or the NRS. Although I strongly support program accountability, we need to improve the accountability system being used in adult education. The NRS misses important program impacts by focusing on short-term outcomes and narrow measures of literacy development. It uses too short a follow-up period for the literacy measures it employs and thus may not help programs put their best foot forward or support their improvement efforts.

Three, develop learning support systems. To increase persistence, adults need learning support systems that provide portable, per-

sonalized learning plans they can follow. These plans might include periods of time in attending programs or working independently with tutors or receiving support services from community based organizations or volunteer programs. Grants could assist communities to develop local learning support systems, perhaps utilizing technology to facilitate collaboration and information sharing among the various organizations working with the same learners.

Four, utilize technology to increase system capacity. Many adults engage in periods of self-study before or after periods of program participation. Programs could increase their outreach and enrollment and increase their students' persistence by using technology to connect these self-directed learning activities with traditional classes. This would broaden the role of technology from offering distance education to connecting different learning modalities and activities over time.

To pursue these and other priorities, the adult literacy field needs an independent, comprehensive research and development center. Although the Department of Education established R&D centers for adult literacy that operated successfully for 15 years, funding for such a center has been discontinued. On behalf of the many adults who would benefit from a higher capacity and more effective system, I ask Congress to establish an independent center to support an adult literacy system that will light the fire and change the odds for millions of Americans.

Thank you.

Chairman HINOJOSA. Thank you.

[The statement of Mr. Reder follows:]

**Prepared Statement of Dr. Stephen Reder, University Professor and Chair,  
Department of Applied Linguistics, Portland State University**

Mr. Chairman and Subcommittee members, I am Dr. Stephen Reder, University Professor and Chair of the Department of Applied Linguistics at Portland State University. The Department is involved in teaching, research and service activities related to language and literacy issues in education, work and community settings. My research is focused on adult education and literacy and language development in adults. I was the Principal Investigator of two recently completed major projects in adult education: the National Labsite for Adult ESOL, a classroom-based video laboratory for studying second language teaching and learning, and the Longitudinal Study of Adult Learning, in which I followed a random sample of about 1,000 high school dropouts for nearly ten years, to study how youths and adults fail or succeed in reconnecting with learning, education and work. I am a member of the Board of Directors of ProLiteracy Worldwide and have served on numerous state and national advisory boards concerned with adult education.

I am here to speak with you today about the need for independent research that would help millions of adults develop the skills they need to be successful in today's information and technology age. You have heard about the scope of the adult literacy issue in this country—nearly one-half the adult population of the United States stands to improve their financial health, their physical health, and the well-being of their families by improving their reading, writing, math, computer technology, and English skills. Yet we spend relatively little on research given the size and importance of the adult education mission. Think of the many millions of dollars we would save through better utilization of health care services and the economic prosperity that would be generated from increased levels of employment and a more highly skilled workforce—and research suggests that all of these outcomes will result from appropriate investments in adult education. My own research illustrates, for example, how adults whose literacy skills improve over time experience increasing levels of employment and earnings, whereas those whose skills decrease experience reduced levels of employment and earnings.

*The issues to research*

Research has a vital role to play in helping shape and deliver adult education more effectively. My longitudinal study of about 1,000 adults who had dropped out of high school brought to light many issues that affect their participation in adult education and identified obstacles to their successful learning. I found, for example, that many adults work independently to improve their basic skills or prepare for the GED. This includes many adults who never attend a basic skills program. This, along with the long waiting lists that potential students find at many programs, tells us that there is much more demand for services than the system can supply.

The research further shows that many adults engage in periods of “self study” between periods of program participation. This suggests that programs could increase their outreach and enrollment and increase their students’ persistence by connecting self-directed learning activities with traditional classes. This indicates an important potential role for technology, not only in offering distance education, but in connecting different learning modalities and activities over time.

Studies of only those students in programs teaches us little about effective outreach methods and student retention problems, however. We need more longitudinal research that follows both youth and adults who participate in literacy programs and those who do not. We need to discover how to provide services to adults so they participate in learning with sufficient engagement, intensity and duration to reach their goals. We also need to learn much more about how to help the hardest-to-serve learners—those who are at the lowest literacy levels, those for whom English is a second language and who are illiterate in their native language, and those who have learning disabilities. Many of these individuals will require years of instruction in order to reach their learning and employment goals. We must be able to help them stay the course as they cope with learning setbacks as well as successes, family concerns, and work issues. Building the persistence of learning in adults facing such long trajectories must be a research priority. We need to learn how to build locally connected and integrated delivery systems that allow community-based programs to feed low-level learners into higher-level institutionally-based ESL and adult education programs. And how to help adult education students transition successfully into post-secondary education and training programs. At the same time, we need much more information about how to reconnect dropouts with both education and family-supporting work.

Most literacy and adult basic education programs retain learners for relatively short periods of time. Therefore, we need to develop new types of learning support systems that provide persistent structures for adults to follow. These structures might combine periods in which adults attend programs, use online materials to work independently or with tutors, or receive support services from local community-based organizations (CBOs) and volunteer programs, for example. Grants could encourage and assist local communities to develop cross-sector, long-term adult learning support systems, perhaps utilizing technology to provide learners and a range of providers and agencies working with them shareable information that can be used to foster more learner-centered integration of services.

We need research to improve the National Reporting System (NRS), the accountability system used in adult education. I support program accountability; however, my own research indicates that important program impacts are missed by a system that focuses on short-term outcomes and narrow measures of literacy and skills development. When we compared program participants and non-participants over time, the evidence of program impact on learner outcomes depended on the literacy measure used and the time period involved. According to these findings, the NRS uses too short a follow-up time period for the literacy measures it uses; therefore, the NRS may not help programs put their best foot forward. Perhaps even more problematic, the NRS may not be as useful as it could be for program improvement. A review of the NRS could determine whether changing either the type of literacy measure or lengthening the time period would better support programmatic improvement efforts. Other issues could be examined as well, such as making sure that the accountability system gives due credit to programs for assisting the lowest-level and hardest-to-serve students. In supporting adults and the programs that serve them, we must keep in mind the words of William Butler Yeats: “Education is not filling a bucket, but lighting a fire.”

To assure translation of research into improved educational practice, increased support is needed for adult education teacher training and professional development. Federal funding once available for State Literacy Resource Centers, for example, is no longer available and the resources for professional development are highly uneven across states. Research can help us determine the role that technology should play in providing such teacher training and professional development in a cost-effective manner.

*Increasing the capacity of the adult education delivery system*

The goal of all this research is to increase both the quantity and quality of programs and services, not just so that programs can serve more adults—although we certainly need to do that—but also so that we increase the persistence of their learning. We want more adults to stay in programs long enough to reach their education, job-training, and family-supporting employment goals. Better coordination of WIA Title I and Title II programs can play an important part in this as long as we do not lose the basic educational focus of the Title II programs. The stimulus legislation that allows Title I WIBs to fund Title II adult literacy providers is an excellent step in this direction, one which I hope the Committee will include in the reauthorization. The knowledge gained through research can help us develop programs that offer a continuum of services across skill levels and life contexts, and engage the full range of resources and capacities in learners' communities, including full-time and part-time teachers and volunteers, whether working in institutionally-based programs or CBOs. Research can also help us assess the extent to which adult learners are availing themselves of such links to the job training available in their communities. Such service continuum is vital to addressing the complex issues of adult literacy.

*Increasing our research capacity*

In addition to pursuing a systematic research agenda through targeted grant competitions, the adult literacy field needs a comprehensive research and development center focused specifically on adult literacy and learning. Legislation establishing the Institute of Educational Sciences (IES) requires the Department of Education to operate one or more Centers that address adult literacy issues. Although the Department of Education established R&D centers for adult literacy that operated successfully for 15 years, first at the University of Pennsylvania and then in a collaborative of universities led by Harvard University, funding for such a Center has recently been discontinued. If the leadership at IES is not interested in recompeting a center for adult literacy and education, it is important for other legislation to establish one.

Such a center could be competed and placed at any university or network of universities. It should work closely with literacy and adult education providers and focus on conducting basic and applied research, distilling practitioner knowledge, and disseminating results so that practitioners can understand, respond to, and translate research into practical programs.

Wherever such a Center is established, it is essential that it conduct research about how programs can best support the learning of diverse adult learners to help them meet their long-term educational and employment goals. It is critical that the Center be managed in a way that keeps it free from political interference and pressures unrelated to the needs of the adult education system. It needs the independence, with guidance from a suitable advisory board and peer-review processes, to construct and pursue a long-term research agenda using an appropriate mix of exploratory and confirmatory research methods.

*Summary*

While there are occasional notable research projects, by and large, the United States invests little money in research and development that would help us increase capacity and improve the quality and effectiveness of our adult education system. Considering the importance of these services to success in higher education, lifelong learning and economic competitiveness, Congress must commit to supporting systematic research designed to identify effective ways to increase program capacity and effectiveness. I recommend:

- Immediately reauthorize WIA Title II to contribute to our economic recovery, with a central focus on adults who are not functionally literate
- Recompete and fund an independent research center for adult literacy and education
  - Focus research on building student persistence, reconnecting dropouts, helping the hardest-to-reach learners, and supporting successful transitions of adult education students into family-wage employment and postsecondary education and training
  - Develop learning support systems that provide persistent structures for adults to follow over relatively long periods of time
  - Explore uses of technology to increase delivery system capacity through online and blended instructional programs and to coordinate employment, education and social services
  - Review and modify the National Reporting System for better accountability and program improvement

Thank you for the opportunity to speak with you. I offer my services to the Committee as it continues its work in adult literacy.

Chairman HINOJOSA. Now I would like to call on Dr. Donna Kinerney.

**STATEMENT OF DONNA KINERNEY, PH.D., INSTRUCTIONAL DEAN, ADULT ESOL AND LITERACY PROGRAMS, MONTGOMERY COLLEGE**

Ms. KINERNEY. Mr. Chairman and members of the committee, thank you for allowing me to share my thoughts with you today.

My name is Dr. Donna Kinerney, and I am the Instructional Dean for Adult English for Speakers of Other Languages—that is ESOL—and Literacy to GED Programs at Montgomery College in Maryland. As a teacher and program administrator for adult English language programs for many years, I will focus my remarks on my own experiences, research, and insights gathered as a leader in the adult education interest section of our professional organization, the Teachers of English for Speakers of Other Languages.

One of the most challenging aspects of serving adult English language learners is bringing appropriate services to the broad needs of our students.

For example, there is Maria from El Salvador who wants to read to her grandchildren in English, but she is one of the 19 percent of all immigrants who never made it to high school in her country and who struggles with basic English literacy. There is Lan from Vietnam, who wants desperately to become a nurse but is like the 2.4 million immigrants ages 17 to 24 who need more English in order to begin postsecondary education. And there is Tekle from Ethiopia, who works as a parking lot attendant but would give anything to become an engineer again as he was in his country, just like the more than 1.3 million other college-educated immigrants who are unemployed or working in unskilled jobs, many because of their limited English.

Like these students, 5.8 million legal permanent residents in the U.S. need additional English if they are to fully participate in U.S. life. Learning English takes time, an estimated 85 to 150 hours of instruction to advance a single level. Unsurprisingly, 44 percent of participants in federally funded adult ed programs are in ESOL classes. That represents just over a million students, a mere drop in the bucket in terms of need.

In my program at Montgomery College, which is the largest in Maryland, we offer life skills, ESOL, English literacy and civics, and adult basic education-GED. In fiscal year 2008, in these programs, we provided over 10,000 seats to almost 5,00 learners, with 82 percent participating in ESOL or civics instruction. English language learners also represent 57 percent of our ABE-GED students, a traditionally native English speaking population in other regions.

We share in the need for expanded services. We are in a suburb of Washington, D.C., not in a State with an enormous immigrant population like California and Texas; and yet our current wait list for ESOL classes is well over a thousand.

We have partnered with our local one-stop to provide ESOL for a customer service job program that incorporates advising and job search support because most adult ESOL learners have only a limited understanding of employment and training services in the U.S. We have learned much about interagency partnerships, workforce training, vocational assessments, and case management services along the way and have used that knowledge to pilot new conceptualized ESOL and vocational training for building trades and health care career pathways.

There are many promising practices across the U.S., career pathways that provide ways for adults to learn English and receive workforce training, bridge instruction to move ESOL learners to adult basic education GED programs and beyond. Ongoing advising and social service supports, like Mr. Finsterbusch noted, and extensive professional development are all among them.

I would like to then propose three areas of recommendations on ways to improve WIA:

First, authorize the EL/civics funding program and expand the scope of Title II to acknowledge the diverse and specific training needs and employment needs of English language learners. The current Title II funding formula does not take into account the English language learner population, yet ESOL services are a primary function under this statute. Instructions should support adult ESOL learners with career pathways and transitions to postsecondary programs. We must include advising and case management services and social service supports. To maintain an increased accountability, we should create more relevant performance measures supported by improved vocational and academic assessments, as my peers here today have said.

Second, increase State leadership funds under Title II and encourage States to provide training for adult ESOL instructors, administrators, and curriculum designers and support adult ESOL teacher credentialing and certification. Adult education is chronically underfunded, and issues of quality are of constant concern. If we don't want to leave children behind, then we shouldn't leave adults behind either.

Particularly in States that are experiencing increases in immigration, teachers may not have had extensive training or experience. It is a challenge to find qualified and skilled instructors and curriculum developers, particularly for vocational ESOL instruction, even for a program like mine that is in a major metropolitan area.

Third, create a research center dedicated to adult education that specifically includes a focus on English language and literacy acquisition and instruction. Given the piecemeal nature of research on adult English language and literacy learners, we desperately need a comprehensive research center. We lack an in-depth understanding of how to best teach English literacy to students who have limited literacy skills in their native languages. We do not yet have complete information on how to help learners persist or transition to other training, yet we are called on every day to implement programs that do just these things, and we must do so without solid research.

And, for the record, I would also like to add to support the National Coalition for Literacy's request to have a professional adult educator on the State and local workforce investment boards to strengthen the relationship between education and labor.

I appreciate the opportunity here to talk with you today. Thank you.

Chairman HINOJOSA. Thank you.

[The statement of Ms. Kinerney follows:]

**Prepared Statement of Donna Kinerney, Ph.D., Instructional Dean, Adult ESOL & Literacy—GED Programs, Montgomery College**

Mr. Chairman and Members of the Committee, thank you for allowing me to share my thoughts on the reauthorization of Title II of the Workforce Investment Act (WIA). My name is Dr. Donna Kinerney and I am the Instructional Dean for Adult English for Speakers of Other Languages (ESOL) & Literacy—GED Programs at Montgomery College in Maryland. As a teacher and program administrator for adult English language programs since 1989, I will focus my remarks on my own experiences, research, and insights gathered as a leader in the adult education interest section of Teachers of English for Speakers of Other Languages (TESOL), the global professional association for English language educators. You've heard of these English programs referred to adult English as a Second Language (ESL) or adult English for Speakers of Other Languages (ESOL) programs.

You have undoubtedly met some of our adult ESOL students in your travels. One of the most challenging and fulfilling aspects of serving adult English language learners is bringing appropriate services to the broad needs of our students. For example there is, Maria from El Salvador, who wants to read to her grandchildren in English, but she's one of the 19% of all immigrants who never made it to high school in her country and who struggles with basic English literacy here in the U.S. (U.S. Department of Education, 2009). There is also Lan from Vietnam, who wants desperately to go to college and become a nurse but is like the 2.4 million immigrants, ages 17 to 24, who need more English in order to begin postsecondary education (McHugh, Gelatt & Fix, 2007). And there is Tekle, from Ethiopia, who works as a parking lot attendant, but would give anything to become an engineer again as he was in his native country, just like the more than 1.3 million other college-educated immigrants who are unemployed or working in unskilled jobs many because of their limited English (Batalova & Fix, 2008).

Like these students, 5.8 million legal permanent residents in the U.S. need additional English if they are to fully participate in U.S. civic life and/or pass the U.S. citizenship test (McHugh, Gelatt & Fix, 2007). Learning English takes time; it takes an estimated 85-150 hours of instruction to advance a single level under the National Reporting System, the framework used by federally funded programs (McHugh, et al., 2007). Unsurprisingly, as indicated by the most recent available data, 44% of participants in federally funded adult education programs are in ESOL classes. That represents just over a million students, a mere drop in the bucket in terms of need (U.S. Department of Education, 2007). It's no surprise that waitlists for adult ESOL have exploded across the country—a 2006 survey by the National Association of Latino Elected and Appointed Officials found numerous programs reporting waitlists from a few weeks to more than three years. And in fact, Massachusetts reported a waitlist of over 16,000 for ESOL across the state (Tucker, 2006).

My program at Montgomery College is like many others. We offer life skills ESOL, English Literacy and Civics, and Adult Basic Education-GED and assist with family literacy programming.

In FY 08, we provided over 10,000 seats to almost 5000 learners, with 82% participating in ESOL or Civics instruction. However, English language learners are not only in ESOL programs, as they make up the largest demographic in our program and represent 57% of our ABE-GED students, a traditionally native English speaking population in other geographic regions. We share in the national need for expanded services—we are in a suburb of Washington DC, not in a state with enormous immigrant population like California or Texas, and yet our current waitlist for ESOL classes is well over 1000. As is the trend in some regions, our program was administered for many years by the local public school system, but in 2005, as part of a local effort to better serve the education and workforce training needs of adult learners, our program moved to the community college where we are housed under the College's Workforce Development and Continuing Education Unit. In our new home at Montgomery College, we have partnered with Montgomery Works, our

local one-stop, to provide an ESOL for Customer Service Jobs program that incorporates extensive advising and job search support because most adult ESOL learners have only a limited understanding of employment and training services in the U.S. We have learned much about interagency partnerships, workforce training, vocational assessments, and case management services along the way and have used that knowledge to pilot new contextualized ESOL and vocational training for building trades and healthcare career pathways that will transition our learners into other noncredit vocational training programs at the College. In need of highly qualified teachers, we are currently piloting our TESOL Training Institute, a series of four intensive courses, to help new teachers enter the field and veteran teachers improve their skills. In addition, to further extend our hand to the community, we work closely with the Montgomery Coalition for Adult English Literacy, a nonprofit for community-based ESOL service providers to professional development opportunities and guidance for programs that are outside of the federally funded system. But we could not begin to offer this level of service without the hard work of a group of highly qualified and enormously skilled full-time staff and part-time teachers.

From around the country, I hear of programs too numerous to mention here that are meeting the needs of adult ESOL learners by developing many promising practices. Increasing numbers of programs like those in Oregon and Washington are creating career pathways and models that provide streamlined ways for adults to learn English and receive workforce training. Programs like Yakima Valley Community College are creating bridge instruction to move ESOL learners to adult basic education and GED programs and beyond. Other programs such as AVANCE family literacy programs in Texas and Dorcas Place Family Literacy Center in Rhode Island along with affiliates of the National College Transition Network have learned, as have we, that ongoing advising and social service supports are critical to for learners and their families to succeed at all levels including the transition to postsecondary education and training. Finally, many programs nationwide, including the City College of San Francisco and the College of Lake County in Illinois, find, as do we, that ongoing professional development for teachers and administrators is absolutely critical in order to implement quality programs and develop new curricula.

Given these experiences, I would like to propose three broad areas of recommendations on ways to improve WIA:

1. Authorize the EL/Civics funding program, and expand the scope of Title II to acknowledge the diverse and specific training and employment needs of English language learners.

The current Title II funding formula does not take into account the English language learner population yet ESOL services are a primary function under this statute. Instructional programming should support adult ESOL learners with career pathways and transitions to postsecondary programs. To do this well, we must include in Title II advising and case management services because adult ESOL learners are unfamiliar with education and employment systems in the U.S. and often have social service needs that limit their participation. To maintain and increase our accountability for this expanded version of Title II, we should create more relevant performance measures supported by improved vocational and academic assessments that better monitor the progress of ESOL programs and learners.

2. Increase state leadership funds under Title II and encourage states to provide training for adult ESOL instructors, administrators, and curriculum designers and support adult ESOL teacher credentialing and certification.

Adult education is chronically underfunded and issues of quality are of constant concern. In 2003-2004, only 36% of adult ESOL learners moved up to the next proficiency level (McHugh, Gelatt, & Fix, 2007), and in any year, it is estimated that only 10% of adult ESOL learners transfer to certificate or degree programs (Chisman & Crandall, 2007). If we don't want to leave children behind, then we shouldn't leave adult students behind either. Particularly in states that are experiencing increases in immigration, teachers may not have had extensive training or experience in working with English language learners (Crandall, Ingersoll, & Lopez, 2008; Schaetzl, Peyton, & Burt, 2007). With limited budgets and most classes meeting in the evenings, full-time instructional positions are rare and so are career pathways for adult ESOL teachers. All of this means that is a challenge to find and retain qualified and skilled adult ESOL instructors and curriculum developers, particularly for vocational ESOL instruction, even for a program like mine that is in a major metropolitan area.

3. Create a research center dedicated to adult education that specifically includes a focus on adult English language and literacy acquisition and instruction.

Given the piecemeal nature of existing research on adult English language and literacy learners, we desperately need a comprehensive center that will undertake these efforts if we are to meet learner needs. We lack, for example, an in-depth un-

derstanding of how to best teach English literacy to adult ESOL students who have limited literacy skills in their native languages. We do not yet have complete information on how to help adult ESOL learners persist or transition to other training. And yet, we are called everyday to implement programs that do just these things and we must do so without the benefit of a solid research base.

Thank you again for the invitation to speak today. We in adult ESOL programs hope to participate at every table where adult education and workforce training are being discussed. We look forward to an even brighter future serving our students, Maria, Lan, and Tekle, and the millions of others waiting to learn English.

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Chairman HINOJOSA. At this time, I would like to call on Dr. Roberta Lanterman.

**STATEMENT OF ROBERTA LANTERMAN, PROGRAM DIRECTOR,  
LONG BEACH FAMILY LITERACY**

Ms. LANTERMAN. Good morning. My name is Roberta Lanterman, and it is a privilege to be with you here this morning.

I have worked for the cause of literacy for more than 25 years. Currently, I am the Director of the Long Beach Family Literacy Program in Long Beach, California.

I would like to talk to you today about education partnerships that work—between parents and children, between the public sector and the private sector, between programs serving generations of learners.

In my early days as an educator, we made incremental progress, but there were barriers we could not overcome because parents were not literate. They could not help even if they wanted to. It was then that I saw the light. The problem is systemic, and the so-

lution was to reach both generations simultaneously, helping adults while helping our youngest learners side by side.

All too often, we compartmentalize education: early childhood, adolescent, adult ed, workforce training. We take limited aim at our problems by running from issue to issue, program to program, without remaining focused on the systemic issues that are causing our education and workforce problems.

Studies show there is a direct correlation between the education of a parent, the poverty status at the home and the likeliness of the child's success in school. Addressing the needs of the entire family is a powerful community strategy for raising educational levels, improving workforce skills, and breaking the cycle of poverty.

Consider Margarita, one woman who made the decision to join our family literacy program and not only changed her life but also the lives of her three daughters. Her dream was to become a teacher, but obstacles got in the way. She was orphaned. She became pregnant and moved to a country where she didn't know the language and had to sleep in the water heater room instead of a bedroom. Her husband's drinking problem was endangering the children, and she worked two very low-wage jobs.

Through family literacy, she learned English, became involved in her children's education and revived her dream of becoming a teacher. Today I am proud to say that Margarita is a U.S. citizen. She will soon graduate from college and has become a certified preschool teacher for the Long Beach Unified School District.

But the effects of family literacy reach beyond Margarita. Her oldest daughter graduated from college and started her own business. Another one is studying to become a paralegal, and her third is enrolled in the gifted program in the high school.

So let me tell you about Long Beach Family Literacy. We have been in operation since 1992. We serve as a model for other literacy efforts and have been lauded as a national example by the Annie E. Casey Foundation.

Our program includes four components: adult education, parent education, parent and child time together, and early childhood education. We provide adults and their children with the skills and resources necessary to be successful in their education, financially secure and productive members of their communities. They become lifelong learners, which has never been more important than this global, high-tech economy. Seventy-three percent of our participants are at or below the Federal poverty level, and 61 percent have not gone beyond the 9th grade.

By addressing the needs of parents and children simultaneously, we are outperforming stand-alone programs. We exceed State benchmarks year after year. Our most recent adult outcomes show that parents made gains that are more than double the State reading proficiency benchmarks. Our children who entered kindergarten increased their English language skills at a rate of 2.5 more than the Federal benchmark. Children in our program leave preschool possessing the skills to succeed in kindergarten and beyond, and their parents simultaneously gain the language and literacy skills to support them. Our program also ranks in the 90th percentile for attendance and retention.

We continue to implement new measures that ensure innovation and success. In 1998, we joined forces with the Pacific Gateway Workforce Investment Network to integrate family literacy and welfare-to-work programming. The model is still in place. The partnership with our local Workforce Investment Act employment entity is invaluable in bridging the gaps between education and employment for families in need.

Last year, we were awarded a grant from Toyota to bring our program to Hispanic families, to expand to three elementary school sites. The Toyota program, created by the National Center for Family Literacy, brings parents and children together in classrooms and includes culturally relevant programming.

The need is great in Long Beach. Forty-two percent of the population is low income, and the unemployment rate exceeds 10 percent. The good news is that our entire community is responding to our success. Small businesses support our efforts. They know that educated community members make better employees and consumers. Local McDonald's operators are opening their doors for Family Mealtime Literacy Nights to provide workshops and meals to help families improve their literacy skills.

Family literacy is essential to supplying a 21st century workforce. The Toyota/NCFL model doesn't only just work in Long Beach but in both urban and rural settings. That is why it is crucial for the Workforce Investment Act initiatives to support our family literacy efforts. Parents pass along more than just eye color and other genetic traits to their children. They instill values and attitudes towards learning and education. Stronger literacy skills across multiple generations benefit family, communities, and the national economy. It is simply too urgent to address only one generation at a time, one programmatic element at a time.

So I strongly encourage Congress to continue to support family literacy programs as an important delivery model in the provision of the adult education services.

Thank you.

Chairman HINOJOSA. Thank you very much.

[The statement of Ms. Lanterman follows:]

**Prepared Statement of Roberta Lanterman, Family Literacy**

Good morning. My name is Roberta Lanterman. It is a privilege to be with you this morning.

I have worked for the cause of literacy for more than 25 years. Currently, I am the director of the Long Beach Family Literacy Program in Long Beach, California and the training coordinator for the McDonald's Family Mealtime Literacy Nights. Previously a kindergarten and preschool teacher, I also have been a certified trainer for the National Center for Family Literacy for more than 10 years. That experience has allowed me to tap into national best practices and research for the benefit of the children and parents I serve.

I would like to talk to you today about education partnerships that work—between parents and their children, between the public sector and private businesses, and between programs serving generations of learners.

In my early days as an educator, we made incremental progress, but there were barriers we could not overcome because parents were not literate. They could not help even if they wanted to. It was then that I saw the light. The problem is systemic, and the solution was to reach both generations simultaneously—helping adults while helping our youngest learners side-by-side.

All too often, we compartmentalize education—early childhood education, adolescent education, adult education, workforce training. We take limited aim at our problems by running from issue to issue, program to program, without remaining

focused on the systemic issues that are causing our education and workforce problems.

We must focus on the interconnectedness of the problem, which will lead us to a real, longlasting solution—educating the entire family. Studies show there is a direct correlation between the education of the parent, the poverty status of the home and the likelihood of the child's success in school. RAND Corporation research, "Are L.A.'s Children Ready for School," conducted in 2004, is one such study.

Addressing the needs of the entire family is a powerful community strategy for raising educational levels, improving workforce skills and breaking the cycle of poverty.

Consider Margarita—one woman who made the decision to participate in our family literacy program, and not only changed her life, but also the lives of her three daughters.

Her dream was to become a teacher. But obstacles got in the way. She was orphaned. She became pregnant and moved to a country where she did not know the language and had to sleep in the water heater room instead of a bedroom. Her husband's drinking problem was endangering the children, and she worked two low-wage jobs.

Through family literacy, she learned English, became involved in her children's education and revived her dream of becoming a teacher. Margarita has become a U.S. citizen, will soon graduate from college at California State University and has become a certified preschool teacher. But the effects of family literacy reach beyond Margarita. One daughter graduated from college and has started her own business. Another is studying to become a paralegal, and a third is enrolled in a gifted program in high school with an emphasis on international business.

In 2007, Education Week issued a report that underscores family literacy's philosophy, "From Cradle to Career: Connecting American Education from Birth to Adulthood." Importantly, more than half of the 13 categories used to predict children's future success dealt with issues surrounding parents and other adults. Another category (preschool enrollment) is directly related to parents' actions and value of education. Family income, parental educational attainment and parental employment were the three leading categories. Successful states had strong results in those categories, which served as a springboard for success in the remaining measures related to children's education.

One of the reasons the home environment is so important is that students spend five times as much time in communities and with their families as they do at school, so educators cannot conquer this challenge alone. Parents must be educated.

Let me tell you a little bit about the Long Beach Family Literacy Program that has been in operation since 1992. It serves as a model for other literacy efforts and has been lauded as a national example by the Annie E. Casey Foundation.

My program includes four components: adult education, parent education, parent and child together time, and early childhood education.

We provide adults and their children with the skills and resources necessary to be successful in their education, financially secure and productive members of their communities. They become lifelong learners, which has never been more important in this global, high-tech economy.

Seventy-three percent of our participants are at or below the federal poverty level, and 61 percent have not gone beyond the ninth grade.

By addressing the needs of parents and children simultaneously, we are outperforming stand-alone programs. We exceed state benchmarks year after year in adult education proficiency, preschool vocabulary and preschool alphabet knowledge.

Our most recent adult outcomes show that parents made gains that were more than double the state reading proficiency benchmarks. Our children who entered kindergarten increased their English-language skills at rate of 2.5 times more than the federal benchmark. Children in our program leave preschool possessing the skills to succeed in kindergarten and beyond, and their parents simultaneously gain the language and literacy skills to support them.

Our program ranks in the 90th percentile for attendance and retention because we do not let families fall through the cracks. We know if they come to our program consistently, they will reach their goals. It is that simple, but at the same time, it is that complicated.

For example, Cecilia was coming to the Toyota Family Literacy Program with her young daughter. But, after leaving her abusive husband, she moved into a domestic violence shelter 30 miles away. The shelter staff wanted her to quit the family literacy program and find immediate employment, but Cecilia daughter persevered—knowing the commitment would lead to long-term stability. She and her daughter took a train 30 miles to the program. As a result, she received her high school diploma with honors and is attending Long Beach City College to become an art

teacher instead of being stuck in a low-wage job. Cecilia still comes to our program—taking two buses just to get here. She turned a nightmare into a personal triumph.

Our efforts address the educational needs of children and their parents to create literate home environments and prepare adults to enter the workforce.

We continue to implement new measures that ensure innovation and success. In 1998, we joined forces with the Pacific Gateway Workforce Investment Network to integrate family literacy and welfare-to-work programming. The model is still in place. The partnership with our local Workforce Investment Act employment entity is invaluable in bridging the gaps between education and employment for families in need.

Last year, we were awarded a grant from Toyota to bring our program to Hispanic families and expand our program to three local elementary school campuses. Of nearly 200 national applicants, Long Beach was among the top five in nation. The Toyota program, created by the National Center for Family Literacy, brings parents and children together in classrooms and includes culturally relevant programming.

Core services are provided through funding from First 5 Los Angeles and Toyota. But part of the key to sustainability is that we don't rely on just one or two funding streams. We hold fund-raisers with vendors and apply for grants from community foundations. We also request in-kind services and resources from our award-winning school district and our Workforce Investment Act partner.

The need is great in Long Beach—42 percent of the population is low-income, and the unemployment rate exceeds 10 percent.

The good news is the entire community is responding to the success they see. Small business owners realize that educated community members make better employees and consumers. Local McDonald's operators are opening their doors for Family Mealtime Literacy Nights to provide workshops and meals to help families improve their literacy skills together.

Family literacy is crucial to supplying a 21st century workforce. The Toyota/NCFL model has been successfully implemented in both urban and rural settings—from New York, Chicago and right here in D.C. to Shelby County, Alabama; Wichita, Kansas; and Springdale, Arkansas. The Springdale program was featured in a recent issue of PARADE Magazine.

Results from the Toyota programs already implemented include:

- Significant literacy gains by adults with 54 percent improving literacy scores by at least one level. This has contributed to an improved understanding of basic oral and written instructions in English, reading a note from a teacher, setting up a doctor's appointment, and displaying basic computer literacy skills (word processing and sending e-mail);
- Children in the program exceeded peers in such areas as academic performance (79 percent), motivation to learn (86 percent), attendance (96 percent), classroom behavior (91 percent), and involvement in classroom activities (88 percent);
- 92 percent of parents stating they are better able to help their child with homework; and
- 91 percent of parents stating their child's grades have improved.

The needs of New York City are obviously different from the needs in Springdale, Arkansas, but the flexibility of family literacy programming yields success for all communities.

That's why it is crucial for Workforce Investment Act initiatives to support family literacy efforts.

Parents pass along more than just eye color and other genetic traits to their children. They instill values and attitudes toward learning and education. Stronger literacy skills across multiple generations benefit families, communities, and the national economy. It's simply too urgent to address only one generation at a time, one programmatic element at a time.

I strongly encourage Congress to continue to support family literacy programs as an important delivery model in the provision of adult education services.

Chairman HINOJOSA. Now we are going to move into the heart of this hearing on questions, and I am going to recognize myself for 5 minutes.

The first question would go to Ms. Gretchen Wilson. Do you have suggestions on how awareness of adult literacy resources and programs can be raised in both the rural and the urban communities across our country?

Ms. WILSON. Suggestions on how we can raise awareness. Without funding? I mean, I am a businesswoman myself, and you have to spend money to get any kind of a message out. So other than—I mean, I think we are all doing what we can do on our own levels.

I myself, I am on tour. I have shows that I perform in front of, you know, sometimes a few hundred, sometimes a few thousand people; and I am preparing to educate people on my screens, on tour, to let people know how easy it actually was to find the adult education center.

I didn't have any idea how to do it. I went to the local high school and said, how do I get a diploma? I didn't even know where the building was. It is not a very large town that I am from. So I am not sure if I have any answers on that.

I think what I am here to do and I think what I am willing to do is any suggestions that anybody else has. I think we are all willing to do everything we can, no matter what it is.

Chairman HINOJOSA. Gretchen, thank you. I can assure you we are going to do everything we can to raise the amount in the appropriations so that there will be the resources necessary to raise that level of awareness, and I thank you for making us realize that we have got to have money to be able to do that kind of a marketing program and thus raise the level of awareness. So we thank you for your suggestion.

My next question will go to Martin Finsterbusch. Why do you think adults drop out of literacy programs so frequently before completing their learning goals?

Mr. FINSTERBUSCH. Why they drop out? There is a lot of reasons why people drop out. I will try to explain this the best I can. There is a lot—relax, Marty. I am sorry.

Chairman HINOJOSA. Take your time.

Mr. FINSTERBUSCH. All right. The reason why people come in the program I tried to describe is that there is more reason why people come into a program than there are leaves on a tree. We all have different reasons why we come in. But then again in our society, why we fail out, sometimes it could be the requirements, the sitting in a classroom. You have family obligations. Where is that program? And then when you come into a program, you found your program at that library someone told you. So coming into the system, it all depends on the program you hit.

And then there is that program meeting the needs that you want. For example, if you just lost your spouse who then did your checkbook for you and paid your bills for you and you now have to do with that and you go to a program and say, I need help how to read, well, I will help you how to read, but it will going to take us 2 to 3 years to help you. But I need to learn how to do my checkbook now. If a program can't meet that person's needs, they are going to go.

If another person comes in and said, look, my job just got transferred over to another country. I need to learn how to fill out this application now. And the program says, okay, well, we are going to have you read, teach you how to read but don't address how to fill out that application now, they are going to leave.

So immediate needs have to be addressed by adult education if you don't want us to leave. And that is one I think of the biggest reasons.

Chairman HINOJOSA. Thank you.

My next question I want to direct to David Beré. What are some of the barriers that small- and medium-sized businesses face in helping employees improve their literacy skills?

Mr. BERÉ. I think there are two things we need to think about. You mentioned—

Chairman HINOJOSA. I don't think your speaker is on.

Mr. BERÉ. Sorry. Two things for—I think one of the biggest barriers right now is just awareness, what you mentioned before. As I have gotten into this in the last 18 months to 24 months, I have been stunned by the statistics; and it has been a real concern going forward for our business and other businesses.

I think the other big barrier—so I think awareness, understanding, and then a third thing is funding. Small businesses—you know, we are a large corporation. We have a lot of passion for this. We can afford a lot of the training that we are doing and a lot of the programs that we are doing. But from a small business standpoint, I think it is difficult for them. So any type of tax incentives and things of that nature I think would be very beneficial to them.

Chairman HINOJOSA. I agree with you that resources are necessary; and assuming what I said earlier, that the appropriations will be increased, how can we leverage both the private sector investment in money and timed resources with the Federal investment so that there would be greater success?

Mr. BERÉ. That is a great question, and I don't know if I have the answer to that other than what you just said. I think it is extremely important. We have found in the programs that we have been involved with when there is partnership between the private sector and there is—and the not for profit and the company, you get a lot better success. So the examples that we have had is we have been able to either get the cooperation of a State or funding from a State. You combine that funding from our resources.

And then the other thing that is really important from a best practices standpoint, we have been very clear on the goals that we want, we are trying to accomplish. It is usually around a specific area. It could be region and specific goals against an educational goal. I think it is very important that we are clear on the outcomes that we are trying to get, and I think it is very important that we continue to measure those things.

And then the fourth thing is the partnership. So we have to figure out exactly what you just said.

Chairman HINOJOSA. We will work on that. I think you are very thorough, and I appreciate that.

I would like to call on Congressman Guthrie for his questions.

Mr. GUTHRIE. Thank you very much. My first one will be for Ms. Wilson.

I worked in a manufacturing plant before I came here, and there was a lady who is a little older now, but was 19. She had got married, had a baby and didn't go to college, and she obviously had the talent and opportunity. So we really encouraged her. She kind of rose up through the ranks, and wanted to be a supervisor, so we

wanted her to get some background and sent her to school and tutored her.

And she came to me afterwards. I said, how was it? She said, you know what, it really impressed upon me how much it affected my children. I mean, my children seeing me study made them want to study more.

And there is a lady at Vanderbilt in Nashville that wrote a book, and the quote I will take out of the book is if you want to educate a child, educate its mother. And there is a lot of research that shows that. And so I met your daughter just earlier, and I—just the experience of you, if you could share that, if you wouldn't mind, the sense of you going to school and what it did for her in school.

Ms. WILSON. I really don't think that I had any idea when I made the decision, because I really made the decision to go back and finish my education for me. It was something that was a desire that I had, and it was something that was missing for me. I really didn't actually think about it, you know, how it would affect my daughter until I got involved in it.

You know, she was proud of me, and that, I think, maybe is the first time that I have seen that look in her eye. You know, to have my daughter there at graduation with me was—I know it wasn't the way it was supposed to work, but I wouldn't have changed it for anything now.

I think—like I said earlier, my mother, my mother dropped out. She didn't finish school, and I am almost positive that that is the reason why I found it unimportant to myself.

And I know that I am setting a good example by doing this, and I know that by finishing this and—you know, I am also—I am interested in having a college education. Musical careers don't last forever. So I know now that my education will continue, and I will go on, and hopefully I will continue to be inspiring to her. I don't want her to think that these sort of things that happened for me happen for everybody. They are very few and far between.

So we have to make sure that parents out there are educating their children on, you know, hey, you are not going to be Mr. Basketball U.S.A., you might not be a country music mama over here; you might have to really, really work and have an education. And I think it is important for people like me, and that is why I am here today, to show that to everyone else. This doesn't happen to everyone. It may have not happened for me, and I should have had a backup plan, and I didn't, but now I do.

Mr. GUTHRIE. Well, I think you said when we were talking earlier, too, and I just want to comment that, you know, you are a star, and you are now getting your degree, but it was hard work. You just didn't all of the sudden become a famous person. You worked hard, and people who work hard at it can get there. We need to have the opportunity for people willing to work hard and want to work hard to get there. I think that is what we need to be focused on in this.

Mr. Reder, I am working on something in Kentucky. We have an estimated 20 percent that are functionally illiterate when we were doing some studies. We were looking at trying to bring technology, because just the numbers to have tutors—you should have the

numbers. You couldn't tutor enough people to get the level of education, the level they need and the people in the college.

And so we were doing some experiments with technology and talked with Dollar General on that, as I mentioned earlier. Are you seeing—I know you are using technology to teach teachers. Are you seeing that technology—because my first impression of that was people would be kind of scared of technology if they were functionally illiterate, but we haven't really seen that. They have actually been able to use technology to try to get—we want to find something that is replicable, that we can put it everywhere and people can have access to it, because the one-on-one, just the numbers are too big. Could you comment on what you have done with technology in that respect?

Mr. REDER. Well, technology is one of the areas I was suggesting. I offered great potential for increasing the capacity and effectiveness of our programs. We need to do research and development to actually, you know, develop those technologies to the point where I can really answer your question. That is one of the reasons I am calling for a research center that can look at that question.

Mr. GUTHRIE. We set up a program in Kentucky. It's called—the group that is doing this is CCLD, the Collaborative Center for Literacy Development, at University of Kentucky, and we are trying to see how can we adapt technology just to get to the masses that way. So maybe there is an opportunity to look at that further.

Mr. REDER. I think, you know, using it for distance delivery, you know, letting adults study, you know, with technology on line and so forth, and increasingly the younger adults coming through the system are very comfortable with technology, unlike when I went through the system.

But I think there are other ways technology can be very valuable, too, trying to create sort of an anywhere, anytime learning plan that goes with the adult when they stop in and out of a program. As Gretchen said, life often makes it very difficult to, you know, stick in a program. So if we had these more transportable, you know, systems that lots of service providers could interact with, I think it would really build the kind of persistence that we see as being essential to adults reaching their dreams.

Mr. GUTHRIE. I see my yellow light real quick, and I just want to comment, because I am not going to be able to ask a question, on the ESL. If the mother's education level correlates, then if you have a mother that is not educated in her native language and doesn't speak English as a first language, that is an area we definitely have to address, and hopefully we will do that this summer.

And then on the tipping point, and I won't ask—I have got a red light—but how do you determine what is enough? Is there some standard you say that they have reached enough education? I think that was in the comment.

Ms. COOPER. The tipping point research indicated that enough to get to that bottom rung is essentially 1 year of college. In our State, that would be 45 credits and a recognized credential or certificate.

Chairman HINOJOSA. Very good.

I would like to now call on our friend, Congressman Andrews from New Jersey.

Mr. ANDREWS. Thank you, Mr. Chairman. Thank you for this series of hearings that you are holding. I find them to be very edifying, and I appreciate your efforts. I thank the panelists for excellent testimony.

Ms. Wilson, your testimony was powerful, and it just beautifully captured the reason we care so much about this issue, and I congratulate you for what you have accomplished in your life. It is very impressive. It is really great.

One of the things I am hearing from the panel is that research really needs to drive what we do on this law and in this program. Dr. Reder, in particular, I was interested in the longitudinal study in which you engaged, and I want to ask you some more questions about it. My understanding is you tracked 1,000 high school dropouts for 10 years; is that right?

Mr. REDER. Close to 10 years; 9 years plus, yes.

Mr. ANDREWS. How many of those 1,000 people were low literacy, at the two lowest levels of literacy?

Mr. REDER. We had a broad spectrum of skills. There were individuals—among the dropouts we followed, some actually had very high levels of skill; others had very low levels of skill. I would say it was a broad distribution. About a third of them over that 10-year period went on to get a GED.

Mr. ANDREWS. Well, the question I asked, though, is we have had testimony this morning that roughly 30 percent of the population is at the two lowest levels of literacy. Was that 30 percent tracked in your 1,000 sample, or was it higher than that?

Mr. REDER. I would say in Oregon, where we drew our sample, literacy levels are a little higher than they are in the rest of the country, but we have the full—we had the full range in our study.

Mr. ANDREWS. Of the subset of the 1,000 that had low literacy skills, how many of them accessed a literacy program during the 10 years?

Mr. REDER. I would say it was about 20 percent. That is a rough guess. I would have to go look.

Now, one of the things that is different in our population is that it was restricted in age, so people were 18 to 44 years old at the beginning of our study. So we didn't have the older population who tends not to participate. That is why that number is a little higher. We also did not have—we had nonnative speakers of English, but not low levels of English proficiency.

Mr. ANDREWS. Now, is it correct that the 20 percent or so that accessed literacy programs had a better success rate in terms of employment and earnings than the 80 percent who did not?

Mr. REDER. When you look over a long time period, that is correct. That is one of the events I said we need to really follow people over long periods of time.

Mr. ANDREWS. By what order of magnitude did they have greater success? Did 20 percent more have jobs and make 30 percent more money? What order of magnitude of that success?

Mr. REDER. I am going to have to actually, you know, provide more information. I don't have that—

Mr. ANDREWS. I tell you why I ask these questions. This is not a Jeopardy round here.

The argument that we will always hear when we try to fund a program like we are talking about today is, well, everybody wants funded and everything is desirable. This strikes me as a particularly great example of how a dollar invested can multiply many, many, many times over.

I suspect that the cost of literacy services for those 20 percent that access the program wasn't very much at all, but the taxes that they paid because of the income they made far, far exceeded the amount that was invested. It would be very helpful for the Chairman and the rest of us, as we try to increase the money for this program, to be able to master those facts and be able to commend. So you would be a big help to us in that regard.

The final question I want to ask was about distance learning. Is anybody aware of any data that would show the differences, if any, in the performance for distance-learning services versus traditional services? In other words, one of the things people sometimes suspect about distance learning is it is not as effective as in-person learning. I don't accept that premise at all, and I would be interested if anybody has any data about the quality of performance in literacy programs for distance learning as opposed to traditional.

Mr. REDER. I don't have that data, but I know where you can get it. The State of California, that has a very extensive distance education component in their adult education program, has quite a bit of data on the effectiveness of traditional classes, on-line classes and blended classes; that is, classes where students both go to traditional classrooms as well as use on line.

Mr. ANDREWS. One of the reasons that I raise this issue is it has both cost and equity implications. A lot of our individuals we are trying to help here live in rural areas that are not easily accessible to schools and other institutions. And then, frankly, those who live in urban areas have transportation issues and child-rearing issues. It just isn't very easy to get where you need to get at a given time.

And I am interested in whether distance learning helps to solve those problems, whether it is effective or not. I suspect that it is.

Ms. WILSON, did you want to say something about that?

Ms. WILSON. I just wanted to say that I didn't have time. I wanted to be at this program.

Mr. ANDREWS. How old is your daughter, by the way?

Ms. WILSON. She is eight.

Mr. ANDREWS. Is she here?

Ms. WILSON. Yeah.

Mr. ANDREWS. Well, that is great. She should be very proud of her mom, and someday she will be up here testifying. That is great.

Ms. WILSON. But I didn't have the time that I know that they really wanted me to have to be able to sit in there and be one on one and be in that classroom. I had to take the books and learn and go on tour and to study out there and to soak up everything I could. It seemed to work just fine for me because I wanted it. And I really think it would solve a lot of the people's financial problems: Well, I can't go in there and work on this education because I have to be at work; they can study away from a classroom. They can actually do it on their own time.

Mr. ANDREWS. I suspect that you probably do a lot of things at 2:00 and 3:00 in the morning, because that is the only time you

had to do them as a mom, as a working mom, but if some of that could be your coursework, I assume it would work very well.

Ms. WILSON. Yes.

Mr. ANDREWS. I am very interested in whatever we can do, Mr. Chairman, to validate that interest in distance learning.

Chairman HINOJOSA. If any of the panelists can give us answers to Mr. Andrews' questions, we would appreciate it.

[The information, submitted by Mr. Reder, follows:]



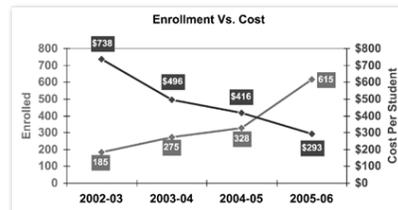
#### Numbers of ABE / ESL Distance Students Nationally

- ~100,000 distance students, 2,677,000 classroom students = 3.6% of the total
- Only 10,000 studying computer- or Internet-based programs
- Most states with distance programs are small: 300 – 1500 distance learners overall

#### What's Possible With Best Practices – Ohio and North Carolina

- **GED Prep.** In 2005-06 Ohio had 615 distance learners studying for their GED. They averaged 16 weeks in the program and earned, on average, 32 proxy contact hours (PCH). One quarter earned more than 40 PCH and were post-tested. Of these, 63% made a gain of one or more EFL.
- **ESL.** In 2005-06 North Carolina had 396 distance learners studying English. They averaged 14 weeks in the programs and earned on average 66 PCH. Of those who post-tested, 44% made a gain of 1 or more EFL. This increased to 56% the next year.
- In general the results for distance compare favorably with classroom programs, except that the percentage posttesting is lower in distance programs
- After initial startup, distance education is cost effective

OHIO: AS ENROLLMENT INCREASES, COST DECREASES



Predictors of learner success: 10 hrs/week available to study, took a classroom course in last 5 years, technology access at home, strong desire for further education, doesn't feel a need to be in a class to learn.

Challenges: how to motivate learners to persist longer, how to increase the numbers post-testing, and whether to serve new or existing learners—to serve more is to spend more.

*From Jerome Johnston and Leslie Petty (forthcoming). Distance Learning—Expanding Options in Adult Education. Ann Arbor: University of Michigan, Institute for Social Research, Project IDEAL Support Center.*

Project IDEAL Support Center • Institute for Social Research • University of Michigan  
jere.johnston@umich.edu • <http://projectideal.org>

Mr. ANDREWS. Thank you, Mr. Chairman. I thank the panel.  
Chairman HINOJOSA. At this time I would like to call on Congressman Roe and have him ask his questions.

Mr. ROE. Thank you, Mr. Chairman. I must have gone the other way. I overdosed on education. I was in school for 24 years, so—but thank you, Gretchen, for being here today, and it is Grace that is back here. We didn't introduce her earlier, and I apologize for that.

I think that you weren't lucky. I think you are very talented and worked very hard, and I think that is—I think that is the impression that you have given everybody, and that is what you want to do to motivate people to get them to do what you did. You can do it if you want to. Just what you said, how busy you were—and you are incredibly busy—to be able to take the time, you place the importance on it. I think that is one of the problems that we have in education is that we don't value it. It is an investment, not a cost.

And as we were talking in our meeting before here, if you get a high school education, you will earn a half million dollars more in your lifetime; and if you have a college education, you will earn a million dollars more on average in your lifetime, which changes not only your life, but your family and those around you and your friends.

Mr. Andrews asked an excellent question. He had to leave. But in Tennessee I supplied some data where 14,000 or so GEDs were issued in 2007 and 2008, and this was at a cost of only \$275.19 per student. If there is not a better investment in the world, I don't know it, and I have seen any number of programs come through where we spend \$5-, \$10-, \$15,000 per participant. In the State of Tennessee, \$275.19, and that improved that person's who got that GED, their income, by over \$9,000 a year. And you multiply that times 14,000, and you get how much more tax dollars came in, not going out.

So I think that answers the question. And I am sure this same data is available in every State in the Union.

Workforce development is a huge issue, and, Dave, I want to ask you if you could expound on if the education level makes it difficult for you to find qualified employees for your business.

Mr. BERÉ. Yes, there is no question. As I said in my testimony, when I first got into this, I was really astounded by the statistics and worried about our own growth plans as we were going forward. And I think another big awareness of the issue is we have got to get the business community to really understand that this is a big issue, and that we are going to be in trouble as a business community if we don't solve this relatively quickly.

It really comes down to, you know, every job that we have at Dollar General or any company, whether it be in the distribution center, whether it be in the stores, there is certain basic skills that you need, and some people don't even have the chance to even get to that level. But once you get to that level, then you have to keep growing your skill set. So having on-site training programs is something that is extremely important.

And then the other piece is it changes. The technology changes. Every year in our distribution system we are putting in new capital that require new skills to run that capital. We have new POS systems that go into our stores. So it is a constant building of skills over time, and your great companies, if they figure out how to do this constantly, do that. The issue we have here is that there are

some basic skills that they can't get to second, third and fourth level.

Mr. ROE. I recall one of my anatomy professors in medical school said, I can teach you to practice medicine 1 year 25 times, or I can teach you to practice 25 years. And what you are saying is that is a lifelong learning, and I think what we have heard today, we have the No Child Left Behind Act. We should have the No Adult Left Behind Act.

As mayor of our city, Johnson City, Tennessee, before I came here, that was one of the great challenges I discovered was how do we get the folks out there who are talented and bright, how do we get them educated, and that is a real challenge. And I think one of the greatest challenges we have in this country, as we spoke before, there are more honor students in China than we have students in America. So we have got to get with it, and this is an opportunity, I think. It is a huge opportunity to spend a little bit of money and get a humongous result.

My light is on. I thank all of you, and I yield back my time.

Chairman HINOJOSA. Thank you.

At this time, I would like to call on the gentleman from Colorado, Congressman Jared Polis.

Mr. POLIS. Thank you so much, Mr. Chairman.

The percentage of exiters from the adult program with limited English proficiency who received intensive training has dropped considerably from a high of 8 percent in 2002 to 3.8 percent in 2007, by more than half. I think we all know and suspect that that is not because of a lack of demand or a reduction in the need for these services.

In addition, the share of exiters who are coenrolled in Title I and Title II decreased from 2.5 percent in 2001 to .2 percent in 2002. In my home State of Colorado, Title II serves only an estimated 3 percent of the target population.

My first question is for Dr. Kinerney, and it is about what changes do you recommend in the reauthorization of WIA to help reverse these trends? Not the obvious one of increasing funding, but sort of taking that one aside, what structural changes can, in fact, reverse this trend of what has happened, which is, in fact, these services have moved away from serving limited-English-language proficiency people, which seem to be one of the—in fact, in Colorado, my home State, one of the biggest growth needs and markets. And what ideas do you have absent outside of just resources in terms of collaboration between Title I and Title II, other ideas?

Ms. KINERNEY. I think there is an opportunity here for technology. I would share that with my colleagues here.

We don't really know, and we need to understand better, who has access to computers. In our program, for example, we take all of our EL/civics students, we take them to the libraries, we show them computer labs, and we want to make sure that people have access to that. But yet I am hearing now that students at our refugee training programs are bringing computers with them, laptops with them, from refugee camps. So I think there is really an unexplored opportunity here to utilize that technology and come up with some new ways to perhaps serve these folks.

Mr. POLIS. If I could follow up on that. You know, it is unlikely that the new technology would be a requirement or kind of top down. How do we create an environment that allows for on-line, new technology to effectively compete for these funds from the bottom up, and does the current way that we spend these funds prevent the type of use of technology that you are referring to?

Ms. KINERNEY. I wish I had a solution for all of this. I think that—

Mr. POLIS. And I would open that up if anybody else would care to comment.

Ms. KINERNEY. When we use technology for language learning, I think we also have to be really cognizant that communication and language learning is a very human activity. So, we do have to build in opportunities for people to connect on multiple levels. It is not just simply that I can sit there at a computer with a piece of software or on a Web site and hope to learn English. I need to have real connection with other people, because there is no way a piece of software is going to be able to predict what other people do.

So I don't know exactly what the solution is going to be, but I would say, too, that the technology, if we could wrap that in with that human piece where people have the opportunity to either go into class for short periods, perhaps work with volunteers, utilize—like with the Learner Web, I know they have volunteers from across the U.S. that can help with folks who are in a classroom maybe in a very different geographic region. And so looking at different ways that we can interface with those programs might work.

Mr. POLIS. I want to open that up, but before I do, I also want to add I think another important aspect is predictability. And one of the difficulties in planning around these funds is the lack of this reauthorization and for several years a continuation.

So, I mean, whenever you are talking technology, you are generally talking some capital investment. I think providers want to know if this is something that is going to be here in 2 or 3 years, what is the revenue stream going to be like for 3 years as it applied in the use of technology, and that has been very, very, very difficult, impossible really, in this environment in the last few years.

Any other ideas about either how we can better open up to technology or other ways to serve more lab people?

Mr. FINSTERBUSCH. What I allude to in here is don't just think of technology as the on-line technology in the classroom. Think about your cell phone. That is the lessons.

What we are hearing, talk to texts. You know, I am hearing, for instance, if you are texting, you will be able to talk in English, and it comes out in another language. Or a workplace, where a manager has employees that speak in another language, boom.

These are the kind of skills, technology, that I think we need to look into to get the adult learners the tools on their jobs and in their communities; not just think of technology for the classroom, but what technologies that corporations are developing, that we are using every day, and give the adult learners the tools in their hands that goes with them.

So I think we need to look in investing in that kind of technology, speech to text, so people can pump out writing materials or

get that writing material back to them if they don't have the skills. So if you have employees that can't read that text, there is a pen that will scan a page and will read it to them. The employee just got all the information they needed without sitting in a classroom that particular month, or 3 years, or whatever.

So when you think of technology, I really think, stop just thinking on line technology, long distance. Think about what the person has in their pockets.

Mr. POLIS. Thank you, Mr. Chairman.

Chairman HINOJOSA. At this time, I would like to call on Congressman Castle from Delaware.

Mr. CASTLE. Thank you very much, Mr. Chairman, and I don't disagree with anything that I have heard here today from the panelists or from those asking questions, but I certainly would like to shift gears a little bit if I could.

And I will start, I think, with Ms. Wilson and Mr. Finsterbusch and their own personal experiences. But my concern is, how did we get in the position that we are in? Why do people drop out of school, whatever it may be? And we have these sessions here, and we read these high-falutin' reports or whatever it may, but maybe we all have a fairly good idea of all this.

But I am worried about the common culture; that is, I am worried about television, perhaps the people Ms. Wilson sings to, whatever it may be. I mean, how can we make sure the people grasp the fact that they need to be educated? I think it was Dr. Roe who indicated the earnings numbers: If you graduate from high school, it is another half-million dollars, and from college it is another million dollars.

I am not sure people really understand that, or if they do, it is sort of a fact. But how can we take this culture into television shows, into the performers in our country who—LeBron James is somebody who can say, maybe you are not going to be as good as I am, but you have got to get educated, or whatever it may be.

I worry about it being too much on an intellectual plain and not hitting home with people, and I am talking about folks staying in school. And we have lot of other problems with that in early education and everything else, but I am also talking about going back with the programs we are talking about today, the adult literacy, more than just us talking about it, but making sure the people grasp the significance of this and how it can help them.

Any answers anybody has?

Ms. WILSON. I mean, the first part of your question, why do people drop out of school, it is people like me. I am a trailer park girl. I mean, I ate peanut butter and jelly and hot dogs every day. I was one of those people. I dropped out of school because my household was horrible. Mostly people I knew dropped out of school because they needed to go to work. They needed three people in the family working, not one.

There is so many different—some people—I moved. My parents had me in—I went to a different school every 3 months, I think. I was constantly being introduced to new people and new teachers, and really, if I had stayed in school, I don't think I would have made it through anyway, because some schools had different credit

programs than other schools have, and I would have ended up not having what I needed to graduate.

I think there is lots and lots of different reasons why people don't stay in school.

Mr. CASTLE. Is there anything that would have kept you in school in retrospect, looking back now?

Ms. WILSON. Not in the house that I was in, but you know—and I hate to say it, but I think there is a lot of that that we don't see, too, that doesn't get discussed.

But as far as how we can get people like me to recognize the importance—and I, myself, there is lots of things I can do just being a celebrity and being in the public eye. There are things that I am already doing. I am doing interviews with anybody I can about it. I am talking to radio stations all over the United States, which reaches millions of people, and discussing the importance and what it has done for me, and how it wasn't something I had to do, but how much it has affected my life and my family's life and so many other people around me, made them feel better about themselves. It is making us a stronger America.

Mr. CASTLE. Are your fellow entertainers doing what you are doing do you think?

Ms. WILSON. I am sorry?

Mr. CASTLE. Are your fellow entertainers doing what you are doing do you think?

Ms. WILSON. I think everybody that I know in the entertainment industry has a passion. This is my passion. I can tell you—

Mr. CASTLE. Your passion for educating?

Ms. WILSON. Well, I know a few of them. I know a few of them. I know a couple of them that came to me as soon as this was finished and asked me how hard it was, because they are not capable of reading themselves.

Mr. CASTLE. Okay. Mr. Finsterbusch.

Mr. FINSTERBUSCH. I can share why people don't come into programs. One, we haven't addressed it here. There is a real stigma, a fear for people coming forward and saying, I need help. People do—when you say—and there is a lot of adult learners in this audience today, and I bet you almost every one of them had experienced, when they declared, I am an adult learner, people treat them differently. People that treated—talked to us as an equal, and all of a sudden they do talk to us differently or down to us. And so there is a fear of coming forward and saying, I need help. And there is not enough champions out there saying, I am an adult learner.

And so programs need to work on this. There is that out there. It is not talked much about in our society, that we do look down on people that have less education. We might lack education, but we now as adults have a lot of life experience and other skills. But that is not what—and then the other issue is—and I just lost my thought, and I apologize—is—I had it, and I lost it because I got nervous again. I have to calm down.

So it is the stigma issue, and I will—it will come back to me. I am going to have to pass on, but there is a piece to that, I am sorry. She took me on—I am sorry—it is not fear of failing, as someone just mentioned. It is that a lot of people in our society

don't really know they have a literacy problem. It really doesn't hit them until a crisis or something else happens, like the loss of a job or like the spouse that I said earlier, because they got their education many years ago, or they were able to get through the system so we have a high school diploma. I had a high school diploma, but that wouldn't translate to a good job if they tested me coming into that job now.

So a lot of people don't realize it until something happens, and then it is immediate need. And so I think when they did a test on who had reading levels, a lot of people didn't think they had a literacy problem, but when they got tested, they needed literacy help. So that is a problem why people don't come in to getting help for literacy.

Mr. CASTLE. If the Chairman will allow?

Chairman HINOJOSA. I will give you another minute, and then I have to move forward.

Mr. CASTLE. Okay. Thank you.

Mr. BERÉ, did you want to say something?

Mr. BERÉ. I was going to say maybe another issue here is the job landscape is changing. So there was a time where you didn't need a high school education, and you could still be assured of a job. Now the requirements are so changing that there is now that gap, and I think people are waking up and saying, my goodness, I don't have the skill set, and so that could be another reason.

Mr. CASTLE. Exactly. Thank you.

Chairman HINOJOSA. At this time, I would like to call on Congressman John Tierney from Massachusetts.

Mr. TIERNEY. Thank you, Mr. Chairman. Thank you for putting together such a great panel on this subject today.

It is about a dozen years ago we were still dealing with this issue. In Massachusetts, we had over 20,000 people in a waiting line to get any services, and unfortunately that hasn't shrunk at all.

Mr. Finsterbusch, you are a great example out here, and we want to thank you for coming forward. I think your presence here today will do a lot, as will Ms. Wilson's. And Ms. Wilson, you are not such a "Redneck Woman" after all. You have really just proven that and probably ruined your whole career just by coming forward here today.

Mr. Finsterbusch, we are told that some of the community-based organizations are having trouble accessing Title II funds, that the States are hoarding them. Do you have any comments on that or anything you think we can do in reauthorization that might free that up a little bit? I didn't say it was going to be easy.

Mr. FINSTERBUSCH. A lot of community-based programs really try to meet the needs of the adult learners in their communities. The moneys coming through the departments have rules. You have to have a student that will meet a certain amount of hours. They have to have this, they have to—you know, right now they don't count on record if you don't do 14 hours, so that student is not counted on the books. And so some programs choose not to opt, and others, because of the way the funding flows, it goes to the community colleges, and the community colleges decide how the money

goes out. And so the CBOs sometimes get left out of that money flow.

There is somehow—the community-based programs are in the community, and a lot of people are able to find them. They are having problems navigating that fragmented system.

Mr. TIERNEY. So some flexibility and some assistance on that?

Mr. FINSTERBUSCH. Yes.

Mr. TIERNEY. Access is one thing that I think, Mr. Beré, I want to address a question to you on this. I think businesses have responsibility, and I thank you for Dollar General stepping forward on that.

We had some great ideas in our community about trying to get businesses to partner without trying to bribe them in the Tax Code, whatever; get them to understand their own self-interest. We had companies that would provide their site and some of their personnel for a half-hour and hour before work, and then let the people stay on for a half-hour or hour into work on their dime. And we had tremendous participation from people in that.

A large company came in, bought them out, nixed the program, gave a small check to a community organization, thought they were doing just as well.

When you talk about access to the program, it seems to me the workplace is a great place for people to access it. How do we entice businesses to participate in a program like that and get more involved without feeling the need to be bribed in?

Mr. BERÉ. Well, I, first of all, agree with you that the business community needs to step up. We are clearly part of the solution here, and as I mentioned earlier, I think it really is about partnership.

I think there are two things. One is the business community, and I said this earlier, needs to become aware. I really don't think they understand the long-term implications of this and the implications to themselves as this is going on, and they have to treat this as an investment.

I think the second piece, it is a cultural thing. There are just some companies who care, and they are worried about this; you know, companies like McDonald's, what they have done with their own McDonald House and things like that. So I think the best thing we can do is increase awareness, realize that this is really a national problem, and that we have got to work together, and only by working through partnerships is this thing going to get done. You can't solve it alone, we can't solve it alone, the States can't solve it alone.

Mr. TIERNEY. Ms. Cooper, Ms. Lanterman, you both talked about good programs that you are running. We need to bring them up to scale.

I assume neither one of you wants to relinquish your program and adopt the other's in full bore on that, and we want to allow both or some innovation in different ways for different areas on that, but we need to bring them up to scale. We have done that a little bit with I-BEST. We have gone, I think, from 10 to 130-odd programs, but that is still not serving all of your State's population, never mind the rest of the country.

Give us some ideas on what we could do on reauthorization that would allow good programs to be acknowledged and then be brought up to scale.

Ms. COOPER. I think I referred to that a bit earlier when I talked about the importance of what it is that we measure and what it is that we allow to be counted as instruction for goals. So I think looking at the accountability system and being really clear about what it is that we look for as we move people forward. I think that that would be helpful.

As well, I think the law is not clear about allowing a very richly contextual instruction that focuses on work, and I think it has been interpreted as well more rigidly than it might be. So I think those are places we might look.

Mr. TIERNEY. Thank you.

Ms. LANTERMAN. I would just like to add about the family literacy model and really highlighting that as a way to remove the barriers that we have been talking about.

Every adult in our program talks about they would not be able to do this, go back to school, without the care for their children. And the motivation behind learning in the classroom with their children is very powerful not only for themselves, when they see themselves as growing and learning, but to help their children.

So, again, just highlighting the family literacy model which brings the partnerships in place that we have been talking about here, as well as the private sector and the public sector.

Mr. TIERNEY. Thank you. Thank you, Mr. Chairman.

Chairman HINOJOSA. Thank you.

I now would like to call on my friend Congresswoman Biggert.

Mrs. BIGGERT. Thank you, Mr. Chairman, and thank you for holding this hearing. I have got just a couple of questions.

Ms. Cooper, have you seen an increase in the demand for your educational services change since the current recession began?

Ms. COOPER. Yes. I would say this was—this fall was one of the largest enrollments for adult basic education in the history of our State, and that was before the effects of the recession. Since the recession began, our State, like many others, has experienced significant layoffs, and that is a time when adult workers often look for more education. So at the very time that we are seeing reduction in funds, it has been very difficult for our programs to expand their doors to let even more people come in in a very purposeful way, so that as the economy recovers, these workers will be prepared to move into those good-paying jobs.

Mrs. BIGGERT. Have you put in any special programs for returning veterans who want to upgrade their skills? Are they a part of this mix that is coming in?

Ms. COOPER. They are part of that mix, and they are part of this mix that is well-recognized in Washington State as an important population.

Mrs. BIGGERT. Okay. Then, Ms. Lanterman, how—can your family program be used in traditional schools, a classroom setting?

Ms. LANTERMAN. Absolutely. We just expanded to three elementary school sites, and it has been so exciting to see how that works with kindergarten, first, second-grade children. Parents are in their child's classroom for 2 hours a week, watching the teacher strate-

gies, the reading instruction piece. They go back into their adult ed classroom. They are able to work with their teacher on what the strategies are, how can they work and help with their children's homework. So they are learning again side by side with their children. The results so far have just been fantastic to watch.

Mrs. BIGGERT. It sounds like a great program, and I think you said in your testimony that you got this grant, and there were 200 other groups competing for this grant. So it sounds like people are really looking for something like this.

Ms. LANTERMAN. We are addressing the parent needs as well, because as adult reentry students, they are not just adults, they are—the majority of them are parents. So they get to address those needs, relieve those barriers, become involved in their children's education. They are leaders at their school sites. They are PTA presidents. They are all on the school site councils.

The teachers see them now as true partners. I had one teacher say, this parent said that she didn't think I was going to fit as her child's teacher—be a teacher best, and she said this was going to be a problem parent, and since she joined the Toyota Family Literacy Program, they have a true relationship now, and they can work side by side. She saw this parent as a problem parent, and the parent saw it as a problem teacher, but now the child benefits.

Mrs. BIGGERT. I would suspect, too, that, you know, one thing is all of us who have been parents have been involved in this, are the homework—

Ms. LANTERMAN. Yes.

Mrs. BIGGERT [continuing]. That our children bring home, and I would imagine that that would really be a help for the parents to be much more engaged in helping.

Ms. LANTERMAN. It is essential. I am an educator and educated, and my kindergartner comes home or my sixth grader comes home, and I can't understand sometimes, and I am thinking here are these parents that don't have those skills, and we are giving them those skills, and they are learning again for themselves, but able to help their children.

Mrs. BIGGERT. Well, you see it wanting to expand in your area. Do you think that this is going to be something that will really take place, or how can we encourage other places or—I guess it is the funding that is going to drive this issue; is that correct?

Ms. LANTERMAN. Yes. The support and the funding and just what you are doing here today, sharing best practices, innovations, what partnerships that can be formed, because this is a partnership. I don't get lots of money. The money that we receive is just enough to coordinate those pieces. I don't pay for the adult ed. I don't pay for the early childhood. It is just the coordination of that so that we are really strengthening the family and all the learners in the family.

Mrs. BIGGERT. What about the children, like zero to three, is that part of this, too?

Ms. LANTERMAN. Yes. We have a toddler program. So it is, again, parents going into that toddler classroom, learning the importance of brain development, what they can do with their children. We have parents saying, I didn't know I could read to them at that age. I didn't think they could learn the alphabet. We have one fam-

ily that wouldn't even allow their 1-year-old to walk, so they were afraid she was going to fall.

So much child development is in place, but again, the literacy skills and, again, for them to be able to work with their children in their home, and that goes—that is critical right—for both zero to 3, we are not reaching them at that preschool or beyond. It is right in the beginning of their learning years.

Mrs. BIGGERT. Thank you. Thank you for all you do. I yield back.

Chairman HINOJOSA. Thank you, Congresswoman Biggert. I think that your questions bring validity to the literacy recommendations that have been given by several of today's witnesses, and I want to commend you, Ms. Lanterman, in bringing up the success of the Toyota National Center for Family Literacy, because the area that I represent in deep south Texas has a very high percentage of families below the national poverty level.

So a couple of years ago we started an effort, an initiative that would focus on children from age 1 to sixth grade, which is age 12, and we invited the RIF program, which is Reading Is Fundamental, because they have the textbooks for children of all ages. And we also invited Toyota to see if they would bring this model of NCFL and help us, because we found that unless there is family participation and parental involvement in reading to a child, 1-year old, 2-year-old, 3-year-old, we can't possibly be successful in teaching them the art of learning. And it works for all ages, just like we have learned here from several panelists.

But Toyota has been especially generous in the deep south Texas program in helping us with funding so that we can have that parental involvement. So I certainly recommend that to you.

I would like to call on the Congresswoman from the State of Nevada, Congresswoman Titus, who has had a very difficult time with the jobless rate in the State of Nevada and has volunteered to host our next congressional field hearing in her State. It is going to be on Friday, May 29th, and that is another step that will get us closer and closer to be able to write the legislation that will reauthorize the WIA Act for 2009. So I would like to call on her for her questions.

Ms. TITUS. Thank you very much, Mr. Chairman, and thank you for coming to Las Vegas. We do have the worst unemployment that we have had in 25 years, and it is very important to us to look at this legislation, and your work on that is most appreciated. So thank you.

If I could just kind of sum up, we heard from all of you that adult literacy programs are needed, they are wanted, they can change lives, they should be continued, but with greater funding and some reforms, and, I think, make them more accessible, more relevant, more timely, more accountable and more technologically up to date. That is kind of what I have been hearing.

But I would like to step back a little further and ask you, if we were to do all that, and I think there is a feeling that we need to do, a general consensus about those things, are we really ready to move forward? Do we have the providers, the equipment, the infrastructure, the teachers to take advantage of these changes? For example, are there enough ESL teachers available? Are there mechanisms in place for public outreach to bring people into the pro-

gram? Do we have that in place, or do we need to do a little back-filling before we can move forward with these reforms? And anybody can answer. I would just address it generally.

Ms. KINERNEY. I will take a shot at that one.

Yes, we absolutely are not ready for—well, no, we are not ready to ramp up. We have a significant need for trained teachers regardless of the program level. We need significant more technology support and data systems to be able to pull this off. We need commitment from employers, more commitment from communities. There is a whole host of activities that we are going to need to undertake.

My personal concern is with making sure that we have a sufficient number of teachers who are well qualified and well trained and get those folks in the classrooms, because we just simply don't have them now, and even in my area it is difficult to find qualified and skilled folks, and in rural areas it is all that much more difficult.

Ms. COOPER. I would answer that question a little differently saying that we are absolutely ready to ramp up, but that there would be some areas in which the availability of planning money, money to produce more tailored and specific professional development for both existing part-time instructors and tutors, as well as recruitment of new people, would be very helpful.

Mr. REDER. I also think we are ready to ramp up. I think the committee needs to think very carefully in drafting the legislation about how to include all of the relevant players and providers in a community-by-community fashion so that we don't wind up with sort of top-down imposed systems that don't fit community needs, which we sometimes see in the current system. So I would urge you to, you know, craft the legislation in a way that will allow appropriate partnerships, that we have heard everyone, I think, talk about this morning, have their natural place in receiving the funding and in doing local planning collaboratively to really meet the needs of the adults and make sure we get them into family wage employment.

Ms. TITUS. Along these same lines, one of my concerns is that States won't pick up their end of the bargain. States especially that are so economically strapped like Nevada are States that this may not be a priority when you have a very small pie to divide up into a lot of pieces. Can you suggest any teeth that we might put in there to be sure that that doesn't happen and that we do see these kind of programs put in place where they are needed?

Mr. REDER. Well, I am not an expert on those types of things, but it seems to me that we may need to have multiple funding streams that can reach service providers perhaps in different ways, and perhaps there can be different incentives in the legislation for, you know, mixing streams and putting, you know, comprehensive programs into place.

Ms. COOPER. I would also say that we both have a great deal of support at the State level in Washington State. So I am grateful to come from a State with that sort of record. But I will tell you our experience would be that one of the ways you sort of both level the playing field and also really incent the kind of behavior that you like is to give people adequate time and money to plan, and then make some kinds of money available by application so that

people meet certain criteria. And that is the kind of model that we used with I-BEST in the beginning, and it has worked well for us in other ventures.

Mr. FINSTERBUSCH. I would have to say the field is ready. We want to do it, but we are not ready because we haven't dealt with the issues of the silos of adult education. From our viewpoint, you can say, let us do this, but until there is a clear navigation to help people navigate this, it is not going to succeed. People are going to drop out because they can't get through. And so we really do need to look at all the funding flows, and how do they relate to each other, and how do they support each other.

Right now we have got too many pockets all over the place and the coordination. So if you want to ramp up, it is the coordination that you are really going to need to look at and then look at we, the customers, needing part of this, and can we understand it, and can we navigate it, because if we can't, it won't succeed.

And so that is what I am going to recommend. There is a will. There is a will, but someone needs to sit down and say coordination, and get these silos start working with each other.

Ms. TITUS. Thank you very much, Mr. Chairman.

Chairman HINOJOSA. Thank you very much for your thoughtful questions.

I am coming to a close, and I want to take this opportunity in sharing with you that when the year started, we decided that we needed to hear from different regions of the country, both rural and urban and suburban areas. We were in Albany, New York, having a congressional field hearing and got their perspective. Now we are going to Nevada, and we have had people here in Washington representing different sectors.

And one thing that comes to mind is that having been a part of the reauthorization of WIA in 1998, I recall that we found difficulty in putting into the act some type of a cap on how much money could be spent with subcontractors and with those in administration, and the end result is that after looking back from 1998 to now, we see that there are regions where only 30 to 40 percent of the Federal money that came down for training individuals was all that was available.

The profit made by the subcontractors, the wasteful use of Federal and State money, some heavy administration costs, that has to be addressed. That needs to be addressed because I personally would like to see a minimum of 60 percent used for training our participants, adults. And if we don't address it, then I think you are going to have another 6 or 8 years of what we experienced the last 10.

Talk about it. Give us your ideas on how you are going to support legislation that would cap how much profit those subcontractors can make, and also the workforce development boards have controls so that administrative costs don't get out of hand. All of that is extremely important as we go into these next few months, and I can tell you that there are members of this committee who are very seriously considering how we can address this problem that I am laying on your lap.

Once again, I would like to thank each and every one of the witnesses and the members of the subcommittee for a very informative

session. As previously ordered, Members will have 14 days to submit additional materials for the hearing record.

[Additional submissions of Mr. Hinojosa follow:]

[Research Report No. 06-2, Washington State Board for Community and Technical Colleges, April 2005]

**Building Pathways to Success for Low-Skill Adult Students: Lessons for Community College Policy and Practice from a Longitudinal Student Tracking Study**

(The "Tipping Point" Research)

According to the U.S. Census (2000), 42 percent of adults in the United States between the ages of 25 and 64 have no more than a high school education (authors' calculations). Unfortunately, however, most new jobs and the vast majority of jobs that pay wages sufficient to support a family require at least some education beyond high school (Carnevale & Derochers, 2003), and low educational attainment is associated with high rates of unemployment and poverty.

Community colleges are an important entry point to postsecondary education for adults with no previous college education or even a high school diploma. In fall 2002, for example, adults between the ages of 25 and 64 represented 35 percent of fulltime equivalent (FTE) enrollments at two-year public colleges, compared with only 15 percent of FTE undergraduate enrollments at four-year public institutions (authors' calculations, based on U.S. Department of Education, 2001). Moreover, more than two-thirds of the community college students who entered postsecondary education at age 25 or older were low income (authors' calculations based on

"Beginning Postsecondary Students Longitudinal Study" [BPS:96/01], 2003). The potential of community colleges to serve as a "pathway" for lowskill adults to college and career-path employment, therefore, is evident. Across the nation, several major projects are underway whose goal is to develop policies and practices supportive of this role. Funded by national foundations, these initiatives include the Ford Foundation's Bridges to Opportunity initiative and the National Governor's Association's Pathways to Advancement project, funded by Lumina Foundation for Education.

Despite this interest, relatively little is known about the unique experiences and the educational and employment outcomes of adults who enter community college with limited education. We do know that their experiences and outcomes differ from those of traditional college-aged students. Compared with community college students who enrolled soon after high school (at ages 18-24), those who start later (at ages 25-64) are more likely to earn a certificate and less likely to earn an associate degree. The late starters are also far less likely to transfer to a four-year institution and earn a bachelor's degree. Indeed, among students who entered a community college for the first time in 1995-96, 60 percent of older first-time students did not earn any credential or transfer to a baccalaureate program after six years, compared with 40 percent of younger, first-time students (authors' calculations, based on BPS:96/01, 2003).

This Brief summarizes findings from a new study that seeks to fill information gaps about older community college students. Researchers used student record information from the Washington State Community and Technical College system to examine the educational experience and attainment as well as the employment and earnings of a sample of adult students, five years after first enrolling. The students in the sample were age 25 or older with, at most, a high school education. The study was conducted by staff at the Washington State Board for Community and Technical Colleges (SBCTC), with assistance from the Community College Research Center, as part of Ford's Bridges to Opportunity initiative. Its goal was to provide educators throughout Washington's community and technical college system with a detailed profile of their low-skill adult students, who make up about one-third of the approximately 300,000 students served by the system annually. The study also sought to identify the critical points where adult students drop out or fail to advance to the next level in order to help SBCTC staff stimulate thinking among educators throughout the system about how to bridge those gaps and thereby facilitate student advancement.

*Study Sample*

The study's data source was the system that the Washington State Board for Community and Technical Colleges uses to track students in its 34 colleges. The database contains complete transcript information on every student who enrolls in college credit or non-credit courses.

The study sample consisted of two SBCTC cohorts: first-time college students who were adults age 25 or older with a high school education or less and who started in 1996-97 or in 1997-98. Also included in the cohorts were 18- to 24-year-old, first

time students who lacked a high school diploma or GED. These younger students were included because by not graduating from high school and enrolling at a community college, they had in effect entered the adult labor market, whether or not they were employed. The sample included students who enrolled in college-credit (including college remedial or “developmental”) or adult basic skills programs, which include adult basic education (ABE), English as a second language (ESL), and GED preparation. In Washington State, adult basic skills programs are provided through the community and technical colleges. Together the two cohorts totaled 34,956 students, or about one-third of all students who entered a community or technical college for the first time in Washington State in the two baseline years.

Females comprised the largest share of the student sample, reflecting a common pattern among students in community colleges. Whites made up more than half of the sample, and Latinos one-quarter. Students between the ages of 25 and 29 comprised the largest group. Over 70 percent had children; nearly one-quarter were single parents. Most of the students were working or seeking work. A little more than one-third were not in the labor force. The majority of the low-skill adults were low income.

The starting education level of the students also varied. Nearly one-third enrolled in an ESL program. Slightly more than one-third did not have a high school diploma and enrolled in adult basic education or GED programs. Approximately one-third of the students already had either a diploma or a GED.

Three-quarters of the high school diploma holders, and nearly 80 percent of GED holders, enrolled in occupational degree programs, reflecting the high interest of adult students in occupational programs. Forty percent of the students with a high school diploma or GED also took at least one developmental course. The majority of both GED and diploma holders who enrolled in academic transfer programs had to take at least one remedial course.

#### *Study Findings*

For both cohorts we used the transcript information in the SBCTC student database to track the educational progress of the different subgroups (defined in terms of the students’ starting education levels) five years after they entered a community or technical college. We used Unemployment Insurance wage record data from the Washington State Employment Security Department to examine the annual earnings of students five years after they started.

#### *Student Educational Attainment and Earnings after Five Years*

Only 13 percent of the students who started in ESL programs went on to earn at least some college credits. Less than one-third (30 percent) of adult basic education (ABE/GED) students made the transition to college-level courses. Only four to six percent of either group ended up getting 45 or more college credits or earning a certificate or degree within five years. (Washington’s community and technical colleges are on the quarter system, so 45 credits is equivalent to two full-time semesters of coursework, or 30 credits in semester systems.)

Nearly 30 percent of the students who started with a GED, and 35 percent of those who started with a high school diploma, earned at least 45 credits or a credential in five years. Fourteen percent of the students who started with a GED, and 18 percent of students who started with a high school diploma, earned an advanced certificate or an associate degree in five years.

Not surprisingly, the higher students’ educational attainment after five years, the higher the wages they earned on average. Compared with students who earned fewer than ten college credits, those who took at least one year’s worth of college-credit courses and earned a credential had an average annual earnings advantage: \$7,000 for students who started in ESL; \$8,500 for those who started in ABE or GED; and \$2,700 and \$1,700 for those entering with a GED or high school diploma, respectively.

These findings are consistent with previous research on the economic returns to a subbaccalaureate education. These studies show that earning an occupational certificate (equivalent to two semesters of full-time study) provides individuals with a significant earnings advantage compared with individuals with just some college but no degree, although the magnitude of the advantage varies by student gender and field of study (Bailey, Kienzl, & Marcotte, in press; Grubb, 2002; Kienzl, 2004). These studies have also found that the wage gains associated with postsecondary education of less than a year are negligible.

#### *Advancement beyond English as a Second Language and Adult Basic Education*

Only one percent of ESL students who started with less than a high school education earned a GED or high school diploma in five years. In all, 12 percent went beyond ESL and enrolled in college-credit courses. Of these, two-thirds had a high

school credential when they started in ESL. A much larger group of ESL students had a high school credential upon enrollment but went no further than ESL. Latino ESL students with a high school diploma were less than half as likely as other students to advance beyond basic skills. Males who earned a GED (particularly Latinos) were less likely than women to go further in their education. Part of this gender difference may result from the fact that, on average, men earn more than women, and thus forgo more wages when they attend school.

Thirty-one percent of the students who started in ABE or GED courses went on to enroll in at least one college-level course. Of this group, 70 percent, or 2,543 students, already had a high school credential. A larger group (3,245) also had a high school credential but went no further than basic skills, including 1,147 students who earned their GED or diploma at the college and left.

A number of factors seem to be associated with a greater likelihood that students who start in ESL or ABE/GED will go on to succeed in college-level courses. A higher percentage of students who succeeded in earning a credential or completing at least 45 credits received financial aid than did students who did not do either. In addition, students who took developmental education after taking ESL or ABE/GED were more likely to earn a credential or at least 45 credits than were those who did not. Students who expected up-front that they would attend college a year or longer were more successful than were students who did not know upon enrollment how long they would attend or those for whom information on their expectations for college was not available.

Although financial aid and developmental education were associated with higher chances of success, many students who went beyond ESL or ABE/GED did not receive these supports. Only about 23 percent of students who transitioned from ESL, and 35 percent of those who transitioned from ABE, received financial aid when they enrolled in college-level courses. Only 28 percent of ESL students who transitioned, and 33 percent of transitioning ABE students, enrolled in developmental courses. Moreover, less than one-third of ESL and ABE/GED students expected to attend college for a year or more. About half (54 percent) of ESL students, and 47 percent of ABE/GED students, did not have clear plans or their intent was not ascertained.

#### *Implications for Policy and Practice*

This study of students in the Washington State Community and Technical College system finds evidence that attending college for at least one year and earning a credential provides a substantial boost in earnings for adults with a high school diploma or less who enter higher education through a community college. These findings are consistent with studies that have used nationally representative samples of community college students.

Short-term training, such as the type often provided to welfare recipients seeking to enter the workforce, may help individuals get into the labor market, but it usually does not help them advance beyond low-paying jobs. Neither does an adult basic skills education by itself nor a limited number of college-level courses provide much benefit in terms of either employment or earnings. Another recent study of Washington State community college students (Hollenbeck & Huang, 2003) found that adult basic skills programs had no impact on wages and had only a modest impact on average rates of employment in the long term (but not the short term). In contrast, individuals who went through community college occupational degree programs were eight percent more likely to be employed, and they earned over \$4,400 per year more on average than did similar individuals in Washington's labor force who did not enroll in any training program. Only individuals who took basic skills courses concurrently with vocational training enjoyed a significant benefit in average rates of employment and quarterly earnings.

Another study (Workforce Training and Education Coordinating Board [WTECB], 2004), drawing on occupational forecasts by Washington State's Employment Security Department, shows that not only do workers with at least a year of college and a credential earn substantially more than do those with just some or no college, but that they are in higher demand among employers, at least in Washington State.

The findings from all of these studies of Washington State indicate that community and technical colleges should consider making at least one year of college-level courses and earning a credential a minimum goal for the many low-skill adults they serve. While hundreds of low-skill adult students in our sample were able to achieve this threshold level of attainment in five years, many more did not. Eight out of ten students in ABE or ESL were able to make modest skill gains, at best earning a GED, but did not advance to college-level courses. Seven out of ten students who had a GED and took college-credit courses left with less (and often a lot less) than

a year of college credit and no credential. This is also true for the more than two out of three students who had a high school diploma and took college courses.

To enable low-skill adults to achieve the threshold level of one year of college plus a credential or more, community colleges in Washington State and elsewhere should rethink their programs and services. For example, the study summarized here found that there are students—the 69 percent of ABE and ESL students who make the transition to college-level work with a high school diploma or GED in hand—who are eligible to receive financial aid and developmental education. These supports would make it two to three times more likely that they would earn a credential, but, at best, only one-third of these students receive them. Therefore, it would be useful for basic skills and developmental education faculty to work together to encourage students to take advantage of developmental courses and to work with counseling and student services staff to ensure that eligible students apply for financial aid.

In addition, support should be given to the far larger group of students who have or earn a high school diploma or GED but never go beyond basic skills in community college. More aggressive efforts to educate them about their college education opportunities, combined with “bridge programs” that ease their transition to college, might increase their enrollment and success in college-level programs.

Finally, since short-term training that is focused on getting low-skilled adults a job generally does not result in earnings gains over time when students do not continue their education, colleges could help students avoid dead-end starts by ensuring that short-term training options lead to real educational attainment in the long term.

A commuter transit system that is run on the schedule of working adults and that can accommodate on-and-off traffic, but still makes connections to long-term destinations, may be an apt metaphor for an education system effective in serving low-skill adults. Such a system would provide a clear map of the educational pathways that students can follow to advance in their jobs and pursue further education, indicating where they can “stop out” of education for a time and reenter as they are able. The system would give students a lot of guidance and support so they do not get lost as they leave and reenter college, and would allow adults to go farther and faster than they do in the conventional college system.

Rethinking existing community college programs to create more of an educational transit system has to be done collaboratively, involving faculty and staff from across the academic and administrative divisions or “silos” that characterize most community colleges and higher education institutions generally. The Washington State Community and Technical College system is taking steps to break down those silos by sharing the results of this study widely among its faculty, staff, and administrators. Member colleges interested in improving outcomes for lowskill adult students have been invited to organize teams from across their various divisions—basic skills, academic transfer (where developmental education is typically housed), workforce education, and student services—to reflect on the state-level data from this study and on similar data from their own colleges. The aim is to encourage these crossdivisional teams to eliminate roadblocks to advancement and create pathways to educational and economic success for their many low-skill adult students.

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*This Brief was developed at the Community College Research Center (CCRC), Teachers College, Columbia University. It was drawn from a longer report entitled Building Pathways to Success for Low-Skill Adult Students: Lessons for Community College Policy and Practice from a State-wide Longitudinal Tracking Study, which may be ordered from CCRC. Funding for this research was generously provided by the Ford Foundation through grants to the Washington State Board for Community and Technical Colleges for the Bridges to Opportunity initiative and to the Community College Research Center for research on the role of community colleges in improving access and attainment by low-income and minority students.*

COLLEGE OF LIBERAL ARTS AND SCIENCES,  
DEPARTMENT OF APPLIED LINGUISTICS, POST OFFICE BOX 751,  
Portland, OR, May 14, 2009.

Hon. RUBÉN HINOJOSA, *Chair*; Hon. BRETT GUTHRIE, *Ranking Member*,  
*Subcommittee on Higher Education, Lifelong Learning, and Competitiveness, House  
Committee on Education and Labor, Washington, DC.*

DEAR REPRESENTATIVES HINOJOSA AND GUTHRIE: Thank you for the opportunity to testify before your Subcommittee on May 5, 2009 and share my views about the importance of research in making WIA maximally effective. I am writing to share some specific suggestions for the Subcommittee to consider about the need for WIA to establish a strong, independent research and development center for adult literacy.

To support the goals of WIA more effectively, the field of adult literacy needs a strong, independent R&D center. Although the Department of Education (OERI and later IES) funded such a center at the University of Pennsylvania from 1991-1996 and at Harvard University from 1996-2007, OERI/IES staff were consistently indifferent and sometimes antagonistic towards the field. Funding for such a center has been discontinued for more than two years.

To be effective, the R&D center needs to be independent of political and agency pressures that would repeatedly try to redefine its priorities and agenda from year-to-year. The Center should be housed within a university or network of collaborating universities having expertise and experience in the field. The Center must be able to pursue a stable, long-term R&D agenda that has been carefully crafted by researchers, practitioners, policy-makers and other experts and stakeholders in the field. Its work should be guided by an advisory board (whose role is only advisory) and use research designs and produce publications that benefit from peer-review processes.

The work of the R&D center will have practical implications for a number of federal departments—including Education, Labor, Health and Human Services, in particular, but also Justice, Defense and Homeland Security among others. Administering the center within a multi-agency setting such as the National Institute for Literacy would thus seem to make sense. Although NIFL has accomplished some worthwhile things, it does not have the size, capacity or structure in its current form to effectively manage a strong, independent R&D center. (The President has recently proposed to disband NIFL. If the President and the Congress decide to refocus NIFL on adults, redesign its structure to be more cost-effective, and provide it with qualified leadership and staff, then it might be a proper place to administer a new adult literacy R&D center grant.)

I recommend placing the Center in either Education or Labor. Wherever it is placed, it must be seen as serving a mission broader than that of any one Department. All Departments should be able to add funds, without having to engage in competitive bidding, to enhance the work funded by a base budget of at least \$10 million per year. The Center should not be placed in OVAE (the program branch of adult education) because the R&D agenda needs to be free from pressures to conform with services currently being implemented. If it were placed in Labor, which

has the capacity to manage such a center effectively, it is important to make clear that the Center's R&D agenda should address the needs of all adult literacy learners, including those at the lowest skill levels. The Employment and Training Administration (ETA) might be a logical management agency for the R&D Center grant.

The Center should have a mandate to:

- provide advice to the field that is based on the best available empirical research and professional wisdom
- pursue new research and experiment with new ways of supporting learning and delivering services
- support professional development through technical assistance and training
- build a knowledge and communications infrastructure for the field

Thank you again for the opportunity to share my views with the Subcommittee. Please do not hesitate to contact me if I can provide additional information, answer questions, or otherwise assist you.

Sincerely,

STEPHEN REDER, PH.D., *University Professor and Chair,*  
*Department of Applied Linguistics.*

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Chairman HINOJOSA. If any Member who wishes to submit follow-up questions in writing to the witnesses should coordinate with Majority staff within the requisite time, and without objection, this congressional hearing is adjourned, and we thank you.

[Whereupon, at 12:05 p.m., the subcommittee was adjourned.]



## **NEW INNOVATIONS AND BEST PRACTICES UNDER THE WORKFORCE INVESTMENT ACT**

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**Friday, May 29, 2009**

**U.S. House of Representatives  
Subcommittee on Higher Education,  
Lifelong Learning, and Competitiveness,  
Committee on Education and Labor  
Washington, DC**

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The subcommittee met, pursuant to notice, at 10:15 a.m. at the Nevada State College, Dawson Building, 1021 East Paradise Hills Drive, Henderson, Nevada, Hon. Ruben Hinojosa [Chairman of the Subcommittee] presiding.

Members Present: Representatives Hinojosa and Titus.

Staff Present: Paulette M. Acevedo; Ricardo Martinez, Policy Advisor.

Chairman HINOJOSA. A quorum is present. The hearing of the Subcommittee on Higher Education will come to order.

Pursuant to the committee rules, any member may submit an opening statement in writing which will be made part of the permanent record.

I now recognize myself, followed by my colleague, who will make opening statements. Without objection, all members will have 14 days to submit additional materials or questions for the hearing record. I would like to make my statement and then make some privileged statements.

### **STATEMENT OF HON. RUBÉN HINOJOSA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS**

Chairman HINOJOSA. Good morning. Welcome to the Higher Education Lifelong Learning and Competitiveness Subcommittee's fifth hearing, in preparation for the reauthorization of the Workforce Investment Act, known as WIA.

This is also our second field hearing for the 111th Congress and I would like to personally thank Congresswoman Dina Titus and the Nevada State College for hosting us.

These hearings are of critical importance. The last time we reauthorized the Workforce Investment Act was in 1998. The Workforce Investment Act was designed to streamline and coordinate our job training programs. It was supposed to provide a one stop system of workforce development that would serve workers and employers alike.

After 11 years the system is long overdue for an upgrade. Time is of the essence. Last month our economy shed another 539,000 jobs, bringing the total to 5.7 million jobs lost since the beginning of the rescission in December 2007.

Never in my lifetime have we needed a workforce investment system to deliver more for our economy than right now.

We have taken bold and swift action with the passage of the American Recovery and Reinvestment Act, which will infuse approximately four billion—yes, B as in boy—\$4 billion into our workforce investment systems. It is imperative that our workforce investment system be up to the challenge.

We have much to learn from Nevada. As one of the fastest growing regions in the entire country, Nevada has seen its demand for many adult services, such as English as a second language and job training, skyrocket. As one of the hardest hit by the foreclosure crisis, Nevada is on the front lines of the economic crisis.

Today we will hear from experts on the ground. These are the people who are working to reconnect disconnected youth, who are preparing individuals for green jobs, who are addressing our workforce needs in high growth areas, such as health care, and who are insuring that individuals with disabilities are getting the vocational and rehabilitative support they need to work and live independently.

I would like to thank our witnesses today for joining us, and for the work you do every day to strengthen our workforce. It is invaluable for our subcommittee to have the opportunity to get outside of Washington, D.C. and visit the communities that our federal policy and programs are intended to serve.

Thank you to the hosts for having us and thank you for your testimony to the witnesses.

I would like to yield to my good friend, a valuable member of the subcommittee, Congresswoman Dina Titus, for an opening statement.

[The statement of Mr. Hinojosa follows:]

**Prepared Statement of Hon. Rubén Hinojosa, Chairman, Subcommittee on Higher Education, Lifelong Learning and Competitiveness**

Good Morning. Welcome to the Higher Education, Lifelong Learning, and Competitiveness Subcommittee's fifth hearing in preparation for the reauthorization of the Workforce Investment Act. This is also our second field hearing for the 111th Congress, and I would like to personally thank Congresswoman Dina Titus and the Nevada State College for hosting us.

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After 11 years, the system is long overdue for an upgrade, and time is of the essence. Last month, our economy shed another 539,000 jobs, bringing the total to 5.7 million jobs lost since the beginning of the recession in December 2007. Never in my lifetime, have we needed our workforce investment system to deliver more for our economy than right now.

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I would like to thank our witnesses today for joining us and for the work you do every day to strengthen our workforce. It is invaluable for our Subcommittee to have the opportunity to get outside of Washington and visit the communities that our federal policies and programs are intended to serve.

Thank you for hosting us and thank you for your testimony.

I would now like to yield to my good friend, a valuable new member of the Subcommittee, Rep. Dina Titus, for an opening statement.

#### **STATEMENT OF HON. DINA TITUS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEVADA**

Ms. TITUS. Well, thank you very much, Mr. Chairman, for calling for today's Congressional hearing to look at innovations and best practices for the renewal of the Workforce Investment Act. It is an honor to have the committee meet here at Nevada State College in District Three, that I represent, especially on a topic that is so critical to Nevada.

Since the economic recession began in December of 2007 Nevada has endured a number of foreclosures. This district is one of the highest in the country for foreclosures, and the unemployment rate has soared to the highest that it's been in 25 years.

This Congress inherited a deep economic crisis that will not turn around overnight. But I'm proud of the fact that as the Chairman pointed out, we have taken some dramatic steps to put our nation on the path to recovery, when we passed the stimulus package that will save or create millions of jobs, including 34,000 here in Nevada.

Now recent statistics show a glimmer of hope that perhaps we've at least reached the bottom of this recession, but we know that our work is far from over. Creating more jobs in Southern Nevada remains one of my top priorities and I know that Congress must take bold action to help put Americans and Nevadans back to work.

That's why I'm really encouraged by the enthusiasm of the Education and Labor Committee with the emphasis that the Chairman has put on the hearings and reauthorization of the Workforce Investment Act.

It is a very important part of our efforts to fix the economy and I stand committed to working with the Chairman and across the aisle to have a spirit of bipartisanship as we move forward in this with this new legislation.

The WIA, or Workforce Investment Act, is designed to coordinate and consolidate and improve employment and training and literacy and just opportunities for the future, and that's why it is so critical that we move forward with this today. And I think our panel reflects just a wide sweep of the kinds of things that can be included as we look at restructuring this act.

We're going to hear about training for health care professionals, youth activities, so we don't lose those young people, vocational rehabilitation and placement for individuals with disabilities, whom I've worked with a long time in the Legislature, and of course

green jobs. That is the new economy, the economy of the future, and Nevada needs to be ready to harness it.

So I want to thank all of you who have come out to attend today, this important hearing. It's an honor to represent you and have you here.

I also want to point out that unlike many legislative hearings where they take public comment, we in our Congressional hearings, we're not able to take public comment. But for us to be successful as we move forward, we need to hear from all of you who are in this room, and that would include a broad range of voices and ideas in addition to those who are the official witnesses.

So, although you can't provide public comment here, I would greatly appreciate it if you would submit your comments for the record, and we can put them in the record, and you can send them to me. There are several ways that you can do that, either with the form you find on the back of the room to submit notes, anything you want to submit, or you can do it on the website. And so I thank you for that feedback.

Also, thank you again, Mr. Chairman, for bringing your committee to Las Vegas. This is a very important topic for Southern Nevada, and we are looking forward to sharing some of the things that are going on here with you.

So thank you very much, and I look forward to an insightful and thought provoking hearing today.

Chairman HINOJOSA. Thank you. It is a pleasure to work with Dina. As Congresswoman of this area she is your voice, she is your representative, and works hard. I'm delighted to have her on my subcommittee because she is not afraid of hard work, long hours, and the horrible trip back and forth every week or every two weeks from Washington to her home district.

So I thank you and I look forward to this hearing. You should know that after five Congressional hearings, one in Albany, New York, and the others in Washington, D.C., and today here in Nevada, we believe that we are gathering information that is very necessary for us to be able to start writing the legislation and hopefully be able to debate in our committee in July, be able to take it to the House floor and debate among the 435 members that compose the U.S. Congress.

I can say that we have heard from witnesses through previous hearings that have given us hope that in this rewrite of the reauthorization of WIA that we will be able to find the way in which to restructure workforce development boards so that the greater amount of money will be going towards training students, young, middle-aged, and senior adults.

The reason is that at least the last 11 years we found that there wasn't enough regulation to try to hold the amount of money that was being given to the subcontractors in profits and the cost of operating so many offices and centers that were being utilized so that 40 percent or less of the money coming from Washington went towards training students.

We want to turn that around. We would like to see 60 percent or more of the federal money going towards training and the balance for what I mentioned earlier.

Having said that, I am proud to be in my 13th year in Congress serving on this committee, and Chairman of the Subcommittee on Higher Education, which I think is this campus here is a good example of what I fight for.

We know that the average lifetime earnings of a student who graduates from high school is \$500,000. But those who graduate from college can expect a lifetime income of \$1 million. So that would certainly improve the quality of life for their families, the region that they live in, and certainly paying taxes to help us with what is required and that is infrastructure, to be able to keep expanding.

You are the envy of many states as one of the fastest growing regions in the country. The area that I represent in deep south Texas was trailing just behind you. So it gives me great pleasure to come and see it for myself what is it that y'all have done, and of course downtown Las Vegas and all the expansion going on there is proof of the success that you have had. Only in Dubai, and Abu Dhabi and those areas that are rich with oil have we seen something that even comes close to what I saw downtown yesterday when I came in.

So today's hearing is going to be directed at having a trained workforce, and I also was delighted to meet so many people prior to getting started, and one particular that caught my attention was Kenneth LoBene, director for U.S. Department of Housing and Urban Development here in this area, and working with the youth council.

I believe that the group that y'all are working with, ages of 15 to 25, have so much potential. But unfortunately, materials that I read indicate that we have a very high dropout rate and are not finishing high school, but that's not just here in Nevada, that's throughout the country. If you were at one of our last hearings, the people who testified from Detroit, Michigan told us that there are some pockets of 70 percent dropout rate from their high schools.

That's why it's so important that we listen to these witnesses and others who are in the audience because I honestly believe that there are solutions.

With a new president with the Obama administration making the kind of commitment of \$787 billion in the stimulus plan, monies that go out throughout the country for so many different ways of in which we can create jobs, and infrastructure, I believe there is hope.

The folks that I hear on CNN and other stations on TV tell us that there's reason to believe that we are somewhere close to finishing and ending this recession that has been one of the longest we've had in the last 50 years.

So we're going to proceed and I'm going to start by introducing the panelists. The first one that I will present is Brian Patchett, president and CEO Easter Seals Southern Nevada.

Our first witness has been an advocate for over 20 years for people with disabilities and improving quality of life and promoting independence. He has worked for the Utah Assistive Technology program, training people to implement the Americans with Disabilities Act, which is extremely important to us in our country.

Mr. Patchett graduated from Utah State University with degrees in political science in 1992, and then went on to study at Syracuse University and earned master's degrees in public administration and rehabilitation counseling.

He is one of 49 million Americans classified as disabled, but this has not hindered his education or professional goals. He has worked for Eastern Seals in Washington and Arizona and in Southern Nevada, where he has served as the president and CEO since 2004.

Mr. Patchett has received many awards in his career and he and his wife, Stacy, are the proud parents of six children, and we are very happy to welcome you this morning.

The next panelist will be Chris Brooks, Director, Bombard Renewable Energy. Mr. Brooks has been a journeyman, wireman in the State of Nevada for the past 17 years and is a certified master electrician. He is certified by the North American Board of Certified Energy Practitioners and also has the state required OSHA PV installers license.

Mr. Brooks is the founding member of Solar Nevada, the local chapter of the American Solar Energy Society, where he currently serves as their vice president. Mr. Brooks is also been appointed to the Nevada Renewable Energy and Energy Efficiency task force. Welcome this morning and you have all of our attention regarding your certifications.

The next person, next witness, Ms. Chanda Cook, Nevada Public Education Foundation. As director of community initiatives, Ms. Cook has taken an active leadership role for the foundation in reducing high school dropout rates and graduating students that are prepared for the workforce and higher education priorities.

Prior to her current position she spent more than a decade in corporate community relations with Nevada Power, focusing on programs that supported energy education, as well as math, science and technology.

Ms. Cook has been active on education issues at the local, and the state and national levels. Locally she has a long history of involvement with the Clark County School District, which is the fifth largest in the entire nation.

She also has been appointed by the governor to serve as the parent representative to the Nevada Commission on Educational Excellence and will be sharing her thoughts with us today on Nevada youth, as well as sharing her concerns for our youth nationally.

Ms. Cook has a bachelor of arts degree in social work from the University of Nevada Las Vegas, and has continued her education with participation in the Harwood Institute for Public Leadership. Welcome.

Next presenter is Ms. Rebecca Metty-Burns. She is the Interim Director, Division for Workforce and Economic Development, College of Southern Nevada in Las Vegas.

Ms. Metty-Burns is responsible for overseeing the industry workforce programs in the division, as well as community and personal enrichment courses, grant funded GED, and English as a second language courses in the prison program.

The Division provides industry courses in health care, in manufacturing, in hospitality, and operates an OSHA training institute education center.

Before joining CSN, Ms. Metty-Burns had 16 years experience as a human resources leader directing employee training and human resources projects. She holds a BA in economics from the University of Alaska in Anchorage, and she holds an MBA from the University of Nevada Las Vegas.

This morning we look forward to her comments regarding the training of individuals for the health care industry. Welcome to you and all the other witnesses and now we are ready to hear from everyone, and we will start with you, Mr. Patchett—excuse me, let me take this opportunity to say something about the lights that you are going to see operating here in front of you.

For those of you who have not testified before this subcommittee, let me explain our lighting system and the five-minute rule.

Everyone, including members, is limited to five minutes of presentation or questioning. The green light is illuminated when you begin to speak. When you see the yellow light, it means you have one minute remaining. When you see the red light, it means your time has expired and you need to try to conclude your testimony.

Please be certain as you testify to turn on and speak into the microphone in front of you so that we can have all of the participants and the audience hear you clearly.

Now we'll hear from our first witness, Mr. Patchett.

**STATEMENT OF BRIAN PATCHETT, PRESIDENT AND CEO,  
EASTER SEALS OF SOUTHERN NEVADA**

Mr. PATCHETT. Thank you very much, Chairman Hinojosa and Congresswoman Titus. It's a pleasure to be here to speak with you this morning and I also want to recognize Erin Fox next to me. Her job is to tell me when the lights are properly colored because I don't see the lights from here.

What I would like to talk about today is people with disabilities and employment. I think as we look at the rehabilitation act, which is now the fourth, or is also part of the WIA Act that we have, there are a couple of things I want to emphasize and that is universal design, and I want to talk about transition and I want to talk about assistive technology and a couple of things.

But first I think it's important to understand, we talk about the challenges we have with the economy today. We talk about unemployment, and Mr. Chairman, you mentioned some of those statistics and the things that are going on. And it is very concerning and even more concerning is the impact on people with disabilities.

As we think about individuals generally throughout the country and here in Nevada we look at roughly 71 percent of people that could be employed are employed. When you look at people with disabilities, that number is 23 percent. 23 percent of individuals with disabilities are employed. And when we talk about unemployment statistics right now, we talk about roughly nine percent, maybe ten percent of people with, in general being unemployed in this economic downturn that we are in. Among people with disabilities who are employed, that 23 percent we talked about, we are talking

about a number closer to 15 percent, roughly 14.5 percent. Very significant.

So that impact is definitely felt by individuals with disabilities, and as you mentioned, I am a person with a disability. I've had the opportunity to be a person who went through the vocational rehabilitation system, was very much helped through that system. It changed my life. I was able to pursue my graduation and I am where I am today.

Unfortunately, many still are not. And I think that's what the key is, as I'm talking, is how we get to that, that issue.

I also want to recognize a couple people that are here and thank them. We have Director Mosley of DETR, which is the Department of Employment and Rehabilitation Training. His leadership is amazing right now, in trying to change and turn things around in Nevada.

Also Debra Brown, from vocational rehabilitation and so many of the staff are there. Things they are doing, especially over the last year, have been wonderful and thank you Congresswoman Titus for all of the efforts you made over the years and worked at the Legislature to help persons with disabilities.

Let's talk about universal design and I think the easiest way to think about this is when you think about a WIA place or a work site place for training or for information about jobs. Here we call them the Job Connect sites.

A person goes there to get information about jobs, maybe get some training related to jobs, and to find jobs. And I think about, we think about that related to people without disabilities or people with disabilities, what we need to be able to get to is thinking about all people together.

One of the challenges we have right now is that if a person walks into one of these sites and they have a disability, or they come in using a wheelchair or whatever, that site may not be accessible to them, programatically or also technologically. They may not be able to access the computers at that site, they may not be able to—the individuals working there may not be able to help them to be able to build their resumes to be able to search for jobs.

We need to start thinking about people with disabilities and people without disabilities together under the Workforce Investment Act. In 1973 the Rehabilitation Act was passed. It became part of WIA 11 years ago, as has been mentioned. We need to somehow figure out how to further blur the lines so that whenever somebody needs services for employment, regardless of ability, they can receive those services.

Second, I want to talk about transition services. One of the things that makes a significant difference is the kind of services a person gets as they are coming through school, are they being prepared for employment, are they getting adequate career counseling, adequate education, adequate job experience.

One of the challenges we have still within the act is how do we get at preparing students, high school students to make that transition from school to work. And quite often in both these areas one of the challenges is assistive technology. Assistive technology are devices that help someone with a disability to be able to get a job

or to be able to keep a job. And certainly that becomes a challenge as it relates to employment for some of us with disabilities.

I'd also add that sometimes the 90 days that when someone is employed through voc rehab, that that employment, once that person has been employed for 90 days, the case is closed.

I argue, I think in my written testimony, and I would argue here that that's not long enough. We need to be able to spend more time following up with individuals with disabilities. Maybe it's six months, I don't know, maybe it's longer than that. And I'd go ahead and close there.

Chairman HINOJOSA. Mr. Patchett, I want to yield an extra minute to you to complete your thoughts.

Mr. PATCHETT. Thank you so much, Mr. Chairman.

And yet, as we look at trying to create this system that's more friendly to helping persons with disabilities, and trying to get from transition from school to work or through that process, again back to the 90 days, that I think about when I got my first job, and even when I got this job as CEO, it took a lot longer than 90 days to become used to this job.

We need to be able to follow along, as vocational rehab professionals, longer than 90 days. If we can do that, we can guarantee employment to last longer. A good percentage of people who become employed as persons with disabilities, at 90 days the case is closed. A good percentage of those people within 20 days of that 90 days, so basically 110 days, then lose that job. So we need to extend that, and my recommendation is to go six months and that would—

Chairman HINOJOSA. I assure you that your entire record, written record statement, rather your entire statement will be part of the record of today's hearing.

[The statement of Mr. Patchett follows:]

**Prepared Statement of Brian Patchett, President and CEO,  
Easter Seals of Southern Nevada**

Mr. Chairman and members of the Subcommittee on Higher Education, Lifelong Learning and Competitiveness, my name is Brian Patchett. I am currently the President/CEO of Easter Seals Southern Nevada, a non-profit organization serving children and adults with disabilities. I have spent much of my life working with the Vocational Rehabilitation system. I was first a client of these services as a young man and later a professional in the field of rehabilitation. Today, I would like to share with you some of my personal experiences in conjunction with addressing some of the key issues that need attention when looking at the reauthorization of the Workforce Investment Act (WIA), specifically in the area of Vocational Rehabilitation. Within that context I will identify important improvements that can be made that will provide greater access to employment for people with disabilities.

Some of the areas where improvements can be made include: universal design, supported employment, school to work transition, and access to assistive technology. I would also like to discuss our proposal related to employment opportunity for people with disabilities in the field weatherization and green jobs.

As I said above, my experience with Voc Rehab has been both as a client and as a professional. I became legally blind at age seven when blood vessels burst across the macula leaving a residue of scar tissue that impaired my vision. As a child after my vision loss, it became very important to me to not be perceived as having a disability. I did everything I could to prove I was a typical boy from playing sports including soccer, football and track and field to attending public school with my peers. I discovered I could do many things well and also found my limitations. For example, I found I couldn't play baseball.

When I turned 18, I had my first experience with Vocational Rehabilitation services. I was asked to sit in a room and put together nuts and bolts. I was then given an IQ test. This path would have led me to a sheltered workshop. Thankfully, I left

that situation, went to college and eventually earned Masters' Degrees in Rehabilitation Counseling and Public Administration from Syracuse University.

My professional career related to disability services began when I started working as an undergraduate through a university affiliated program with the Tech Act Grant in the field of Assistive Technology. I became an expert in assistive technology and legislation regarding persons with disabilities. In addition to working on disability innovation at the state level, I also got a world wide view of disability issues when I traveled with Mobility International USA to the former Soviet Union. The two summers I spent as a student ambassador in Russia becoming fluent in the language and promoting disability awareness were remarkable and deeply impacted my philosophy and understanding of disability on a global scale.

When I reached graduate school, I was prepared to continue my expertise in assistive technology and co-taught the course on assistive technology to my peers. Upon graduation from Syracuse University and the Maxwell School of Citizenship and Public Affairs, I became a Certified Rehabilitation Counselor (CRC). I was hired by Easter Seals Washington as their Eastern Washington Regional Director and Director of Assistive Technology and have continued, for the past 13 years, to work for positive change and greater independence for persons with disabilities within the framework of Easter Seals. I left Easter Seals Washington to take the position of Vice-President of Programs for Easter Seals Arizona. And for the last five years, I have served as President/CEO for Easter Seals Southern Nevada.

During all these years, as a student and professional, I have worked closely with Vocational Rehabilitation programs in several states. I have watched the evolution of the Rehab Act to today when it has been reauthorized as WIA Title IV or the Rehab Act. And, I have been directly involved in serving thousands of people with disabilities.

I know what it is for a person with a disability to run into barriers in finding employment and even in barricades within the Voc Rehab system. My undergraduate studies were in Political Science and International Studies and, at one point; I was applying for a job as a congressional intern in Washington D.C. During my interview, the hirer from the congressman's office asked me about my disability. When I explained my disability, the individual then asked how I ever thought I could work in a congressional office given my disability, and even wondered out loud why I had even applied for the job. This experience was a powerful and personal representation of discrimination and has motivated me to want to change the perceptions people with disabilities endure and help create more effective service delivery for persons with disabilities.

#### *Easter Seals Southern Nevada*

Easter Seals Southern Nevada (ESSN) is a non-profit Nevada corporation dedicated to providing the highest quality services to persons with disabilities and their families. Easter Seals nationally believes in full participation of persons with disabilities in our communities and throughout society. Our mission and vision are specific: To create solutions that help people with disabilities become self sufficient through education, community partnerships and direct services. Our services include the following:

##### *Early intervention:*

We offer services for children with special needs, ages birth to three, in their natural family environment. Our goal is to help them develop and learn so they can reach developmental milestones and become more successful when entering school.

##### *Wonders of our World Child Development Center:*

We offer child care for children of all abilities, ages 6 weeks to 8 years of age. Our child care uses Creative Curriculum, develops family plans for all children, and focuses on the strengths in every child to create a fun place to learn and grow.

##### *Autism services:*

We provide in-home ABA instruction and social skills training to children with autism, ages 3 to 8. We also offer parent training and support to help families learn about autism, accept the challenges ahead and become more educated and independent advocates for their child.

##### *Family respite:*

We provide qualified families with a voucher each month to help assist with the cost of obtaining respite services for their child with a disability. Parents choose a provider they know and trust and Easter Seals assists with voucher reimbursement to help cover the cost.

*Adult day services:*

We give adults with significant disabilities the opportunity to experience community activities that maximize their self help, socialization and daily living skills in a safe, age appropriate daily program.

*Supported living assistance:*

We provide support to people with disabilities in all aspects of independent living to ensure they can remain active, contributing members of their community. Our goal is to assist each person in reaching the highest level of independence that they are able to achieve, while living in their own home.

*Assistive technology:*

We provide evaluations, workplace assessments, training and any other tool necessary to assist people with disabilities to be successful in employment, education, recreation and independent living. We provide services in the home and also in our state of the art assistive technology lab.

*Employment and rehabilitation:*

We offer a full employment program for adults with disabilities, providing work skills training and pre-employment assessment. Individuals work within our warehouse facility or at one of our community worksites, doing real work and earning a paycheck which furthers their ultimate goal of independence.

*Employment and the Rehab Act*

This year, the United States Bureau of Labor Statistics reported that the official unemployment rate for people with disabilities, meaning those who have lost their jobs and those who are actively seeking employment, for the first quarter of 2009 was hovered between 13 and 14%, 5 to 6 percentage points higher than the non-disabled population. While this statistic is alarming, even more troubling is the lack of labor force participation by people with disabilities. BLS reported that for the same time period only 23% of all adults with disabilities participated in the labor force as compared with 71% of the non-disabled population. Further, those individuals with disabilities who can find jobs are more likely to have less job experience and are more likely to earn lower incomes than individuals without disabilities.

In Nevada, we have historically not provided adequate rehabilitation services for many reasons. Our challenges have ranged from leaving federal money on the table because of our unwillingness to match the dollars and now our inability to do so because of the economic situation. There are too few rehabilitation counselors to meet the needs in Nevada. Recruiting qualified rehabilitation counselors has been difficult especially with the state not having a university program which prepares individuals to sit for the CRC Exam. Additionally, the state is not adequately able to contract out for job development and assistive technology services, leaving potential workers in the ranks of the unemployed.

These challenges along with those I will outline in the next sections are what continue to keep individuals with disabilities from employment at the same level as their non-disabled peers. Furthermore, many rehabilitation programs across the country lack appropriate philosophical leadership, in other words, the leadership may not be people with disabilities or people who truly understand the challenges facing those of us with disabilities.

*Universal Design*

Creating universally designed systems for access to jobs, job information, career planning, and general person-centered services is one of the greatest challenges facing persons with disabilities in Nevada and throughout the country. Imagine a person who has significant physical disabilities and uses a wheelchair. He or she is unable to access a standard computer work station including standard keyboard, mouse at a workforce development site, (called Job Connects in Nevada). Not only is the computer station inaccessible but the staff members who are there help the individual in finding employment have not received proper training on how to assist a person with a disability. Success for this individual at Job Connects is all but impossible and he or she leaves the site frustrated, deflated, and unable to pursue employment.

Unfortunately, this example is the case too many times and even though WIA seems to address this issue, it has not been addressed strongly enough. A workforce development site should be required to meet the standards of universal design. The term "universal design for the workforce development system" means the design of environments, products and communication practices as well as the delivery of programs, services and activities to meet the needs of all customers of the workforce development system.

Staff should be adequately trained to work with individuals with disabilities as a facet of any professional development activity. A work station or stations should contain appropriate assistive technology hardware and software such as the work stations Easter Seals Southern Nevada has designed for libraries. The technology would be there to serve virtually every individual with a disability and available staff would be trained on how to assist those who need to access these assistive technologies. Such technologies would benefit not only job seekers with disabilities, but also individuals who may have age related vision impairments or hearing loss as well as any number of other challenges to using computers.

I have attached supporting documents that outline of what we at Easter Seals Southern Nevada can do to assist in creating universal design. Additionally, every WIA Jobs Connects or workforce development site should be required to meet the standards of universal design. Any vendor operating such a site would be expected to make sure their site is programmatically and physically accessible to persons with disabilities and their contract would indicate that they would be audited on an annual basis to ensure that they meet the standards of universal design.

#### *Supported Employment*

After a person is determined to be eligible for Vocational Rehabilitation, he or she develops an Individualized Plan for Employment or an IPE. This IPE is to be person-center which means the person with the disability determines the career path and together with the rehabilitation counselor outlines goals and supports needed to achieve the employment outcomes desired. These supports might include: career counseling, job training, education, job shadowing, job coaching, and career exploration accessing assistive technology services and devices.

Unfortunately, my experience has been that this doesn't always occur. In fact, many who become employed often are not adequately prepared for that employment and do not receive all of the supports needed to be successful long term. Job coaching and especially assistive technology are areas that are usually lacking in this process—both of which are critical components of job maintenance.

Additionally, the VR system counts a person as having a successful outcome if they have been placed into a job and continue at that job for ninety days. At that point services from Voc Rehab stop. This has often been referred to as “the 26” or case closure. Unfortunately, evidence shows that many people end up losing that job within 20 days of that closure because supports have ended. I ask the question: “How many of us, after three months of a job really have a grasp of what we are doing?” I think most of us would say that it takes at least six months to a year for us to become comfortable with a new position. Thus, I believe we should change the Voc Rehab system to allow for longer supports.

#### *Access to Assistive Technology*

“John” is a 35 year old. He has cerebral palsy and uses a wheel chair for mobility. He was able to find a job as a Customer Service representative in a call center, but John's rehabilitation counselor did not authorize assistive technology services prior to employment and as John was nearing the end of his probationary 90 days at work—his employer expressed concerns regarding his productivity level. Easter Seals was contacted to respond to the crisis and identify technology that could save John's job. After completing the evaluation, voice input software and adaptations to his work station were recommended. However, prior to the authorizations and approvals being completed, John lost his job.

This true story demonstrates challenges faced by the vast majority of persons with significant disabilities in the Voc Rehab system. Receiving adequate assistive technology services and devices is consistently the place Voc Rehab here in NV falls down the most. Voc Rehab is intended to be a system designed to help persons with disabilities find employment. But the fact is that many states limit those they serve to the most significantly disabled because of funding restraints. And, persons with the most significant disabilities are most likely to need assistive technology devices in order to perform the essential functions of a job.

Assistive technology is a device or service which helps a person to access some part of life. Assistive technology may be an adapted keyboard for someone who has difficulty typing or voice input for someone who is unable to type at all; software that enlarges characters and images on a screen for an individual who is visually impaired; Braille output for persons who are blind; adjustable desks for persons using mobility devices such as a wheelchair; and, augmentative communication devices that allow a person who is non-verbal to communicate.

To be a successful user of assistive technology, one must be given access to the evaluation and exploration process which includes learning about and selecting appropriate technology which will help one to be successful. In the case of employ-

ment, it is necessary to become successful at using assistive technology in order to perform the essential functions of a job.

The assistive technology evaluation should take place as early as possible. Once the IPE is established, this should be one of the first priorities. The person should then receive the technology recommended in the assistive technology evaluation and sufficient training should follow on the device or devices.

With this preparation, the person will then be able to confidently talk with employers about how they can perform the essential functions of a job and be confident in performing that job with their assistive technology. In fact, the individual would then become the expert on the technology they use.

Using screen enlargement and voice output software has completely changed my life and made it possible for me to be successful academically and in my career as a CEO of a significant non-profit organization.

The following outline again the important components of any successful assistive technology process:

1. Person center assistive technology evaluation, including exploration and hands on trying the technology.
2. Acquisition of assistive technology.
3. Adequate training on use of assistive technology.
4. Follow-up and assistance in implementation at job site (this may also include a through jobsite analysis).

If this process is followed, the person may be expected to be more successful in their career. I do want to emphasize that a person needs to have adequate time prior to job interviewing and actual employment to become expert on their technology. Just like being proficient on a computer or having appropriate education before entering a job, a person must have expertise, experience and confidence in using their assistive technology before they become employed.

#### *School to Work Transition*

Preparing high school students with disabilities for the world of work has been one of the great challenges for the Voc Rehab system. My experience as a consumer of VR services and as a program partner in several states, including here in NV, has led me to conclude that few states provide this service in any meaningful way.

Four years ago, I had the opportunity of working with Karla Macomb, a wonderful disability advocate and leader in Nevada for many years, on a proposal to the Voc Rehab system four years ago for transition services. This proposal was initially accepted and Easter Seals Southern Nevada was asked to begin the process to provide services in Nevada. Unfortunately, the program we envisioned was watered down significantly and Easter Seals no longer provides these services. The state continues to provide some transition services in conjunction with the schools, but some of the critical components are completely non-existent.

According to the Rehab Act, transition from school to work should begin at age sixteen and may begin as early as age fourteen. To be successful, Voc Rehab and the schools should work together to create a system that begins the transition process for students with disabilities by age sixteen. Ideally, these students would receive the following services:

- Career exploration
- Career counseling
- Assistive technology
- Job shadowing
- Summer employment
- Mobility training (i.e. access to buses, etc.)
- Resume building
- College exploration
- Eventual employment

Most of us growing up, held summer jobs and had our first experience with work while in high school. Some of us even received work experience at an earlier age. I personally began delivering newspapers when I was 8 years old and continued this job into my teens. I subsequently held other valuable summer jobs that prepared me for the adult work force. If WIA Title IV could focus more on transition and helping teenagers with disabilities in conjunction with the school to have positive job shadowing and work experiences, I believe we would see more than the 23% of persons with disabilities in the work force.

#### *Weatherization and Green Jobs and People with Disabilities*

Easter Seals Southern Nevada is proposing to utilize persons from the vocational rehabilitation system and individuals with intellectual disabilities to provide weatherization of homes and manufacturing of solar panels. This is a wonderful win-win

opportunity where we can combine the desire to create a green economy along with entering persons with disabilities into green jobs at the outset and creation of these new markets. Thus we have proposed the following:

Easter Seals Southern Nevada (ESSN) has proposed developing partnerships with companies that manufacture “green” products, establishing a weatherization program, and allowing workers to be trained in skills that will be valuable in emerging markets. For example, Sea Group Ltd. is a manufacturing company specializing in solar energy applications and is interested in working with people with disabilities through Easter Seals Southern Nevada to assemble, package, ship/deliver and install energy-saving products.

In partnership with Sea Group, ESSN is in negotiations with the City of Las Vegas to provide homes with a pressurized water heater system, including installation, via government subsidization funding to homeowners. In addition, the City of Las Vegas has an interest in implementing cost saving energy heating consumption at its community pools and other buildings under their jurisdiction with the products provided via Easter Seals from Sea Group. Sea Group Ltd. specializes in solar energy applications and will provide the raw materials for individuals with disabilities to assemble, package, ship/deliver, and install solar thermal panels and other energy saving products. Through Sea Group, ESSN is proposing to provide 1,000 homes, via government subsidies, with pressurized water heater systems, including installation. In addition, the City of Las Vegas is interested in implementing cost saving by reducing energy heating consumption at its municipal pools and buildings through products provided by ESSN via Sea Group Ltd. This project will involve a partnership with the State Use Program (Preferred Purchase) to contract directly with ESSN to purchase these products.

This “green” job initiative is among the many projects we have developed that will allow us to train dislocated workers for opportunities and careers.

As mentioned above, Easter Seals already has excellent partnerships with BVR, DETR, DRC, BSB, and Mental Health as a pool from which dislocated workers can be referred to our services. Easter Seals also has established relationships with other local businesses that provide work opportunities to individuals in our warehouse setting, such as Berry Plastics and Caesar’s Palace. Individuals are trained on and paid for completed specific warehouse related tasks for these large companies, such as assembly, packaging and forklift operation.

#### *Conclusion*

With a 10.4% unemployment rate in Nevada, the highest in two decades, higher than the 8.9% national average, Easter Seals is positioned to be instrumental in skills training and job placement to address the needs of both dislocated workers and Nevada’s economy.

U.S. soldiers deployed in Iraq and Afghanistan who have returned to civilian life face an unemployment rate three (3) times the national average—with 1 in every 5 returning Operation Enduring Freedom and Operation Iraqi Freedom service members expressing indicators for posttraumatic stress disorder and 1 in every 5 had some level of traumatic brain injury. For those receiving Temporary Assistance for Needy Families, research has shown that over half of the current caseload today can be assumed to have learning disabilities, mental retardation, psychiatric or addictive disorders, or a combination thereof.

We strongly advocate for system wide supports to be in place that address these core issues for clients and wrap them with the supports and services they need to be successful. For us, the link between poverty, unemployment, unsuccessful job placements, and hidden disabilities is clear and compelling. We are uniquely positioned to respond to the needs of the vast number of dislocated workers that have such hidden disabilities as listed above, which are at the root of poverty, unemployment, and homelessness.

Easter Seals workforce development services provide an individualized approach to assisting dislocated workers to make informed choices and attain their employment aspirations. Easter Seals’ approach includes an array of services and supports that ultimately lead to employment. This approach is designed to identify goals, objectives, and planning needs, and providing the supports a person needs to achieve and maintain employment.

Rehabilitation services have greatly improved since the Rehab Act was first passed into law in 1973. However, there continue to be significant challenges of access to employment as I have outline and as we move into the future, these challenges will become greater especially in the areas of technology and mobility. With more and more reliance on technology and increasing mobility between jobs and the complete changing of the traditional work place, we will need to emphasize uni-

versal design for services, long-term supports, assistive technology and transition services in order to prepare those of us with disabilities for the future.

[Additional submissions of Mr. Patchett follow:]

EXECUTIVE SUMMARY

Organization Name: Crossroads Rehabilitation Center, Inc.

*d.b.a. Easter Seals Crossroads Rehabilitation Center*

Overview of proposal:

In response to the June 2, 2003 request for proposal from Career Choices, Incorporated:

Easter Seals Crossroads Rehabilitation Center proposes to provide adaptive equipment and software that will increase the accessibility of WorkOne Evansville and the five WorkOne Express Sites, for the disabled in the five county Workforce Services Area. This equipment and services correspond to Phases Two and Three of this project. Phase One has been completed and Easter Seals Crossroads proposed to provide services under both Phase Two and Phase Three.

Based on a 3 year history of partnering with Marion County (Indianapolis) Indiana agencies, Easter Seals Crossroads Rehabilitation Center (Easter Seals Crossroads) has developed X-tations (accessible workstations) that address the needs of individuals with disabilities as they utilize the services of WorkOne facilities. These workstations include adaptive hardware and software, a comprehensive training program for WorkOne staff and on-going technical support. In working with the Department of Workforce Development, Easter Seals Crossroads has exclusively developed specialized software that allows the assistive technology included with the X-tation to be compatible with Indiana's CS3 system.

In response to the needs set forth in the request for proposals, Easter Seals Crossroads proposes that two X-tations be implemented in the Evansville WorkOne center and one X-tation be implemented in each of the five WorkOne express sites.

A comprehensive training program (including custom training manuals and quick reference guides) will be implemented so that the staff in the WorkOne centers are able to appropriately utilize the X-tations to serve the needs of individuals with disabilities.

Easter Seals Crossroads is looking forward to an opportunity to build on the success of the Marion County WorkOne project in implementing accessible technology in Southwestern Indiana.

*Applicant organization*

Mission: Easter Seals Crossroads is a community resource working with children and adults with disabilities and special needs and their families to promote growth, dignity and independence.

*Agency and Department*

Easter Seals Crossroads Rehabilitation Center, a not-for-profit organization, has been serving individuals with disabilities in Indiana for over 65 years. The Ruth Lilly Assistive Technology Center was founded in 1988 with the specific purpose of utilizing computer-based technology to assist individuals with disabilities in achieving their vocational goals. Since its inception, this program has grown to provide job accommodation, adaptive computer access, ergonomic consultation and other rehabilitation technology services to individuals with all types of disabilities throughout the state of Indiana.

The Ruth Lilly Assistive Technology Center is the only CARF-accredited assistive technology program in the state on Indiana. All work performed by the center is supervised by a RESNA-certified Assistive Technology Practitioner (ATP).

Recently, the Ruth Lilly Assistive Technology Center opened its doors to the west coast by establishing two technology centers in Las Vegas, Nevada.

*References*

Please find letters of recommendation attached from the following entities:

- Indianapolis Private Industry Council (Attachment one)
- Indiana Department of Work Force Development (Attachment two)
- Disability Resource Specialists from the Indianapolis WorkOne centers (Attachment three)
- Mayor of Indianapolis, Office of Disability Services (Attachment four)

*Statement of Need*

In order to adequately address the needs of individuals with disabilities as the utilize the WorkOne centers, specialized technology must be implemented. The technology proposed (X-tation) has been designed specifically for this purpose.

Easter Seals Crossroads proposes that two X-tation workstations be implemented at the WorkOne center in Evansville. One X-tation should be implemented at each of the WorkOne express sites in Posey County, Warrick County, Spencer County and Perry County.

Hardware and software:

(Please see Time Line section below for a schedule of equipment procurement, delivery and setup.)

Through experience in working with the Indianapolis WorkOne centers, a great deal of experience has been obtained. Based on this experience, a set of hardware and software has been developed and tested to ensure that the adaptive technology needs of most individuals accessing a WorkOne center will be met.

It is recommended that X-tations be implemented at the WorkOne center as well as at the express sites.

The X-tation includes the following technology designed to meet the needs of individuals with the following disabilities:

Low Vision:

- Screen Magnification Software (MAGic)
- MAGic has been developed by Freedom Scientific, the leading manufacturer of technology to assist individuals with vision impairment. This application provides varying levels of screen magnification, cursor enhancements and color inversion to meet the needs of individuals with a wide variety of vision impairment.
- This software has been developed to be compatible with other Freedom Scientific products, which are recommended in this report.

- Large Screen Monitor:

- During the bidders meeting on 6-10-03, it was indicated that computers and 19" monitors are being furnished by another vendor. Easter Seals Crossroads Rehabilitation Center will not furnish computer systems or monitors as part of this project.
- Large print keyboard labels:

- The X-tation is equipped with a standard keyboard with large print labels. For those with declining vision, it is often difficult to decipher some keys on the keyboard. This system of labels alleviates the difficulty with those tasks.
- Video Magnifier (CCTV)

- The X-tation includes a color video magnifier which is supported by a wheeled stand. This color magnifier can be moved toward and away from the workstation and allows users with limited vision the ability to read and write on employment-related materials while using the X-tation.
- Compatibility with CS3:

- These items have been tested with the CS3 system, are in use in the Indianapolis WorkOne centers, and are compatible.

Blind:

- Screen Reading Software (JAWS):

- JAWS has also been developed by Freedom Scientific, the leading manufacturer of technology to assist individuals who are completely blind. This application "reads" the information on the computer's screen (via speakers or headphones). This software is highly adjustable to ensure that the user is able to listen to information at the rate and tone of their choosing.
- The staff of the Ruth Lilly Assistive Technology Center has developed specialized computer software to allow the user to operate the CS3 system with JAWS. This software includes user keystrokes specifically for CS3 functions, as well as a custom help system designed to allow the user to understand better each screen within CS3 and how it applies to the user's activities. This custom software is included in our proposal at no additional charge.

- Document Scanning system (Openbook):

- Openbook has also been developed by Freedom Scientific, the leading manufacturer of technology to assist individuals who are completely blind. This document scanning and reading system works with the X-tation's document scanner to scan printed materials into the station and "read" them aloud to the user via speakers or a headset. This system provides adjustable fonts, rates of reading, and compatibility with the other components of the X-tation.
- Compatibility with CS3:

- These items have been tested with the CS3 system are in use in the Indianapolis WorkOne centers, and are compatible.

Physical:



Traditionally, individuals who are deaf or hard of hearing have minimal adaptive technology needs as it pertains to computer access. The following items are included in the X-tation to address those needs:

- Sound Sentry:
  - This software is integral to the Windows operating system and generates a visual indicator when the computer makes an audible sound.
- Show Sounds:
  - This software allows the display of captions of applications that are designed to include captions.
- TTY:
  - The X-tation includes a basic TTY unit to allow the placement and reception of TTY calls.

Learning:

The X-tation includes a variety of systems to enhance access by individuals with learning disabilities:

- Voice Input (Dragon Naturally Speaking)
  - Dragon Naturally Speaking is a voice input system that allows users with learning or reading difficulties to input information into a computer system. This system utilizes a headset microphone that allows the user to speak information, which is converted to text within computer applications. This functionality has proven to reduce misspelled words and increase a learning disabled user's capacity to read and generate written documents.
- Document scanning reading/literacy software (WYNN):
  - WYNN (What You Need Now) has been developed by Freedom Scientific's Learning Systems Group. This system provides the user alternative access to materials in any of the following formats: Web-based, Computer-based (Word or text documents) or scanned printed materials.
  - WYNN provides multimodal feedback in the following formats:
    - speech output
    - color-coded reading
    - various font sizes, types and spacing
  - Additionally, WYNN allows the user to create bookmarks and notes in either voice or written format.
- Compatibility with CS3:
  - These items have been tested with the CS3 system, are in use in the Indianapolis WorkOne centers, and are compatible.

Staff Training:

Training is a critical component of any assistive technology solution. In terms of the WorkOne centers, this is especially true. Many end-users come to the center with existing assistive technology experience. Others have not had the opportunity to utilize this type of assistance. In either situation, it is critical that the staff of the WorkOne centers be familiar with the assistive technology and able to provide end-users basic instruction in its use.

Type of training:

Training will be provided by two experienced trainers in the following manners:

1. Lecture style training:

In order to ensure that staff have knowledge of various disability types and how those disabilities affect access to the Work One's computer systems, an overview of the disability types (above) will be covered. Additionally, lecture-style instruction will be provided regarding each of the adaptive technologies included in the X-tation.

2. Hands-on practice:

Immediately following the lecture-style portion of the training, staff will have an opportunity to put their knowledge into practice by participating in a series of exercises designed to increase practical knowledge of workstation utilization. These exercises will include practice on tasks specifically related to the CS3 system as well as role-playing exercises designed to increase empathy toward end-users with disabilities.

Location of Training:

Training will be conducted at the WorkOne center in Evansville and each of the express sites. Experience has dictated that the working environment is the best training environment. Our trainers have experience in working with staff to overcome the distractions that will occur.

Levels of Training:

Three specific groups of staff have been identified:

Level One:

The most intensive training will be provided to those who work with the X-tation on a day-to-day basis. Individuals in this group will be trained on basic, inter-

mediate and some advanced aspects of the technology included in the X-tation. Additionally, this group will be trained in adjusting the workstation to meet the needs of a variety of individuals with disabilities as well as how to provide rudimentary training to those end users who might not have experience with assistive technology. This group also will be trained to perform level three training so that new staff can be trained without the expense of additional training from the Ruth Lilly Assistive Technology Center.

Level Two:

The next most intensive training will be provided to those who provide relief to the first group. This group will be provided training similar to that of the first group. This training will be slightly less detailed and will focus on the basic operation of the assistive technology available.

Level Three:

Lastly, it is important that everyone in the WorkOne center have a basic understanding of the X-tation. A brief overview or "top ten" training program will be provided to these individuals. Training will include awareness of the technology available and basic understanding of its use.

Training materials:

Training materials will be provided in two forms:

1. Manufacturer's documentation: Each component of the X-tation comes with manufacturer's documentation. This documentation is typically brief and includes basic operations of each component.

2. Custom documentation: Many components of the workstation are compatible with the CS3 system; however, special keystrokes or customization may have been developed to ensure compatibility. Custom manuals have been developed for these situations and will be provided.

3. Quick reference guides: Each component's basic functionality has been described in terms of its functionality for persons with different types of disabilities. This full-color guide includes photographs that will assist the most novice user in utilizing various components of the X-tation.

4. Accessible formats: All training materials and quick reference guides will be provided in both paper format and accessible CD-ROMs.

Training for new staff:

Individuals trained at Level One will be able to provide training to new staff who will function at Level Three. Additional training can also be purchased should the need arise.

Training evaluation:

WorkOne staff will be subjected to a brief test prior to training and following training. This test will consist of questions designed to identify knowledge of working with individuals and assistive technology. The pre and post-test results will be compared and presented during the administrative wrap up meeting.

Set up and installation:

Two teams of installers will utilize cargo vans to deliver and install X-tations at each of the locations specified in the Request For Proposals. These teams will deliver and assemble X-tations at a rate of one workstation per day at each location. The time allotted for installation and set up are appropriate and can easily be met.

Set up, installation and training will be coordinated in such a way that the Information Resource Areas will be available to the public at all times.

Follow up assistance:

Regular follow up visits:

Follow up assistance will be readily available to the WorkOne centers. Up to three visits to each WorkOne center per year will be provided for the purposes of support, training and maintenance. (Should more than three visits per year be required, on-site support is available at standard rates. Should one site require more support than other sites, unused visits may be shared among sites, per approval of the WorkOne Director.)

Technical support line:

The Ruth Lilly Assistive Technology Center has established a 24-hour 7 day-per-week help line available to our clients. This system allows the staff of the WorkOne centers to leave a message at any time and receive a return phone call. The target response time is within one hour of the call being received. In the event that problems cannot be resolved with a telephone call, an on-site visit (up to three per year) will be made within two working days.

Measures implemented to reduce support needs:

The X-tation utilizes technology that is specifically designed to ensure compatibility among components. This utilization has been found to drastically reduce the amount of support required.

Evaluation process:

Following the delivery and setup process, a brief questionnaire will be provided to the managers of each WorkOne center. This questionnaire will solicit feedback regarding the setup and delivery process. Results of this questionnaire will be presented during the administrative wrap up meeting.

#### *Demonstrated Organizational Experience*

In 2000, the Ruth Lilly Assistive Technology Center partnered with the Indiana Private Industry Council, Goodwill Industries of Central Indiana, the Indiana Department of Workforce Development and Indiana Vocational Rehabilitation to make the WorkOne Centers in Indianapolis more accessible. This project involved all aspects of accessibility, including overcoming physical barriers in the WorkOne facilities, attitudinal barriers of staff and technology barriers. With regard to technology, four X-tation (accessible workstations) were implemented, staff were provided training based on their role and need to utilize the workstation, specialized software was developed to allow the X-tations to be compatible with the CS3 system, and a set of customized training manuals/quick reference guides was developed to instruct end-users and staff in techniques for utilizing adaptive computer equipment with the WorkOne's software.

#### *Budget Narrative / Justification*

The Statement of Need (above) clearly details the need and utilization of equipment and services proposed.

Please refer to attachments five, six and seven, which provide detailed costs associated with each phase of this project.

#### *Time Line and Management*

##### Management of project:

Easter Seals Crossroads' involvement in this project will be managed by Wade Wingler, Manager of the Ruth Lilly Assistive Technology Center. Mr. Wingler will coordinate all equipment and service delivery through the Executive Director of the WorkOne Center or her delegates. WorkOne Management will be responsible to coordinate scheduling of the following activities among the WorkOne Express sites.

#### TIME LINE

[The following is the target time line for delivery of services and equipment]

##### PHASE TWO

(planning, procurement, delivery and setup)

##### Planning

July 31, 2003	Planning and introductions at Evansville, Posey & Warrick
August 1, 2003	Planning and introductions at Vanderberg, Spencer & Perry

##### Equipment procurement

August 4, 2003	Equipment ordered from suppliers
August 25, 2003	All equipment received at Easter Seals Crossroads

##### Delivery and setup

September 1, 2003	Delivery/setup teams (2) assemble, load and travel to Southwestern Indiana
September 2, 2003	Evansville WorkOne setup (both teams)
September 3, 2003	Posey & Warrick County setup (one team per location)
September 4, 2003	Vanderberg & Spencer County setup (one team per location)
September 5, 2003	Perry County setup and teams return to Indianapolis (both teams)

##### PHASE THREE

(training)

September 8, 9 & 10, 2003	Evansville Level one & two training (trainer 1)
September 8, 9 & 10, 2003	Vanderberg Level one & two training (trainer 2)
September 10,11 & 12, 2003	Posey Level one & two training (trainer 1)
September 10,11 & 12, 2003	Warrick Level one & two training (trainer 2)
September 15,16 & 17, 2003	Spencer Level one & two training (trainer 1)
September 15,16 & 17, 2003	Perry Level one & two training (trainer 2)
September 22, 2003	Evansville & Vanderburg Level three training (trainer 1)
September 23, 2003	Posey & Warrick Level three training (trainer 1)

## TIME LINE—Continued

[The following is the target time line for delivery of services and equipment]

September 24, 2003

Spencer &amp; Perry Level three training (trainer 2)

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**ADMINISTRATIVE WRAP UP**

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September 30, 2003

Administrative wrap up meeting in Evansville and project completion

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**Easter Seals Southern Nevada—Investing in Workforce Capacity**

For more than 85 years, Easter Seals has offered help and hope to children and adults living with disabilities and to the families that love them, nationwide. Over the past 25 years, Easter Seals Southern Nevada has been providing critical services that impact the lives of individuals and families and strengthen our entire community. Our strong record of high quality services, experienced staff, fiscal responsibility and use of best practices makes us uniquely positioned to partner with State and local agencies to leverage the Stimulus Package in Nevada.

Our mission—To create solutions that help people with disabilities become self-sufficient through education, community partnerships and direct services.

The goals of Easter Seals Southern Nevada are:

- Full employment for persons with disabilities
- Absolute independence for persons with disabilities
- Community participation for persons with disabilities

To ensure that people can get back to work, be successful in a job or living independently, and support their family during this economic downturn, we are able to provide a wide range of services as listed, below.

**Employment and Rehabilitation:** Provides an opportunity for participants to learn new skills to successfully enter the workforce or return to work after an illness or injury and earn wages at the same time. Easter Seals often accepts individuals that have not been able to work in other environments and we succeed in helping them achieve their employment goals. This program currently assists over 100 people in these critical areas and could serve an additional 50 over the next 3 months by hiring and training 6 new staff members, for a total of 56 paid positions added to our community.

**Adult Day Services:** Gives adults with severe/profound disabilities the opportunity to participate in center based activities that promote independence with daily living skills, social interaction with peers and physical fitness. Caregivers for these participants are able to continue working, secure in the knowledge that their loved one is receiving optimal care in a safe and stimulating environment, which adds to the economy and helps reduce unemployment rates. Over 40 individuals currently participate in this program. If funding was readily available, this program could provide services for an additional 15 individuals, within the next two months, by hiring and training 5 new staff.

**Supported Living Assistance:** Provides guidance and training to individuals with developmental delays and mental illness. These services are designed to enable these individuals to live as independently as possible in the community. The more individuals that are able to live independently, the less of a burden on the State to provide for them and less stress on the family members who care for them. This enables family members to maintain employment and also allows the individuals in the program to have the pride of living on their own and once they feel secure in their housing, it is much easier for them to find and maintain employment as well.

There are currently over 70 individuals receiving supported living services and an additional 20 individuals could be served, within the next three months, by hiring and training 4 new staff.

**Assistive technology services:** Provides person centered services that empower children and adult with disabilities to create positive change and increase independence and productivity using appropriate assistive technology. Services include evaluation, training, troubleshooting and customized solution development. All of these services lead to a more independent life and the ability to begin working, maintain employment or go back to work after an illness or injury. With increased funding, a minimum of 85 additional individuals could be served through the services listed above, in a one on one or classroom setting, which would ready them for employment or help them to maintain their current employment. Three staff positions would be added within a two month period to serve this increased caseload, for a total of 88 people potentially employed with these resources.

Child Development Center: The Easter Seals—Wonders of Our World Child Development Center is designed for families with children of all abilities from 6 weeks to 8 years. Our inclusive environment promotes diversity that builds acceptance and positive attitudes toward others. All parents struggle with finding quality, safe, affordable child care but this issue is magnified for parents of children with special needs because there are so few options available. If funding were readily available, our center could accommodate 45 additional children within a two month period, by hiring and training 4 new staff. This would enhance the local workforce, not only by adding positions within our agency, but all of the parents who would be able to find and maintain employment. Our Center Director is also qualified to provide training to families or other providers on a variety of child related topics, including promoting inclusion within other centers statewide.

Early intervention services: Works with children with developmental delays or diagnosed conditions affecting development from birth to three. This home based, parent driven program focuses on the family's goals for their child by providing developmental services as well as therapies, nutrition, parent training and playgroups. As funding has become scarce for this program, the waiting list is growing. Easter Seals could serve an additional 100 children, doubling our current capacity, within three months by hiring and training 4 new staff. As with our other children's services, this program assists children reach their potential and increases the chances for a less restrictive entry into education and other programs which saves the taxpayers and, ultimately, an increased chance of entering the work force as adults.

Recreation/Camping: Provides camping and recreation activities for children of all abilities, ages 8 to 18. Activities are scheduled throughout the year allowing children to interact with their peers and engage in adventures that they might not normally have a chance to explore while promoting physical activity. With funding readily available to scholarship children with special needs that cannot afford camp, an additional 50 children could participate in camping/recreation experiences throughout the year, by hiring 4 contract staff.

Autism services: Provides one on one applied behavior analysis to children with autism, ages 18 months to 8 years of age, in their own home. This program not only works with the child, but with the entire family to develop strategies for success that family members can carry out every day. Funding for autism services is sorely lacking in Nevada, and therefore, many families are looking to move out of state to find the services their child needs. Increasing funding will allow more children to be served, more parent training, and more residents staying in Nevada. Ultimately a child's success with these interventions can mean less restrictive environments in school resulting in lower cost to taxpayers and higher probability of employment when they become adults. This program is very time intensive so even a relatively small number of children receive a great many hours of service. Therefore, with funding readily available, an additional 12 children could be added to this program for approximately 400 additional hours per month, by hiring and training 4 new staff within the next 3 months.

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Chairman HINOJOSA. And with that, I call on Mr. Brooks.

**STATEMENT OF CHRIS BROOKS, DIRECTOR, BOMBARD  
RENEWABLE ENERGY**

Mr. BROOKS. Chairman, thank you. Congresswoman Titus, thank you.

I was born here in the State of Nevada and I'm a third generation electrical worker and about a decade ago I started a renewable energy business where together with my current employer, Bombard Electric, we've installed over 20 megawatts of renewable energy in this state. And on 500, over 500 projects, employing hundreds of Nevada electrical workers and other tradesmen for thousands and thousands of man-hours.

I am and my family is, all my employees are all members of the IBEW, the electrical union, and we were all trained by that electrical union. I helped create the renewable energy training curriculum for the Joint Apprenticeship Training Center here in Las Vegas, and I also worked on the National Apprenticeship Training

Center in their renewable energy curriculum development team and we provide certification and training for electricians.

The renewable energy industry began in American laboratories with American scientists developing innovative solutions to the energy challenges. Over the past few decades the industry has grown from a niche market to one of the fastest growing industries in the world.

From utility sized installations down to residential systems, renewable energy emerges as an enormous industry capable of providing thousands of jobs and millions of dollars in states like Nevada. Governments at all levels, understanding the potential for job and fiscal growth, have begun introducing policies to support the implementation of this now viable energy solution.

For renewable energy to meet America's growing energy demands, we must continue to develop our most valuable renewable resource, the American workforce.

We must train tomorrow's renewable energy workforce today. These green jobs, for the most part, are construction jobs. To train green workers, we need to train construction workers, and build on their already existing knowledge base.

Renewable energy technologies require the same high standards for safety and reliability as existing energy technology installations, construction projects, and any other types of construction related processes. Many of the building trades training programs require these high standards already and are well aligned with the green jobs goals of the Workforce Investment Act.

The IBEW has led the way in the training and providing of a highly skilled workforce for the safe installation of the latest electrical technologies, dating back to its inception over a century ago in 1891.

The IBEW and NECA have been instrumental in establishing national standards to maintain the highest level of workmanship and safety in these installations. These high standards continue as the IBEW and the JATC establish renewable energy training programs.

Southern Nevada JATC has been providing training since 1947. The JATC is a non-profit member of the community focused on providing long-term employment for individuals seeking a career, not just a job, in the electrical construction industry and in renewable energy.

The JATC understands the benefits of career-oriented training and placement, for both individuals and the communities that they are working in. In its long history in southern Nevada, the JATC has trained thousands of electricians, including my grandfather, my father, my brothers and myself.

Last week in Southern Nevada we turned out 93 electricians through that training program, in electrical theory, construction practices, safety, and during the course of the program, the five-year program that every apprentice went through, they received training in renewable energy systems.

The Southern Nevada campus of JATC also has a state of the art wind and PV training facility that teaches about installation of these projects. These programs, all these programs that we've talked about to get these certifications already exist, are well

aligned with the Workforce Investment Act, but are self-funded. Right now all of the electrical workers dispatched by the IBEW pay for these programs with portions of their own paychecks.

There are many existing programs, like apprenticeships, that the JATC is currently working with. The Build Nevada Initiative, for instance, focuses on providing high school students a gateway into the trade schools and apprenticeship programs by giving the math skills and construction skills that will—or jobs skills that will then help them get into the apprenticeship programs right out of high school.

Apprenticeship programs all over the country, like the JATC and several other building trades, hire American veterans through programs such as Helmets to Hardhats where they are taking former military personnel and putting them right into construction training apprenticeship programs.

Educational outreach is essential in this. The apprenticeship programs in companies like ours, we reach out to all the schools, local schools, trade schools, job fairs, and offer employment opportunities through the apprenticeship programs to the students in the high schools.

Because of the tremendous leadership of many Nevadans, some of them here and some of them in Washington, D. C. right now, and some up in Carson still, we have many things like Senator Horsford's Green Jobs act that are well aligned with the current goals of the Workforce Investment Act.

The problem that we have is the recurring costs of training provided by JATC of Southern Nevada and many building trades facilities are self-funded. They are funded by the contractors and they are funded by our workers that they are training. As a result of the economic downturn, and the loss of jobs, we are losing funding at the same time.

If we don't have men out there working, men and women in the field, they can't contribute to these training programs. The trainers are also usually workers in the field themselves. So these building trades programs and the facilities they use, the trainers that work there, the workforce they trained already exist, are well aligned and direct funding of these programs would be very helpful to furthering our goals.

Chairman HINOJOSA. Thank you, Mr. Brooks.

Again, I want to say that your statement in its entirety will be made part of this record.

[The statement of Mr. Brooks follows:]

**Prepared Statement of Chris Brooks, Director, Bombard Renewable Energy**

I was born and raised in Nevada. I am a third generation electrician and helped establish the current Renewable Energy industry in the state. I was a small business owner who saw the potential for Renewable Energy in Nevada nearly a decade ago. My father, brothers, and I, all trained electricians, work in the Renewable Energy industry today as green job pioneers.

After working as an electrician in the construction and utility sectors in Nevada for many years I started a solar electric contracting company in 2000. In 2004 I joined forces with Bombard Electric, creating their Renewable Energy Division, as a response to an increase in demand and interest in the Renewable Energy industry. Together we have installed over 20 megawatts of Renewable Energy on over 500 projects in and around the State of Nevada.

I helped create and develop the Renewable Energy training program and curriculum for the International Brotherhood of Electrical Workers (IBEW) / National

Electrical Contractors Association (NECA) / Electrical Joint Apprenticeship Training Center of Southern Nevada (JATC). In addition to my local efforts I am on the Renewable Energy Curriculum Development Committee for the National JATC. I was among the earliest solar professionals to obtain certification from the North American Board of Certified Energy Practitioners (NABCEP). In 2007 I was appointed to the Nevada Renewable Energy and Energy Conservation Task Force. In 2008 I was appointed to Senator Harry Reid's Blue Ribbon Task Force for a Clean Energy Future. I was a founding member of, and current board member of, the American Solar Energy Society (ASES) Southern Nevada Chapter, SolarNV.

The Renewable Energy industry began in American laboratories with American scientists developing innovative solutions to meet energy challenges. Over the past few decades the industry has grown from a niche market to one of the fastest growing industries in the world.

From utility sized installations down to residential systems, Renewable Energy has emerged as an enormous industry capable of providing thousands of jobs and millions of dollars to states like Nevada. Governments at all levels, understanding this potential for job and fiscal growth, have begun introducing policy to support the implementation of this now viable energy solution. For Renewable Energy to meet America's growing energy demands we must continue to develop our most valuable renewable resource, the American workforce.

We must train tomorrow's Renewable Energy workforce today. These Green Jobs are construction jobs. To train green workers we need to train construction workers, and build on their already existing knowledge base. Renewable Energy technologies require the same high standards for safety and reliability as existing energy technology installations, construction projects, and any other construction related process. Many of the building trades training programs require these high standards already and are well aligned with the Green Job goals of The Workforce Investment Act.

The IBEW has led the way in the training and providing of a highly skilled workforce for the safe installation of the latest in electrical technology, dating back to its inception, over a century ago, in 1891. The IBEW and NECA have been instrumental in establishing national standards to maintain the highest level of workmanship and safety in its installations. These high standards have continued as the IBEW and the JATC established Renewable Energy training programs.

The Southern Nevada JATC has been providing training since 1947. The JATC is a non-profit member of the community focused on providing long-term employment for individuals seeking a career in the electrical construction industry, including Renewable Energy. The JATC understands the benefits of career oriented training and placement, for both the individuals and the communities they are working in. In its long history in Southern Nevada the JATC has trained thousands of electricians including my grandfather, my father, my brothers, and myself.

Last week in Southern Nevada the JATC graduated 93 electricians from the five year apprenticeship program. This program's curriculum focuses on electrical theory, construction practices, and safety. During the course of the program every apprentice is taught the theory behind, and the methods of installation for, Renewable Energy systems.

The Southern Nevada campus of the JATC also has a state of the art Wind and PV Training Laboratory. This lab offers hands on training on four different existing solar arrays, multiple types of inverters, and fully functional wind turbine. All this equipment, in addition to measurement and verification hardware, is routed to a comprehensive data acquisition system. All the data that is collected is available online as an educational resource to the public.

In addition to the apprenticeship training on Renewable Energy and the Wind and PV Training Lab, the JATC also offers a 50 hour comprehensive training module, concentrated on safe and effective installation of photovoltaic (PV) systems. This class prepares the already certified electricians for the Nevada State PV Installer's License exam, administered by the Nevada State OSHA Department. Several hundred apprentices and electricians have successfully completed this course and exam in order to meet the state's requirements for installing wind and PV technology.

These programs already exist, are well aligned with The Workforce Investment Act goals for Green Jobs, but are self-funded. All of the electrical workers dispatched by the IBEW pay for these programs with portions of their paychecks.

There are many existing programs that apprenticeships like the JATC are currently working with. The Build Nevada Initiative focuses on providing high school students a gateway in to trade schools and apprenticeship programs. Students enrolled in the program obtain math skills that exceed the requirements for entry in to all apprenticeship programs, including the Renewable Energy programs offered by the JATC. Build Nevada partners with the Clark County School District to teach

the future workforce occupational skills at facilities such as Desert Rose High School and the Area Technical Trade Center. The Build Nevada Initiative also ensures that the future workforce is properly trained in construction equipment operation and jobsite safety before they enter their respective apprenticeship program.

Apprenticeship programs all over the country, including the JATC of Southern Nevada, are working with America's veterans through programs such as Helmets to Hardhats. Helmets to Hardhats is a non-profit organization that connects former military personnel with career opportunities from the nationwide building and construction trades.

Educational outreach is an essential part of developing a Renewable Energy workforce. The Renewable Energy Division of Bombard Electric regularly attends elementary school energy fairs, donates time and materials to school science projects, and sponsors Renewable Energy competitions at area schools. Our company, together with the JATC apprenticeship program, also provides resources on careers in Renewable Energy at vocational high schools and technical academies.

Because of the tremendous leadership demonstrated by many Nevadans, including State Senate Majority Leader Steven Horsford, United States Senate Majority Leader Harry Reid, and NV Energy, there are several new and existing programs that are well aligned with the Green Jobs goals of the Workforce Investment Act. Senator Horsford's proposed SB152 would utilize existing apprenticeship training programs and non-profit workforce development groups to leverage federal funds for Green Jobs. All installers at the Renewable Energy Division of Bombard Electric were trained by JATC instructors, whose education would not have been possible without the hard work of Senator Reid. The JATC Wind and PV Training Laboratory was funded largely by NV Energy through the Renewable Generations program and a pilot and demonstration program authorized by the Nevada State Legislature.

The reoccurring costs of training provided by the JATC of Southern Nevada are funded by the electrical workers of the IBEW and the contractors of NECA. These training programs continue to provide the most comprehensive training on the latest energy technology, including Renewable Energy. As a result of the economic downturn a growing portion of the workforce responsible for funding the training programs is unemployed and cannot contribute. This month alone Bombard Electric has spent over \$10,000 in Renewable Energy training for its workforce.

Growing unemployment means less funding for a program that is currently at maximum capacity. The existing classroom facilities for the JATC training programs are in need of expansion and modernization. All this at a time when Renewable Energy training is most needed.

The trainers in the JATC programs are largely workers themselves who have to train the future Renewable Energy workforce in addition to their full time jobs. These trainers receive less compensation when training than if they were on the job. The apprentices and journeymen electrical workers receive all their training after hours and on weekends with no compensation whatsoever. In addition they also pay for all of their textbooks and materials, even when unemployed.

These building trades training programs, the facilities they use, the trainers who work there, and the workforce they train already exist and are well aligned with the Workforce Investment Act goals for Green Jobs. Direct funding of these programs, and others like them around the state and country, are necessary for the growth and development of a Renewable Energy workforce. Bombard Electric, and contractors like them all over the country, need help to best prepare their workforce for our Renewable Energy future. With the guidance and support of the Workforce Investment Act our common goals of putting Nevadans and Americans back to work can be realized safely and soon.

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Chairman HINOJOSA. I now call on Mrs. Cook.

**STATEMENT OF CHANDA COOK, DIRECTOR OF COMMUNITY INITIATIVES, NEVADA PUBLIC EDUCATION FOUNDATION**

Ms. COOK. Thank you. Good morning. My name is Chandra Cook and I'm here today representing the Nevada—

Chairman HINOJOSA. Will you speak a little bit closer to the microphone? I want to be sure that everybody hears you clearly.

Ms. COOK. Thank you.

As you know, America's dropout crisis has continued to receive significant attention nationally. I commend you, Chairman Hino-

josa and Chairman of the Full House Education and Labor Committee, George Miller, for your long-standing leadership on behalf of all of American youth, as well as our newest representative to Congress, Congresswoman Titus, who has been a leader and an advocate for issues that affect Nevadans and our youth.

The scope of this problem and its impact in Nevada is staggering. Approximately 20 percent, or 43,000 Nevada youth, have not progressed beyond high school diploma and are neither employed, nor enrolled in secondary—in post-secondary education.

Nevada ranks worst among all 50 states in the percentage of teens who are not attending school and who are not working. These individuals have little chance to ever learn a family-supporting wage and many of them have been dependent upon public systems, rather than becoming contributing members of society.

Beyond the individual impact, the economic and social consequences for Nevada are great. For example, the high school dropouts from 2008, if they had graduated, Nevada's economy would have seen an additional \$5.1 billion in wages.

I appreciate the opportunity to testify today on behalf of the Nevada Public Education Foundation which works for systemic change by bringing together the education, workforce development and youth development systems to our Ready For Life movement.

While Congress looks at the youth provisions of the Workforce Investment Act, or WIA, it should ask a series of broader questions about how to advance a comprehensive youth strategy that includes WIA as one of the federal policy vehicles for improving the education and career pathways for America's most vulnerable youth.

Our legislative recommendations are captured in the following areas: Governance, eligibility services and performance, quality improvement, and innovation. To be most effective, WIA youth programs and activities should be part of a larger regional strategy connecting workforce, education and youth development activities, as opposed to working in isolation.

This should include increased flexibility, regional integration, funding local priorities and investing in expansion of local capacities through intermediate areas and collaborative system approaches.

Current eligibility and performance provisions are obstacles to serving many of the youth that are most at need. Eligibility determination must be simplified and streamlined, and I recommend the eligibility goes to age 24, which was done in March, and research has shown that we need to connect our youth by the time they are 25, or basically we've lost them forever.

Ideally, determining eligibility for WIA should be based on risk factors. If income requirements are maintained, permit youth who are eligible for other federal means-tested programs to be automatically eligible for WIA services.

Under the current performance measurement system providers often serve primarily those who are most job ready, thus reaching a smaller portion of the population that need services. Older disconnected youth, especially those with low skill levels present a special challenge. Congress should adopt measures to mark the progress of all eligible youth, particularly those who are hard to

employ for those skills. This will require different performance measures for different segments of the population.

Funding for youth activities is diffused, limiting the impact of federal efforts to raise workforce-imposed secondary readiness. To improve impact we recommend that Congress should place a priority on off-track students, including prevention and credit retrieval efforts to get them back on track for graduation, and to attaining post-secondary credentials.

We recommend that we should link WIA in-school activities reviewed with other relevant federal programs and place a priority on funding partnerships among community organizations, colleges, K-12, employers, philanthropy as appropriate. More details and specific recommendations are in my written testimony.

Again, thank you for this opportunity to testify. As you know, in today's economy it is imperative that the revised legislation be even more strategic, youth collaborative, targeted and deliberate activities promoting educational engagement and work skill development. The Workforce Investment Act can help our youth graduate from high school and gain appropriate post-secondary education or training to become productive members of our society.

Chairman HINOJOSA. Thank you.

[The statement of Ms. Cook follows:]

**Prepared Statement of Chanda Cook, Director of Community Initiatives,  
Nevada Public Education Foundation**

America's dropout crisis has continued to receive significant attention nationally. This is the result of better data about the significant number of students not graduating on-time—only 70% nationally on average, with some schools graduating fewer than 50% of their students. Recent research has also underscored the serious social and economic impact on communities through the country.

The scope of the problem and its economic impact on Nevada is staggering. Consider the following statistics:

- Nevada's graduation rate was 67.4% for 2007-08
- 20% or approximately 43,000 Nevada youth ages 18-24 are disconnected (have not progressed beyond a high school diploma and are neither employed nor enrolled in postsecondary education)

Nevada ranks worst among all 50 states in the percentage of:

- Teens who are high school dropouts
- Teens not attending school and not working
- Young adults enrolled in or completed college

For the individuals represented by these numbers, their chances to ever be able to earn a family-supporting wage are slim, and research tells us many of them will be dependent on public systems rather than becoming contributors to the public good. Beyond the individual impact, the economic and social consequences for Nevada are grave:

- If the more than 19,500 high school dropouts from 2008 had earned their diplomas, Nevada's economy would have seen an additional \$5.1 billion in wages over these students' lifetimes.
- If Hispanics/Latinos, African-Americans, and Native Americans achieved the same education levels as Whites by 2020, Nevada's personal income would increase by \$2.2 billion.
- More than 80% of America's prison population consists of dropouts. It costs approximately SIX TIMES MORE annually to incarcerate than educate an individual.

In an effort to address these staggering numbers and resulting issues, Nevada Public Education Foundation created the Ready for Life movement to bring together youth-serving systems in a collaborative effort to ensure more Nevada youth are "ready for life."

*Nevada Public Education Foundation's Ready for Life Movement*

Established in 1991, Nevada Public Education Foundation (NPEF) is a statewide non-profit intermediary organization working for systemic change on behalf of Nevada youth. Facilitating collaboration among public and private youth-serving orga-

nizations, NPEF brings together the education, workforce development, and youth development systems in order to better serve youth, particularly those most at risk of not graduating from high school and transitioning to productive adulthood. NPEF builds this connected infrastructure through its Ready for Life movement.

NPEF launched Ready for Life in 2005 as a collaborative effort to improve Nevada's high school graduation rate. NPEF's focus was driven by research from Stanford University indicating that young people who are not connected by age 25 to either school or work are likely to remain disconnected forever, resulting in significant personal, economic, and societal costs. This concern was solidified by local research (see [www.readyforlifenv.org](http://www.readyforlifenv.org)) showing that too many of our own students are failing to transition from high school to productive adulthood. According to the Stanford research, those most at risk of not being "connected by 25" fall into four categories: youth who do not complete high school; those deeply involved in the juvenile justice system; youth in the foster care system; and young, unmarried mothers.

Ready for Life is a statewide movement, a systemic effort to support youth; it is not a specific program or intervention, but a facilitation of collaboration among youth-serving organizations with the end goal of connecting Nevada youth to education or productive employment by age 25.

Nevada's Ready for Life movement now involves hundreds of organizations statewide, local community collaboratives, and a network of nearly 1,000 stakeholders working toward the vision that all Nevada youth are ready for life, supported by a community ethic that values education. Convened by Nevada Public Education Foundation, public and private organizations are partnering in the belief that as they work together, students will be more likely to complete high school and gain appropriate postsecondary education or training to become productive, contributing members of society. Partners include local agencies, nonprofits, community-based organizations, education entities including local school districts and higher education, faith based organizations, youth, concerned parents, and elected officials.

In November 2008, the Ready for Life Nevada Dropout Prevention Summit established the goal to increase Nevada's high school graduation rate 10% by 2013. Recognizing common goals and collaborative processes, Nevada Public Education Foundation was excited to unite the Ready for Life movement with NV DETR's federal Shared Youth Vision partnership in January 2009. With this unique blend of public, private and non-profit leadership, Nevada is now positioned to make sustainable systemic change via this collaboration, with the end goal of connecting Nevada youth to education or productive employment by age 25. Through Ready for Life in local communities and statewide, NPEF facilitates:

- Creating a connected infrastructure by aligning education, workforce development and youth development to support youth
- Public and private coordination at the local and state levels, recognizing multiple systems have roles in youth success
- Cross-communication between federal, state and local work to leverage resources, remove barriers, and learn & share promising practices
- Collaborative planning and progress toward measurable goals to help youth become "ready for life"
- Building a community ethic that values education

#### *Intermediary Organizations*

The following recommendations are submitted by NPEF and include significant input and feedback from workforce and education intermediary organizations across the country, including those in Portland, Philadelphia, Boston and Chicago. Facilitated by Jobs for the Future, the Boston-based research, development and policy organization, this consortium (of which NPEF is a member) has been developing and sharing best practices for systemic change to help our nation's struggling students and disconnected youth succeed in school and transition to become productive, contributing members of society.

The work of these intermediary organizations, including NPEF's Ready for Life Nevada work since 2005, underscores the need for intermediary organizations dedicated to building the infrastructure necessary for ongoing and sustainable collaboration among youthserving systems. In order to more effectively engage youth in school and develop an educated workforce to lead our nation's economy, investment in intermediary organizations is critical for alignment of education, workforce, and youth development systems.

#### *Legislative Recommendations*

While Congress should look directly at the youth provision of the Workforce Investment Act, it must also ask a series of broader questions about how to advance a comprehensive youth strategy that include the Workforce Investment Act as one

of the federal policy vehicles for improving the education and career pathways for America's most vulnerable youth. Congress should seize this moment to align outcomes, reporting & accountability, encourage and ease the use of multiple funding streams. All these multiple federal policy vehicles, including the youth activities of the Workforce Investment Act, should ensure that all eligible youth are advancing on a clear path toward a postsecondary credential required for success in today's economy.

The legislative recommendations are captured in the following areas:

- Governance
- Eligibility, Services, and Performance
- Quality Improvement and Innovation

#### *Governance*

Current law authorized Youth Councils to provide coordination and oversight among a limited number of local stakeholders with respect to authorized youth activities. Today, Youth Councils must play a more strategic role.

With the support of local Workforce Investment Boards (WIBs), Youth Councils must measure the needs of local youth and ensure that school districts, WIBs, higher education partners, and other key stakeholders collaborate to provide a targeted range of options to serve them.

To be most effective, WIA youth programs and activities should be part of a larger regional strategy connecting workforce, education and youth development activities. Rather than stand-alone entities working in isolation, Youth Councils must collaborate with other youthserving systems and connect to related efforts in order to better meet the needs of local youth. As described above, intermediary organizations are highly effective conduits for this collaboration.

Congress should:

- Allow the maximum flexibility and encourage regional integration of WIA youth efforts with existing regional youth committees and/or intermediaries where appropriate, as opposed to working in isolation.
- Invest in expansion of local capacity through intermediaries and collaborations that bring together workforce, education, and youth development systems at the local, regional and/or state levels.
- Specify that representation must include an individual from the local education agency or agencies in the area responsible for secondary education; individual from at least one local institution for higher education; employers in local industries and sectors that are growing and have a high demand for skilled labor; and as appropriate local youth-related foundations and/or philanthropies.
- Establish an incentive fund for entrepreneurial WIBs and Youth Councils to adopt an expanded set of duties, including improving capacity to gather, analyze, and use data to evaluate the quality of current youth program options and increasing the supply of quality education options for in-school and out-of-school youth.
- Allow Youth Councils the discretion to direct funding toward local priorities. Such provisions should set floors on basic activities, such as in-school, out-of-school, and, as appropriate, summer jobs. A portion of funds would be directed toward highpriority purposes consistent with data analyses and investment strategies.

#### *Eligibility, Services, and Performance*

WIA should focus on serving youth that are most in need of skill development services. That means retaining services for both in-school and out-of-school youth, while placing a priority on the hardest-to-serve through targeting services, expanding eligibility, and improving performance measures. Current eligibility and performance provisions pose programmatic obstacles to serving many of the youth that are most in need.

*Eligibility*—Too much time at the local level is devoted to determining eligibility, with little positive effect and in the face of new research that offers more streamlined strategies for eligibility determination. There is a need to simplify the determination of which youth are eligible to receive services.

Congress should:

- Increase age eligibility to 24. Research shows the importance of engaging youth by age 25. Congress already recognized this by raising the age for youth employment funds in the ARRA from 21 to 24.
- Permit youth who are eligible for other federal means-tested programs to be automatically eligible for WIA services.
- Make youth automatically eligible for services based on risk factors, such as disconnected status (out of school and out of work) and early warning indicators for in-school, off-track youth (e.g. over-age, under-credited, non-attendance), preferably without income eligibility.

- If income requirements are maintained, permit the use of income proxy measures (e.g., ESEA Title I, Free and Reduced lunch status, high-poverty census tracts) as automatic designation for eligibility.

Funding—Funding for youth activities is diffused, limiting the impact of federal efforts to raise workforce and postsecondary readiness. Funds should target off-track students within the in-school population.

To improve impact, Congress should:

- Place a priority on off-track students, including prevention and credit retrieval efforts to get them back on track to graduation and to attaining postsecondary credentials.

- Permit follow-up services that provide continuing support (e.g., from a transition counselor) after young people leave schools or programs and as they seek to enter or remain in work or further education.

- Link WIA in-school activities for youth with other relevant federal programs.

Program Design—WIA youth program designs and elements should advance the development of high-quality pathways that ensure eligible youth attain skills and credentials necessary for educational and career advancement. WIA youth funding should result in the development of high-quality pathways and options that lead to postsecondary credentials and career advancement for youth.

Congress should:

- Establish that the purpose of WIA youth activities is to ensure that eligible youth attain workforce skills and credentials that promote educational and career advancement, with special attention to creating employment opportunities in high-growth and emerging sectors.

- Retain the ability to allow continued funding to support eligible youth over more than one year and for a transitional period after they have left the program or school.

- Strengthen incentives for employers to train and employ, and for colleges to enroll, formerly disconnected youth who have completed WIA-funded youth programs. One example is the disconnected youth tax credit.

Employment Programs—Youth employment programs, including project-based learning activities, apprenticeships, and internships, should help youth attain both work-related skills and supports that can help students advance in educational attainment and achievement.

These programs should provide highly structured and well-supervised work experiences that emphasize learning and skill development. Programs should be encouraged to build partnerships with employers, who can provide work-based training and learning experiences through internships and apprenticeships.

Congress should:

- Invest in a funding stream for high-quality summer and year-round youth employment opportunities that emphasize learning and skill development as well as academic programs.

- Focus attention on educational engagement and work skills development strategies for all WIA-funded youth programs.

Performance Measures—Differentiate performance measurements stipulated under WIA to align with the distinct needs of varying adult and youth populations.

Under the current performance measurement system, providers often serve primarily those who are more job-ready, thus reaching a smaller proportion of the population that need services. Provide incentives in the law for programs to serve a broader range of youth. One way of achieving this is by differentiating performance measurements stipulated under WIA to align with the distinct needs of varying youth populations. Programs should be able to apply interim benchmarks that are predictive of educational and career advancement and that account for the relative difficulty of populations with multiple risk factors.

Congress should:

- For youth, adopt measurements to mark the progress of all eligible youth, particularly those who are hard to employ or low-skilled. Determining the progress of all eligible youth would require different performance measures for different segments of the eligible population.

#### *Quality Improvement and Innovation*

Current law lacks any effective mechanism of promoting quality improvement and innovation among WIA Youth programs and activities. As a result, the field lacks a pool of quality models and practices that can help spur broader systemic improvement.

First, innovation and higher levels of successes should be promoted not just for national organizations with “branded” models but also for local organizations and/

or partnerships that demonstrate the ability to serve particular groups well and achieve higher performance outcomes.

Congress should:

- Create an innovation fund for WIA Youth programs. Partnerships that seek to develop a new program, improve an existing program, or scale up a promising model, all toward more challenging performance outcomes, would be eligible to receive funding. The fund would be used to drive programs toward meeting challenging performance measures, including measures focused on lower-income, lower-skilled, and other disadvantaged populations.

Second, older disconnected youth, especially those with low skill levels, present special challenges. Too few successful models for this population exist. Additionally, there are too few models for the hardest-to-serve adult workers (i.e., those with multiple barriers to employment, those with the lowest skill levels, and those with limited English proficiency).

Congress should:

- Establish an investment fund to encourage social entrepreneurs to take on these challenges and invent new promising approaches.
- Place a priority on funding partnerships among community organizations, colleges, K-12 schools, employers, and philanthropy, as appropriate.
- Include funding for evaluation of these new models.

#### *Conclusion*

Nevada Public Education Foundation is honored to provide input and testimony for reauthorizing the Workforce Investment Act. This legislation has been successful in helping many of our nation's young people gain work experience and skills needed for gainful employment. In today's economy, it is imperative that the revised legislation be even more strategic to provide the opportunities necessary to help our struggling students and disengaged youth succeed through collaborative, targeted and deliberate activities promoting educational engagement and work skill development that will help them graduate from high school and gain appropriate post-secondary education or training to become productive, contributing members of society.

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Chairman HINOJOSA. And I now call upon Rebecca Metty-Burns.

#### **STATEMENT OF REBECCA METTY-BURNS, INTERIM DIRECTOR FOR THE WORKFORCE AND ECONOMIC DEVELOPMENT, COLLEGE OF SOUTHERN NEVADA**

Ms. METTY-BURNS. Good morning, and thank you for this opportunity to testify regarding the Workforce and Investment Act.

I am particularly encouraged in being able to come in and talk with you about innovations because innovations require the ability to search out for feedback, take that feedback, and then incorporate that to improve programs and reach a goal of excellence. I think that this is a wonderful opportunity to take a look at programs that are in place and what we can do to make them even better, even more effective and respond to community needs.

I chose to look at one particular program that we operate in collaboration with the credit program at the College of Southern Nevada. The division that I represent offers non-credit programs and we primarily focus on skill-specific training for local employers for their particular workforce needs.

In this particular program, the Certified Nursing Assistant program, we worked in collaboration with the credit department to say how can we also, in combination with you, and provide some avenues for participants coming in with WIA funds to access that program and also access job opportunities from that.

The collaboration resulted in an intensive seven-week program, and what the division does to support our participants is also offer an opportunity for them to attend an orientation, helping with ad-

ministrative pieces, and introduce them to what they will be going through in that seven-week process.

We also make sure that they have available refresher sessions, review sessions, to make sure that they can succeed with their studies.

When I talked to several of the students and our health care coordinator, a lot of the comments that they make resonated, I think, with other information you've heard through this hearing process. The first is the opportunity that was there. Two of the people I talked with completed the program successfully and were very excited about the prospect of what their employment opportunities would be. They noted that it was essential to have additional support services, though, as they were re-entering education and they needed to make sure that they had some reinforcement as they were going through an academic program.

I think there are still some ways that we can reinforce that and we are learning from students who may falter through that program that there's more to be done and more to add in for their success. Additional assessments that are needed to make sure that they are matched up correctly with the program, that they have the foundational skills to succeed, when we are driven to move people through too quickly in a short time frame, so they can search for a job, we may not be giving them the full opportunity of what they can do on a career path, if they have the foundational skills and a broader understanding of what that entry level job may lead to in the future.

I'd like to recommend that in considering some innovations even to WIA that it be remembered that the community colleges are where a large part of the American workforce goes to receive their skill training and their education and that as you are building a career path it's really important to also build an education path with that participant.

If we could provide additional support services for participants that are coming in that allow them to assess where their academic skills are, give them additional support and mentoring to the careers that are open to them and where their interests may be, as well as make sure that they are ready and aware of what the job is that they will be seeking.

One of the students that I talked with in the CNA program said it was very important in the conversation that he had with his case worker that was very detailed and eye-opening about what that job as a CNA would be after he got that job, and other students hadn't received that opportunity and he felt that was a very valuable piece of the process and important to making sure there was a match to the program.

As we continue to talk about education and career pathways, we also would like to encourage a focus that moves from the immediate short-term training to also allowing the opportunity for participants to expand that to degree attainment or deeper educational attainment.

Again, one of the students that I talked with completed the CNA program and would very much have liked to have gone on to get his RN, but the funding stopped at the CNA. Certainly in a state that needs more nurses and healthcare workers, it's unfortunate

that he couldn't go on at this time with someone who had such enthusiasm and success and capabilities.

I also think that as we continue to receive employee—or I'm sorry, employer feedback in the contract training that we do in our division we become very aware of what employers are seeking for and any new information they need incorporated in training, and it would be important to include that flexibility.

As those flexibilities are added into the legislation, and allow the regions to really decide what's most important to them, I feel that innovations in the training program can come very quickly.

I appreciate the time today. Thank you so much.

[The statement of Ms. Metty-Burns follows:]

**Prepared Statement of Rebecca Metty-Burns, Interim Director, Division of Workforce & Economic Development, College of Southern Nevada**

Good morning and thank you for the opportunity to testify today regarding the Workforce Investment Act.

My name is Rebecca Metty-Burns and I am the Interim Director for the Division of Workforce & Economic Development at the College of Southern Nevada. The Division of Workforce is a collection of programs that include an Adult Language and Literacy Program, Prison Program, Community Enrichment courses and contract training programs. Our skill intensive courses are primarily delivered through non-credit, customized training to local business and industry.

I am encouraged that a focus in discussion around the Workforce Investment Act involves innovations. Innovations require program flexibility and continuous feedback by stakeholders and in that process you can develop programs of excellence. I believe that by responding to what we have learned in operating programs with WIA funding there is an opportunity to make the programs more effective for participants and employers while also allowing the education partners to more comprehensively respond to the needs of their communities.

In feedback from two recent students in our Certified Nursing Assistant program, I found points that not only illustrate the promise of what that program can deliver but also where efforts are needed to ensure improvements are implemented. Their comments are specific to their experiences in one program but they also apply in general to WIA funded workforce programs. I'd like to share their observations with you today as well as some additional insights from the staff overseeing this program for the division.

The Certified Nursing Assistant program for the Division of Workforce & Economic Development operates in collaboration with the credit program at the College of Southern Nevada. Students receive the full CNA program offered by college instructors in a focused and intensive set of courses that spans seven weeks. Participants receiving WIA funding attend an orientation to the program conducted by workforce staff to help them with administrative items. Throughout the seven weeks each Friday afternoon there is extra assistance available to workforce participants needing additional educational support.

Charles Curtis recently completed our CNA program and at 57 years old exemplifies what an impact the program can have. He is brimming with enthusiasm about his new career path and, with his willingness to be flexible in a work schedule, feels his employment options are excellent. Charles had previous experience in working with senior care and while being initially nervous about returning to school, he gained confidence as the support offered and program structure reaffirmed his capabilities. He particularly liked the Friday review sessions and having access to that additional support. Charles had been unemployed for months and with his experience with senior care and an associate's degree it would seem he would have been identified as great candidate for the program. Yet, he only received a referral after he happened to hear about the program on a public television segment and then persistently pursued a referral to the program.

Scott Lester is also a recent student in our CNA program and only found out about the program by word of mouth. He also took the initiative and went to a referral agency and requested the program. Scott made a good candidate as he had some previous work in healthcare as well as having completed a degree. The case worker he spoke with about the program explained in "eye-opening" detail what a job as a nursing assistant would entail. While Scott felt his previous work in healthcare prepared him, he mentioned that a number of students had not received that "eye-

opening” information from their case worker and that they really should be aware of the realities of the job. Scott also mentioned his academic background prepared him for the rigors of the intensive program. He felt the additional assistance was an excellent option but was concerned that a number of his classmates were not prepared for the academics involved. He noted that a number of the students did excel in the labs but struggled with keeping up with required reading and taking the tests.

Scott successfully completed the program and very much wants to continue in the nursing program to become an RN. He would seem to be a terrific candidate and in a state that badly needs more nurses in the workforce so he was disappointed to find out that WIA funding is not available for him to continue with a degree program.

Our Healthcare Workforce Coordinator, Sue Folds, has worked in cooperation for years with the credit nursing program to make the CNA program successful. As she herself was an RN, she is also concerned that students need to be prepared upfront for the coursework and what the job will entail. While she can tell you of many successful students she also is quick to point out that she has had students go to one lab class and come back and drop out saying there was no way they were going to do that for a job. While there may be a number of circumstances that cause a student to drop—we do know there is a need to better inform and match candidates to the program. The students that complete the program but did not pass demonstrate that perhaps if there was an upfront assessment of foundational academic skills we could better prepare those students for successful completion.

Sue has built solid ties to healthcare employers in the community and provides several healthcare programs as well as contract training. She has many more programs on hold that would be beneficial for skills enhancement of the current workforce or allow entry into a healthcare position. Our programs are demand driven and currently start-up and administrative costs prevent those programs from being implemented. As much as she would like to implement more courses and support career paths in healthcare, limited resources determine priorities and pace of development.

The information I received from the students and our workforce coordinator highlighted that given the right client match to the program it can be an absolute success. Through close communication and collaboration workforce and credit programs can deliver training in a unique structure that answers a clear community need. The instructors and staff have worked to add key features such as an orientation and extra support to ensure student success. It is also clear that we need to continue with new innovations and expand support for the students to fill educational gaps and to work closely with referral agencies to make sure the program is promoted and candidates identified.

#### *Recommendations and innovation opportunities*

Community colleges are where much of the American workforce receives its education and skills. For innovations in WIA to have significant impact the colleges need to have the ability to play an important role with local businesses and agencies in developing a workforce strategy that answers the needs of the community. There is a current call for the building of career pathways but that requires a corresponding educational pathway in order to succeed.

1. An important step in determining an education pathway that promotes a career pathway is allowing the college workforce programs to offer more of the support services.

In its recommendations, Working it Out: Community Colleges and the Workforce Investment Act notes, “Encourage colleges to provide case management and support services to ensure positive outcomes. \* \* \* Community colleges increasingly recognize the importance of support services, but because they are viewed primarily as providers of training and not of support services they rarely receive WIA funding for these services. To enable WIA participants to succeed in community colleges, the colleges should have the means to meeting all their needs.”<sup>1</sup>

As demonstrated in the CNA program some students may need a details and realistic description of what the job they are training for entails. Students may need to brush up on basic skills and gain confidence to enter into a more rigorous program. How the colleges and its partners design and deliver the support services is one of those areas that should be rewarded for innovation. As core criteria, programs should require standard assessments of WIA clients that allow the workforce program staff, the case manager and the client to plan an education path for suc-

<sup>1</sup>Working it Out: Community Colleges and the Workforce Investment Act, Mary Visher and Donna Fowler, Institute for the Study of Family, Work and Community, December 2006

cess. What assessments to use need to be determined by local educational institutions in partnership with local employers. Even clients that are not anticipating entering a formal training program should assess foundational skills to close any gaps prior to their employment search.

2. Encourage innovations to programs by allowing flexibility and adaptability for training programs based on the feedback of clients, educators and the employers and including and encouraging contract training.

Workforce programs that provide contract training have the advantage of an employer partner providing specific criteria for outcomes. The relationship built between the college workforce program and the employer brings to it the continuous feedback, evaluation and improvement cycle that would be a positive for any workforce program. Another recommendation in *Working it Out: Community Colleges and the Workforce Investment Act* supports a WIA adjustment to contract training, “Relax constraints on contract training. Constraints on using WIA funds for customized and contract training, a system that works well for colleges and demand driven models of workforce development, have inhibited college participation in WIA.”<sup>2</sup>

A challenge highlighted in the economic recession has been how difficult the current structure of WIA has made it to assist employers and agency with needed skills training. Employers do not have the training dollars to spend and as a self-funded division we do not have the start-up funds to supply for equipment and curriculum development. “Each type of provider—independent of its ability to train and place job seekers—has a different capacity to adjust to the payment system and reporting requirements imposed by WIA. As a result, some effective programs have opted out, or have been forced out, of the federally funded workforce development system because of its “one size fits all” approach.”<sup>3</sup> Needed programs would be developed and implemented quickly if funding could be directed to start-up costs.

3. Support a sustainable approach for creation of career-education pathways that rewards workforce strategies that build from short-term skills training to deeper education attainment.

The “work-first” focus that continues to push the interpretation on how to best assist WIA clients promotes a short-term solution and perpetuates a long-term problem. The focus on quick placement often moves clients into entry-level positions rather than gaining advanced training for a higher level position. Incumbent workers need the opportunity to gain advanced education to retain their jobs, handle increased responsibility or be eligible for career movement. Discussion of career ladders won’t lead to workable solutions unless workforce investment is viewed in career terms. Education and employer partnerships need to move from single program planning to comprehensive support for movement from short-term training to degree attainment.

If workforce investment is designed to reward community collaboration, support of unique local workforce needs and allowed to be responsive and flexible, I believe continued innovations in workforce development will quickly come forth.

I want to thank you for the opportunity to share the story about just one of our workforce programs. Your attention to the Workforce Investment Act is needed and appreciated.

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Chairman HINOJOSA. Thank you. Thank you all for your testimony. I want to say that we had a slight difficulty, technical difficulty with the second microphone that is sitting there on the table. So instead of sending the microphone to Mr. Patchett, I’m going to reverse the order of questions that we’re going to start with Rebecca Metty-Burns, and I will start by taking a five-minute period of dialogue with you. Then my colleague will have an opportunity to also ask questions, and we will move from my right to my left in the questions and I will wait to see how this dialogue goes. I may choose to have a second round of questions and just open to anyone, and so with that, I now recognize myself for five minutes.

<sup>2</sup>Working it Out: Community Colleges and the Workforce Investment Act, Mary Visher and Donna Fowler, Institute for the Study of Family, Work and Community, December 2006

<sup>3</sup>Training Policy in Brief, by Gwen Rubinstein and Andrea Mayo, pg 18, The Workforce Alliance, 2007.

Rebecca Metty-Burns, how do you suggest candidates be well informed and matched to a program that tailors to their strengths so that individuals are not set up for failure, while at the same time not inhibiting individuals from entering? And the second part to my questions, how do you ensure that your programs are accessible by a diverse school of candidates, including minorities, individuals with disabilities, those with what we call English language learners, and those of low economic backgrounds?

Ms. METTY-BURNS. Thank you very much. In order to really make sure we've got the match, the assessments that need to occur are several. One is an academic assessment to make sure that they have some basic skills needed to move into and successfully complete a program. So whether it is a reading level or a math level or another technical area that we need to measure to put in an instrument there that can give us some feedback, and if there's additional skills that we need to be brought up, we can do that right at that point.

We also think that there is an important kind of career goal match that needs to occur. Much of what the Community College system does is work with entering students on trying to sort out what kind of career are they interested in. So there's processes already in place and there's people with expertise in knowing how to make that happen. And it's important to match that up with the case managers that may be working with the system, to really start a little more dialogue between the groups, to make sure the right assessment tools are being used, the right conversations are being held with that participant, as well as opportunities maybe in just visiting a course, visiting an employer, really seeing what is it that would go into that job, so there is an awareness. Also to build that enthusiasm for a career.

Chairman HINOJOSA. Thank you very much. I want to ask Mrs. Cook, in your testimony you mention several ways to streamline eligibility criteria for WIA youth programs.

Which of these would be the simplest to implement while keeping eligibility targeted to groups in need.

Ms. COOK. Ideally, if there was a way that we could make a whole school eligible would be great. We have schools that are considered dropout factories. If we could identify a school and work within that school, that would make it eligible for anyone in there, and that would be very simple.

Secondly, we would look at other risk factors and if there's a way to just base eligibility on those risk factors, being disconnected, not having the skill set, as opposed to the income eligibilities that are in place. That would be significant.

There's an enormous amount of time that's used in collecting the paperwork to prove the eligibility and it makes it very difficult, if not impossible, for some of the youth that are most in need to be eligible.

Chairman HINOJOSA. Ms. Cook, do you have any objections if we were to write in that we want to use our public buildings longer, and more days of the week, so that there would be more time for these students to be well trained.

Ms. COOK. I would have no objection to that. Everyone has limited resources and we need to use the resources that at our disposal most effectively and efficiently as possible.

Chairman HINOJOSA. And Mr. Brooks, in your testimony you describe training programs organized by the IBEW and the NECA. Are these programs open to non-members.

Mr. BROOKS. Well, the programs require membership to the individual organizations, like the IBEW and the National Electrical Contractors Association, to be available to the people who are members. And largely in part because they are funded by the members.

But what the NECA and IBEW do is try to provide a path, using some of the initiatives like the Building Nevada Initiative and Helmets to Hardhats, to get people out of the military, out of high schools, out of trade schools and right into the apprenticeship program, so the facilities can be available.

Chairman HINOJOSA. I'm concerned, in listening to some of the commencement speakers here in the last two weeks, saying that out of college graduates, only one out of five college graduates had a job. We have a terrible situation. And then folks who dropped out, you can imagine how concerned we are. I will come back to you.

My last question is to Mr. Patchett. In your testimony you stated that the vocational rehabilitation system counts a person as having a successful outcome if they are in their job placement for 90 days.

What are your thoughts as to how to track meaningful outcomes, while serving all people with disabilities.

Mr. PATCHETT. Thank you, Mr. Chairman. I think that when you look at reasonable outcomes, I don't think 90 days is enough. I think the outcomes need to be that an individual is clearly on a career path, that they are succeeding where they are at.

That needs to be a much more long-term thing, maybe six months, maybe a year. We need to follow up with them and see if they are progressing within their job, are they receiving advancements, are they getting good marks and so forth, are we able to come back in there if something does not go well and provide additional job coaching to ensure that the individual is able to keep the job, and so forth. So that would be my recommendations.

Chairman HINOJOSA. Thank you. I now recognize the gentle lady from Nevada, Congresswoman Titus, recognized for five minutes.

Ms. TITUS. Thank you, Mr. Chairman. I'll start with you, Mr. Patchett. Your testimony about the work of Easter Seals is focused mostly on physical disabilities, problems of not being ADA qualified, even the job connection sites. I would ask you if you would further elaborate on that topic about neurological and psychological challenges. We see that a lot from our soldiers who are coming home. We know the problem of funding mental health in this state.

Could you expand on what we might do to better include them in the authorization.

Mr. PATCHETT. Thank you, Congresswoman Titus. Absolutely Easter Seals provides services to individuals with cognitive intellectual disabilities and psychiatric disabilities, including support, living services and job training rehabilitation.

I think that one of the things that I would like to talk about that we're looking at, and actually we have a proposal on the street, is to utilize what my colleague next to me was saying, and that is green jobs.

We have an opportunity right now to be able to focus on individuals coming back from war, individuals who have various kinds of disabilities, and look at how we can include them in some of the green jobs.

I also think that the second part of my answer would be providing adequate support, providing adequate counseling, adequate monitoring of medications and so forth, and psychiatric disabilities. We have seen tremendous benefits and have been able to help individuals with psychiatric mental health disabilities to be successful, both in work and in living independently in the homes on their own.

Ms. TITUS. Thank you. Mr. Brooks, I would like just to expand, you mentioned Senator Horsford's green jobs bill, and there's just an article in the paper today about the need for green jobs and how Nevada has been losing them to New Mexico.

I wonder if you would talk to us a little bit about not just your program, but perhaps what other kinds of green jobs we could help support that, build on what you do with the IBEW, whether it is training for weatherization, or training for manufacturing jobs, because we would like to get the companies that build the mirrors, as well as those who put them in. Would you elaborate on that.

Mr. BROOKS. Absolutely. A lot of what's happening is going to be through weatherization and modernization of existing buildings. That will encompass many different trades and crafts in the construction industries, as well as manufacturing.

So the JATC for the IBEW is one of many training facilities around the State of Nevada that are training individuals who do the modernization, weatherization and energy efficiency measures, as well as some manufacturing, and it's working with like Senator Horsford's green jobs initiative where it leverages these dollars that members of these trade organizations are participating in with some of the State funds and Federal funds, and nonprofit organizations to get the most bang for your buck, to employ, to train people who then have a path to get out there and go do the work.

At the end of the day it also takes companies, businesses to put these people to work. So partnerships that include the businesses with the training facilities, with the community organizations we feel are a very effective way to get it done.

Ms. TITUS. Are you finding that the businesses are cooperative because they need that trained workforce? And I would also ask you is if some of the members who could qualify for some assistance and not just have the whole cost come out of their own pocket, would that expand the workforce and the people who might participate in these kind of programs.

Mr. BROOKS. Absolutely. Right now there's no stipends, no scholarships, no assistance to a lot of people who are participating in some of the building trades programs that are teaching green jobs and weatherization and energy efficiency training. It's all coming out of their own pockets. It would definitely assist, especially those lower income people trying to get into these programs. It would

definitely assist, it would help them get into the programs and get out to work, if there was some assistance in that, in their tuition and their textbooks and even living expenses.

Ms. TITUS. Okay. Ms. Cook, you mentioned the dropout factories. I know there are a number of them in my district, and it's very alarming when you read those kind of figures. But also there seems to be no incentive for companies to hire students who have dropped out or have those kinds of problems.

I think in your written testimony you might have stated it, some things we need to do to incentivize businesses to hire these young people who might then get trained. Would you elaborate on that.

Ms. COOK. Well, we need to do something to incentivize businesses, and maybe tax credits would be a way to do that. We have about 1,300 youth here in Southern Nevada that are participating in the summer stimulus program.

One of the challenges we have is getting enough employers to give them a meaningful summer experience. We have thousands and thousands of other students that want a summer job. The Northwest Career Technical Academy has an excellent engineering program and they are looking at having everyone of their students have a meaningful summer experience.

So if there are ways that we could incentivize businesses with tax credits, or other things, it would be great because it does take resources from that business to supervise these youth or young people at a level that's going to make it meaningful and make it productive.

Ms. TITUS. Mr. Chairman, could I have permission for a little more time.

Chairman HINOJOSA. I yield the Congresswoman to provide an additional two minutes.

Ms. TITUS. Thank you. I would just comment to Ms. Metty-Burns what a great need there is for healthcare professionals in this state, for nurses, and for other kinds of technicians and so a program like this seems to be great. I can imagine that a person who goes into nursing that has no idea what that job is going to be really like.

So I appreciate your mention of the need to counsel on that before they go into that training. But your stories are also about people who just happened into the program. They just happened to find out about it, word of mouth or television.

What can we do better to do outreach and information so people know that these programs exist, and can take advantage of them.

Ms. METTY-BURNS. That is a great question because it's a huge need to make sure we do advertise and market, actually, the programs that we have available. We work closely with the referral agencies and of course they have numerous people coming in and they are working many cases and they do the best they can to make sure people have that information.

But one of the students mentioned that the way he learned about the program was on a public television segment that happened to mention the program and then he went and sought it out and asked for a referral, and pursued that.

So I think that there are some opportunities either in partnering up with interested employers and helping us market the program to the community. We've continued to start reaching out to the

community through communication resource fairs, so that we can also take that word out. There's a great deal to be done on that and I think it's an area where we need to collaborate in partnership to make sure we can market.

As self-funded programs, we don't come with a marketing budget, an advertising budget. So we have to be creative to go and reach into these communities and there's a great deal I think more we could do in working with community centers, community fairs, to get the word out about the availability of these programs.

Ms. TITUS. Thank you. Thank you, Mr. Chairman.

Chairman HINOJOSA. Thank you. I have chosen to have a second round of questions. I find this information very valuable and I'm going to ask that Mrs. Cook, that you take the microphone and have an opportunity to tell me, in your presentation you described how the youth councils can play a larger coordinating role in the WIA youth programs. I am quite concerned about the illiteracy rate among adults and young people who are teenagers in their 20's dropping out of high school.

So my questions to you are going to be how we can address that problem and as a member of my committee on education, whenever we've had Congressional hearings on literacy, both for adults and young people, we find that many do not know how to read.

Would you have any suggestions on how in WIA we could have those extra hours that I asked you about earlier, utilizing a building where trained teachers on reading could spend time in training folks to be able to read, and hopefully love to read books, to have their own library at home. Because if that were the case, I think that employers would find it easier to train this workforce.

Ms. COOK. Chairman Hinojosa, none of this can be done in isolation. Workforce is not separate than education is not separate than youth development and we have to have a connected infrastructure that support these youth.

So by partnering with the education system and using the buildings and seeing this as a joint venture, as opposed to WIA being stand alone education and education funding being stand alone and youth services funding being stand alone, if we were to do that and bring them all together, we would have a connected infrastructure where we could expand the services within schools. Maybe part of it is funded with WIA, but it would be a continuation after school in providing those services.

I think one of the most important things that you can do with the WIA reauthorization is to use this as an opportunity to create that infrastructure to serve the youth that's not done in pockets in isolation.

Chairman HINOJOSA. Let me share with you and the audience that I've had the pleasure, even when I was in the minority for ten years, to travel with then Chairman Buck McKeon from California, and we wanted to ask folks out in China how was it that their students were out-performing the American students in the international scholastic competition, academics, and we actually went into campuses that were feeder high schools to the colleges that were producing so many engineers and scientists and mathematicians and physicists and so forth.

The parents were invited to some of these town hall meetings and when I would ask those questions, some parents would take the microphone and they would answer parental involvement is the basic answer to your question. But the final say, that gentleman with the long white beard said if you will just remember this formula, early reading, plus writing, equals success in schools.

Ms. COOK. Right.

Chairman HINOJOSA. So this literacy idea, I took my Congressional district a year and a half ago and we started with the Texas State Technical College, which is a two-year program, and they chose to put up the match money, because Congress paid 75 percent of the cost of the books for these one-year-olds, two-year-olds, three-year-olds, and we have to raise 25 percent to match the Congressional portion. They said we will raise and we will contribute the 25 percent, and with the Meadows Foundation, which is in Texas, in Dallas, they have parental training on how to read to babies, one, two, three-year-olds and that is on-going now.

So I'm going to say that we are going to have to think out of the box. Whatever we've done the last ten years was good, but not good enough. This is the 21st century, and we are going to have to take, as you said, partners, stakeholders, employers, employees, and the entities, the non-profits and others, so that we can get the folks to become literate with the reading and writing.

With that I yield to the Congresswoman from Nevada, Congresswoman Titus.

Ms. TITUS. Thank you, Mr. Chairman, and I so respect that project that you did in Texas. I would like to see us try to do something like that here in Nevada and see if we can get some people to help us meet that match. And I agree with that early reading. I know that one thing that works is all day kindergarten. The earlier you start, the better you do, and the likelier you are to finish, and I absolutely believe that.

I'd just like to ask maybe a general question that anybody can answer, is that the workforce investment boards that have existed in the past are made up largely of business, or majority of business. And yet the problem we have is getting business more engaged, more willing to participate, more likely to hire the graduates of these programs.

What would you do to recommend that we make this relationship better, in addition to perhaps those tax credits that Ms. Cook mentioned.

Mr. BROOKS. I actually am engaged in hiring people and unfortunately laying people off sometimes, too, on a daily basis. And we choose a path to provide our workforce through labor unions. But the children coming out of the schools and with options to either go into the university system and pursue a career that requires that, or to go through trade programs and pursue a career that requires that, it's what Ms. Cook said was very important, that we don't live in a pocket, we don't live in isolation, that the youth services, educational, whether it be higher education or the K through 12 and trade schools and universities, we all need to be working together at a very early stage so we can have the qualified students coming out of schools, going into the universities or the trade schools. And there needs to be much better coordination, I think,

from us, the employers and organizations that represent employers with the university systems and with the K through 12 in this state and there seems to be a disconnect there.

And I feel as a father of three children, one entering into college right now, it's very difficult for a lot of kids coming out of school to have that path into a career, especially one that pays a living wage.

Ms. TITUS. May I, Mr. Chairman.

Chairman HINOJOSA. Yes.

Ms. TITUS. Along with those statements, kind of like the same mind, I know that the system works layer by layer by layer. The money comes from Congress and it goes to the State, it goes to the State investment boards, then passes on to different agencies. Sometimes those different agencies can act as roadblocks, as opposed to facilitators.

Would we be better off looking at a program that goes directly to the institutions or the programs that are providing that training, rather than going to some kind of artificially established state agency, board, et cetera?

Ms. METTY-BURNS. We certainly would like to see that opportunity incorporated into the reauthorization or the rewriting of WIA. Because we go out in the, with the industry and business constantly seeking what is it that they need.

We have a close connection with the industry. And I would like to have that opportunity to build those programs around the educational attainment and the specific skills being requested by the industry, as well as continue with the feedback and improvement cycle, rather than sometimes being locked into reporting requirements or cycles that are made in general, rather than specific to a region, a need in the community or a specific program that's responding to that.

So that is something that we see that we think would be very helpful, at least in having that opportunity to put forth programs and receive that funding directly.

Ms. COOK. I'd also like to add that I think it's important to have funding maybe go to some programs directly. However, if we are to move forward, we need to look at our community in a regional way and in a systemic way and set priorities and be able to fund in that way, setting priorities for population, setting priorities for the services that are needed, and if there's too much direct funding that's going out, then you are losing the collaborative process that you could have and the strategic ability to be able to address issues.

So I think there's a way to do both, but for us to be effective and to move forward, we need to go from that shotgun approach to being able to be strategic to leverage resources, too, and be thoughtful about how the funding and resources are used.

Ms. TITUS. Do you feel like the boards are doing that now or we could improve that process.

Ms. COOK. I think the process can be improved, and it should be improved and Congress should encourage collaboration to improve the process.

Chairman HINOJOSA. I yield the young lady another minute because I believe that Mr. Patchett was trying to get your attention and I'll give you another minute to finish up.

Ms. TITUS. Thank you, Mr. Chairman.

Mr. PATCHETT. Thank you very much. I think that this is kind of the crux of the issue, this question really addresses this. We've got to find a way to get, I'm thinking more high school kids, kids with disabilities, but kids in general into real work experience and into real work and therefore the real work, I think we all remember jobs we had when we were younger that led to other jobs and other jobs and so forth.

Right now that's not happening. I don't see that happening. I don't see that those who have the potential to provide internships or provide early jobs are being connected with sufficiently to give, in the case of what I have been talking about, kids with disabilities, but it could be all kids. As a father of six children, I'm aware of a lot of issues.

So I think that would be very beneficial if we could do that, and actually look more at those who provide the direct service to really create a system that would be able to focus more on kids having positive experiences at the youngest age possible.

Ms. TITUS. Thank you, Mr. Chairman.

Chairman HINOJOSA. This has been very interesting and as I prepare to make concluding remarks and go into adjournment, I wish to take this opportunity as the Chairman of this hearing to thank Dr. Lesley DiMare of Nevada State. She is the Provost. We thank you for hosting us here on your campus.

I also would like to thank Spencer Stewart, Associate Vice President, for setting up the facilities so that we could have this large participation and large audience. Also I would like to thank Dr. Rho Hudson, Dina's sister, who made initial requests for the arrangements of this facility.

And finally, I'd like to thank those who came from Washington on my staff, Mr. Ricardo Martinez, on my left, Paulette Acevedo, and Jim Rath, who is a Fellow working in my office on math and science projects which are of great interest to my Congressional district.

I thank all of you for helping us have such a successful public hearing, field hearing here in Nevada.

Once again, I would like to thank the witnesses and the members of the subcommittee for a very informative session.

As previously ordered, members will have 14 days to submit additional materials for the hearing record. If any member wishes to submit follow-up questions in writing to the witnesses, you should coordinate with the staff within the requisite time.

Without objection this hearing is adjourned.

[Whereupon, the subcommittee was adjourned.]