AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

S. HRG. 111–989

MODERNIZING THE WORKFORCE INVESTMENT ACT (WIA) OF 1998 TO HELP WORKERS AND EMPLOYERS MEET THE CHANGING DEMANDS OF A GLOBAL MARKET

HEARING

BEFORE THE

SUBCOMMITTEE ON EMPLOYMENT AND WORKPLACE SAFETY

OF THE

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

UNITED STATES SENATE

ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

ON

EXAMINING THE WORKFORCE INVESTMENT ACT OF 1998

JULY 16, 2009

Printed for the use of the Committee on Health, Education, Labor, and Pensions

Available via the World Wide Web: http://www.gpo.gov/fdsys/

U.S. GOVERNMENT PRINTING OFFICE

51–264 PDF WASHINGTON : 2011

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512–1800; DC area (202) 512–1800
Fax: (202) 512–2104 Mail: Stop IDCC, Washington, DC 20402–0001

VerDate Nov 24 2008 15:16 Jul 26, 2011 Jkt 035165 PO 00000 Frm 00001 Fmt 5011 Sfmt 5011 S:\DOCS\51264.TXT DENISE

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

EDWARD M. KENNEDY, Massachusetts, *Chairman*

CHRISTOPHER J. DODD, Connecticut
TOM HARKIN, Iowa
BARBARA A. MIKULSKI, Maryland
JEFF BINGAMAN, New Mexico
PATTY MURRAY, Washington
JACK REED, Rhode Island
BERNARD SANDERS (I), Vermont
SHERROD BROWN, Ohio
ROBERT P. CASEY, JR., Pennsylvania
KAY R. HAGAN, North Carolina
JEFF MERKLEY, Oregon
AL FRANKEN, Minnesota

MICHAEL B. ENZI, Wyoming
JUDD GREGG, New Hampshire
LAMAR ALEXANDER, Tennessee
RICHARD BURR, North Carolina
JOHNNY ISAKSON, Georgia
JOHN McCAIN, Arizona
ORRIN G. HATCH, Utah
LISA MURKOWSKI, Alaska
TOM COBURN, M.D., Oklahoma
PAT ROBERTS, Kansas

J. MICHAEL MYERS, *Staff Director and Chief Counsel*
FRANK MACCHIAROLA, *Republican Staff Director and Chief Counsel*

SUBCOMMITTEE ON EMPLOYMENT AND WORKPLACE SAFETY

PATTY MURRAY, Washington, *Chairman*

CHRISTOPHER J. DODD, Connecticut
TOM HARKIN, Iowa
BARBARA A. MIKULSKI, Maryland
SHERROD BROWN, Ohio
KAY R. HAGAN, North Carolina
JEFF MERKLEY, Oregon
AL FRANKEN, Minnesota
EDWARD M. KENNEDY, Massachusetts (ex officio)

JOHNNY ISAKSON, Georgia
JUDD GREGG, New Hampshire
RICHARD BURR, North Carolina
JOHN McCAIN, Arizona
ORRIN G. HATCH, Utah
LISA MURKOWSKI, Alaska
MICHAEL B. ENZI, Wyoming (ex officio)

GERRI FIALA, *Staff Director*
EDWIN EGEE, *Minority Staff Director*

VerDate Nov 24 2008 15:16 Jul 26, 2011 Jkt 035165 PO 00000 Frm 00002 Fmt 5904 Sfmt 5904 S:\DOCS\51264.TXT DENISE

C O N T E N T S

STATEMENTS

THURSDAY, JULY 16, 2009

	Page
Murray, Hon. Patty, Chairman, Subcommittee on Employment and Workplace Safety, opening statement	1
Isakson, Hon. Johnny, a U.S. Senator from the State of Georgia, opening statement	3
Brown, Hon. Sherrod, a U.S. Senator from the State of Ohio, statement	4
Enzi, Hon. Michael B., a U.S. Senator from the State of Wyoming, prepared statement	5
Oates, Jane, Assistant Secretary of Labor, Employment and Training Administration, Washington, DC	7
Prepared statement	10
Kanter, Martha, Under Secretary, U.S. Department of Education, Washington, DC	11
Prepared statement	14
McQueen, Clyde, President/CEO, Full Employment Council, Kansas City, MO	25
Prepared statement	27
Thurmond, Michael L., Commissioner, Georgia Department of Labor, Atlanta, GA	32
Prepared statement	34
Bender, Rick S., President, Washington, State Labor Council, AFL–CIO, Seattle, WA	38
Prepared statement	40
Kiernan, William E., Ph.D., Director and Research Professor, Institute for Community Inclusion, Boston, MA	41
Prepared statement	43
Sarris, Mary W., Executive Director, North Shore Workforce Investment Board, Salem, MA	55
Prepared statement	56
Cooper, Kathy, Policy Associate, Office of Adult Literacy, Washington State Board for Community and Technical Colleges, Olympia, WA	64
Prepared statement	66
Wing, Stephen, Director of Workforce Initiatives, CVS Caremark, Twinsburg, OH	68
Prepared statement	69

ADDITIONAL MATERIAL

Statements, articles, publications, letters, etc.:	
Senator Kennedy, prepared statement	78
Response to questions of Senator Murray by:	
Jane Oates	79
Martha Kanter	93
Clyde McQueen	102
Michael L. Thurmond	103
William E. Kiernan, Ph.D.	107
Mary W. Sarris	124
Kathy Cooper	126
Stephen Wing	130

VerDate Nov 24 2008 15:16 Jul 26, 2011 Jkt 035165 PO 00000 Frm 00003 Fmt 5904 Sfmt 5904 S:\DOCS\51264.TXT DENISE

Response to questions of Senator Enzi by:
Jane Oates 86
Martha Kanter 97
Clyde McQueen 103
Michael L. Thurmond 105
William E. Kiernan, Ph.D. 114
Mary W. Sarris 125
Kathy Cooper 129
Stephen Wing 131
Response to questions of Senator Coburn by:
Jane Oates 91
Martha Kanter 101
Consortium for Citizens With Disabilities (CCD) 131
Council of State Administrators of Vocational Rehabilitation (CSAVR) 132
National Organization for Competency Assurance (NOCA) 142

VerDate Nov 24 2008 15:16 Jul 26, 2011 Jkt 035165 PO 00000 Frm 00004 Fmt 5904 Sfmt 5904 S:\DOCS\51264.TXT DENISE

MODERNIZING THE WORKFORCE INVESTMENT ACT (WIA) OF 1998 TO HELP WORKERS AND EMPLOYERS MEET THE CHANGING DEMANDS OF A GLOBAL MARKET

THURSDAY, JULY 16, 2009

U.S. SENATE,
SUBCOMMITTEE ON EMPLOYMENT AND WORKPLACE SAFETY,
COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS,
Washington, DC.

The subcommittee met, pursuant to notice, at 10 a.m. in room SD–430, Dirksen Senate Office Building, Hon. Patty Murray, chairman of the subcommittee, presiding.

Present: Senators Murray, Brown, and Isakson.

OPENING STATEMENT OF SENATOR MURRAY

Senator MURRAY. This hearing of the Subcommittee on Employment and Workplace Safety will come to order.

Before we begin, I would like to recognize Senator Kennedy for his leadership on workforce development and the workforce investment system in particular. We miss him on this committee and send him our best.

I also want to thank two individuals who took the time to fly in all the way from my home State of Washington to be with us today. Kathy Cooper, who is from the Washington State Board for Community and Technical Colleges, and has done so much in Washington State to keep our workforce competitive. Also, Rick Bender, who is the President of our Washington State Labor Council, AFL–CIO. Rick is a passionate advocate for investing in our workers and our economy. I thank both of them for being here.

Throughout my time on this committee, I have had the pleasure of working with members, from both sides of the aisle, who are committed to helping workers access the skills, training, and education needed to be successful in the workplace. Specifically, I would like to thank Senator Enzi. He was scheduled to be here this morning, but is in the Finance Committee working on health care right now, and expects to join us shortly. I would also like to thank Senators Kennedy and Isakson, and all of their staffs, for their great bipartisan work on this important issue.

Helping workers and employers access the information and services needed to be competitive is a win for everyone. It is a win for our workers, for our employers, and it is a big win for our economy. I believe, now more than ever, that building a competitive and

VerDate Nov 24 2008 15:16 Jul 26, 2011 Jkt 035165 PO 00000 Frm 00005 Fmt 6633 Sfmt 6633 S:\DOCS\51264.TXT DENISE

skilled workforce is the issue that will make or break us as a nation. Where the skilled workers are, the jobs will follow.

As Rick Bender knows, we are working hard in Washington State to ensure that our highly skilled and competitive aerospace workforce, one of our greatest resources, gets the support they need to compete in the global economy. In the Puget Sound region, our aerospace industry is the lifeblood of many of our communities; but, our skilled workforce like machinists are aging out of their jobs, and we have not done enough to train the next generation of workers. We need to think more strategically about how we align our training needs with our larger economic goals.

Earlier this week, we learned that nearly 330,000 people are unemployed and looking for work in Washington State. Other workers are under-employed or have even stopped looking because they believe that there are no jobs available for them.

Like others in this room, I am very involved in the work we are doing to reform our health care system. One of the issues we are working on is that, while many workers are struggling to find jobs, hospitals and health clinics are having trouble finding workers with the right skills to fill the open positions. There are literally thousands of jobs just waiting for skilled workers to fill them.

We need to do a better job of matching up the skills of our workers with the needs of our industries. That is why I helped write the section of the health care bill we passed yesterday in the HELP Committee, which provides resources to our States, so they along with key partners can develop a coherent and comprehensive strategy for training a health care workforce. I believe that investing in a skilled health care workforce will benefit all of us. That is why this section makes a number of investments in recruitment and training of health care workers. This section will help keep our health care system and it will help workers get good family-sustaining jobs. In this tough economic climate, nothing could be more important than investing in our workers and rebuilding our economic strength.

That is why I joined my colleagues in a bipartisan effort beginning last fall to modernize and reauthorize the Workforce Investment Act, the legislative cornerstone of our Nation's workforce development system.

We have spent hours listening to stakeholders about what has worked well, what should be eliminated and what ideas they have for innovative change. I am excited to be here today to continue that conversation.

The public workforce investment system established under WIA provides a framework for these conversations to happen at State and regional levels, that is important because workers look for jobs and employers hire in their own communities.

It is also important that our States and communities make strategic connections between their workforce development efforts and what they teach their young people in High School classrooms and beyond.

That is why, in addition to reauthorizing the WIA, I am also reintroducing my Promoting Innovations to 21st Century Careers Act. The 21st Century Act is a major legislative proposal to help State and regional leaders increase high school graduation rates

and prepare America's next generation of highly skilled workers. If we do not take a comprehensive approach to preparing all of America's workers for the demands of a competitive and constantly changing economy, many will continue to fall behind, and that is a price our Nation cannot afford to pay.

Since last November, I have made it clear that I want to work with the Administration on workforce development initiatives. In particular, the modernization and reauthorization of the Workforce Investment Act. This committee has a long history and wealth of knowledge on this issue. We hope this Administration will take advantage of this as we work to modernize and reauthorize WIA. We look forward to a productive partnership with the Departments of Labor and Education.

Before I close on my opening remarks, I would like to make a request of my colleagues, the Administration, and all the stakeholders who serve workers, job seekers, and employers every day. Let us work together to reach a consensus and move forward now. America's working families deserve nothing less.

With that, I want to turn to Senator Isakson, who has been a great partner on this issue, for his opening statement.

OPENING STATEMENT OF SENATOR ISAKSON

Senator ISAKSON. Well, thank you, Chairman Murray. I am delighted to be here today and I appreciate all your hard work and that of Senator Kennedy and Senator Enzi and the others on workforce investment. Since my election to the Congress 11 years ago, I have worked on workforce investment, first on the House Education Committee and now in this committee, and I am just delighted to be here today to talk about the reauthorization and enrichment of the Workforce Investment Act.

Rather than make a lot of remarks, because we have a number of people who will testify today, I will reserve just two comments in my remarks about two of our fine panelists who will testify today.

First is Secretary Jane Oates, with whom I had the pleasure of working, I guess, now almost 8 years ago on the No Child Left Behind Act, when she was the head of Senator Kennedy's education team. She is a marvelous individual with a background in teaching and an understanding of the value of education and is in exactly the right time and place for this Administration. I welcome you and congratulate you on being here.

Second is Commissioner Mike Thurmond from Georgia. I served 20 years in State government before coming to Washington. I worked with Mike's sister, Barbara Archibald, when she served with me on the State Board of Education. I worked with Mike together in the Georgia House of Representatives. And without appearing to just brag about a hometown guy because that is what you are supposed to do, I never knew a finer representative in the assembly, and I am sure there is no better commissioner of labor in the United States. The evidence in that is his accomplishments in two areas.

One is when we gave some latitude for innovation, it was Mike that really developed the One-Stop shop concept in Georgia and

was aggressive in opening what is now 46 centers in our State for One-Stop shop services for those seeking employment.

Second, in our unemployment offices, Mike changed the name and changed the attitude and changed the results. He turned them into career centers rather than unemployment offices. He redecorated them into colors that made somebody feel good when they walked in the office rather than feel depressed.

And the results are the following. In the last fiscal year, of the people that came in to look for work through the Department of Labor in Georgia, 66 percent, 296,000, found employment, and 80 percent of them were still employed 6 months later. In these economic times, that is a remarkable achievement which only happens under great leadership, and Mike is a great leader, and I am delighted he is here today to testify before the committee.

Madam Chairman, I will reserve the rest of my time for our testimony.

Senator MURRAY. Thank you very much, Senator Isakson.

Senator Brown has joined us. Would you like to give an opening statement?

STATEMENT OF SENATOR BROWN

Senator BROWN. Yes, thank you, Madam Chair. I appreciate that. And Senator Isakson, thank you for your comments.

I appreciate very much this hearing. A special thank you to Stephen Wing from Twinsburg, OH. Thank you for joining us. He is representing CVS Caremark on the second panel, and that is the company that has done terrific things in our State.

Over the last couple of years, I have conducted about 150 roundtables around Ohio and been in each of the 88 counties. I will gather 15, 20, 25 people around a table, a cross section of the community, and ask them questions for an hour and a half. I hear two things consistently from employers.

One is that infrastructure is a significant problem, water, sewer, highways, bridges, broadband, and infrastructure in terms of education too.

The second thing I hear repeatedly in almost every roundtable over the last 2½ years—and many of these were before the severe economic downturn—is that employers, whether they are social service agencies or manufacturing or service industry or whatever, cannot find the right employees, cannot find the match-up of skills they need even in a relatively high unemployment State, from building trades to engineers to computer operators to manufacturing.

Ohio now has been getting much better with the new Governor, who has been in office for a couple of years, to align its education and its job training activities. The adult education training programs have been brought under the university system of Ohio. A major player in that, of course, is our community colleges and our community college system.

That is why I introduced with Senator Murray and Senator Snowe the Sectors Act to provide grants to industry or sector partnerships. It is so important that we focus these Federal WIA dollars on job training, obviously, that leads to employment better than we have, and that needs to come from the bottom up. It needs

to come from community colleges working with local businesses, working with local trade unions, working with the local workforce investment board to decide what does our community need.

Toledo, OH has more solar energy jobs than any city in America. The local official, local employers, local unions, local community colleges and the University of Toledo and others would like to use those WIA dollars to train workers to work in that industry or advanced manufacturing in Columbus or some of the things that they are doing with composites that lead the country in Dayton. I mean, there are those opportunities all over, and that is what is so very, very important.

The last thing I want to mention is a real brief story, Madam Chair. In light of the President's bold and important announcement yesterday and the last couple days on community colleges and how important that is, I was a graduation speaker at Sinclair Community College in Dayton a couple of years ago, and the president of the college—we rode in from the airport. It was a Friday night. There were about 1,000 graduates of the community college, one of Ohio's best community colleges.

We were just talking away about his speech and my speech, and he decided at the beginning of this commencement to ask two questions of the students. And he said keep your eye on the seven students sitting in the right front row of these 1,000 students in the audience. The two questions he asked was, how many of you are first in your family to go to college? And about 40 percent of the students raised their hands of 1,000 graduates, and all seven of the students in the front row did. And I will tell you who they are in a second. And second, he said, how many of you were told you are not college material? And probably a third or a fourth of those students put their hands up, and four of the seven kids in the front row put their hands up.

This was a Friday night. The seven students in the front row had graduated from Dayton public schools on Tuesday night, and they were first in their family to go to college. Half of them had been told they were not college material.

That is the challenge we have. That is the great thing about the community college system, the great thing about what we can do with workforce investment, why this hearing is so important and why, as we move forward on developing all this, it is so important.

I thank the chair for her work.

Senator ISAKSON. Madam Chairman, could I ask unanimous consent that the full statement of Senator Enzi be entered in the record?

Senator MURRAY. Absolutely. Without objection, we will do that.

[The prepared statement of Senator Enzi follows:]

PREPARED STATEMENT OF SENATOR ENZI

Chairman Murray and Senator Isakson, I want to thank you for holding this hearing on this important issue—reauthorization of the Workforce Investment Act (WIA).

Dramatic changes have occurred in all of our lives over the past 10 to 11 years. For example, I have become a grandfather. Staying in touch 10 years ago meant calling or writing someone instead of the instant and text messaging of today. Then, personal GPS sys-

tems were not available in cars, so that meant many of us spent much more time trying to find the way to our destinations. And "twittering' now has a totally different meaning. Well, dramatic changes have occurred in the workplace, workforce and economy, too.

It has been over 10 years since WIA was first enacted. And now more than ever is when we need to modernize and strengthen the system, building on what has worked. America's workers and employers need to be confident that the workforce development system will provide the skills that are needed to keep jobs in America and keep us competitive in the 21st century economy.

Although the Senate has passed a bill to reauthorize the Workforce Investment Act (WIA) several times over the past 6 years, Congress has not been able to "get it done." However, reauthorizing WIA is especially important now.

With an unemployment rate of almost 10 percent and a widening skills gap for our students and workers, we need to have in place a workforce development system that will meet the challenges of a global economy and the 21st century workplace. We need to help workers secure the skills they need for the jobs being created as our economy comes out of the economic downturn, and we need to make sure that employers have the skilled workers they need to be competitive. Workers need ongoing access to quality education and skills training programs for the high-demand, high-skill, high-wage jobs of the future.

I am pleased that we have both the Department of Labor and the Department of Education with us today to discuss how the programs they operate contribute to the workforce development system established through the One-Stop Career Centers. I also look forward to hearing from the second panel that is made up of seven practitioners who represent the various constituencies of the workforce system. Using a modified roundtable structure, they will discuss their perspective of the workforce system in response to two questions—what works and what doesn't and how can we improve the system as we move forward?

We must also find ways that our education and job training programs can come together so that our young people get the education and training they need to graduate from high school and be successful in college and the workforce. For every 100 students entering ninth grade, 68 graduate from high school on time. Out of 40 who immediately enter college, only 18 graduate from college on time. Over 275 students drop out of school every school hour, which costs in lost wages and revenue approximately $73 million over the lifetime of those dropouts. Lower earnings translate into less revenue for local, State and Federal Governments in the form of income, property, and consumption taxes.

Education and training beyond high school is a prerequisite for employment in jobs and careers that support a middle-class life. Individuals with a bachelor's degree earn, on average, almost twice as much over their lifetimes as high school graduates. Jobs requiring bachelor's degrees are predicted to grow 15 percent by 2016, yet the completion rate for students entering college is low with the United States coming in at 15th among 29 industrialized countries. What this means is that the number of jobs requiring some form

of post-secondary education or training will grow 60 percent faster than the job market as a whole, while the number of people with the necessary knowledge and skills is not keeping pace.

The United States still ranks second among developed nations in the proportion of workers over the age of 55 with a post-secondary credential, but we drop to No. 11 among younger workers, age 25 to 34. For the first time in the history of our country we face the prospect that the educational level of a generation of Americans will not exceed that of the workers who preceded them.

I want to welcome and thank all of the witnesses who are here today—I look forward to what you have to say. A strong education and workforce development system is required in order for our students and workers to be prepared to meet the ever escalating knowledge and skill requirements of the 21st century. For this reason I am committed to working with the Administration and my Senate and House colleagues to put together a bipartisan bill that reauthorizes, strengthens and modernizes WIA. We need to act now because our students, workers, employers and communities expect and deserve more from us than the status quo.

Senator MURRAY. With that, we will turn to our first panel. We have two witnesses today.

Jane Oates is the Assistant Secretary of Labor for the Employment and Training Administration. She now leads the ETA in its mission to design and deliver training and employment programs for our Nation's workers, including programs under the Workforce Investment Act.

We also have Martha Kanter, who was confirmed on June 19 as the Under Secretary of Education for the U.S. Department of Education. She oversees policies, programs, and activities related to post-secondary education, vocational and adult education and Federal student aid.

Jane, we will start with you. Both of your testimony will be submitted in whole in the record, and we look forward to your comments.

STATEMENT OF HON. JANE OATES, ASSISTANT SECRETARY OF LABOR, EMPLOYMENT AND TRAINING ADMINISTRATION, WASHINGTON, DC

Ms. OATES. Senator, thanks so much to you, to Senator Isakson for your kind words, and to Senator Brown, I could not begin without thanking you for that reference to Senator Kennedy who I share—I wish he was sitting up there, but he would probably ask me tougher questions than anybody else. So I should be careful of what I wish for.

It feels very odd sitting on this side of the table. I have such a history with this committee, and I hope that history with this committee is testimony to you to the fact that we will work together. We are committed at the Department of Labor, and I know my friends at Education share that. We respect this committee far too much to try to go anywhere else but here to get the answers that we need and the legislation that we know is going to be the improvements to the system that we all care about.

Secretary Solis—a new team that I am very proud to be a part of—has established the goal of a good job for everyone. For those

of you who have met Secretary Solis, I think you are probably well aware that she does mean everyone, and that some of the things that need to be improved in our system are things that get directly to that point. Many of our clients who face real barriers to employment have not fully accessed the system. I hope that we will work together to change that in the reauthorization.

It is exciting to be talking about workforce now. Those of us that have been talking about it for the last 11 years felt like we were the only ones who were interested. Now we have a President who is very interested in it, an Administration, and this committee remains interested, as well as our sister committee in the House. So I believe all the stars are aligned that we are going to get the best bill possible done as soon as possible.

The system is being tested. These are hard times for everyone, but this system is stretched to the limits. I am here to tell you that after receiving all the State plans on June 30, this system is working and it is working hard. It does not mean there do not need to be improvements, but there should be no doubt in anybody's mind that this system is working to improve the lives of people who, without any fault of their own, have been displaced.

In addition, it is working hard with youth who face extraordinary barriers and it is working hard with disadvantaged adults who had a hard time in a full-employment economy getting the jobs that they so needed and are having a more challenging time now.

You know that my past has an equal kind of foot in education and in workforce, and I think that is exactly where we need to be moving forward. The idea that education and the credentials that have been associated with the education world, both industry-recognized credentials, associates degree, bachelors degrees and beyond, are exactly where the workforce system should be leading.

We should be making sure that when people come to us for training, they get a portable credential. That means if they have to move for personal reasons, they are equally able to get a good job somewhere else because they have a piece of paper that is recognized that can qualify them for that job anywhere that they go. I think in the reauthorization, it gives us an opportunity to make sure we articulate that more clearly.

One of the things that I think all of us have heard in our listening sessions is that in 1998 we wrote a bill that said local areas had to partner. In doing that, we did not model at the Federal level by our own behavior. One of the commitments that I am here to make to you today is, that is going to change.

The Department of Education and the Department of Labor already, since my limited time here, April 30, as an advisor to the Secretary, have had serious meetings together about how we move forward not only on creating new ideas but expanding the opportunities that exist now. And I would point to the UI Pell Memorandum that went out. We have been working together on every piece of information we put out to expand the opportunity for unemployed workers to qualify for Pell using their current status rather than last year's earnings.

I hope that as we meet with you over the months to come, the list of joint projects that we work on will continue to grow, and I know that having Martha here today is a clear indication that we

intend to work hand in hand on everything regarding WIA implementation.

The Department of Labor does not want to stop with our partners at the Department of Education. We want to extend that, as things are developing, with our partners at HHS. We want to work closely with the Department of Defense, as we are looking at bringing more technology into the public workforce system, because Defense has been a high watermark in getting their soldiers up to speed, allowing them, even in the middle of battlefields, to continue their education. We need to learn from them as we look for electronic tools to expand opportunities for people in the public workforce system.

We all believe that the dual customer approach is one that we should continue, but we should continue to work on it. Therefore, you have our commitment that we are going to reach out to departments like the Small Business Administration to find ways that our One-Stop Centers can provide all businesses, but particularly small businesses who hopefully will be the engine for job growth in the coming months and years, to provide them with the kind of information that would help them kind of work through the Federal system the best way that we can and help them grow their businesses at an accelerated pace.

The reauthorization presents us with many things that we have heard. We have all heard that the boards need work. We need to more clearly define roles of States and local boards. We have all heard that the eligibility system is sometimes cumbersome and often embarrassing for people to come in and bring paperwork to prove that they are poor. My staff has heard me say more times than they would care to admit right now that someone who is poor should not have to continue to prove it time and time again. We need to look at youth eligibility and the eligibility criteria for disadvantaged adults to make it less embarrassing and more open to those youth and adults who need our services so dramatically especially in these times.

I was a part of this committee and happily a part of this committee when we created the Workforce Investment Act, but for some reason, misperceptions and misconceptions remain. We never intended a sequence of service, and yet too often I hear from local areas that people have to go through that sequence of service. We need to find a way in legislative language to kill that for good, to make sure that we are clear in articulating that client needs need to be met without waiting to go through undue hardship to get to the gold star of job training. And we need to make sure that work first is only an option if that is what the client wants. It should not be an operating maxim by a One-Stop.

I think that we have lots of things that we have heard, lots of things that you are going to tell us, and we are going to look forward to sharing those.

I end with my commitment to the members of this committee, both the members and your staff who have been so kind to me since confirming me. You have our commitment for technical assistance for working as a team, and I know that Martha will echo that as well.

I look forward to your questions.

[The prepared statement of Ms. Oates follows:]

PREPARED STATEMENT OF JANE OATES

Good morning, Chairperson Murray and members of the subcommittee. Thank you for extending the invitation to speak with you about the reauthorization of the Workforce Investment Act of 1998, or WIA.

Secretary of Labor Solis has established a goal of "A good job for everyone." The reauthorization of WIA is critical to achieving the Secretary's goal by helping workers who are unemployed or in low-wage jobs find a path to middle class jobs, providing them with the skills and knowledge they need to succeed in a knowledge-based economy. Helping Americans build the skills to compete for the jobs of the future is a top priority of this Administration, as President Obama made clear earlier this week when he announced a new initiative to transform the opportunities available at our Nation's community colleges. The Departments of Labor and Education have also taken steps to make it easier for recipients of Unemployment Insurance to seek retraining and educational opportunities while the economy recovers.

Our WIA system has been tested in these harsh economic times. WIA One-Stops are welcoming record numbers of your constituents who are looking for career counseling, work-related services, and job training. With the additional funding provided through the American Recovery and Reinvestment Act of 2009 (Recovery Act), we are helping more job-seekers and workers through the workforce system. For example, in your home State of Washington, Senator Murray, Recovery Act funds are making it possible to place additional staff where they are needed most to provide re-employment services to Unemployment Insurance claimants and other job seekers. Beginning in May 2009, 1,500 new computers are being installed in job-seeker resource rooms at local WorkSource offices all over Washington in order to speed up and improve service to out-of-work Washington residents. Also using Recovery Act resources, the State has identified over 980 different worksites statewide that will provide over 5,000 youth with a meaningful work experience during the summer employment program. These worksites include private, public, and non-profit employers that are giving youth opportunities that will help them in choosing a career path in green industries and other high-demand fields.

Georgia is using Recovery Act funds to re-invigorate its workforce system and serve the large numbers of workers now seeking its services. For example, the State is extending the hours of operation at One-Stop Career Centers and expanding service capacity through the use of mobile units. Georgia is also using Recovery Act funds to provide individuals served through the WIA Adult program with additional supportive services and needs-based payments for items such as emergency rent, car repairs, eye glasses, and other unexpected needs, to help individuals remain in the training they need to find a new job.

In Michigan, an established initiative, "No Worker Left Behind" combines WIA with other workforce funds to provide any unemployed, laid off, or low-income job seekers with 2 years of tuition, up to $10,000 total, to attend any Michigan community college, university, or approved training program after a skills assessment. Participants must use the funds to pursue a credential in a high-demand occupation or emerging industry or in entrepreneurship. In addition, the funds received under the Recovery Act have allowed Michigan to bolster its services to Unemployment Insurance claimants. The State has added significant numbers of staff to provide career readiness assessments, one-on-one career guidance and case management, individual service strategies, and referrals to training.

However, in each case these services are being provided through a law enacted over a decade ago, and whose authorization expired in 2003. Although there is a widespread consensus that WIA needs to be reformed and re-invigorated, past efforts to do so have failed. With a new Administration and Congress, we now have an opportunity for a successful reauthorization of this important law.

The Administration supports the reauthorization of WIA. We believe WIA reauthorization should create a modernized system that provides seamless career advancement services for low-skilled adults, at-risk youth, and dislocated workers and others needing employment, training and retraining services. This system should embody a dual customer approach, which meets the needs of both workers and employers, in developing thriving communities where all citizens succeed and businesses prosper.

Our approach will be to reach broadly across multiple departments, including the Departments of Education and Health and Human Services, to ensure that programs work harmoniously and effectively at the local level. For example, we believe customers should be able to access any Federal education and training program, as well as education and training opportunities provided by community colleges,

through the One-Stop system in a manner that supports the achievement of the individual's educational and career goals. Services should be available in person as well as virtually, and the system should make the best use of technology to reach and serve job seekers and workers. The system should be accessible to all individuals with disabilities seeking employment and meet their unique needs. Eligibility determination processes for the various programs should be simplified and harmonized to the maximum extent possible, to ensure that individuals can readily access the services they need. The One-Stop Career Centers should be able to provide each individual a quick and effective assessment of skills and the best plan of services given the customer's interests and skill level. Performance measures for accountability should be designed to recognize the value-added of services and avoid creating disincentives to serve participants who have the greatest need for assistance. And performance information on training programs should be widely available, so individuals can make informed choices about which programs best meet their needs.

One criticism that we hear repeatedly is that we have asked local areas to partner with various stakeholders, and yet inside the Beltway we are conducting siloed business as usual. We have already begun to address that in our preliminary interagency discussions. I know that this Federal-level collaboration will require on-going commitment and daily effort. I know that the leadership at the Department of Education shares our genuine commitment to a real partnership. Our hope is that in working together, we can reduce the burden of duplicative reporting for local providers and that we can make real progress toward a seamless delivery system at the Federal level.

We are looking to build on the WIA structure that this committee created in 1998, and to make improvements based on the lessons learned over the decade of its implementation. We are committed to working to support you as you begin the job of drafting that legislation. We hope to be a valued partner, and we hope that today will be the beginning of a collaborative process that ends with President Obama signing into law a re-invigorated WIA that will help put our country back to work.

This concludes my prepared remarks, and I would be pleased to answer any questions you may have.

Senator MURRAY. Thank you very much, Secretary Oates.

Secretary Kanter.

STATEMENT OF HON. MARTHA KANTER, UNDER SECRETARY, U.S. DEPARTMENT OF EDUCATION, WASHINGTON, DC

Ms. KANTER. Good morning, Chairman Murray and members of the subcommittee. I want to thank you so much for inviting me on my 15th day as the new Under Secretary.

I am delighted to talk about the reauthorization of the Workforce Investment Act, having served on the local workforce investment board for many years in Silicon Valley.

The current economic crisis requires us to think both strategically and systemically about how we are going to recommend to you investing Federal dollars so that the WIA programs will help people obtain the skills that are necessary for success in post-secondary education and the workforce. I have been talking to a number of groups over the last week about the interrelationship between work, family, and education and also thinking about those interactions across the life of individuals who become clients to WIA and then become dually enrolled in education and training.

The Department of Education makes significant contributions to the effort through our programs for adult, career, and technical education. I think Senator Brown referenced many of those great programs. Literacy and English language acquisition is a huge portion of what we do, thus the need to collaborate and really integrate those programs not only into careers and meaningful work, but also into advanced skill levels so that individuals can ladder up to better jobs over time. Vocational rehabilitation services for indi-

viduals with disabilities have been a big part of our responsibility, and services for under-skilled and/or at-risk youth is part of our responsibility.

So the WIA reauthorization gives us a unique opportunity to better align and integrate the WIA programs within and across Federal agencies that Jane mentioned, among those HHS, of course, Labor being the centerpiece in our first effort here. But DOD has curriculum that I think we can take advantage of to accelerate learning and success in the workforce. Department of Energy, of course, is going to be expanding, and Commerce is another one.

As we look toward reauthorization, we want to really integrate all of what we do with Labor and the other agencies and also think about the best impact we can have with States and localities so that educational and employment outcomes are transparent and clear for those that we serve. That was one of the first questions I asked coming on board. What are the outcomes today and how are we going to measure progress going forward?

We have to integrate adult basic education and workforce development more effectively. We have great practices. One is in Washington State, the Yakima Valley Community College and the South Central Workforce Council, which had been working together to enhance adult learners' basic literacy in their transition to employment. We have some great best practices to build upon. Through this collaboration, the clients who receive benefits under TANF, Temporary Assistance for Needy Families, are assessed. Those with appropriate skills and interests in allied health are referred to a nurse's assistant certification training program that the college offers. And this is an example of a successful program where literacy training is not only contextual but goal-oriented and embedded, integrated into career and technical education and employment training. So you see that interaction, and that is what we want, that level of success for the clients who are also students.

We have to really identify those best practice models through the States across the country so that we can integrate career pathways and connect those individuals who are under-skilled youth and adults and individuals with disabilities to the high-growth sectors that Senator Brown mentioned: manufacturing; solar is huge and growing; energy and health care, the unmet need that, Senator Murray, you talked about.

We also want to work with the Department of Labor to recognize and reward progress on both educational and employment outcomes, as I said, and develop integrated or linked data systems so that we can measure our progress moving forward.

With the reauthorization, we have an opportunity to modernize our literacy training programs, and there are lots of great examples that we hope to be able to transfer as best practices to programs like the one I served on and the community college that I represented for many years. Cutting-edge technology can efficiently remove barriers and accelerate the performance of low-skilled adults as long as the faculty are engaged and working with those programs to best educate students as quickly as possible so that we can have the goal of entering the workforce more quickly and then re-entering when jobs change, as they will continue to do.

We want to talk more specifically about WIA changes, but I would like to highlight just a couple of target populations that we would like you to consider as the legislation develops.

The first is youth. Approximately 1.2 million students drop out of school each year, greatly reducing their earning potential. And the Department of Education considers this crisis a high priority, and Secretary Duncan has been talking about that as he has gone out to communities across the country.

In the fiscal year 2010 budget request, we support the in-school program so that we can do a better job of identifying the students early, helping them stay on track, and developing strategies with labor and the business community, as well as community-based organizations so that we can re-engage them more quickly. The WIA youth programs are essential to this effort. By giving students real-world work experience and giving them the skills training and mentors, the youth programs can get the youth back on track more quickly so that they can graduate and move on to post-secondary education and the workforce after graduation.

We look forward to collaborating with Labor about that, especially the under-prepared youth. When we distribute employment training funds for summer youth, we would like to see education be part of that more integrally. And these are the kinds of things that Assistant Secretary Oates and I want to work on.

The second is individuals with disabilities, including youth with disabilities. We want to make sure that the One-Stop Centers are both prepared to serve those individuals with disabilities and are physically and programmatically accessible. We have to ensure that the vocational rehabilitation system will prepare those individuals with significant disabilities—you will see a lot of work in that—for high-quality employment that is geared to what the local workforce needs, suited to those individuals' abilities and interests.

We also want to promote early intervention in the transition process so that youth with disabilities can access post-secondary education and high-quality employment. Just as an example, more than half of the students in post-secondary education are working while they go to school. So the models really have to change and be more inclusive of both education and training along the lifetime of the continuum of earning power and lifetimes.

This will maximize potential for success in a variety of careers, self-sufficiency for people with disabilities, and independent living, and is going to build upon the foundation of the Individuals with Disabilities Act.

Finally, we want to promote evidence-based practices. That is a language that you will see Secretary Duncan and I talking about, using research to make decisions that are in the best interests of the students/clients to get them into the workforce and with the education and training they need and really build on the innovation across the country that we are seeing in many of the local workforce programs that are integrated with the education programs.

And we would like to find ways to reward States for experimenting with new service delivery approaches like Jane had mentioned that can be replicated by other States if they so wish.

The last population we would like to keep in mind, as we look at WIA and consider changes to the program, are individuals with low-English proficiency. About three-quarters of adults enrolled in courses to improve their English proficiency were found to have low-beginning to low-intermediate English literacy skills. And I know this. We opened up a center this last year and we went from 100 clients to 400 in one 3-month period. So the demand is tremendous. I think all of these funds can be used in collaboration to increase programs that will meet that demand locally. We have many, many thousands of individuals striving to integrate into, advance within, and contribute to society and economic prosperity, but face significant language barriers.

WIA has been successful on a number of fronts, but alignments and outcomes have been inconsistent, and we know, working with Jane and the Department, we can do a much better job there.

We have many opportunities to reform WIA, and we have been discussing ways to better align our programs, leverage resources, and ensure that youth and adults receive the services and support they need, whether students are in school, out of school, need academic training, need job placement, social services, or a combination. And it really has to be client-based.

We look forward to reaching out to the partners across various agencies and most prominently Labor and look forward to working with Congress and coming back to this committee for your guidance and recommendations and bringing to you the best of what we have across the country in ways that we can work together to really make WIA ready for the next generation, as well as getting people back to work right now who need the services.

I will be available to answer any questions and, just again, want to thank you for the opportunity to join you this morning at my first Senate hearing. Thank you.

[The prepared statement of Ms. Kanter follows:]

PREPARED STATEMENT OF MARTHA KANTER

Good morning, Chairman Murray and members of the subcommittee. Thank you for inviting me to speak with you about the reauthorization of the Workforce Investment Act (WIA). The current economic crisis shows that we must think strategically and systematically about how best to invest Federal dollars to ensure that the programs under WIA assist people in obtaining the necessary skills to succeed in post-secondary education and the workforce. The Department of Education makes significant contributions to this effort through our programs for adult, career and technical education, literacy and English language training, vocational rehabilitation services for people with disabilities, and services for under-skilled or at-risk youth. The reauthorization of WIA provides a unique opportunity to better align and integrate programs within and across Federal agencies, States, and localities to improve educational and employment outcomes for those we serve.

As we look toward reauthorization, we must continue to recognize the interconnection between adult basic education and workforce development and provide services accordingly. Many examples exist where these goals intersect. For example, literacy training must be contextual, goal-oriented, and embedded into career and technical education and employment training. We must develop best practices for integrated career pathways and connect our under-skilled youth and students with disabilities to high-growth sectors.

One high-growth, high-demand industry toward which programs can gear their efforts is healthcare. In California there are a number of examples of hospitals and hospital foundations partnering with high schools, literacy centers, and community colleges to expand and enhance training programs for registered nurses, medical lab technicians, and other in-demand healthcare positions. These programs fund more faculty as well as tuition, fees, books, and other expenses for students. Working col-

laboratively with the Department of Labor, the Department can help ensure that our students get the skills and jobs they need.

In Illinois, the Instituto del Progreso Latino (IPL) is extending its certified nursing assistant program and creating a certified medical assistant program in response to the local labor-market demands in healthcare. Career pathway programs like the one at IPL link basic education funding with projects for academic post-secondary coursework, work-specific instruction, hands-on classroom, and worksite training supported by others.

Washington State's Yakima Valley Community College and South Central Workforce Council work together to enhance adult learners' basic literacy skills and their transition to employment. The project assessed clients receiving Temporary Assistance for Needy Families (TANF) benefits and referred those with appropriate skills and interests in allied health to a nurse's assistant certification training program offered by the college.

The Department of Education also has been working with the Department of Labor to address these interconnected goals in other areas—for example, in Madison, WI, at Madison Area Technical College (MATC), one of five sites participating in the Department's Career Connections initiative. MATC, a recipient of a DOL Community-Based Job Training grant and a WIRED grant, leveraged these resources to develop a "Prep for Success" course to promote the success of limited literacy students in Lab Animal Caretaker training and to map career pathways associated with animal lab science. This collaboration provides one clear pathway to move under-skilled adults into post-secondary pathway programs in high-demand, high-growth industries.

We must take these pockets of best practices and turn them into standard practices to ensure that all students are achieving educational and employment success.

While we will have many opportunities to talk about specific changes to WIA, I would like to highlight a few key target populations that should be considered as we move forward.

The first is youth. Approximately 1.2 million students drop out of school each year. By dropping out, these students greatly reduce their earning potential. The Department of Education has made addressing this crisis a high priority by supporting in-school programs to identify these students early and help keep them on track, and develop comprehensive strategies in partnership with businesses and community-based organizations to re-engage those who do drop out. WIA Youth programs can be key to this effort. By giving students work experience, skills training, mentoring—helping them to understand the connections between school and post-secondary education and work—WIA Youth programs can help get youth back on track and re-engage them in school so that they graduate prepared to succeed in post-secondary education and the workforce.

We are collaborating with our Federal partners to support these programs in an efficient and effective manner. The Departments of Education and Labor have been meeting and discussing ways to align programs, leverage resources, and ensure that youth receive the services and support they need—whether in school, out of school, academic, job training, or social services—or a combination of all of these. We intend to reach out to other Federal partners, including the Department of Health and Human Services, in these efforts.

The second group I would like to address is people with disabilities, including youth with disabilities. We must ensure that WIA One-Stop Centers are prepared to serve people with all disabilities and that they are physically and programmatically accessible. We must ensure that the vocational rehabilitation system helps to prepare people with significant disabilities for high-quality employment, suited to an individual's abilities and informed choice and to local workforce opportunities. We must also promote early intervention in the transition process so that youths with disabilities are prepared to access post-secondary education and high-quality employment to maximize their potential for successful careers, self-sufficiency, and independent living. Investing in WIA services for transitioning youth with disabilities will build upon the educational foundation of the Individuals with Disabilities Education Act and increase their potential for gainful employment and self-support. Finally, we must promote activities that foster innovation and evidence-based practices and reward States for testing innovative service-delivery approaches that can be replicated by other States and service providers.

The final group I would like to address is those with low English proficiency. About three-quarters of adults enrolled in courses aimed at improving their English proficiency were found to have "low-beginning" to "low-intermediate" English literacy levels. These are individuals looking to integrate, advance, and contribute to our economic prosperity, but who face a significant language barrier to doing so. As we design programs, we must keep this low-English group in mind.

We have many opportunities for reform through WIA. There are a number of examples of best practices, but alignment and outcomes have been inconsistent. We need to recognize and reward progress on both educational and employment outcomes—and we need integrated data systems to track our progress as we go. We should also use this opportunity to modernize our literacy training programs, using technologies not available during the last reauthorization. Cutting-edge technology can more efficiently remove barriers and accelerate the performance of low-skilled adults so they can enter the workforce more quickly.

The Department of Education looks forward to continuing collaboration with the Department of Labor and working with Congress to ensure that the individuals served by our programs have the skills they need to become full and successful contributors to our Nation's economy.

I would be happy to answer any questions you might have. Thank you.

Senator MURRAY. Thank you very much to both of you for your testimony.

I appreciate both of you, in your testimony, speaking to the need for strong partnerships as we work to make sure that our workers of today have the skills they need. Whether it is between State or local, private or business, and the Federal agencies, everybody has to be working together, and I want to talk about that a little bit.

Before I do that, let me just start with asking each of you what the President's vision is for workforce development. Secretary Oates, let us start with you.

Ms. OATES. When I first came on board, Senator Murray, it was described to me very briefly that the President is responding every day to the crisis that is presented in the economy and that he is going to have a multi-pronged approach of which WIA reauthorization would be a strong piece. Obviously, this week we saw his initiative on community colleges which will be another piece of how do we serve people better and more efficiently.

Obviously, Secretary Solis' goal of a good job for everyone comes as a sub-message from the President. I think he wants to get people back to work. I think he is committed to high-quality job training. He is committed to doing things that align the needs of business and growing business with what we are doing with training, and I think we are going to continue to see every initiative that comes out in this area being part of that multi-pronged approach that he spoke about. I think some of the things like the community college piece are better articulated right now as there is legislative language on the House side. I think that legislation will continue to improve, and it will get to its best form when it comes to the Senate. That is a little prejudicial statement. There is someone from the House probably throwing something at me from behind.

But I think that we will continue to see innovative strategies that will come forward, and I would hope that as those strategies are developed now, that the political team is in place in each of the Departments and that the political teams, as well as the career folks at my Department, as well as our sister agencies, will be a part of the development of those ideas. And I sincerely hope from the beginning stages this committee will be a part of those ideas in the future.

Senator MURRAY. Secretary Kanter.

Ms. KANTER. Yes. I would just add he said—and President Obama said it again on Tuesday, and I have been tracking every time he makes a statement about having the most highly competitive, highly educated workforce in the world. And to do that, on

Tuesday, he recommended that the community colleges specifically graduate 5 million more students in the next 10 years.

If you step back from all of that, you will see the underpinnings of what we have been talking about that are really consistent with that vision and goal, which is to have students going through and completing programs, whether it is the short-term credential that Jane talked about that is employer-based, provided in a community-based organization, or whether it is a nursing assistant program that takes a year at a community college to get us an industry-recognized, hospital-approved certificate, all of that training is integrated with getting students the literacy levels in science, mathematics, and language that are so sorely needed. So the President's vision really includes educating everyone and having a vision that everyone in America could have at least 1 year of college or advanced training.

So we have to look at this broadly because there are great training programs that may be separate from a college or the adult ed program in a local high school that are meeting the workforce the employer needs—solar tech, inspection, just on and on and on. But I think all of that is to say that we have to have a more highly trained, highly skilled workforce.

Education plays a role and Labor plays a central role. The business community needs to be part of the conversation so that we can move forward and go from 40 percent of Americans, which the President has said, who have baccalaureate degrees to 60 percent. I came back from UNESCO 2 weeks ago, and Canada has 51 percent of baccalaureate degreed students, individuals across the country, and we want to go better. We want to have as highly trained, highly skilled workforce as we can, and the credentials and degrees and certificates are measures of that level of training.

So we are thrilled to be working on that agenda. It is extremely difficult. It is very ambitious. But I do think it is possible.

Senator MURRAY. How do you envision the Department of Education and the Department of Labor working together on this?

Ms. KANTER. Well, first of all, we will have regular meetings. We are looking at principles that each other is working on now that we would be bringing back to this committee. So integrating the policy proposals and our thinking about really doing a review of everything that we can do together and what more we can do with what we have. So I have been looking at the outcomes of adult learners and literacy levels and how many people have GEDs and what jobs would they be ready for. And Labor looks at what jobs are out there and what are the specific skills and training that those individuals need, and we need to marry that.

So I do not know if you want to add anything.

Ms. OATES. Let me give you a very specific example. I think Martha is exactly right. We have a literacy problem in this country, but right now in our current system, you either go for adult literacy or you go for job training. That has to be changed immediately, and I–BEST does that very well.

I also think we have to change remedial education because I think that—and again, this is my foot in your door, and I am sorry, but I know we agree on this. We cannot say to someone who wants to be a nurse and goes to a community college and finds out that

it is going to take him or her 2 years of remedial work before they can take a course that bears credit. They are going to lose their taste for nursing. We have to figure out ways together to integrate the contextualized skills, that you need in the area that you want to be trained in, with adult basic ed.

If you need to learn sight vocabulary and you want to be a nurse, there is no reason that your sight vocabulary cannot be related to the medical profession. We have done that in so many instances in pockets of excellence. We need to do that across the country. And I think we do it with a 55-year-old worker the same as we do it with an 18-year-old potential worker.

Senator MURRAY. Specifically on health care, some Labor programs or Education programs are overseen by HHS, Health and Human Services. How can we help better align those so that we are not fighting with each other, but we are all working together?

Ms. OATES. I will start and give Martha a chance to catch her breath.

I think the first thing is in performance measures. I think that there are clear performance measures that we could agree to. I think far too many people at the local area are wasting their time answering a question one way for me at Labor, another way for Martha at Education, and another way for Mary Wakefield at HRSA. I think that is a real problem. We cannot afford in this economy or ever to waste people's time doing duplicative, redundant paperwork. So I would say that performance measures are a real way that we could do that and reporting requirements.

I think we can also make sure that we are getting the best geographic spread on what we are doing. I think we all know—I just came from New Jersey—in every State there are high performers, people that go after grants from Labor and are successful, and the same people go after grants from Education. So they have $3 for every dollar that they need, and they serve the people. And do not get me wrong, but we are leaving other community colleges and other community-based organizations out of the mix because they cannot compete with the star in their State. And all of us are hit with scarce resources. So oftentimes we will not fund more than one program in a certain geographic area.

We need to work together and create a real scatter map about where in States have we not penetrated at all with innovative ideas and training. And then we need to agree that we would work with those folks to build their skills. Whether they are in urban or rural areas, suburban areas, it does make a difference. How do we build their skills so that they can write more competitive grants? And none of us are putting really any time into that right now.

Senator MURRAY. I am way over my time, but Secretary Kanter, if you want to just add a——

Ms. KANTER. Well, I would just add that the integrated data systems are really essential. So your guidance in terms of working with States to link up with Federal data that is already being reported, already being used, that we can better align. It would be a major investment in infrastructure, but would be of tremendous benefit to everyone at the local level who are doing the intakes and doing the tracking and performance measures on the clients going through whether they are in education at a community college, in

a local community-based organization over at the Department of Labor. Maybe it is a person with disability receiving VR services. And all of that integration is duplicative. So I agree with what Jane said.

The other thing I would add is that the standards for this—what are the expectations we want for different sectors of the clients we serve and how quickly can we accelerate. So your support for innovation and transferring those best practices to the programs that desperately need more of those would be of great value to us.

Senator MURRAY. Thank you very much.

Senator Isakson, we will turn it over to you.

Senator ISAKSON. Thank you, Chairman Murray.

I have a question for both of you. I was really pleased to hear Secretary Kanter talk about evidence-based decisions. One of the biggest battles of the last reauthorization of WIA was the flexibility at the local level to a certain degree, and the way we solved that was with five demonstration projects for States, one of which was Georgia, out of which the One-Stop shop emerged.

I just wanted to ask both of you if you recognize the importance of allowing some levels of flexibility at the State level to encourage innovation and development of new programs rather than a central government-down approach?

Ms. OATES. Senator, I think we need to let the States have room for innovation, and I think we need to listen so that every State does not have to necessarily re-invent the wheel. I think we have done far too little sharing within States and a much worse case of sharing State to State. We need to make sure that the innovative room that we give States produces lessons learned that we then share, and I think both our Departments are committed to doing a better job on that.

But I think we would all be in line with you that it is not a cookie cutter. Georgia is not New Jersey or Massachusetts or Washington State, and we need to make sure that we recognize the uniqueness of each of the States and allow them within a parameter of accountability. I know that you mean that as well. We need to keep them accountable to whatever measures you are going to develop in the new reauthorization, but we do not need to tell them how to get there.

Ms. KANTER. I would just add. I was speaking yesterday to about 100 people who represent State higher education officials. These are the people that run the higher education coordinating councils across the 50 States. One gentleman stood up and said that 10 States had already agreed to look at common standards for career and college readiness. I think that is going to be essential going forward so that, for example, high school graduation means that you are ready for this level of career and you are ready for this level of college, instead of the variation that we have. So I was encouraged that States already are working together in new collaborative ways, and I think that is an area where the Federal Government can encourage that.

Each State is going to have its own unique culture and history and will have its own best practices. Some may be easily adopted. Others may not. So I think we have to look State by State and really see where can we have the greatest impact at this level, and

of course, me being new to this whole environment, really trying to figure out how can the Federal Government be the most effective, have the most impact, and part of that is really looking at what is evidence-based and how are we using these grant funds, these Challenge Grants, and all of the other programmatic ways that we can encourage innovation, how can we then deploy that into delivery models that will both streamline service to the customers and get more people educated and into better and better careers going forward.

Senator ISAKSON. Thank you.

Secretary Oates, the most compelling and delightful statement you made in your prepared remarks was about the dual customer approach of those who seek employment as well as the employers. Although I am reticent to bring this up with Senator Brown in the room, I am going to go ahead and do it anyway because it is a testimony to exactly what you said.

NCR recently decided to move to Georgia, and I was asked to speak to their executives this past Sunday at Georgia Tech. They were having a symposium. One of the things that our State developed through its adult and technical education was a quick start program where they guarantee training of employees which ultimately is on the location of an ATM and kiosk construction facility, that was the deciding factor for the move to Columbus, GA for that facility.

It was the exact reason why this interagency cooperation is so important because you want to help people get jobs, but you have to have those who train people for jobs a part of the program and the needs of the employer to be part of it.

So I commend you on that, and I will take any comment you might have about it.

Ms. OATES. Well, the only comment I would make, Senator, is that you and every Senator on this subcommittee and the full committee hold me accountable to that because if in a year I cannot give you new things that we have done to get information out to all of our One-Stops about how to improve the dual customer approach, then I should not have this job.

Senator ISAKSON. Secretary Kanter, last question real quickly. You talked about individuals with disabilities twice, which I really appreciate you doing because there are two things I think we need to look at.

First, is making high-tech assistance available to people with disabilities. There are a lot of people with disabilities who are employable with assisted technology, and that gets missed. There are a lot of things they could do with a computer for people with MS, people with any number of very restrictive afflictions, but they can be contributors to society. So that is one area.

The second area is the public transportation mechanisms in each of the States, particularly in the major urban centers, because one of the most difficult problems for a person with disabilities to be employed is transportation. And the development of van pools and things of that nature, to be able to get a person with a disability to work and back again, is an important part of interagency cooperation and workforce development.

So I would just encourage both of you to consider when you are talking about interagency cooperation, do not forget those catalysts for public transportation. Where it is available, it can make a big difference.

Thank you, Madam Chairman.

Senator MURRAY. Thank you very much, Senator Isakson.

Senator Brown.

Senator BROWN. Thank you, Madam Chair.

I thank you both for your willingness to serve and your willingness to take on these immense challenges in very difficult times. This job is harder perhaps than when you first thought about it.

Just really one question, but I will sort of flesh out for both of you your thoughts about it. The ARRA money for workforce investment—the legislation that is coming up with reauthorization and the dollars that will come with that—how do you see the whole—I talked about the Sectors Act that several of us are working on. How do you see the sector-based strategies fitting into our workforce system? Just give me more details about how you think that works. How do we provide the right incentives to existing workforce investment boards, to employers, to unions, to community colleges, to other institutions of higher learning to put together these sector approaches?

Ms. KANTER. One thing that we are emphasizing—and I think you will see it in a lot of the language that is coming out in various proposals—is partnerships among the sectors for improving workforce training, education, and placement into jobs, and then together, tracking outcomes and hopefully simplifying the processes to do all of that.

But I think when we encourage collaborative proposals and Challenge Grants or in special initiatives, that we are getting people to the table that may have had a sector missing especially, for example, Senator Isakson mentioned the vocational rehabilitation. You see in the One-Stops some great examples of where vocational rehabilitation is actually seated at the table in the One-Stop, and that is so helpful in terms of streamlining access for students, making sure the transportation is there, and really focused around getting that individual to that next level of success, whether it is directly into a job, whether it is training and a job at the same time at an entry level, or laddering up with literacy skills and other things, child care and other things that that individual may need.

So I think it is really a question of how we are going to work together in designing all of the implementation programs to build upon these pots of funding, whether it is ARRA or the new initiatives that the President mentioned on Tuesday for community college Challenge Grants, or WIA, which is the subject of this great hearing that I am learning so much in.

The other thing we want to do is really work together on who is at the table in workforce investment. Do we have the community colleges represented on the workforce investment boards? Are the partners, are the sectors of health care and manufacturing and energy represented, those business leaders locally? And I think we have great experts here to testify on who is at the table and how they are working together.

But really, those would be my two suggestions going forward on things that we could really do to ramp up.

Senator BROWN. Madam Secretary.

Ms. OATES. Senator, the Recovery Act certainly gave us an area to start with and that is green jobs. We certainly are putting out grants now and looking at, cross-sector, what is green.

Some of the innovative things that States have done even with summer youth to get kids focused on a sectoral approach, some again in green, some in allied health, some in the education sector, all areas, we hope, of continued growth—but Labor has to do a better job of getting sectors together at a national level so that we can press down some of the information to a local level.

If a sectoral approach is going to be the way we go—and I think actually it has tremendous promise—we need to make sure from the beginning the varied business components of that sector are together with the varied educational components, starting with high school and working through graduate school, to not only articulate their immediate needs but articulate their future needs as the sector grows and expands.

But it is not a one-time meeting, and that is somehow difficult for our system. We think we have a meeting and we check off the box. It is, indeed, a different kind of partnership where planning and implementation and evaluation all have to be done collaboratively. Whether it is the new manufacturing, whether it is green, whether it is health care, we have to make sure that we are incenting those kinds of discussions, continuous discussions, so that the sectoral approach is the embodiment of continuous improvement linking employer needs with educational needs on not only the short-term basis but longer-term as well.

I would throw out there we need line workers in manufacturing, but we also need engineers. And you are going to be able to train a line worker in 6 months to a year, thanks to terrific apprenticeship programs that are operating and adapting all the time. An engineer—there is really no way to cut that any shorter than an engineering masters or a bachelors degree. And we do not want to truncate that. We want someone to have the full credential.

So we are going to need advance notice on those things, and I think the sectoral approach is the one way we do have that continuous and ongoing conversation.

Senator BROWN. Thank you, Madam Chairman.

Senator MURRAY. Thank you very much.

I have a number of questions I am going to submit to you. We do have a large panel. I want to get to them. I just want to ask two follow-up questions and turn to Senator Isakson.

I have heard you, Secretary Kanter, this morning, as well as the President, talk about the goal of 1-year post-secondary education for everyone. For most of us, we think a 2-year degree, 4-year degree. But it also means other credentials, a certificate, a license, a journeyman's card. Can both of you tell me how your Department defines post-secondary education?

Ms. KANTER. Well, we have been talking about—actually in the international community, they use the word "tertiary" because what that means is that you could get an apprenticeship training, you could become a journeyman, and that would qualify for what

we call post-secondary education. So I think the language of how we talk about advanced training—I have been using the word advanced training after high school, hopefully leading to the credentials that Jane talked about, the certificates of achievement which are typical for community colleges across the country. That is generally a year you become an automotive technician, a lab tech, a biotechnician, and so forth, and then moving up to get the associates degree, the baccalaureate degree, and so forth. But we are looking at advanced training broadly. I think that is the basic point.

And there are many sectors within the educational community, whether it is at a community-based organization, a public community college, or a private school to provide the training. We want to make sure that the quality assurance is there. So these are high-quality training programs that lead to jobs that employers have ready so that we can put people into those jobs and they are ready for them.

We will be glad to work with the Department of Labor on clarifying language that you may be requesting.

Ms. OATES. And we want to make sure that it is seen as a step. So, therefore, if you get a credential, that does not mean that you are finished, that you move on to an associates degree and a baccalaureate degree. But we think, too rarely people who stay for a semester or two contiguous semesters do not get anything to prove that they have achieved a level of learning. As Martha said in her testimony, more than half of the people going to post-secondary education, what we would have considered community college or a 4-year college, now are working almost full-time. So we should give them something to improve their status in the workforce.

Obviously, for us it is apprenticeships, as well as everything else. We are going to promote that and getting better articulation on new—in the area of the manufacturing sector—getting new credentials. This committee's early work with the National Skills Standards Board, which did not get where this committee ever intended it to be, did great groundbreaking work. It just did not get to the finish line. We need to get sectors to complete that work. I do not know how we do it without a money incentive.

But I hope that we can do it because there are folks who are really talented who could take that talent, what they are learning in an apprenticeship program and translate it, where appropriate, to credits toward an associates degree. And we should be doing that more and more.

In my own house, we should be doing it more in programs like Youth Build and Job Corps and our apprenticeship programs, but more broadly, we should be encouraging things like dual enrollment in high schools. I know Martha cares deeply about that and community colleges. So more kids can graduate with not only their high school diploma, which is so critical, but also an advanced certificate.

Senator MURRAY. Let me ask one final question about a population I care deeply about, our veterans. A number of men and women who are coming home have suffered both visible and invisible wounds of war and will need additional support to get the necessary skills to move into the workforce.

Can you tell me, are both of your Departments willing to work with the Department of Defense and Veterans Affairs to make sure that we are coordinating systemwide for these young men and women? Not for this morning, but I would like both of you to get back to me about how you think we can be more responsive to that population in the WIA legislation.

Ms. KANTER. Yes. I can just say that we have had a number of meetings with the Veterans Administration, specifically around Federal student aid and how veterans are moving through that system when they come back to get education and training. So we look forward to more conversations in that regard. We want to get everybody back to education and work.

Ms. OATES. We have begun to get our One-Stop operations aware of the servicemen opportunity colleges so that they can make sure that they have that information. The Veterans Administration does a wonderful job, but it is a place where we do need redundancy. We need to make sure, no matter which door a returning veteran comes in—because so many now that are called up to active duty are from places like the National Guard that do not get the same careful attention from the military that their full-time veterans would get. So we are trying to do more, but Senator, this is an area where we are never going to do enough.

Senator MURRAY. We have a lot of work to do. There are a lot of Veterans who have skills they earned in the military that do not count towards traditional business credentials. So, you both know, this is a conversation I am going to continue to have with you.

I thank both of you. We will have questions that will be submitted for the record for you. And we need to be done by noon today, so I am going to move our next panel up. But thank you, both of you.

With that, I ask the second panel to move to the witness table. As they do that, I want to describe how this very large panel is going to work this morning.

Each panelist will have 5 minutes to respond to two questions that the committee has asked them. The first one is what each of them believes works and should be preserved and refined in the current workforce system, and what should be eliminated.

As a former preschool teacher, I know when to stop talking and wait for everybody to sit down.

[Laughter.]

All right. I will again tell everyone that what we have done here is asked each one of the panelists to respond to two questions. The first one is to respond to what they believe works, how should it be preserved and refined, in the current workforce system and what should be eliminated. Second, what innovative policy recommendations they would offer to modernize WIA.

After the panel completes their remarks, we will have the opportunity to ask questions. Additionally, I would just let the witnesses know that, although we do have a short amount of time, if you would like to respond to any of our questions, please let us know and we will try and do that within a timely amount of time.

I am going to introduce the panelists. We have Clyde McQueen, currently President and CEO of the Full Employment Council in Kansas City, MO. Michael Thurmond, Commissioner of the Georgia

State Department of Labor. Rick Bender, President of the Washington State Labor Council in Seattle, WA. Dr. William Kiernan, Director of the Institute for Community Inclusion, and Research Professor in the graduate college of education in the McCormick School of Policy Studies at the University of Massachusetts in Boston. Mary Sarris is the Executive Director of the North Shore Workforce Investment Board. Kathy Cooper is Policy Associate with Washington State's Office of Adult Basic Education, and Stephen Wing is the Director of Workforce Initiatives for CVS Caremark.

Thank you to all of our panelists for joining us today. We look forward to hearing your remarks, and Mr. McQueen, we are going to begin with you.

STATEMENT OF CLYDE McQUEEN, PRESIDENT/CEO, FULL EMPLOYMENT COUNCIL, KANSAS CITY, MO

Mr. MCQUEEN. Good morning, Madam Chairman and members of the committee. Again, I am pleased to be here to address the reauthorization of this important piece of legislation.

The Full Employment Council serves as the One-Stop operator and fiscal agent for the Kansas City Vicinity and Eastern Jackson County Workforce Investment Boards in Missouri. The regions served by these two policy bodies cover 2,700 square miles with over 1 million people. We have the largest city in the State, Kansas City, MO, and we have one of the smallest counties which has 20,000 people in population.

The current unemployment rate of the city of Kansas City, MO is 11.6 percent. In the five-county region, the unemployment rate is 9.6 percent.

Our workforce system has dealt with the ups and downs of the economies in four basic ways. First, we have been conveners of partnerships that produce results for workers and employers. Second, we have been a catalyst for workforce innovation. Third, we have been leaders or providers of workforce information to determine where the jobs are for people and where the people are for emerging employers. And finally, we have been career navigators for disconnected youth, dislocated workers, and low-income families.

The local workforce system enjoys an excellent partnership with organized labor, working with the Greater Kansas City AFL–CIO and its president, Bridgette Williams, which has led to the creation of a locally funded pre-apprenticeship training program called Project Prepare. This serves as a training effort for low-income women, minorities, and youth to enter apprenticeships in skilled areas. This partnership has led to the creation of a local workforce ordinance that establishes a First Source program targeting KC, MO residents as a first choice for city construction jobs. It establishes goals for women and minorities on construction projects and establishes a construction workforce board to oversee the program. This partnership has also worked with the local fire fighters union and the machinists union who are being impacted by the downsizing of the local overall base.

The system has sector partnership with the Kansas City Metropolitan Healthcare Council that has generated over $2 million in

public and private funding to reduce the shortage of nurses in the greater Kansas City region. Through this partnership, the number of nursing students increased by 30 percent, or 300, in a 2-year period.

The Kansas City system established a partnership with 10 regional economic development agencies to form the first regional business retention council in the State of Missouri. The BRC in their last 2 years has assisted 367 companies and saved or added 837 jobs in the process.

Our local education partnerships in the region exist with community colleges, vocational schools, universities, and proprietary schools to establish just-in-time, on-demand training programs to serve businesses and job seekers more effectively in the region. The local system works in partnership with the State education agency to certify and fast-track training courses to meet the immediate regional skill requirements on a bi-State basis that are needed either because of economic expansion or economic dislocation in the area.

We also work as career navigators as we determine career pathways for disconnected youth, low-income adults, and dislocated workers. This has been a major focus of the KC local workforce system, and more recently a partnership of the workforce investment board, the Kansas City public library, and the Kansas City Parks and Rec Department will lead to the development of a 20,000 square foot, $3 million green facility that will host a youth career center and the Black Archives of Mid-America.

ARRA stimulus funds were used to provide youth summer internships, and $1,000 scholarships after the end of their summer job to attend a community college or vocational school or a $500 book scholarship to attend a university of their choice, if they desire.

In addition, over five different course offerings have been developed that combine education, work readiness, skill training in each career area.

The One-Stop concept has been the local focal point for the coordination of the workforce system, creating opportunities and leveraging funds and programs with one WIB member contributing over $2 million in a 20-year period.

WIA can be reformed by reducing board size, to reducing mandated public sector representation, requiring local partnership agreements only with systems that contribute to the local workforce system, reducing youth eligibility requirements to encourage system utilization by at-risk, disconnected youth, improving State and Federal MIS systems to effectively capture real-time system productivity, and review performance metrics to encourage incentive systems to low-skill populations, and discourage low-cost programming that leaves low-income, basic skill-deficient populations behind.

An innovation fund could be locally budgeted to encourage local program innovation.

A training "smart pass" that facilitates client referral of persons presently in HUD, HHS, or DOL programs who are economically disadvantaged and seek training services.

And finally, a stand-alone summer jobs career intern program focused on 16- to 24-year-old youth in post-secondary skill areas.

Thank you very much.

[The prepared statement of Mr. McQueen follows:]

PREPARED STATEMENT OF CLYDE MCQUEEN

Good Morning, Madam Chairman and members of the HELP Committee.

My name is Clyde McQueen, and I have the privilege of serving as the Chief Executive Officer of the Full Employment Council, the Regional workforce agency for the city of Kansas City, MO, and the surrounding counties of Jackson, Clay, Platte, Cass and Ray. This area covers 2,700 square miles with a population of 1,091,900 in urban, suburban, and rural areas.

I am fortunate to be representing the Kansas City Region, where business, organized labor, community and governmental leadership forge local partnerships to assist its citizenry. I have served in my career as an Economic Development Administrator, a State Workforce Development Director, and Regional Workforce Chief Executive, during every economic downturn that has occurred since 1978.

I am honored that the Senate has asked me to speak on the Reauthorization and Modernization of the Workforce Investment Act, as we face unprecedented challenges and opportunities to develop the skills of our workforce to compete in the global marketplace of the 21st Century.

In serving this diverse Region of major corporations, small businesses, Adults in Career transition, or Youth beginning their career journey, the Kansas City Regional workforce system has achieved significant successes. These accomplishments have occurred as the Kansas City Regional workforce system has been:

- Conveners of results-oriented partnerships.
- Catalysts for innovative workforce strategies that serve growth industries and generate financial support.
- Strategic leadership for the compilation and distribution of real-time workforce information.
- Career Navigators steering through career pathways for Disconnected Youth, Low-Income Adults, Dislocated Workers and other Job Seekers in their search for meaningful careers and family-supporting incomes.

This bi-state Region is home to General Motors (Chevy Malibu production), Ford (Escape & F-150 truck production), Harley Davidson (V-Rod production), Garmin (GPS production), H&R Block Corporation, Cerner (medical records technology), Hallmark Cards and Sprint. There are at least 24 hospitals and innumerable nursing home facilities in the area. The most current May 2009 Regional rate of unemployment is 9.6 percent and the city of Kansas City's unemployment rate is 11.6 percent. There are 21 school districts, two State community college systems, and two major State university systems.

AN EXEMPLARY ORGANIZED LABOR PARTNERSHIP

The Organized Labor partnership is crucial to the local workforce system in the Kansas City region. We have achieved success with results, by working closely with the Greater Kansas City AFL–CIO, and its President, Bridgette Williams, in developing local workforce projects and programs. This partnership has led to the development of a pre-apprenticeship program, "known as Project Prepare," administered jointly by the Greater Kansas City AFL–CIO and the Full Employment Council. This program targets low-income women, minorities and youth for apprenticeship opportunities in the various construction trade unions. We also work closely with the Heavy Highway Constructors Association, the Builders Association of Kansas City and the Mechanical Contractors Association. This initiative facilitated the creation of a Workforce Ordinance that established a First Source agreement, in which Kansas City residents are given the first opportunity to apply for jobs created by city-funded or tax-abated construction. In addition, it sets goals for hiring women and minorities for all construction trades and apprentice programs. This ordinance provides oversight by a city-appointed Construction Workforce Board that recognizes superior performers in this effort, as well as levies sanctions for non-compliance.

Project Prepare has also been effective in working with the Local Firefighter's Union to recruit and screen potential applicants to be trained as cadets for the city of Kansas City, MO, as well as the city of Independence, MO Fire Departments.

This organized labor partnership has also been effective in working with employers and their workforce(s) impacted by the economic downturn. An example of that partnership includes the workers of the Machinists Union impacted by the American Airline Overhaul Base downsizing at the Kansas City International Airport. In the previous 4 years, these reductions which have impacted at least 1,000 employees, the Kansas City Workforce System has worked efficiently with labor/manage-

ment transition teams to provide on-site services for Union members. These services have included the hiring of Union peer counselors; the establishment of on-site computerized resource rooms to facilitate easy access to career center services; the implementation of "Fast Track" entrepreneurial training programs; and the implementation of on-demand training for emerging growth industries. Dislocated Union workers can access the bi-state individual training account system (ITA) to access multiple training options at community colleges, universities, vocational schools, and proprietary training institutions.

This partnership has received over $400,000 in support from the city of Kansas City; $200,000 in support from the Missouri Department of Transportation; and significant in-kind support from various construction trade unions. This partnership has also led to community dialogue between the unions, construction contractors, city administrators, community residents, and the Workforce System, and resulted in developing a common vision and approach for addressing training and workforce needs in the construction sector, as well as other skilled occupations.

SECTOR PARTNERSHIP: HEALTHCARE/WORKFORCE SYSTEM INCREASES NURSING STUDENTS AND NURSE EDUCATORS

The Kansas City Regional Workforce System, in collaboration with the Kansas City Metropolitan Healthcare Council, has generated over $2 million in public and private funding to reduce the shortage of nurses in the Greater Kansas City Region; increase the number of nurse educators; and increase the training capacity of local schools, community colleges and other secondary educational institutions.

This local Workforce System/Healthcare partnership led to the development of a Nurse Preceptor Academy that provide mentors for new nurses and nursing students; provides financial support to nurses pursuing masters' degrees to become nurse educators through a $500,000 privately funded bi-state scholarship program administered by the Full Employment Council; and establishes a bi-state workforce system protocol that governs how Missouri and Kansas Workforce Systems interact with Missouri and Kansas Hospital programs in the Region bordering the State Line. This partnership also increased the number of nursing students by 30 percent or 300 nurses.

This close association with the Healthcare industry also led to the first Healthcare online training program in the Region through Truman Medical Center (Kansas City, Missouri's public hospital), where licensed practical nurses are trained to become registered nurses on the hospital premises by Excelsior College of New York. Tuition costs are funded equally by the Kansas City Workforce System and Truman Medical Center. This online training program reduces the impact of childcare and transportation expenses on trainees; increases the number of registered nurses at the public hospital; and significantly increases the wages of training graduates.

SUCCESSFUL BOARD MEMBER PARTNERSHIPS LEAD IN SUPPORT OF THE WORKFORCE SYSTEM

Great Plains Energy/Kansas City Power & Light has maintained a successful workforce partnership with the Workforce Investment Board over a span of 20 years. Initially, this partnership was established to provide summer interns to KCP&L's facility, but has now evolved to placing persons in their plant operations, such as utility linemen and responding to other career opportunities resulting from retirements and transitioning of an aging workforce, and implementation of "Green" technologies. In addition to utilizing the career center system for its corporate workforce needs, Kansas City Power & Light has been a financial supporter of the local Workforce Investment Board, providing over $2 million in private funding to support career center programs. Kansas City Power & Light's Senior Vice-President and Corporate Secretary, Barbara Curry, also serves as Chairperson of the Workforce Investment Board. Great Plains Energy/KCP&L has been the community leader in Workforce/Economic Development partnerships.

The Board members of the Kansas City/Eastern Jackson Workforce Investment Boards have created the opportunity for the local workforce system to innovate, and move beyond traditional workforce approaches. Strategies working with Organized Labor; linking with Economic Development entities; developing sector-specific initiatives with manufacturing, healthcare, and bioscience training; developing innovative training course design and delivery; and innovating fund development are driven by the Board members who have created opportunities within their own organizations, affiliates, or organizational peers.

LOCALLY APPOINTED BUSINESS-LED WORKFORCE SYSTEM

The appointment of a Local/Regional Workforce system by local-elected officials has increased Workforce System responsiveness, resulting in a more user-friendly Workforce System that meets business and job seeker needs, as determined by the Board of their respective Regions. As mentioned previously, the Full Employment Council serves as the One-Stop Operator/Fiscal Agent for two Workforce Investment Regions that border each other, yet are unique in their constituent and employer market. These Boards incorporate similar, but distinct job training approaches, yet have reduced operational/administrative costs by using the same operational entity. These Boards, in partnership with their local-elected officials, have effectively determined structure and service delivery, budget, strategic priorities, and board size.

This approach has generated substantial local financial support, and reduced duplicate workforce systems in two regions.

EDUCATIONAL PARTNERSHIPS FOR JUST-IN-TIME/IMMEDIATE RESPONSE TRAINING

In the Kansas City Region, we have formed partnerships with 4-year colleges, vocational schools, proprietary schools, Job Corps and community colleges to develop a just-in-time/immediate response/credentialed training system. The foundation of the partnership is the Missouri Department of Secondary and Elementary Education retained by the Workforce Investment Boards to verify and certify the curriculum and training to be provided by potential training vendors. DESE approval is necessary before training can be assessed by job seekers enrolled in the local Workforce System. This system enables the Kansas City Region's job seekers to access training programs that cover both Missouri and Kansas, including its eight county areas, as long as the programs meet DESE criteria. Training Providers include proprietary schools, community colleges, vocational schools, universities and private training establishments.

The timeframe of semester-based skill training has become increasingly incompatible with the quarterly business cycles of employers or the fierce velocity of global competition. Utilizing only semester-based training compromises the ability to be proactive in meeting workforce needs required by economic expansion, or respond to sudden economic dislocation. Therefore, the Region has prodded training providers to create more on-demand and just-in-time training courses to respond to the ups and downs of Regional economies.

The Metropolitan Community College of Kansas City responded by reorganizing its administrative structure to provide immediate response to on-demand/customized training needs. This realignment has led to immediate response training courses in Advanced Manufacturing, Certified Medication Technician, and Welding, to name only a few.

The University of Central Missouri based in Warrensburg, MO, with local branches in the Region, has responded by providing on-demand courses in Healthcare, Weatherization, Warehouse/Supply Chain and Customer Service careers.

In March 2009, the University of Kansas responded by initiating a course in Bioscience Technician training. Vocational and proprietary schools have other job-related fields. This diverse and growing menu of on-demand training in the total post-secondary training structure increases responsiveness to Job Seekers and Employers.

ECONOMIC DEVELOPMENT PARTNERSHIPS THAT HELP EXISTING BUSINESSES TO BE RETAINED OR TO EXPAND IN THEIR REGION

Economic Development Partnerships are necessary to provide assistance to businesses to keep them in the area, or help them to expand. The Full Employment Council served as the catalyst to form a Regional Business Retention Council, whose sole purpose is to assist existing businesses in Retention and/or expansion efforts. The Council is comprised of the Economic Development Partners on the WIB, as well as those in the Region.

The Business Retention Council (BRC) is a diverse conglomerate of Economic Development agencies in the Region that includes:

- The Economic Development Corporation of Kansas City;
- Clay County Economic Development Corporation;
- Lee's Summit Economic Development Corporation;
- Independence Council of Economic Development;
- Blue Springs Economic Development Council;
- The Liberty Partnership for Growth;
- The Greater Kansas City Chamber of Commerce;

- Richmond Chamber of Commerce;
- Grandview Chamber of Commerce; and
- Grain Valley Economic Development Corporation.

Members of the Business Retention Council make on-site visits to existing businesses to determine their needs in workforce, financing, marketing, etc., and begin immediately to accommodate their requests. A Business Retention Coordinator hired by the Full Employment Council, serves as the primary contact for the Economic Development Agencies and coordinates the total Workforce System support to the client businesses in this effort.

In the last 2 years, over 367 businesses have been provided support and 837 jobs have been retained or added through this effort. Funding to support this effort for the upcoming year has been provided by the Governor's 15 percent fund, and the American Recovery and Reinvestment Act (ARRA) Stimulus fund.

Another critical support agency has been the Manufacturing Extension Partnership (MEP), a program funded by the U.S. Department of Commerce in all 50 States, to provide technical support to manufacturing companies to increase their efficiency, and market penetration for their products. Missouri Enterprise, the State of Missouri's MEP program, has provided technical support to over 50 companies identified through the Business Retention Council in areas of business, such as Energy and Efficiency audits and Supply Chain analysis. This technical support is highly valued by companies assisted by the Business Retention Council.

THE KANSAS CITY WORKFORCE SYSTEM AS A "CAREER NAVIGATOR" THROUGH CAREER PATHWAYS FOR DISCONNECTED YOUTH, LOW-INCOME ADULTS, AND DISLOCATED WORKERS

The Full Employment Council has been a catalyst in facilitating and developing career pathways and employment opportunities for economically disadvantaged/disconnected youth through enrollment in universities, community colleges, vocational/proprietary schools, and apprenticeship programs. The Workforce Investment Board has introduced the 21st Century Workforce Scholarship program to provide tuition scholarships in healthcare, manufacturing, and bioscience careers. The Kansas City Region sponsored the "Dream It Do It" campaign to promote manufacturing careers as viable options for young adults and successfully raised the visibility of manufacturing careers.

In addition, the Workforce Investment Board has led local efforts to promote youth employment policy and programs designed to facilitate employment opportunity and work advancement. In September 2009, a partnership of the Full Employment Council, Kansas City Public Library, Kansas City Parks and Recreation Department; and Black Archives of Mid-America will open a 20,000-square foot LEED-certified "Green" facility. This facility will house an education and resource facility highlighting the historical accomplishments of African-Americans in the Midwest, and a Youth Opportunity Career Center focusing on education and career pathways for Low-Income/Disconnected Youth.

This $2.5 million historic facility is locally funded, but was initially seeded through $300,000 in grants leveraged by the Workforce Investment Board. This center is adjacent to the Negro Leagues Baseball Museum and the American Jazz Museum in the 18th Vine Street Historic Jazz area. This focus on post-secondary training opportunities and careers for youth was further re-inforced in the Summer Job Program funded through the American Recovery and Reinvestment Act. Each high school or GED graduate that successfully completes the 8-week summer internship will be provided a $1,000 scholarship to attend a vocational school or community college, or a $500 book scholarship to attend a 4-year institution.

The Kansas City & Vicinity Workforce Investment Board has been a programs catalyst and convener in developing career pathways for low-income populations such as Project NOW (New Opportunities for Work.) The Missouri Career Center worked with the University of Central Missouri and Metropolitan Community Colleges to develop training courses that combined basic education course work to increase basic skills or GED certification; skill training courses to acquire a specific skill credential; and career readiness skills that emphasize teamwork, conflict resolution, and problem solving. These courses were provided at accessible community training sites or at local career centers. These training formats have increased the participation of basic skill-deficient clients and high school dropouts in job-skill training programs. This has led to the development of an entirely new design of coursework for basic skill-deficient persons in customer service, warehouse/supply chain management; certified medical technician; certified nurse assistant careers; and will lead to more and a greater variety of career pathways.

THE LOCAL WORKFORCE SYSTEM AS AN "INNOVATION SYSTEM"

Innovation, entrepreneurship, workforce development and resource leveraging are critical in order for the Workforce System to become a catalyst and convener as has been outlined. The 501c3 status of the Workforce Investment Boards, and Full Employment Council as the One-Stop Operator, provides the ability to leverage local public and private resources as it mobilizes the region to move forward with different workforce approaches not readily available as an option for governmental agencies, primarily due to the preference of philanthropy to support non-profit agencies. This organizational framework has resulted in 91 percent of the prototype programs undertaken, attracting private funding and local government financial support. The governor's 15 percent reserve has been the primary seed funding in the majority of these special initiatives because of its spending flexibility. This "demonstration" funding is critical to spurring new program design and innovation in the local workforce system.

THE ONE-STOP CAREER CENTER

The One-Stop Career Center concept has also been an organizational platform that has led to resource sharing; better job seeker and business access to program services; and workforce and labor-market information sharing that enables the local system to more effectively serve job seekers and employers. This co-location and enhanced customer information function helps career counselors to use more accurate/real-time job market data to assist job seekers in making informed training and career choices. Simultaneously, the assimilation of data relating to the skill, work histories, and training options of career center job seekers is of major strategic importance to employers as they determine how to meet their workforce requirements in the region.

GREEN JOB INNOVATION

The Kansas City & Vicinity Workforce Investment Board has launched a number of Green Career initiatives as a result of receiving ARRA Stimulus funds. Working in partnership with the Metropolitan Energy Center and the University of Central Missouri, the first curriculum for career pathways for green jobs was established in the Kansas City & Vicinity Workforce Investment Board Region. This initial career pathway begins as a Weatherization Technician; transitions to an Energy analyst; and culminates in an Energy auditor. The first 12 graduates of this program as Weatherization Technicians graduated in June 2009, and 10 of them have secured employment in the field. The Metropolitan Community Colleges in Kansas City, MO have also initiated a number of new course offerings in Green Careers that will become a part of their on-demand course offerings. Across the State Line at Johnson County Community College in Kansas, an Energy Auditor Certification Training program has been in existence for over a year.

The Full Employment Council is also a Training Agency Designee for the Green Impact Zone, a special impact area of the 5th Congressional District, which targets 150 blocks of an area with some of the highest numbers of unemployment, poverty, and distress in the area. The zone will have a targeted focus on resources from job training, to housing, to transportation in a focused effort to reduce unemployment and economic decline. The Full Employment Council will be a part of the Community Impact Team to provide intensive assistance to this area.

Despite the success enjoyed by the Local Workforce System, there are areas of the law that must be changed or eliminated:

1. *Public sector board membership must be reduced unless the local board determines it is a strategic value.* Mandated public appointments increase Board size to sustain a business majority, and make quorum requirements difficult to achieve.

2. *Mandated local partnerships must be eliminated unless the non-WIA partner also contributes funds to the Local Workforce System.* Presently, the partnership agreements as configured, place all accountability and funding on the Local Workforce System and minimal reciprocal accountability from the non-WIA partner.

3. *Youth eligibility requirements must be minimized to increase the services to youth most in need (Low-Income and other barriers to employment).* However, local options for determining eligibility, such as documentation from a TANF agency or Food Stamp entity could be a substitute for income information verified through check stubs.

INNOVATION-POLICY RECOMMENDATIONS

1. *A local innovations budget.* To support maximum 2-year programs or projects that creates, enhance or expand training options/results for Low Wage Workers, Dis-

connected Youth, as sector-based training. The objective would be to increase training participation, require wage gains in target populations, or market penetration in specific industry sectors.

2. *Establish a training "Smart Pass."* To be used to facilitate the referral and enrollment of Economically Disadvantaged clients presently participating in HUD, HHS, or other DOL programs that are seeking training services. An Electronic Referral from these agencies would satisfy eligibility and audit requirements for the WIA Program, for enrollment or referral to appropriate workforce programs.

3. *Establish a stand-alone Career/Internship/Summer Jobs program.* Primarily for 16–24-year-old youth, focusing on subsidized employment experience that leads to a GED/H.S. diploma; enrollment into community college, vocational school, a 4-year institution with certificate programs; enrollment into an apprenticeship or employment. This internship could be available anytime during the year for an 8–12-week period.

4. *Adopt measures that reflect job placement, retention, earnings, and credential attainment.* Discourage measures that encourage low investment approaches or discourage serving hard-to-place clients.

5. *Funding to reflect the reality of a "Global Skills Competition*". The United States must skill up its Youth and Adult populations at an accelerated rate to compete in the world market, and to make the economic adjustment necessary to arm large and small business with a skilled and agile workforce. This became evident to me as I looked at the formula budget that was provided to our Region for PY2009, leading to a 12 percent decrease in our formula funds. This decrease was offset by our ARRA budget, which provided needed relief to meet the 400 percent increase of clients in our system. However, it was unsettling that in a time when our unemployment rate is 10 percent in Kansas City, the highest recorded in 25 years, that without ARRA, our budget would be cut by 12 percent. I would recommend some type of budget "fail safe" mechanism that would act similar to the unemployment insurance mechanism that would trigger training fund budget authority when severe economic downturns occur.

In addition, employment and training budget authority has remained the same since I made the transition to the Workforce Development System from Economic Development more than 26 years ago, while its purchasing and programming ability has been severely diminished by the tremendous tuition increases in the post-secondary training system. We must strive for a target budget allocation of between $7 billion to $9 billion to compensate for this erosion of purchasing power to the system.

In closing, I appreciate this opportunity afforded to me to be here today and look forward to working with you to increase the skills of our workforce in the present and future.

Senator MURRAY. Thank you very much.

Mr. Thurmond.

STATEMENT OF MICHAEL L. THURMOND, COMMISSIONER, GEORGIA DEPARTMENT OF LABOR, ATLANTA, GA

Mr. THURMOND. Thank you, Madam Chair. Thank you for the opportunity to testify. I would also like to thank Senator Johnny Isakson, a longtime colleague, a former member of the Georgia House of Representatives, and a longtime friend and supporter of our workforce development efforts in the State of Georgia.

I am convinced that the philosophy and the funding provided by WIA can be leveraged to provide critical employment and training opportunities to the millions of unemployed and under-employed Americans today.

Since the mid-1930s, jobless Georgians applied for unemployment benefits and searched for jobs in unemployment offices whose design and function reflected Depression era realities. Delivery of employment services to job seekers was fragmented and confusing because employment services were provided based on siloed Federal funding streams.

The enactment of the Workforce Investment Act in 1998 provided an unprecedented opportunity for State and local jurisdictions to

develop a more coordinated and efficient workforce development system.

The Georgia Department of Labor embraced the letter, the philosophy, and the spirit of this legislation, and with bipartisan support, we began to design and implement a fully integrated, comprehensive State workforce development system. Our primary objective was the coordination of five major employment and training and income-support programs: the Wagner-Peyser Act, ES, Unemployment Insurance, Vocational Rehabilitation, and subsequently, the Workforce Investment Act.

The Workforce Investment Act encouraged service integration between several federally funded employment and training programs via a One-Stop Career Center network. Energized by the flexibility afforded by this act, the State of Georgia charted a new course focused on improving the quality of service to our primary customers, job seekers, employers, and economic developers. Georgia's new workforce development system was designed to serve a diverse and dynamic customer base, as evidenced by our adoption of a universal access policy. A strategic commitment was made to ensure that all persons, including those with disabilities, would have equal access to employment, education, and training resources.

Significant investments were made to strengthen the technological and programmatic linkages between WIA, ES, UI, and VR programs. The foundation of our system is comprised of three components: a statewide network of One-Stop Career Centers and satellite sites; an interactive technological infrastructure; and professionally trained customer-focused staff. Although still a work in progress, Georgia's workforce development system is at the forefront of our State's efforts to help the more than 480,000 Georgians who are unemployed today get back to work.

Georgia's WIA-inspired One-Stop network is a cornerstone of our system. Investments were made not just by the Labor Department, but by WIA partners as well to establish this important technological network. Our network consists of 46 full-service designated One-Stops and scores of additional service access points. As a result, Georgia now has a statewide system of clicks and bricks, offices, career centers where unemployed or employed Georgians come to seek service, as well as Internet access.

The transformation of our department unemployment offices would not have been possible without the support and unprecedented financial assistance provided by our State WIA board. More than $2.5 million was appropriated to help transform 32 of our 53 unemployment offices into designated One-Stops. The others now serve as affiliate satellite One-Stops. Over $2 million was invested in One-Stop grants to technical colleges, libraries, homeless shelters, and transition centers to ensure democratic and easy access to all of our citizens.

My key concern today is that we must finally fully fund employment services of the Wagner-Peyser Act. More than 80 percent of the Georgians who access employment and training services through our career centers are served through the Wagner-Peyser program. In Georgia, we provide an administrative assessment that supplements Federal funding, but the Federal funding is much too small.

I would also encourage us to expand our summer and youth employment programs where a key focus of those employment programs would be increasing graduation rates. Our Jobs for Georgia Graduates program had a 95 percent high school graduation rate this past year.

And finally, this. Thank you for your help in refunding the summer youth program. In Georgia, 10,000 young people are working and drawing a paycheck today because of your vote and support.

And thank you, because I myself—prior to WIA, there was something called JTTA, and I served in a summer youth program. I was one of those disadvantaged kids who drew my first paycheck through a summer youth program. And my daughter, who is now a sophomore at the University of Georgia—I still show her my first pay stub. There is something about a job. You get one job. You seek another one, and more importantly, you seek another one that pays a higher salary than the previous one that you had.

Thank you, Madam Chair.

[The prepared statement of Mr. Thurmond follows:]

PREPARED STATEMENT OF MICHAEL L. THURMOND

Thank you Madam Chair, Senator Murray, Ranking Member Senator Isakson, and members of the Subcommittee on Employment and Workplace Safety, for the opportunity to present testimony on how the Workforce Investment Act (WIA) of 1998 served as a catalyst for the design and implementation of a comprehensive workforce development system in Georgia. More importantly, I am convinced that the philosophy and funding provided by WIA can be leveraged to provide critical employment and training services to millions of unemployed and under-employed Americans.

Since the mid-1930s, jobless Georgians applied for unemployment benefits and searched for jobs in "unemployment offices" whose design and function reflected Depression Era economic realities. Delivery of employment services to jobseekers and employers was fragmented and confusing, because employment and training programs were "siloed" by Federal funding streams.

The enactment of the Workforce Investment Act in 1998 provided an unprecedented opportunity for State and local jurisdictions to develop a more coordinated and efficient workforce development system. WIA provided for enhanced emphasis on customer choice, customer satisfaction, blended funding streams and integrated service delivery.

The Georgia Department of Labor (GDOL) embraced the WIA philosophy and letter of the legislation, and began the design and implementation of a fully integrated, comprehensive, State workforce development system. Our primary objective was the coordination of four major employment, training and income support programs: Wagner-Peyser Act, Employment Services (ES), Unemployment Insurance (UI), Vocational Rehabilitation (VR) and subsequently, the Workforce Investment Act.

The United States Employment Services program was established under the Wagner-Peyser Act in 1933 to help millions of jobless Americans find work during the Great Depression. Two years later, the Unemployment Insurance program was enacted to provide temporary income support for unemployed workers. The Vocational Rehabilitation program was originally intended to help disabled World War I veterans find work; however its mission was broadened in 1920 to include all persons with disabilities.

The Workforce Investment Act of 1998 encouraged service integration between several federally funded employment and training programs, via a One-Stop Career Center network. Significantly, the American Recovery and Reinvestment Act of 2009 (ARRA) provides an unprecedented investment of Federal dollars in America's workforce development system.

Energized by the increased flexibility afforded by WIA, the GDOL charted a new course focused on improving the quality of service to our primary customers—jobseekers, employers and economic developers. Georgia's new workforce development system was designed to serve a diverse and dynamic customer base as evidenced by the adoption of a "Universal Access" policy. A strategic commitment was made to ensure that all persons, including those with disabilities, would have equal access to employment, education and training resources.

Significant investments were made to strengthen the technological and programmatic linkages between the WIA, ES, UI and VR programs. The foundation of Georgia's workforce development system is comprised of three components: (1) a statewide network of One-Stop Career Centers and satellite sites; (2) an interactive technological infrastructure; and (3) professionally trained, customer-focused staff. Although still a work-in-progress, Georgia's workforce development system is at the forefront of our State's efforts to address the economic challenges associated with the current recession.

LAYING THE FOUNDATION

One-Stop Career Center Network

Georgia's WIA-inspired, one-stop network is the cornerstone of Georgia's workforce development system. Significant investments were made by GDOL and WIA partners in the establishment of a statewide network of One-Stop Career Centers. The network consists of 46 full-service designated one-stops and scores of additional service access points. As a result, jobseekers, employers and economic developers have greater access to a variety of employment services and related information.

Subsequent to the passage of WIA, a strategic decision was made to merge all existing GDOL offices into Georgia's one-stop system. The form and function of the department's 53 "unemployment offices" were redesigned and re-branded as GDOL Career Centers. Dull, depressing offices are being transformed into spacious, brightly colored, high tech, high touch One-Stop Career Centers.

The transformation of the department's "unemployment offices" would not have been possible without the support and unprecedented financial assistance provided by Georgia's local WIA boards and staff. More than $2.5 million were appropriated by 11 WIA areas to help underwrite the cost of retrofitting GDOL-operated one-stops. Local WIA boards selected 32 of GDOL's 53 Career Centers as designated one-stops, while the remaining department offices serve as satellite one-stops. Over $2 million in WIA one-stop grants were also awarded to technical colleges, libraries, nonprofit organizations, homeless shelters, transition centers and mobile service units to finance the development of an electronic network of satellite one-stops throughout the state.

The WIA philosophy of cooperation, service integration and blended funding streams also played a key role in Georgia's decision to utilize UI administrative assessment funds to offset longstanding Wagner-Peyser budget shorts. State law provides that 8 percent of UI employer taxes can be invested in helping UI claimants get back to work quickly. In fiscal year 2009, more than $25 million were appropriated to finance the hiring of career-center job developers, counselors, administrative personnel and other employment-related services.

Multi-agency partnerships are playing a key role in providing support services and connecting customers with employment and training resources. The location of local agencies and non-profit service providers in GDOL Career Centers has increased access and improved service delivery to our customers. An abbreviated listing of our one-stop partners includes: The Technical College System of Georgia, Local WIA partners, Experience Works, AARP, Economic Opportunity Authority, Job Corps, Meals on Wheels, Adult Literacy, Georgia National Guard, Disabled American Veterans Administration, Community Council on Aging, Fatherhood Initiative, Georgia Department of Family and Children Services, Homeless Advocacy Organizations, and Telemon Corporation.

Technology

Prior to the passage of WIA, Georgia utilized a Management Information System (MIS), to capture related customer data and employment and training activities. The system was not Web-enabled, which allowed users access on a limited system network. Although federally compliant in all areas, the MIS system allowed only for data collection and reporting, that was restricted to the varying funding silos.

The WIA mandated greater coordination and unified data collection by key workforce system partners. Accordingly, GDOL developed a more comprehensive data system known as the Georgia Workforce System (GWS). This web-enabled system encompasses data collection, storage and reporting capabilities for WIA, UI, and Wagner-Peyser services. Web access introduced enhanced remote participation in the system. Consistency in the method of collection, data type and reporting outcomes was significantly enhanced, along with shared use of information between funding silos and programs. State staff provided training to local and State workforce partners upon GWS deployment, with written guidance on new features and developments as needed.

The Georgia Workforce System (GWS) was developed in a Web-enabled, browser-based environment with reporting capability for WIA, ES, UI and VR. Customers provide basic demographic information once and comprehensive records are built, maintained and accessed throughout the service continuum. Data is housed in a relational database with the capability of interfacing with external systems.

System components include: a common intake system for key programs to facilitate the collection of customer information; assessing customer needs and tracking services and outcomes; system storage of basic demographic data, including work history, individual assessments, case management, employment plans and information, documenting the delivery of other services. An eligible provider list and consumer report card system required by WIA includes information about and access to service providers. Management and reporting modules enable local WIA agencies to meet Federal requirements for performance accountability as well as the production of quarterly and annual reports. An employer information system also enables GDOL staff and partners to document employer services, coordinate job development visits and provide relevant employer information.

GDOL serves a growing number of customers through its Web site (*www.dol.state.ga.us*) by offering over 800 electronic pages of employment and training information, including a variety of online services, forms, publications, and links to additional resources. GDOL also electronically advertises job fairs, employer seminars and other events. Additionally, the department provides easy access to a variety of labor market resources and information for businesses.

A major effort was made to increase accessibility for Georgians with disabilities by continually improving and expanding our Web-based services. The Georgia Rehabilitation Online Works (GROW) system allows staff to provide enhanced case management services to customers with disabilities. This electronic system creates a record of seamless service delivery to a targeted population. In addition to case management, GROW documents assessments, disability determinations, referrals to other partner agencies, service outcomes and follow-up.

The GWS is supported by trained professional staff that provide daily support and technical assistance on data management and reporting issues. The State also provides local systems with critical performance tools, including WebFOCUS software, through which standard and ad-hoc data queries help local systems track and manage customer activities and outcomes. Flexibility of the GWS is evidenced by the recent and expedient alterations necessitated by the American Recovery and Reinvestment Act of 2009. The GWS will serve as the primary means to document the services and positive impacts of Georgia's ARRA activities.

Human Capital

The successful implementation of WIA is dependent on the development and enhancement of professional workforce development staff. Dedicated staff, empowered to build partnerships with other agencies and employers, are a key component of a successful workforce development system. Considerable education and training investments were made to encourage GDOL employees to embrace the holistic philosophy of integrated service delivery. To achieve this goal, extensive statewide and local training, including cross-training among agencies and partners, was developed and provided to all professional staff.

Ongoing training is conducted to ensure that workforce staff is able to effectively navigate and help jobseekers, employers and economic developers utilize the system. Our comprehensive training program includes: new staff orientation, customer service training, college intern program, International Association of Workforce Professionals, Georgia Rehabilitation Association, Executive Commitment to Leadership program, education assistance program, Georgia Workforce Conference, Georgia Safety Conference, and the Georgia Employer Committee Conference. In-service training is provided to address diversity, use of workforce information and technology, problem solving, and marketing of department services.

In 2007, the department launched a Learning Management System which houses the on-line GDOL Learning Center. The Learning Center provides 24/7 universal access to "knowledge repositories" which enables employees to receive "just-in-time" training necessitated by changing marketplace conditions. Self-directed training empowers all employees with the ability to develop and manage personal learning plans designed to enhance competency in leadership development, customer service, technology skills and workforce information. This strategy has helped eliminate departmental "training silos" and created a unified "learning community" for the department and partner agencies. The Learning Center is fully accessible for persons with disabilities who utilize assistive technology devices.

THE SERVICE CONTINUUM

Georgia's workforce development system provides jobseekers and employers with a continuum of services that can be customized to meet individual needs. The three phases of the continuum are: (1) Core Services, (2) Intensive Services, and (3) Training. Support and assistance are provided based on a triage approach that enables staff to direct customers to appropriate employment and training resources. Core services are available to customers through self-service and/or staff-assisted support.

Self-Directed Core Services

Self-directed services include: online filing for UI, free Internet access, job listings, copiers, telephone, fax machines, resource personnel, language services, language line, forms and other publications, e-mail, resume software, on-line job applications, word processing, books and videos, clothes closet, kiddie corner, labor-market information, career counseling, comprehensive assessments, testing, workshops on job interviewing, resume writing, job search, negotiation and conflict resolution, case management and specialized workshops for veterans, persons with disabilities and rehabilitated ex-offenders.

Intensive Services

Intensive services are highly structured and offered to customers who have significant barriers to employment. Services include comprehensive assessments, adult basic education, internships, intensive job search, supportive services, trade adjustment assistance, etc. These services are designed to address targeted populations with specific barriers to employment, such as rehabilitated ex-offenders, Temporary Assistance for Needy Families recipients, dislocated workers, youth, veterans, homeless individuals, vocational rehabilitation, non-custodial parents and unemployment claimants.

Training Services

Training programs help jobseekers who require skill development or enhancement services in order to qualify for new employment opportunities. Services may include occupational skills training, on-the-job training, entrepreneurial training, job readiness training, customized training, adult education, etc.

Services for Employers

Employer services include: designated employer interviewing space, recruitment, screening, interviewing, job order taking, referral of jobseekers, UI seminars, access to Internet, fax, employer committees, seminars on immigration law and workplace safety.

SUMMARY

Georgia's strategic decision to design and implement a fully integrated, comprehensive workforce development system has been effective in helping unemployed Georgians return to work. The Georgia Department of Labor and our workforce partners were successful in helping 295,231 jobseekers return to work between July 1, 2007 and June 30, 2008. Although our State, like much of the Nation has been hit hard by the current recession, 66 percent of those who registered with the department secured employment. Of those who secured employment, 80 percent were still working 6 months later.

The Georgia Department of Labor and our State workforce partners have received numerous awards and citations including: the American Institute Full Employment Award, the National Foundation for Unemployment Compensation & Workers Compensation's J. Elred Hill, Jr. Award, USDOL's Large States Awards for Performance Excellence in Tax Operations and Performance Excellence in Appeals Decisions, Letter of Commendation from Region 3 Employment And Training Division, Outstanding Performance Award from the Federal Bonding Program and national honors for helping non-custodial parents, TANF recipients and rehabilitated ex-offenders find employment.

The Georgia philosophy of workforce development is simple: WIA, UI, ES, VR and other employment and training partners must work together to ensure that jobseekers, employers and economic developers receive the highest quality of service. More importantly, we are proud to be part of a national workforce development system that is focused on helping unemployed Americans get back to work.

RECOMMENDATIONS

The following WIA modernization recommendations are submitted for your consideration:

1. A top priority for WIA reauthorization should be clearly defining the purpose and mission of the Wagner-Peyser ES program. The Employment Services program should be fully funded because it is the backbone of America's workforce development system. Incentive funding should be made available to States and local jurisdictions to encourage multi-agency service delivery and coordination.

2. National Youth strategy should emphasize partnering with State and local dropout prevention programs, such as the highly successful Jobs for America's Graduates (JAG) Program. Georgia is a proud affiliate of the JAG program that emphasizes education, training and career preparation as a dual track for high school students. Notably, participants in Georgia's 2008 JGG senior class achieved a graduation rate of 95 percent, 20 percentage points higher than the State's 2008 graduation rate!

3. Invest unspent ARRA stimulus funds in the development of a national Transitional Jobs Program for WIA, ES, VR and UI customers that will stimulate private sector job creation and hiring. Georgia Works is a transitional jobs program that allows UI claimants to receive 8 weeks of on-the-job training while continuing to receive UI benefits. During its 6-year history, 60 percent of the trainees have been hired prior to the expiration of their training period.

Thank you for your service to America, and for your time and attention.

Senator MURRAY. Thank you and thank you for that endorsement. I worked very hard to get that into the economic recovery package. Rahm Emanuel still does not look at me without going, I know, summer jobs. So I appreciate that endorsement. Thank you.

Mr. THURMOND. Thank you so much for what you did.

Senator MURRAY. You bet.

Mr. Bender.

STATEMENT OF RICK S. BENDER, PRESIDENT, WASHINGTON STATE LABOR COUNCIL, AFL–CIO, SEATTLE, WA

Mr. BENDER. Thank you, Madam Chair and members of the subcommittee, for the opportunity to testify on behalf of the AFL–CIO, including the more than 400,000 union members I represent, on how best to streamline the decisionmaking process involved with the Workforce Investment Act.

Washington State is proud to be in the forefront of innovation and accountability for our Workforce Training and Education Coordinating Board, of which I am a labor board member. We have transformed our system to work for the economy and the labor force.

Other States are in the process of copying our success, and we hope this committee will recognize the value of what we are doing and incorporate it for the Federal system and for the success of students, job seekers, workers, and employers nationwide.

I am excited to tell you about Washington State and what we are doing, but first I want to talk about the core components we believe must be in place in order to make any workforce board function at its best, including: first, a publicly operated employment system; second, adequate funding for worker training which includes adults, youth and dislocated workers; and third, equal representation on State and local WIA boards between business, government, and labor.

A publicly operated employment security program is the glue between education, industry, and worker retraining.

Only government systems can achieve statewide and Federal policy integration, as well as equitable distribution of resources.

The second pillar, funding for adult, youth, and dislocated worker training is imperative. Job market upheaval requires us to get

more training services to more participants. We must cast a wider net to get all workers the help they need.

Last, State and local WIA boards must have equal representation between business, government, and labor. The financial meltdown revealed a system that relied too heavily on only one of the three pillars of our society. Chaos ensued. Workforce investment cannot tilt the balance of power toward business, nor can it tilt toward government or labor. For everyone to be truly vested, it must be an equal partnership.

In Washington State, we have that balance and it is working extremely well. Our State board has nine members: three from labor, three from business, and three from government. We believe this model is what makes us stand out across the Nation and has been the reason for our success.

We developed a road map in Washington State to create a high-skilled, high-wage workforce by the year 2018, and I have a copy of that for the committee. (See *www.hecb.wa.gov/research/Issues/documents/documents/HighSkillsHighWages-WTB-2008.pdf.*)

But before this, there was no systemwide accountability for workforce development in Washington State. Every program was separate. We could not collect consistent data from agency to agency. Some programs did not even look at what happened to their participants once they left. There were no guides for improvement. Now all this has been changed in Washington State.

We have implemented our Performance Management for Continuous Improvement program, PMCI. This systemwide framework provides us increased accountability, improved strategic planning, more efficient use of resources, and a sense of shared responsibility among workforce development programs.

These changes improve the credibility of our programs, enhance the support they receive, and increase our ability to service the customers.

I will submit a more detailed account of the PMCI system in my written testimony, but the bottom line is that this system works in Washington State.

The system helped us build programs that work for students, adults, and industry, and I would like to give you three examples.

For students, navigation 101. It is a life skills planning program for students in grades 6 through 12. It aims to help students make clear, careful, and creative plans for life beyond high school while involving both teachers and parents.

For adults, we implemented the I–BEST program. This program combines adult basic education, reading, writing, and arithmetic, with job skills training.

And for industry, we have created skill panels to identify and close worker skill gaps in industry sectors. It allows partners to anticipate and respond effectively to industry's changing workforce needs.

These programs are just a sample of the achievements we have made through accountability and by listening to each other's needs. We have a strong public overseer in the Employment Securities Department, and we have equal representation between business, government, and labor.

We have learned to work within our means through accountability, but I have to stress the importance of Federal funding in this endeavor. We suffered many setbacks during the last Administration, but now because the job market is changing so rapidly, funding is more crucial then ever. We must invest in our workforce to keep America safe, secure, and productive.

Thank you.

[The prepared statement of Mr. Bender follows:]

PREPARED STATEMENT OF RICK S. BENDER

My name is Rick Bender and I am President of the Washington State Labor Council, AFL–CIO. Thank you, Ms. Chairwoman, and members of the subcommittee, for the opportunity to testify on behalf of the AFL–CIO including the more than 400,000 union members I represent on how best to streamline the decisionmaking process involved with the Workforce Investment Act.

Washington State is proud to be in the forefront of innovation and accountability for our Workforce Training and Education Coordinating Board, of which I am a labor board member. We have transformed our system to work for the economy and the labor force.

Other States are in the process of copying our success and we hope this committee will recognize the value of what we are doing and incorporate it for the Federal system and the success of students, jobseekers, workers and employers nationwide.

I am excited to tell you about what Washington is doing, but first I want to talk about the core components we believe must be in place in order to make any workforce board function at its best. Including:

- First, a publicly operated employment system.
- Second, adequate funding for worker training which includes adults, youth and dislocated workers.
- And third, equal representation on State and local WIA boards between business, government and labor.

A publicly operated employment security program is the glue between education, industry and worker re-training.

Only government systems can achieve statewide and Federal policy integration—as well as equitable distribution of resources.

The second pillar, funding for adult, youth and dislocated worker training is imperative.

Job market upheaval requires us to get more training services to more participants. We must cast a wider net to get all workers the help they need.

Last, State and local WIA boards must have equal representation between business, government and labor. The financial meltdown revealed a system that relied too heavily on only one of the three pillars of our society. Chaos ensued. Workforce Investment cannot tilt the balance of power toward business—nor can it tilt toward government or labor. For everyone to be truly vested, it must be an equal partnership.

In Washington State, we have balance and it is working extremely well. Our State board has nine members—three from labor, three from business and three from government. We believe this model is what makes us stand out across the Nation and has been the reason for our success.

We developed a roadmap in Washington to create a high-skilled, high-wage workforce by 2018. And we created the accountability to get there.

Before this, there was no systemwide accountability for workforce development. Every program was separate—we couldn't collect consistent data from agency to agency. Some programs didn't even look at what happened to their participants once they left. There were no guides for improvements. Now all this has changed.

We have implemented our "Performance Management for Continuous Improvement" program (PMCI). This systemwide framework provides us:

- increased accountability,
- improved strategic planning,
- more efficient use of resources, and
- a sense of shared responsibility among workforce development programs.

These changes improve the credibility of our programs, enhance the support they receive and increase our ability to serve customers.

I will submit a more detailed account of the PMCI system in my written testimony, but the bottom line is—this works.

This system helped us build programs that work for Students, Adults and Industry.

Examples include:

• **For Students:** *Navigation 101*.—A life skills and planning program for students in grades 6 through 12, It aims to help students make clear, careful, and creative plans for life beyond high school while involving teachers and parents too.

• **For Adults:** *We've implemented the I-Best program*.—This program combines Adult Basic Education (reading, writing and arithmetic) with job skills training.

• **For Industry:** We have created skill panels to identify and close worker skill gaps in industry sectors. It allows partners to anticipate and respond effectively to industry's changing workforce needs.

These programs are just a sample of the achievements we've made through accountability and by listening to each others' needs. We have a strong public overseer in the Employment Securities Department and we have equal representation between government, labor, and business.

We have learned to work within our means through accountability—but I have to stress the importance of Federal funding in this endeavor. We suffered many set backs during the Bush administration—but now, because the job market is changing so rapidly—funding is more crucial than ever. We must invest in our workforce to keep America safe, secure and productive.

Senator MURRAY. Thank you very much.

Mr. Kiernan.

STATEMENT OF WILLIAM E. KIERNAN, Ph.D., DIRECTOR AND RESEARCH PROFESSOR, INSTITUTE FOR COMMUNITY INCLUSION, BOSTON, MA

Mr. KIERNAN. Thank you, Senator Murray and Senator Isakson.

I would also like to thank Senator Murray for her recognition of our own Senator Kennedy and his commitment to the workforce field and certainly employment for all as this committee has reinforced that commitment.

I was also struck by Assistant Secretary Oates' statement of the fact that the Secretary's mission is a good job for all, which we certainly agree with.

I direct the Institute for Community Inclusion, which is at the University of Massachusetts at Boston. We are a university-affiliated center on disabilities, which is one of 67 centers in a national network of the Association of University Centers on Disabilities. We have a strong interest in the areas of One-Stop and vocational rehabilitation, and I have brought with me a person who assisted in the development of the materials, David Hof, who is a technical assistance specialist who has worked in One-Stop systems.

What I will try and summarize today is some of the areas that I feel are important for you to consider, but also in the detailed report that is submitted is a much more extensive outline of some of the recommendations.

Let me just touch briefly on the background for the population that I will be talking about, and those are individuals with disabilities.

Thirteen to fourteen percent of adults with disabilities are unemployed. That is 5 percentage points higher than the average population without disabilities. But more troubling than that is between 26 to 30 percent of adults with disabilities are considered as a part of the workforce. That means that basically three to four individuals out of five persons with disabilities are not considered part of the workforce. That does not necessarily bode well for the Secretary's statement about "all." We have a ways to go in order to meet that.

Additionally, of the individuals with disabilities who are working, about one-half are working at or below the poverty level. So we must seek to get better jobs, good jobs, as the Secretary has outlined for us.

I would like to offer a few suggestions about the One-Stops. The One-Stop, really as more of a system than a center, is a consortium of 17 mandated partners that are there to develop programs that would assist in some way in supporting all job seekers.

Today what I would like to summarize very briefly are seven areas that we think are working, two areas that might be for consideration of changes or elimination, and four for innovation.

In the seven areas, certainly one of the strengths of the workforce system is the universal aspects of the workforce system. We have seen changes and considerable changes in issues of physical access, as well as more recently program access of persons with disabilities in the One-Stop system. We have made some growth in those areas, some considerable growth. As you have heard, we still have some room to improve and expand on the full access of persons with disabilities.

The ongoing contributions of the employment and the training system are clear. Since its beginning, the supports through the small grants that, in fact, were mentioned earlier, but also in the past, they have had a strong commitment to the disability program navigators. We would like to re-inforce the idea of continuing the support of that effort that allows individuals who would work through the One-Stop systems to guide persons with disabilities and job seekers to more effectively reach employment outcomes.

Also, the contributions that are made through the Office of Disability Employment Policy and the demonstration of customized employment as an effective approach toward assisting persons with disabilities in reaching employment, but more particularly in developing and understanding that there has to be a relationship between the employer and the employee and a negotiation to lead to good job outcomes for individuals with disabilities. More particularly in the area of customized employment of the Office of Disability Employment Policy, we would like to see an emphasis on looking at some other nonmandated partners such as Medicaid, CMS, TANF, and SSA in the partnership discussion.

The measurement effects were talked about very briefly in the past of looking at measures that, in fact, would document outcomes effectively and not penalize or put at a disadvantage individuals with disabilities in the One-Stop system, as currently appears to happen.

The elimination of the sequencing of services Assistant Secretary Oates had mentioned. Going from core to intensive to training is the sequence that we ought to put to rest and get on with the business of direct access to services.

The clear practices of the voc rehab system—over the last several years, we have seen some very significant relationships expanded between the One-Stops and the public vocational rehabilitation system at a State level in States such as, to my right, Washington, Alaska, Wisconsin, Connecticut, Michigan, and Minnesota, and there are more States that, in fact, have improved their relationships in the public voc rehab system. More particularly, not at the

State level, but at the local level, there are some examples where the rehab system and the One-Stop systems are working quite well together. We need more of that expansion.

A couple of the areas that we think are for elimination. One is that we think the requirement of the infrastructure contributions to each of the partners has become a major impediment to the negotiation of partnerships. We would recommend that, in fact, the infrastructure be supported entirely and that the partnerships focus on the relationships of what professionals, expertise, and resources can be brought to the table by the 17 mandated and other partners in the system.

Let me just touch briefly on a few of the areas that I think are important to consider. One is that with the passage of WIA, it will also bring the vocational rehabilitation system and its emphasis on transition. We heard the Deputy Secretary in Education talking about transition as important. Transition involves educational systems. It involves a number of partners that, in fact, are not necessarily mandated. So we would strongly encourage in the partnership agreements that we look at both mandated and nonmandated partners in the development of effective transition programs and the youth programs within Labor.

The last two elements, I will suggest very briefly. One is that the One-Stops be considered as employment networks. In looking at the division in Massachusetts alone, in looking at the data for the 193,000 persons who went through the system last year, 7,347 were individuals who had SSI or SSDI eligibility. They are individuals who could have a ticket. We could use the ticket to benefit and generate additional revenues for the One-Stop, if One-Stops were employment networks.

The collaboration with other entities, including the DD system, the developmental disabilities system, and the mental health system in the One-Stops is essential if, in fact, we are going to have a comprehensive system to serve individuals with disabilities leading to employment with many of these systems. Now we are seeing that employment is a central piece of their mission going forward.

And last, building the capacity of the staff who work in the One-Stop systems to effectively serve and support individuals with disabilities can be done through both online training, staff development, and orientation of new staff.

Thank you very much.

[The prepared statement of Mr. Kiernan follows:]

PREPARED STATEMENT OF WILLIAM E. KIERNAN, PH.D.

I am William E. Kiernan, Ph.D., Director of the Institute for Community Inclusion, a University Center for Excellence in Disabilities located jointly at the University of Massachusetts Boston and Children's Hospital Boston. We are 1 of 67 such centers that make up the nationwide network of University Centers for Excellence in Developmental Disabilities (UCEDD) that are national leaders in research, interdisciplinary training, technical assistance, and service and are supported by the Association of University Centers on Disabilities. UCEDDs are the national leaders in a constellation of activities designed to improve employment options and outcomes for people with developmental and other disabilities. Our center has worked extensively in supporting the employment of persons with disabilities and has been involved with supporting the One-Stop Career Centers and the public Vocational Rehabilitation agencies at the State level in expanding employment options for persons with disabilities. I am pleased and honored to have been asked to comment on the

reauthorization of the Workforce Investment Act and correspondingly the Rehabilitation Act.

I have organized my verbal as well as the initial portion of this written testimony around the two questions that were sent to me by the committee. Additionally, I am submitting written testimony including some more specific suggestions as to areas where changes could be made to strengthen the act as well as areas where modifications might be made to allow the act to realize its full and intended congressional intent, that is, providing universally designed, no-wrong door strategy for all job seekers in the United States.

I would like to begin my written presentation with a brief overview of employment status of persons with disabilities nationally and the potential relationship that persons with disabilities have or could have with the workforce development efforts of this legislation.

Current Status of Employment of Persons with Disabilities: Over the past decade it has become more apparent that there will be a shortage of workers to meet employer demands. Even given the current economic downturn, with the declining birth rate as well as the aging of the current workforce, most industries are realizing that their growth will more likely be limited in the long term by the declining labor supply and not the economy in general. Despite this declining workforce, there are still populations where the labor force participation rate is quite low as in the case of persons with disabilities where 7 out of 10 persons with disabilities are not in the labor market. Coupling the apparent declining labor supply with the low-labor force participation rate for persons with disabilities (nationally about 36 percent of working age adults having any disability condition and 27 percent for those having a mental disability as compared to 70 percent labor force participation for all working age adults as reported by the American Community Survey, 2006), there are some clear inconsistencies in both expectation and perception of this current and potential labor resource.

The U.S. Bureau of Labor Statistics reported that the official unemployment rate for people with disabilities, meaning those who have lost their jobs and those whom are actively seeking employment, for the first quarter of 2009 was between 13 and 14 percent, 5 to 6 percentage points higher than the non-disabled population. Additionally, as was also reported in the American Community Survey, the BLS reported that for the same time period only 23 percent of all adults with disabilities participated in the labor force as compared with 71 percent of the non-disabled population. Correspondingly, for those individuals with disabilities who are employed their earnings are considerably less than the earnings for persons without disabilities (50 to 70 percent less earnings per week for persons with disabilities as compared to those without disabilities as reported by the American Community Survey, 2006). Finally, as reported by the Harris poll, of those individuals surveyed the vast majority who were not working would be interested in working if the opportunity were to become available (approximately 7 out of 10 asked).

A future challenge for employers is how to utilize the full labor force, supporting the older worker who may be acquiring disabilities as they age, engaging the retired worker, and recruiting from the emerging workforce of individuals with disabilities and recent immigrants to advance the economic engine of American businesses in the coming years.

Interesting enough the approaches to supporting the current older worker as well as the re-engagement of the retired older worker are more similar than dissimilar to those utilized in accessing the untapped labor pool of workers with disabilities. Workplace modifications and accommodations that are universally applicable to the diverse workforce of today, older workers, workers with disabilities and immigrant workers, offer promise for employers to have a qualified workforce in the coming years.

The concept of the One-Stop, that is no wrong door to employment for all job seekers, is mandated in the Workforce Investment Act. The intent of the One-Stop was and remains a system that is seamless and able to support job seekers with a variety of interests, preferences and needs. Additionally, the One-Stops can and often play a role with employers as a source of qualified job applicants. The early roll out of the One-Stops due to initial funding strategies, limited the ability of the system to be truly comprehensive. The lack of clarity regarding the role of the collaborators, the emphasis on high volume service and the mandate to serve all job seekers has resulted in a system that has considerable potential yet to be realized.

The following section offers recommendations relating to WIA in the context of the questions posed by the committee following up with more detailed discussion of elements of WIA that work, those that may need to be revised, those that are not working and, finally, some suggestions of innovative practices and recommendations that would modernize WIA.

RESPONSE TO THE COMMITTEE QUESTIONS

Recommendations to the committee:

• Universal aspects of the One-Stop must be maintained and re-inforced from physical to program access.

• Ongoing contributions of the Employment and Training Administration to Supporting the Employment of Persons with Disabilities must be a clear focus of ETA in all programs.

• Ongoing contributions of the Office of Disability Employment Policy (ODEP) must focus on the identification and removal of barriers for customers with disabilities seeking services through the One-Stops.

• Measurement of effectiveness and impact must not create a disincentive for One-Stops to serve customers with disabilities.

• Elimination of the concept of sequential services, that is, movement from core to intensive to training, and having direct access should be adopted.

• Clear practices and resource sharing between the One-Stops and the public Vocational Rehabilitation system leading to increased employment outcomes for customers with disabilities must be the central focus of Memoranda of Agreement with WIA.

• Linkage with other mandated and non-mandated partners must be encouraged leading to increased employment options for persons with disabilities.

• Required infrastructure contributions for partners should be eliminated.

• Integration of the employment exchange function with the One-Stops in all locations must be accomplished.

• Comprehensive transition program development leading to employment outcomes for students with disabilities must be the focus of the WIA youth services and VR services.

• One-Stops should be strongly encouraged to become Employment Networks.

• Collaborations with other entities in assuring access to One-Stop Services and employment outcomes should be the goal of WIA with results of policies, programs and outcomes reported in the annual plan and the annual report of LWIBs and the SWIBs.

• Capacity training and staff development addressing employment of the hard-to-employ, including persons with disabilities, must be a focus of ETA in the development of the One-Stop system's ability to serve customers with disabilities.

A. What works should be preserved and/or refined in the current workforce system and what should be eliminated?

The following section outlines some of the areas that have been reported or been documented as working as well as those areas that, with some modifications, could address the universal aspects of the WIA legislation.

1. What should be preserved and/or refined?

• *Universal aspects of the One-Stop must be maintained and re-inforced from physical to program access.* Over the past several years many of the One-Stops have addressed the physical access of the centers through careful location of the centers in accessible buildings and locations, having office space that meets the ADA requirements and equipment and materials that facilitate access by all customers. Additionally, the enhanced role of the greeter, the front desk, at most One-Stops is now not only a position that supports new or former customers obtaining directions and information but also provides assistance especially in the accessing of information and materials in the resource areas.

There continues to be room for increased accessibility in the programs and activities of the One-Stop for persons with disabilities, non or limited English speaking customers and older customers who may not be technologically literate. The need to assure that the principles of Universal Design for Learning and the use of teaching strategies and materials for adult learners is essential if all customers are to be served through the One-Stops. Progress has been made in these areas as seen in examples in States such as Washington, Alaska, Massachusetts and Wisconsin. All One-Stops should make sure that they meet not only the physical accessible requirements but the access to programs and activities as noted in the ADA and in section 188. Assistance from DOL, through training and technical assistance, to One-Stops would serve to increase the accessibility in the One-Stops for all customers, including those having a disability and others who would be considered harder to serve.

The One-Stops, as opposed to the earlier Employment Service, have a strong focus on customer service that should be continued. However, it has been observed that staff can be unsure of the legal parameters regarding disability inquiries. It is sug-

gested that DOL develop clearer guidelines and assistance to One-Stop staff on what they can ask in the way of offering supports and assistance as well as disclosure. A clearer identification of how a customer can utilize all of the resources of the One-Stop and what assistance would be most beneficial can continue to increase the customer focus of all One-Stops.

• *Ongoing contributions of the Employment and Training Administration to Supporting the Employment of Persons with Disabilities must be a clear focus of ETA in all programs.* ETA has played a central role in increasing the capacity of the One-Stops to serve customers with disabilities. Projects such as the Work Incentive Grants and the Disability Program Navigator (DPN) grants have been effective at increasing the capacity of One-Stops to serve customers with disabilities. The role of the DPN should be maintained in ETA and expanded to all of the States. Clarification and consistency in the DPN role is needed, and the functions of the DPN addressing systemic change as well as facilitation of access to available services by customers with disabilities and other hard-to-serve customers in contrast to the provision of direct services to One-Stop customers. The continuation and expansion of the DPN is essential in supporting job seekers with disabilities.

Additionally, ETA should look to assisting One-Stops in developing more creative Memoranda of Agreement with mandated entities such as the public Vocational Rehabilitation agencies at the State and local levels as well as the non-mandated partners such as the State agencies serving individuals with intellectual disabilities, persons with mental illness and those who are on welfare. In the coming year an added focus on schools and youth in transition should clearly be an area of emphasis for ETA and the One-Stops along with their mandated and non-mandated partners.

• *Ongoing contributions of the Office of Disability Employment Policy (ODEP) must focus on the identification and removal of barriers for customers with disabilities seeking services through the One-Stops:* ODEP in its short tenure at the Department of Labor has played a considerable role in increasing the understanding of how persons with disabilities can be served in the community through the adoption of the principles and practices of customized employment and youth services. The demonstration of the effectiveness of customizing the employer and customer relationship in the workplace has been accomplished. The integration of these strategies into the One-Stops will mean a collaborative working relationship between ODEP and ETA in the coming years.

ODEP, with its focus on policy, can and should play a considerable role in both the development of effectiveness measures for One-Stops nationally as well as the identification of policies and practices that have been effective in linking the mandated and non-mandated partners together to address the universal design aspects of the One-Stops. Increasing the capacity of the system through identification of skills, competencies and certifications of personnel in the One-Stop would again integrate the policy mandates of ODEP with the activities and practices of ETA.

ODEP can and has played a role in examining Federal policies and practices that have facilitated as well as inhibited the employment of persons with disabilities. This remains an important policy area in which ODEP can continue to influence other Federal agencies and their practices such that there is a more cohesive view of both employment, as the goal for persons with disabilities across all Federal agencies, as well as to identify ways in which conflicting policies and practices can be brought into line with the expectations of employment first as the goal for persons with disabilities.

• *Measurement of effectiveness and impact must not create a disincentive for One-Stops to serve customers with disabilities:* While this has been an area of continuous discussion over several years, there is little progress in the area of identifying clear performance measures for the One-Stop system. Some of this is reflective of the nature of the One-Stop in that it is a system and not an individual program, and thus for the One-Stop there must be collaborations across multiple agencies addressing the needs of the customers who are seeking employment. Many of these partner agencies have outcome measures and most have unique interpretations of what the actual measure means, as in the case of "what is employment" and "how long should individuals be followed." Care must be exercised so that any measurement of outcomes does not create a disincentive for the One-Stops to serve specific sub-populations.

As it currently stands, if the One-Stop does not meet its performance measures while using WIA funds, there are clear sanctions. The existing structure can and often has been reported to be a reason for the low rate of service for persons with disabilities and other hard-to-serve customer groups. There is a need to develop measures of effectiveness that reflect the customer diversity while embracing the mandate of the One-Stop to serve all customers. In some instances the customer mix will vary depending upon the demographics of the area served by the One-Stop. Any

measurement system must be sufficiently flexible to accommodate the diversity of the populations served by the One-Stops as well as be able to provide consistent measures of outcomes such as employment placements, earnings and job retention among other variables. The identification of effective outcome measures for WIA is clearly an area of importance and should be a priority for both ETA and ODEP with the development of such measures including both mandated and non-mandated partner input and consideration.

While not a performance measure, the adoption of common intake and application materials across the One-Stop and its partners would serve to streamline the application effort for the customer as well as reduce the costs to the agencies if common data and variables are used for multiple applications for service. The same would be true for outcome measures. With some greater consistency in the definition of the outcomes measures, cross agency reviews may be able to be accomplished with the outcomes providing more meaningful and useful monitoring as well as strategic planning. Finally, the development of measures and processes that do not create disincentives for the One-Stops to serve the harder-to-serve customers is essential if the mandate of WIA to be universal, seamless and accessible to all is to be realized.

• *Elimination of the concept of sequential services from core to intensive to training and have direct access should be adopted:* Typically services are available to the customer in a sequential fashion with core services being the first to be offered. The customer may move from core to intensive and then training as needs become more clearly identified. Moving through this sequence can serve to add time to the process that is unnecessary and inefficient. One-Stops staff should be able to access training for individuals who would clearly benefit from training and also those who would benefit from more intensive services rather than having to go through a sequence of services. The increased flexibility will allow the One-Stop to more effectively address the needs of persons with disabilities as well as other hard-to-serve customers and also more clearly focus resources on the services that will have the greatest impact on reaching the goal of employment for the customer.

Additionally, with the adoption of a direct access system for services, One-Stops can also be more targeted in the development of their partnerships with the public Vocational Rehabilitation system and other mandated and non-mandated partners. In these instances collaboratively supporting training leading to employment at the time of application may be the most efficient use of shared resources for a customer. Flexibility in the use of One-Stop resources can give the One-Stop ability to link with other partners in funding and or supporting services for the customer.

• *Clear practices and resource sharing between the One-Stops and the public Vocational Rehabilitation system leading to increased employment outcomes for customers with disabilities must be the focus of the Memoranda of Agreement with WIA.* While included in WIA, the relationship of the public Vocational Rehabilitation system is varied across States and within States. In some States the linkage of the One-Stop and the VR system has been considerable as witnessed by the efforts in southwest Washington, Alaska, Wisconsin, Michigan, Connecticut and Minnesota. In these States there is a clear working relationship between the two systems. In other States, while there may not be as clear a relationship at the State level, there are relationships at the local level with local office of the VR system where staff of VR are located within the One-Stop on a part-time or full-time basis. Among other States, where the VR agency is not a guest or a casual resource at the One-Stops, but has a meaningful relationship, there have been stronger working relationships between these two partners. It is clear that there are examples of partnerships that have demonstrated that these systems can coordinate resources and direct their focus to increase the employment of customers with disabilities.

• *Linkage with other mandated and non-mandated partners must be encouraged leading to increased employment options for persons with disabilities.* All too often the focus of the partnership has been on what resources each of the partners can provide to the infrastructure of the One-Stop. These discussions have sidetracked discussions of the elements of any agreement to fiscal as opposed to program and resource sharing. It is felt that if the infrastructure expenses of the One-Stop are provided then the nature of the partnerships with both the mandated and non-mandated partners can be upon sharing of personnel, expertise and fiscal resources directed at assisting customers in accessing employment.

2. What should be eliminated?

• *Required core contributions for partners should be eliminated:* As was noted previously, the focus of the partnership discussions has been upon what resources could be provided for infrastructure support of the One-Stop. This focus has lead to considerable debate among the mandated partners and related resistance on working

collaboratively to address a universal and seamless employment and training system for all job seekers. It is strongly recommended that adequate financial resources be made available to cover the basic operating expenses of the One-Stop and that the elements of the Memoranda of Agreement be directed at defining what each of the entities will bring in the areas of personnel, expertise, fiscal and program resources.

• *Integration of the employment exchange function with the One-Stops in all locations must be accomplished:* As was noted in the GAO report (One-Stop System Infrastructure Continues to Evolve, but Labor Should Take Action to Require that All Employment Service Offices Are Part of the System: GAO September 2007), it is essential that the One-Stop and the Labor Service Offices be integrated both for effectiveness in addressing customer needs as well as efficiency in reducing costs. In those instances where the Labor Exchange is separate, the Wagner-Peyser resources are typically no longer available to the One-Stop and thus the WIA resources are needed to support the Administration and core services of the One-Stop, and are not available for intensive and training services.

B. What innovative policy recommendations could be suggested to modernize WIA?

• *Comprehensive transition program development leading to employment outcomes for students with disabilities must be the focus of the WIA youth services and VR services:* With the passage of WIA, transition from school to employment and adult life will become a core area of responsibility for the public Vocational Rehabilitation system. The additional stimulus monies available to several State agencies (Education, Labor and the public Vocational Rehabilitation Agency) are focused, in part, upon the youth population and assuring that these youth enter and remain in the workforce. These highly focused resources are of short duration (about 24 months) but are of sufficient magnitude that they can significantly impact how transition from school to work and adult life is addressed in selected communities. Though the stimulus money is of limited duration, the issue of transition is not and the additional resources through the Workforce Investment Act, the Rehabilitation Act, the Edward M. Kennedy Serve America Act (expanding volunteer services and service leading to employment) and the soon to be published Higher Education Act regulations (creating opportunities for students with intellectual disabilities to complete their entitlement to education in a post-secondary setting) can become part of an expanded strategy for establishing a comprehensive transition service at the State level.

There is clear evidence to show that students with disabilities who have an employment experience in school are more likely to be employed in their adult years. Additionally, with the focus on youth in WIA and the addition of transition from school to employment and adult life, now part of the Rehabilitation Act, there is a significant opportunity to revise the way services and supports are provided to youth with disabilities as they exit school. The integration of service leading to employment (the Edward M. Kennedy National Service Act), the options for completing education entitlement services for some youth with disabilities in a community college, college or university setting, the use of training resource through community colleges can all serve as a platform to revise the transition process so that students with disabilities upon exiting school are directed toward employment and not non-work options in their adult years. One of the relative strengths of WIA has been the percentage of young people with disabilities utilizing the WIA-funded youth services and better integration of such services with transition activities would be of major benefit.

Partnership agreements including schools, the public Vocational Rehabilitation agency, One-Stops, Community Colleges, Universities and community rehabilitation providers can lead to a more robust transition planning process and the development of programs and services that link post-secondary settings with community colleges and volunteer services that may lead to employment for youth with disabilities.

• *One-Stops are strongly encouraged to become Employment Networks:* The passage of the Ticket to Work and Work Incentives Act in 1999, resulted in the creation of the Ticket to Work Act. The Ticket provides resources to Employment Networks (ENs) to assist persons with disabilities in accessing and maintaining employment. Over a 5-year period the Employment Network can share in the SSA revenues saved through individuals with disabilities entering and remaining in employment.

In the past One-Stops have shown limited interest in becoming an Employment Network for the Ticket Program. In the past year significant changes have been made in the program in terms of financial incentives, and simplifying the administrative processes, including an expedited process for One-Stops to become an EN, greatly reducing the complexity of this process. The ICI in a review of the potential

of the Ticket to generate revenue for the One-Stops in the Commonwealth of Massachusetts found that for customers who were receiving SSI or SSDI benefits from May 2007 to May 2008, of the 193,868 customers of the Massachusetts One-Stop system, 7,347 (3.8 percent) were on SSI/SSDI. Iowa did a similar analysis and found that of the 200,602 One-Stop customers in 2006, about 3,400 (1.4 percent) were Ticket holders. While it's a smaller percentage than MA, the number is still significant. These two examples illustrate that there is real untapped potential for an increase in One-Stop involvement in Ticket, and in turn building the capacity of the workforce development system to meet the needs of individuals with disabilities. It is suggested that through regulatory and policy directives, efforts be made for an enhanced role of One-Stops in the Ticket program.

• *Collaborations with other entities in assuring access to One-Stop Services and employment outcomes should be the goal of the WIA with results of policies, programs and outcomes reported in the annual plan and the annual report of the LWIB and the SWIB:* The One-Stop could partner with community rehabilitation providers (CRPs) that have strong individual job placement programs. These CRPs would come to the One-Stop Career Centers and meet with individuals identified by the One-Stop as potentially benefiting from more intensive employment and training services. The CRP would be responsible for engaging individuals in direct job placement with the goal of entry into the workforce and then sustained employment.

Should the One-Stop choose to contract such a service through the CRP system, a direct benefit to the One-Stops would be the freeing up of staff to support more customers who can utilize the traditional career center types of services. If the One-Stop were to choose to offer the services through their system then the additional resources necessary would be used to support the hiring and establishment of such a service through the One-Stop. Regardless of the selection of the model, contract or expansion of services, the One-Stop would engage the local public Vocational Rehabilitation system as a partner in this effort. The target population to be served while having limitations that could be considered a disability may meet the eligibility requirements as a person with a disability but not be eligible for vocational rehabilitation services since the VR system will most likely be in an Order of Selection. The expertise of the VR system however can assist in the identification of supports, technology and accommodations that may be beneficial for the job seeker.

Other partnerships with State agencies such as the Department of Developmental or Intellectual Disabilities or the Department of Mental Health would bring in the resources and the customer base served by these agencies. While non-mandated entities, they could link with the One-Stops and the CRPs (entities that they currently contract with) to increase the options for employment of persons who are served by these agencies. Through the State Employment Leadership Network (SELN), a joint effort of the ICI and the National Association of State Director of Developmental Disabilities Services (NASDDDS), eight States have adopted or are considering the adoption of an Employment First strategy. This strategy calls for the allocation of agency monies to address employment outcomes first prior to any other service. The focus on employment is consistent with the overall direction of the Center for Medicare and Medicaid Services (CMS), in that, through the Medicaid Infrastructure Grants CMS is supporting States to move more toward employment as the outcome for persons with disabilities who are served by these State agencies. Linking the One-Stops, VR and the State agencies serving persons with Intellectual Disabilities also brings in the resource of CMS since, on average, one half of the budgets for these State agencies are reimbursements received from CMS for services provided.

• *Capacity training and staff development addressing employment of the hard-to-employ including persons with disabilities must be a focus of ETA in the development of the One-Stop system's ability to serve customers with disabilities:* If the One-Stops are to be able to continue to expand their capacity to serve customers with disabilities, then additional staff competencies will need to be developed addressing disability awareness, screening and assessment, consumer direction, job development, job accommodations, on-site supports and marketing to employers. The development of these competencies can be integrated into the One-Stop staff development efforts and be available on line. The training of employment training specialists or job coaches has typically been on a more informal basis. More recently there has been an increase in the creation of a range of skills that need to be mastered for staff to be able to assume the position of an employment training specialist or a job coach. These training activities are leading to the development of a national training effort directed at increasing the skills of current staff who are working in the employment and training field as well as the creation of a career track for individuals who would be interested in a career in this area. The competencies that have been identified as essential for staff who are supporting and training individuals with disabilities are similar to those that are used to increase staff skills of those supporting

the harder to employ as well as the older worker. Such a training effort is consistent with the capacity development efforts in the broader discipline of workforce professionals and WIA.

DOL can play a leadership role in supporting a national staff capacity development effort that would increase staff skills and increase the effectiveness of One-Stop services and other employment and training services nationally. UCEDDs are exceptionally well-qualified to provide training to current and future professionals working with individuals with disabilities.

Finally, we have included as an Attachment A,[1]—Detailed Comments and Recommendations for WIA—a more detailed presentation of some of the recommendations for change in the WIA legislation. These are offered in support of the above comments and are hoped to be viewed as complimentary to this written statement.

ATTACHMENT A: DETAILED COMMENTS AND RECOMMENDATIONS FOR WIA

WIA REAUTHORIZATION COMMENTS

The following section presents: (1) an overview of WIA, (2) background and context, (3) issues that need to be addressed in the reauthorization, and (4) WIA reauthorization recommendations.

1. INTRODUCTION AND OVERVIEW

The passage of the Workforce Investment Act (WIA) in 1998 resulted in a revolutionary concept—the idea of universal access to employment assistance for all job seekers needing help. Language within WIA, and subsequent regulations (both the general WIA regulations, and the specific regulations for non-discrimination in section 188) sent a clear message—that universal accessibility in the "generic" workforce system includes serving people with disabilities. In many ways, this concept of universal access in WIA, and emphasis on serving people with disabilities, was evidence and another indicator of an ongoing evolution of full integration of people with disabilities into mainstream society, side-by-side with all other citizens.

Since the passage of WIA, and the simultaneous development of the One-Stop delivery system, extensive resources have been spent on developing the capacity of the One-Stop system and workforce development system as a whole, to meet the needs of individuals with disabilities. This has included extensive funding from two DOL Departments: the Employment and Training Administration (ETA), and Office of Disability Employment Policy (ODEP). Along with the Work Incentive Grants from ETA and Customized Employment Grants from ODEP, since 2003, through a cooperative effort between ETA and the Social Security Administration, Disability Program Navigators have been working in One-Stop Career Centers to guide people with disabilities in the use of workforce development services. There are currently over 425 Navigators spread across 42 States. The amount spent on capacity-building grants from ETA and ODEP well exceeds $195 million total from 2000 to 2007, with ETA alone spending more than $115 million through their Work Incentive Grants and Disability Navigator programs. In addition to these Federal efforts, State and local funds have also been used for various capacity-building initiatives. The end result has been significant increases in the capacity of One-Stop and workforce development systems to serve people with disabilities.

At the same time, it appears these efforts have not necessarily been consistent, and local workforce development systems and One-Stop Career Centers vary greatly in their receptivity and ability to serve people with disabilities. Additionally, while some data are available which provide indicators regarding the performance of the workforce development system in serving people with disabilities, the lack of strong performance measurement systems for One-Stops has created challenges in determining the progress that has been made.

2. THE WORKFORCE DEVELOPMENT SYSTEM: BACKGROUND AND CONTEXT

In providing comments on WIA reauthorization, it is critical to have at least some context for the role of the One-Stop system, which is the primary means for delivery of workforce development services. It is important to bear in mind two basic concepts. First, One-Stop Career Centers are not service delivery agencies in the tradi-

---

[1] Prepared by: William E. Kiernan, Ph.D., Director and Research Professor, Institute for Community Inclusion (UCED), University of Massachusetts Boston, 100 Morrissey Blvd, Boston, MA 02115-3393; Tel: 617–287–4311; E-mail: *william.kiernan@umb.edu*; Web: *www.community inclusion.org*; and David Hoff, Senior Technical Assistance Specialist, Institute for Community Inclusion, University of Massachusetts Boston, 100 Morrissey Blvd, Boston, MA 02115–3393.

tional sense. The intent of the WIA legislation, and at least somewhat in actual practice, is that One-Stops are a *consortium and collaborative of multiple publicly funded employment and training programs*, that come together to form the One-Stop. There currently exists 17 federally funded employment and training programs that are mandated as One-Stop partners in the WIA legislation, one of them being the public Vocational Rehabilitation system. Despite misperceptions that WIA funding and One-Stop funding are the same thing, as will be discussed in more detail later, only 3 of these 17 partners are funded via Workforce Investment Act Funds (Adult, Dislocated Worker, and Youth Services). The second important factor to consider is the high customer volume that many One-Stops work with. For example, the two One-Stop Career Centers in the Metro North area of Massachusetts (just outside of Boston), serve over 20,000 unique customers per year with approximately 60 staff. In essence, the One-Stop system is a high volume, low-level customer contact system, which relies to a great extent on self-direction. Only a small percentage of customers (typically less than 10 percent) receive any services beyond the basic "core" services that are available to any individual.

One-Stops have been at times criticized for their inability to respond to individuals needing a high level of 1:1 assistance. Such criticism may be at times valid (particularly in cases where services have been refused or accommodations have not been provided). However, such criticism is also at times misplaced, as One-Stops were never intended to provide the type of intensive, comprehensive services that can be typically found by a community rehabilitation provider, and similar entities, including the level of intensive job development available at CRPs. At the same time, to address the diversity of needs and respond to the mandate to be universally accessible to all, the stronger One-Stop Centers have recognized the need to:

(1) have high quality information and referral systems to handle the high customer volume they experience,

(2) quickly ascertain a customer's needs,

(3) determine what services within the One-Stop can be used to respond to those needs, and

(4) identify and engage partners (both formal and informal) to respond to those needs that are beyond the core capacity of the One-Stop.

One of the "best practices" that has been recognized among One-Stops, is the ability to develop a strong network of community partners (often on an informal basis) that can be utilized to respond to customer needs. In the case of individuals with disabilities, this includes community rehabilitation providers, public disability groups, independent living centers, advocacy groups, etc., going well beyond the mandated partnership with public Vocational Rehabilitation. Some One-Stops have also partnered with their local Work Incentive Planning and Assistance programs (funded by SSA), and a few have become Employment Networks under the Ticket to Work, although participation to date by One-Stops in the Ticket program has been limited, despite significant outreach efforts by SSA.

3. ISSUES NEEDING TO BE ADDRESSED

Performance Measurement and Issues: The inability to properly measure the performance of the One-Stop system is an ongoing issue. At this point, the only mechanism for measurement of One-Stop performance is through individual partner and funding stream performance measures that allows only a partial (although still somewhat informative) look at the system. A subtext of this lack of a comprehensive performance measurement system, is the lack of a measurement system for One-Stop system performance in serving various groups and sub-populations including people with disabilities. As a result, it is impossible to truly ascertain the performance and progress of the One-Stop system as a whole in meeting the needs of people with disabilities.

Wagner-Peyser Data: The performance data that is available, while limited, indicates both successes and challenges regarding serving people with disabilities. The Wagner-Peyser data are probably the best indicator available of overall One-Stop performance. These funds are used for basic employment/labor exchange services, and track the largest number of individuals using the generic workforce development system—and per WIA regulations, are to be delivered within the One-Stop system.

Analysis by the Institute for Community Inclusion (ICI), indicates that the percentage of individuals identifying they have a disability has shown a steady increase over time, from 2.3 percent in 2002 to 3.1 percent in 2005 figure. The more recently available data show a slight decline: in 2007, 2.8 percent of individuals using Wagner-Peyser funding were identified as having a disability. As noted in a recent publi-

cation by the Institute for Community Inclusion (ICI) (*http://www.community inclusion.org/article.php?article__id=233&type=project&id=16*),

> "In examining and interpreting these data, it is important to note that these data may not fully reflect the use of these services by people with disabilities, as it does not include individuals with non-apparent disabilities who have declined to identify that they have a disability."

There are a number of other issues with these data. It first off, only indicates percentage of use of the system by people with disabilities, with no outcome data (although outcome data is made available for Wagner-Peyser participants as a whole). Second, the data indicate massive variations in the percentage of people with disabilities using services from State-to-State: from less than 1 percent to over 15 percent. The underlying reasons for this variation are not clear, but it is concerning and bears further investigation.

WIA Data: The other piece of significant data that is available is the Workforce Investment Act fund data. These funds are generally used for training, as well as more intensive services in the workforce development system. In some cases, WIA funds are also used for core services. The WIA performance data do provide highly detailed information regarding performance and outcomes for people with disabilities. However, only a small percentage of individuals served in the workforce development system are served via WIA funds (approximately a million people annually vs. over 13 million via Wagner-Peyser funding). Therefore WIA performance is *not* equivalent to One-Stop performance, although it has been observed that many policymakers internal and external to the workforce development system, advocates, and academics often verbally and in writing incorrectly make this assumption. To re-inforce this point, in 2007, only 58,000 individuals identified as having a disability were served via WIA funds, while 499,000 individuals were served via Wagner-Peyser funds.

There are three WIA funding streams: Adult, Dislocated Worker, and Youth. Analysis of these data by the Institute for Community Inclusion revealed the following: from 2001 to 2007, the percentage of individuals with disabilities served via WIA Adults funds declined from 9 percent of the total served to 4.2 percent. For WIA Dislocated Worker funds, the results have varied over this same period, from a low of 3.3 percent in 2005 to a high of 4.6 percent in 2006. In conjunction with declines in percentage of individuals served, the outcomes for individuals with disabilities trailed the overall average performance. (It is important to note that there are significant penalties in terms of funding losses for not meeting required performance outcomes using WIA funds.) For Youth funds however, the results are more encouraging. For WIA Youth with disabilities (ages 14 to 21), the percentage of individuals served actually increased from about 14 percent to 16 percent from 2001–2004 (although this has since declined to 14.5 percent in 2007). In terms of performance, Older Youth (ages 19–21) with disabilities slightly lagged the average performance, and for Younger Youth (ages 14–18), performance was either equivalent or exceeded the average performance. (Note: Youth with disabilities are highly eligible for WIA youth services.) These results appear to indicate that when performance for people with disabilities lags the general population, their ability to access services decreases, and when performance for people with disabilities is similar to or exceeds the general population, their ability to access services increases.

4. WIA REAUTHORIZATION RECOMMENDATIONS

Given this context, the following are specific recommendations regarding reauthorization of WIA:

Performance Tracking and Measurement

• **Development of One-Stop Performance Measurement System:** A key piece of WIA reauthorization needs to be mandating development of performance measurement for the One-Stop system as a whole, which includes measurement of performance in serving people with disabilities, among other groups.

• **Clarity of Disability Definition and Tracking of SSI/SSDI Enrollment Status:** Part of the reform of performance measures needs to include much greater clarity regarding definitions and mechanisms for measurement, as it appears that the mechanisms for measuring disability are at best inconsistent making it difficult to have full confidence in the accuracy of the data. Mandating the collection of SSI/SSDI enrollment status of individuals being served would assist in this process, and allow for a much stronger sense of how the system is performing for individuals with more significant disabilities, and also allow for greater determination of the potential of the workforce development system in terms of participation in the Ticket to Work.

• **Creation of Benchmarks and Targets for Specific Populations:** In conjunction with reform of performance measures, it is also recommended that statutory language be included in the reauthorization, which mandates creation of annual benchmarks and targets for serving specific populations, including people with disabilities.

• **Revamping WIA Performance Requirements:** Revamping of the performance requirements for WIA funds is clearly needed. Too often, concerns over the inability to meet performance standards, is used as an excuse for not serving people with disabilities. The WIA performance measures must be modified to account for a wider range of job seeker needs. Language must also be incorporated into reauthorization that clearly re-inforces that discrimination against individuals based on performance measure concerns is not acceptable.

Non-Discrimination and Universal Access

• **Strengthen Non-Discrimination Language and Monitoring of Performance for Specific Populations:** WIA currently contains significant language regarding the mandate to serve people with disabilities that is strongly re-inforced within the section 188 regulations. It is recommended that this language not only be maintained, but also strengthened to make this mandate clearer. In conjunction with this, language should be incorporated within WIA, that more clearly requires monitoring of the performance of meeting the needs of various populations and subgroups (including those with disabilities) and that the demographics of the customers served by the workforce development system should be reflective of the diversity of the region being served. This can be re-inforced with creation of targets and benchmarks contained within the recommendation above regarding performance measures.

• **Maintain Universal Access Requirements:** One of the key strengths of WIA, is the concept of universal access to core services, which allows any individual to access services, without having to meet eligibility criteria. This should be absolutely maintained in any reauthorization.

Training Services

• **Require Use of Universal Design and Learning Principles in Training:** Access to skill development training programs for people with disabilities has often been limited, particularly for individuals with more significant disabilities. At the same time, the ability of people with disabilities to access employment that provides real economic independence is highly dependent on increasing their skill levels. The use of universal design and learning strategies in creation and delivery of curriculum, have proven to be an effective strategy in increasing the ability of people with disabilities and other groups to access and fully benefit from classroom instruction and training. It is therefore recommended, that as an outgrowth of the universal access requirements of WIA, that language be included in the reauthorization that requires that training programs be delivered, utilizing universal design and learning principles.

• **Strengthen Use of Training Beyond Traditional Classroom Settings:** The current WIA regulations allow for a wide variety of uses of training funds including but not limited to: occupational skills training; on-the job training; adult education and literacy; customized training for an employer who commits to hiring. However, there is a sense that most training funds are still used for traditional in-person didactic classroom training, which is not an effective learning strategy for many individuals, including some individuals with disabilities. Therefore, in order to ensure that funds that are being utilized to support the full range of today's learning technology, and meet the full range of learner needs, it is recommended that language in the reauthorization more clearly and specifically encourage use of training funds beyond in-person traditional classroom training.

• **Explicitly Require Training Programs to Meet Needs of People with Disabilities:** Anecdotal evidence indicates that many training programs available via the workforce development system have limited willingness and ability to accommodate for the needs of individuals with disabilities, despite legal requirements under the ADA, Rehab Act, and section 188 of WIA to do so. It is recommended that language be included in WIA reauthorization, that explicitly states and reiterates that training programs make efforts to proactively consider and accommodate the needs of individuals with disabilities, and that re-inforces the right of people with disabilities to participate in training programs, and receive reasonable accommodations and modifications as necessary. Language should also be included that encourages the use of public VR and other disability partners to assist in supporting individuals in accessing and fully benefiting from workforce development training programs, in order that individuals successfully complete such programs, while simul-

taneously ensuring the ability of the workforce development system to meet the training program performance requirements.

One-Stop Partnerships and Role of Disability Partners

• **Strengthen One-Stop Partnership Requirements:** The concept of multiple partners coming together in a streamlined "user-friendly" system as envisioned under WIA makes sense. However, while WIA mandates a multitude of partners within the One-Stop system, the reality has been that such partnerships have too often been cursory at best. One of the more obvious examples have been cases of One-Stop Career Centers funded by WIA funds, operating separately from One-Stop Career Centers or State Employment Service offices funded by Wagner-Peyser funds, which appears to be inconsistent with the intent of WIA. Another example, where opportunities presented by WIA have not been fully taken advantage of, is when the partnership with public VR has been itinerant, consisting of a local VR counselor spending a day per week (or even less) at a One-Stop with limited interaction with other staff, which is not the integrated and collaborative partnership envisioned under WIA. At the same time, qualitative research clearly indicates that when there have been strong partnerships in place, including those with public VR, the result has been mutual benefit for all concerned. Therefore, the partnership mandates within WIA for the One-Stop system needs to be strengthened, with much clearer parameters regarding the requirements of partnership, and penalties and sanctions for non-compliance.

• **Maintain Public VR as a Mandated Partner:** It is highly recommended that the public Vocational Rehabilitation (VR) system remain as a mandated partner within the One-Stop system. The leveraging of resources and mutual benefits that have been observed on an anecdotal basis and through qualitative research (see reference in footnote 2 on case studies of MN, KY and ME), have clearly indicated the benefits of this partnership when properly structured and with the commitment of all involved.[2]

• **Remove Partner Infrastructure Contribution Requirement:** Extensive and excessive energy has been spent over the last decade on the WIA requirement that all partners must contribute to the core services and infrastructure of the One-Stop system, and this has often been a barrier and distraction to productive partnerships. To address this issue, as recommended by a multitude of commentators, it is suggested that a separate line item be created for core One-Stop infrastructure, and that this mandate for partnership contributions to infrastructure be removed and alternative mechanisms for partnership development be allowed.

• **Encourage Participation by Other Disability Partners Beyond VR:** Public VR is the only disability specific system that is a mandated One-Stop partner, and as a result is the only disability specific system that has a mandate to serve on the local workforce investment boards that oversee the workforce development system and One-Stop Career Centers. Given that VR only represents a percentage of individuals with disabilities, and many people with disabilities receive employment assistance outside of the VR systems, it is recommended that language be inserted into WIA which either mandates or encourages other disability systems be included as members of workforce boards and/or partner in other ways with the workforce development system. These would include public intellectual/developmental disability systems, public mental health system and State and local school districts. Similarly, language should be included that mandates or encourages partnership with the Veteran's Administration, which has a major constituency of veteran's with disabilities, that could benefit from stronger linkages with workforce development.

Social Security Employment Supports

• **Strengthen Role with Ticket to Work and Other Social Security Employment Support Programs:** It is recommended that language be included in WIA that strongly encourages or mandates that One-Stop Career Centers be Employment Networks under the SSA Ticket to Work program, which could be a catalyst for increasing services to people with disabilities. Similar to this, should be language that encourages linkages with Work Incentive Planning and Assistance (WIPA) Programs, and other Social Security employment support programs. As noted above, mandating tracking of the SSI/SSDI status of workforce development system customers, would assist in such efforts.

---

[2] *http://www.communityinclusion.org/article.php?article_id=4&type=topic&id=9; http://www.communityinclusion.org/article.php?article_id=3&type=topic&id=9; http://www.communityinclusion.org/article.php?article_id=5&type=topic&id=99.*

Disability Program Navigators

• **Make Disability Program Navigators Permanent:** The Disability Program Navigator (DPN) system has been a real asset to people with disabilities in accessing the One-Stop system. In order to strengthen the DPN system, it is recommended that the WIA reauthorization include a statutory requirement to maintain the DPN system, with expansion to all 50 States.

Senator MURRAY. Thank you.

Ms. Sarris.

STATEMENT OF MARY W. SARRIS, EXECUTIVE DIRECTOR, NORTH SHORE WORKFORCE INVESTMENT BOARD, SALEM, MA

Ms. SARRIS. Hello, Senator Murray and Senator Isakson. Thank you so much for having me today.

And again, I also want to reiterate we miss Senator Kennedy. We thank him so much for all of his work and know he is listening to what we are saying and moving forward to make WIA the best possible program it can possibly be.

Again, I am Mary Sarris, and I am with the North Shore Workforce Investment Board (NSWIB). We are located about 12 miles north of Boston. We serve 19 cities and towns along the coast of Massachusetts. Our board is 35 members, a very active partnership between business, organized labor, the community college, the State college, several community-based organizations, and of course, our mandated partners. We are a very active and involved board and that has allowed us to become one of three high-performing WIBs in the State of Massachusetts, and we think has allowed us to be creative, forward-thinking, and solution-oriented to the problems that we face on the north shore.

My remarks are basically based on five principles that we think are critical for WIA reauthorization.

First, is that those decisions that are made closest to the customer are the best decisions. The opportunity for local organizations and regional organizations to serve customers must continue to be stressed under WIA reauthorization.

Second, we believe that WIBs, particularly, for example, the North Shore WIB, represents that ideal partnership since we have all members of the community on the WIB and they are all very active and participatory in the decisions. They are empowered to make the decisions that make our system work, and they do take that power and go with it.

Third, we also believe, of course, that WIA must remain an education and training-focused piece of legislation. As mentioned before, the infrastructure of the One-Stop system should be supported under other means, and we should use as much of our money as possible to educate and train the workforce.

Fourth, youth services, and I will talk a little bit more in detail about this. But youth services must be restructured to better serve our emerging workforce. This group of individuals, probably a critical aspect of our workforce, is under a great deal of stress, growing every day, and we must be able to be creative and innovative as far as serving their needs and helping them make informed career decisions and moving into the next phase of their adult life.

Finally, of course, the system must be very accountable. We believe on the North Shore that there are no secrets, and everything that we do, all of the funds that we spend, all the programs that

we operate are on our Web site. And we look forward to our stakeholders participating in helping us make decisions to make those programs run well.

We see two major strengths with WIA right now.

First, is the Workforce Investment Act has allowed us to develop expertise in four nonprofit organizations and probably more than that as well. For WIA vendors that have come to know and understand what the workforce is and know and understand how to communicate that information to the young people, they have learned what our critical industries are. They have learned what it means to get ready for work, to stay in school, and we are pleased that our capacity has been increased and enhanced under WIA through these organizations.

In addition, we have been fortunate that our One-Stop system has been able to respond to youth. Through the WIA legislation, we receive about $1 million every year for our WIA youth programs. In addition, the State of Massachusetts has been able to provide us with about $500,000 in resources that allow us to serve as many youth as possible, even those who are above the WIA eligibility guidelines. Through that, we have been able to establish a youth One-Stop Career Center within one of our One-Stops. That center is critical and has done great work in helping young people.

Of course, the area of challenges. We do believe—it has been said already—the youth eligibility must be changed. It is way too complicated, particularly for the type of young people that we serve. We estimate that about 50 percent of the young people who come to us do not complete the eligibility process because it is just too onerous. These are young people who really need our services, but have a hard time completing all the documentation. We would like new legislation to support the opportunity for WIBs to establish their own guidelines, and we ask you to trust us that we will most definitely serve those most in need.

We also believe in the presence of a strong summer jobs program. The stimulus money has provided us with that opportunity this year, and we guarantee you it is money that is being put to good use.

As far as modernization of WIA, Secretary Oates and Secretary Kanter discussed this this morning. We need the ability to work more closely with our local school districts, particularly to help kids make informed career decisions about STEM careers. And we ask that the new WIA provide incentives for WIBs and local school districts to work together in that vein.

The rest of my details are in my testimony, and I look forward to your questions. Thank you.

[The prepared statement of Ms. Sarris follows:]

PREPARED STATEMENT OF MARY W. SARRIS

INTRODUCTION

Mr. Chairman and members of the Health, Education, Labor, and Pensions Committee, thank you for the opportunity to participate in these very important committee hearings on the reauthorization of the Workforce Investment Act of 1998. As a Massachusetts Workforce Investment Board (MWIB), we are truly fortunate to have Senator Edward M. Kennedy as a leader in workforce development and committed to building and supporting a quality workforce system. On the North Shore of Massachusetts, we are also fortunate to have Congressman John Tierney as a

leading member of the House Committee on Education and Labor, and another leader and supporter of our work. Finally, we have Governor Deval Patrick and his Secretary of Labor and Workforce Development, Suzanne Bump, working hard to support Federal efforts with State funding as well as helping us at the local level build valuable partnerships that really make WIA work for our economy.

My testimony is based on five basic premises, which we believe are critical to our continued success both in the current challenging economic climate and as we build the 21st century workforce in Massachusetts and the Nation.

First, those decisions that are made closest to the customer are the best decisions. When a job seeker, young person or company comes to the workforce system with an issue or challenge that is unique to that customer, those providing this service know the community and the conditions in which these challenges exist and are best situated to develop the most appropriate response and outcome. WIA reauthorization must continue to support a locally driven workforce system that strengthens effective partnerships among business, labor, educators and community and faith-based organizations to deliver effective workforce services.

Second, private sector-led workforce boards that create the strategic community-based partnerships are the best vehicles for ensuring these quality workforce services for job seekers—both youth and adults—and companies. This is very hard and challenging work under the best of economies and local partnerships and collaborations, such as that envisioned in WIA through a WIB-led system of strong One-Stop Career Centers is the only way that we can build and sustain a quality workforce system. We have seen this work on the North Shore of Massachusetts and in other regions of the Commonwealth where the chief-elected officials empower the WIB to develop and implement a strategic vision for the region. We hope that future legislation will strengthen our ability to make regional decisions with sufficient resources to make a significant impact on the economy of our region while at the same time streamlining the administration of the regional workforce system.

Third, WIA must, in the final analysis, be an education and training system. Over the past decade, a significant amount of WIA resources have gone to support important infrastructure requirements of One-Stop Career Centers. While One-Stops are our primary labor exchange vehicle for workers and companies, siphoning off training funds to support infrastructure has decreased our ability to train workers for careers in emerging industry sectors. We need both a strong One-Stop system and a vibrant education and training capacity. Wagner-Peyser funds are most appropriate for the labor exchange functions of our local system. The continued delivery of employment services by State merit-based staff in partnership with the local WIA provider will ensure the greatest flexibility and service options for our customers. Also, as provided for in the American Recovery and Reinvestment Act, we need greater flexibility to use training dollars to support worker skill upgrades through our system of community colleges and vocational technical schools. Training for both unemployed and incumbent workers must be part of a renewed commitment to responding to the dual challenges of the skill shortage and labor surplus problems we are facing in the current economy.

Fourth, we need a new approach to serving the needs of young people 16–24 years of age. Both nationally and in Massachusetts, the job market for teens (16–19) and many young adults (20–24-year-olds) has collapsed in recent years. Nationally, teens did not gain any net new jobs during the national labor market recovery and expansion from 2003–2007, and Massachusetts' teens experienced a very similar fate. In the first 3 months of this year (2009), fewer than 30 of every 100 teens in the Nation and State were employed. This is a record lows for both areas. At the national level, the U.S. Congress and the Obama administration included $1.2 billion in WIA youth monies under the American Recovery and Reinvestment Act of 2009 to create both summer and year-round jobs for economically disadvantaged 14–24-year-olds. A federally funded summer jobs program for teens has not been in existence since 2000. At the State level, the Patrick administration has committed $30 million in Federal and State monies, including WIA youth months, YouthWorks and Shannon Community Safety Initiatives monies to help put 10,000 of the State's 14–24-year-olds to work this summer. We need nothing less than a Teen Employment Marshall Plan to respond to the crisis of young people.

And, finally, of course, we should be held to strict accountability and transparency standards that ensure a wise and fruitful investment of public dollars. On the North Shore we have a belief that there are no secrets to what we do—all information on the programs we offer and the outcomes we achieve are available on our Web site and in constant meetings with our stakeholders and customers. This philosophy must be prevalent across the Nation so that we can build support and involvement with all our stakeholders and the general public.

THE NORTH SHORE WORKFORCE INVESTMENT BOARD (NSWIB)

The NSWIB serves a community of 19 cities and towns located 12 miles north of Boston with a population of close to 400,000 individuals, labor force of over 200,000 and approximately 18,000 businesses. Our unemployment rate is at 8 percent matching the State of Massachusetts as a whole. As can be expected we are experiencing a swift downturn economically in conjunction with the State of Massachusetts and the rest of the country. Last year our unemployment rate was 4.7 percent with Mass at 4.8 percent.

The WIB consists of 35 members, with private sector representation from our critical industries including durable goods manufacturing, health care, construction and banking, along with our emerging industries of biotechnology and the Creative Economy. Public partners include the local community and State college, our largest K–12 school system, the carpenters union and the North Shore labor council, two community-based organizations, one economic development agency, and of course the WIA mandated partners. We are a true "WIA WIB" in that we were established concurrent with the implementation of WIA in Massachusetts and have existed only under this legislation.

The city of Salem is our lead city, and provides strong partnership services including acting as the WIB's fiscal agent and appointing authority to the board. Our Mayor, Kimberley Driscoll, is an active participant in workforce development and regularly engages her fellow mayors in this process.

The WIB, in partnership with Salem, oversees and charters on a bi-annual basis, a One-Stop system that includes three One-Stop Career Centers located throughout our region. In addition, we have a firm belief in the use of data to drive improvement, so have an active and we hope responsive labor-market data division that provides information to the WIB and to other partners as they move their work forward. Finally, we believe in a sectoral approach to workforce development, and have several active sector industry partnerships in play reflecting our critical industries as mentioned above.

Our Strategic Plan has five primary goals, including:

1. Building the capacity of the North Shore Workforce System to meet labor market needs;
2. Fully engaging the business sector to close the skills gap that exists between available workers and employers;
3. Enhancing our Youth Pipeline by increasing and aligning education, training and employment programs;
4. Increasing, strengthening and strategically aligning relationships with Federal, State, and local partners/stakeholders; and
5. Managing and enhancing available resources to support and grow operations.

Recently the NSWIB received High Performing WIB status through a rigorous review process designed by the State of Massachusetts. We believe this status reflects the strength of our local board and our ability, as a business-led local entity, to understand what is happening in our region and to respond appropriately and successfully to our labor market and economic circumstances. As stated above, we believe that strong WIBs are possible, a preferred method of service delivery, and result in quality services to companies and individuals, and we ask for continued support for this model in the next phase of WIA—we believe in the business adage that the best decisions are reached closest to the customer, and hope that this philosophy continues in WIA's next life.

NSWIB YOUTH SERVING SYSTEM

The Workforce Investment Act provides us with the greatest share of youth money on the North Shore, totally $962,420 in fiscal year 2009. As stated above, we are fortunate to have several other youth funding streams through the Commonwealth of Massachusetts totaling $542,163. In addition, for the past 4 years we have raised funds privately—approximately $80,000 per year—to support a very small summer jobs program which we call F1rstJobs.

These non-Federal funds help support WIA work but also provide us with the ability to work with teens and other young people who are in need but do not meet the WIA eligibility guidelines. For example, State funds include projects such as Pathways to Success by 21, which is a Massachusetts initiative through which the WIB convenes all youth serving agencies in our region and works with them to provide seamless employment and wrap around services to at-risk youth. Through P–21 we have added freshmen college-level courses to our WIA Out of School Youth programs, providing WIA youth with the opportunity to leave WIA not only with a GED but with college credits to make their transition to college all that much

more successful. These sorts of programs are critical to building the youth workforce system that helps all youth, including WIA youth, to make the leap into the primary labor market.

Even in the best economy our young people were struggling to transition into the primary labor market. For the past several years, in fact since the 1980's, youth employment has been declining for several reasons, including elimination of many entry-level jobs, competition with returning retirees, and a perceived or real lack of employment preparedness in the youth pipeline. In 2008, the teen employment rate across the country was at 30 percent, the lowest rate in post-World War II history. For 20–24-year-olds, employment rates in 2008 were nearly 5 percent below those in 2000. In January 2009 young males were employed at nearly 10 percent lower than in early 2001. This crisis is even more compelling for low-income youth, who, without networks and other supports, find it even more difficult to move successfully into work. We know through research that in-school work experience leads to higher graduation rates, particularly among black and Hispanic males and leads to higher employment rates and earnings as young adults. In addition, labor markets with high teen-employment rates for males reduces their involvement with the criminal justice system, and for females results in lower teen pregnancy rates.

In addition, as our local school districts work to increase graduation requirements so youth are better prepared to enter the high-skilled work force—a good thing!—we are finding a cohort of youth who are, under these policies, struggling to graduate—in a way a group of youth who are caught in the middle of positive policy changes that have a negative impact on their future due to their current educational status. As the work world becomes more complex, virtually all young people (not to mention our adults), are finding it harder to move into and through this work world and toward careers and economic self sufficiency. WIA is a large part of the solution to this dilemma, and has made a huge difference in our region for those most at-risk. However, the opportunity to modernize WIA to reflect our current economy and educational and social needs represents a chance to make WIA even better.

WIA SUCCESSES

WIA funds have been used by four youth serving organizations in our region to develop the capacity to deliver high quality workforce-related services to at-risk youth. While these organizations had all been well-respected in relation to their youth services, their connection to workforce development and their ability to help at-risk teens make informed education and career choices has been enormously enhanced by participating in WIA youth programs. They have learned how to engage youth in dual goals, including high school equivalency AND job AND college. As stated above, they have creatively brought in community college courses as part of their curriculum, and will be adding computer literacy training as a service for all their students. WIA has spearheaded this change—and we believe has added a critical level of quality and sophistication of services in our region.

We have been able to enhance our Career Center's ability to work with youth. Early on as a WIB our Career Center staff began coming to the WIB pleading for training and enhanced services for teen and older youth job development needs. These young customers were coming into the Centers that did not have programs and services appropriate for their circumstances. Through a strategic planning effort in cooperation with our Career Centers, the WIB established as a priority the development and support of a Youth Career Center (YCC), located in a separate office within one of our One-Stop's location. This Youth Career Center, funded through WIA and other youth funds through the State of Massachusetts and private contributions, has allowed us to appropriately focus workforce services for this population, including job readiness workshops, assistance in applying for jobs, and referral to WIA or other youth programs. The YCC is not seen as separate from our One-Stops, but an integral part of the One-Stop system, so young people as they mature easily move between the two, and come to know and understand these services as available to them at any time in their work life. In addition, our One-Stop Career Center's Business Services Unit has developed an expertise in developing jobs for teens as well as adults, particularly during the summer season where teen jobs are in such demand.

IMPROVEMENTS TO WIA

WIA should be modified to change youth eligibility and to change the way we determine eligibility. Current eligibility rules require stringent documentation, including income tests, academic skills assessments, previous criminal records, foster care information, and other documents that are by definition difficult to obtain and reflective of failure by those we are seeking to obtain them from.

These very steps are demoralizing to the youth we are trying to enroll—how can we imagine an at-risk youth trying to make positive changes by enrolling in a quality WIA youth program only to be told that he or she has to prove their failures in order to begin the process. These youth are easily turned off by such bureaucracy—in fact, we estimate that probably only 50 percent of those who begin this process actually complete it, representing a core of young people denied service by the system designed to provide these services.

In addition, these rules exclude a large population of needy youth whose families are struggling at just over poverty level, such as families who are eligible for free/reduced lunch or other Federal income-tested programs. These teens are left out of critical growth experiences in the work world that could prevent them from falling into great poverty or other at-risk situations.

We do not ask that we lose our focus on serving the most at-risk. Instead we ask that local WIBs be given the authority, as they are under the WIA Adult programs, to develop a process that works for the population we are trying to serve. There are many ways to show need that are not inflammatory or degrading or difficult and bureaucratic to obtain. Income proxies from other Federal, State, or local programs should be allowed. Partnerships and enhanced communication and mutual responsibility with other youth serving agencies or organizations should be encouraged so that referrals are made seamlessly and acceptable documentation received this way. Automatic eligibility, regardless of income, should be granted for certain risk factors such as youthful offender status, high school drop-out, teen parent, etc. We ask you to trust the local level to understand who needs to be served and how best to document this—we know that this will have an enormously positive benefit to the youth we are working to serve.

WIA should allow local regions to determine other aspects of service, such as the in school/out of school balance. Through long conversations and debates, our Youth Council and WIB determined several years ago to focus our limited WIA youth funding on our out-of-school population. While not totally eliminating in-school services (we are currently at a 37 percent/63 percent in-school/out-of-school ratio) we recognized a tremendous void in services for the out-of-school population in our region and have thus targeted our resources accordingly. The result are three well-run and responsive programs for out-of-school youth that did not exist in the past, along with two very strong in-school programs working closely with the local school districts in keeping at-risk teens in school. Other regions may see this issue differently, and reverse this structure. In any case, as mentioned above, we ask that decisions such as these remain with the local regions, ensuring that local needs are met.

The value of a summer employment program for at-risk youth cannot be underestimated. While we believe in the full WIA youth program model for at-risk youth, we also know that large numbers of teens—in fact the majority of teens at all income levels—cannot find work during the summer. Summer employment is key to teens' full workforce development and yet is basically unavailable even in good economic times. We know this by the number of youth who come to our Career Centers looking for work—and by the economic challenges that companies face when hiring youth. We know, for example, that the retail trade, often where a teen finds the first job, has, in many cases, made strategic decisions to increase minimum age for employment sometimes to 18 and often to 21. In addition, they are tapping an age cohort only recently available to retail, i.e., retirees, to fill the need for temporary and/or part-time employment. Recent data collected by the Center for Labor market information at Northeastern University shows that summer employment nationally and across Massachusetts continues to decline every year, with of course a major decline expected this summer. We are fortunate this year that the American Recovery and Reinvestment Act allow us to provide this service to at-risk youth this summer (albeit with the eligibility challenges as mentioned above). This should become a standard part of WIA, with priority service to low-income youth and with the ability of local WIBs to establish other priorities and documentation requirements. A permanent summer jobs program will be a very strong and fruitful investment in the lives of these youth AND in the strength of the youth pipeline.

INNOVATIVE POLICY RECOMMENDATIONS TO MODERNIZE WIA

In summary, the above issues would result in THREE policy changes in a new WIA. These include:

1. The opportunity for local WIBs to establish eligibility policies and procedures around youth service, while retaining the requirement to give priority to low income, severely at-risk youth.

2. Providing local authority to establish other program priorities, including the in-school/out-of-school program mix.

3. Allowing a permanent, stand-alone summer jobs program for all youth, with a focus on serving youth who are at or near poverty or exhibit other at-risk characteristics.

In addition, other policy suggestions to modernize WIA would include:

• **Require secondary and post-secondary institutions to work closely with the workforce system to better prepare all youth to consider careers within local and national critical and emerging industries, most of which have a STEM focus.** The workforce system is often relegated to the fringes of our traditional educational system, based on the overall American belief that individuals study first, and then go to work. While we are making progress, we have a long way to go to ensure that students at all levels see the connection between what they are learning in school and how it plays out in our high-skilled work environment. For example, WIA should support the placement of teachers in summer externships where they practice their area of expertise in a work environment and then translate this experience into curriculum and related activities that make STEM real to young learners. The new WIA should provide incentives and supports to WIBs that work closely with their local school systems to develop and implement programs such as this and related curriculum that helps all youth become excited and committed to careers in STEM fields.

• **In addition, the new WIA should have incentives/options to allow local WIBs and the educational system to develop appropriate transition programs for youth.** We know that in too many cases youth are graduating from high school not prepared to college-level programming, whether of a certificate or associate/bachelor degree nature. WIBs, with their diverse membership of business, labor, education, and community organizations, are the perfect place for conversations around this challenge to take place—for both the adult and the youth customer. A modernized WIA would reward those regions that take on this dilemma and develop solutions that result in a greater transition to higher education and into high-skilled jobs.

• **The new WIA should support and expand the ability of One-Stop Career Centers to provide universal services to all youth within the community.** Currently, due to funding limitations and rules, most One-Stops find it difficult and/or unallowable to provide these services. As mentioned above, WIA youth funds are limited to serving only the most at-risk, and a Youth Career Center should be open to ALL youth, just as adult One-Stops are open to all adults. We on the North Shore have been able to establish a Youth Career Center only because of additional State support for youth. We urge that the new WIA treat youth as the old WIA treats adults, i.e., individuals who need job-related services without regard to income or other factors.

• **The new WIA should adjust performance standards for all youth, regardless of age, to encourage continued education as well as job placement upon high school graduation or GED receipt.** We need to focus on helping young people choose a career path that will provide them with the opportunity to be economically self-sufficient as adults. These paths in general require additional post-secondary education as well as work experience. Young people should be encouraged to consider multiple pathways to reaching their goals, and the new WIA should be designed to encourage these outcomes.

CONCLUSION

When Congress enacted the Workforce Investment Act of 1998 we were in a period of strong economic growth and global transition. WIA as designed at the time was right for transforming the job training system into the 21st century.

Global transition accomplished, we now face the most significant economic challenges since the Great Depression. According to the Bureau of Labor Statistics more than 15 million people are officially out of work and our unemployment rate is approaching 10 percent. We have to rethink how we respond to the current labor surplus while at the same time prepare workers for those industry sectors that remain critical and/or are emerging, such as green job, high-skilled manufacturing, and health care.

This will require keeping what worked and taking bold steps to make the changes that are needed now. We believe Congress should:

1. Continue support for local decisionmaking through WIBs as partnership among business, labor, education, and community/faith-based workforce leaders;

2. Provide dedicated funding for the One-Stop Career Center infrastructure in an effort to maximize training resources under WIB;

3. Create a Teen Employment Marshall Plan to respond to the youth employment crisis, including simpler and more locally driven eligibility and other programmatic policies, a permanent summer and/or year round jobs program, great connections to STEM careers, support for youth services in our One-Stop system, transition support for youth to the next steps, and more appropriate performance outcomes; and

4. Insure accountability while at the same time provide maximum local flexibility in program implementation.

We are at a crossroad and we need to take the best path to education, train, and put America's youth—and adults—back to work.

Thank you.

ATTACHMENT.—PROFILES OF YOUTH BEING SERVED BY WIA

Below are five vignettes of youth served through the North Shore Workforce Investment Board's WIA Youth programs. These programs are offered by four community-based organizations chosen through a competitive bid process on a bi-annual basis. They include:

- Action, Inc. in Gloucester—Compass Program.
- Catholic Charities in Lynn and Salem—Youthworks.
- My Turn in Lynn—WIA Out-of-School Youth Program.
- Girls Inc. in Lynn—Careerpath.

We attach these stories to provide a more compelling picture of the employment and educational challenges of WIA youth and the creativity and dedication of our partners as they help these young people overcome these challenges.

ASHLEY

Ashley entered the Compass program in the fall of 2007 to complete requirements for her high school diploma. She was an out-of-school, older youth who only needed a few additional requirements for graduation. Through our program we set her up with a Credit Recovery academic plan which included participating in the Composition I course offered at Compass through North Shore Community College. We began the enrollment process with the Workforce Investment Board to qualify her for our programs after her 3-week trial period. This was a complicated task because of the extensive paperwork required for eligibility. With out-of-school youth school many times documents are no longer valid because they are out-dated for WIA eligibility requirements and, many of our students—including Ashley—do not have their social security cards in their possession. It is difficult for our students who do not have transportation and other forms of identification to get a duplicate card. Ashley's mother is hearing impaired and their only form of income is her disability check, but getting this documentation is a long process. Eventually Ashley was approved through WIA in April. Ashley continued with the program throughout the process and received her Gloucester High School diploma in June 2008, 3 years after her anticipated graduation date. She was placed in work experience at Addison Gilbert Hospital where she got experience and earned her first ever pay check. Ashley has just completed her first year at North Shore Community College in the medical administrative assistant program, making the dean's list. She is looking forward to returning to school in the fall and getting her associates degree.

CHRIS

Chris was a bit of a "sad sack" when he first arrived at the Catholic Charities GED Program in May 2008. His scores showed that he would need to make a long term commitment in order to successfully pass his GED. He participated in the summer employment program by working in the maintenance department at the Catholic Charities Day Care Center. The director of the day care often commented on how he managed to paint himself more than the walls. Slowly, we watched Chris grow. He became a strong and dedicated student in the fall. He worked hard in class and was never shy about asking questions. All the staff at the Center got to know him and would often ask how he was doing. One year after Chris began the program, he took his GED test in May 2009. Although, he did not pass the math section, he did successfully pass the other four tests. He wanted to take the retest in math right away and came to the program every day during the following month. On June 18, 2009, Chris graduated with the rest of the class, having successfully passed all five sections of the GED. Now he is planning to attend Marion Court College in September and in order to feel more acclimated to the campus, he is spending this summer's employment opportunity on the campus working in the grounds keeping department.

IESHA

Iesha was 16 when she entered the program, pregnant but very determined to find a way to put her life back together. She was considered a ward of the State and was living with an aunt here in Lynn. She was enrolled in the program in February 2008 and progressed rapidly toward her GED. While she was in the program, she participated in the Navigating the Future College Writing class as well as the Transitions to College Course, earning her four college credits. Within 2 months, she took her GED test and passed. She then participated in the summer youth employment component and was placed at the CAEP (College Application Education Program) as a youth mentor. Barely over 17, she gave birth to her son in July. Her plans were to move forward and she wanted to attend college class over the summer, but reality taught her that she needed to pace herself and she postponed starting until September. A referral was made for her to connect up with the Healthy Families Program to help her with parenting skills and how to time manage. She enrolled at North Shore Community College in January 2009 and has been attending full-time. During the last conversation with Iesha, she expressed that she is doing very well and that she is exactly where she had hoped she would be in her life.

LAPORSCHA

Laporscha first entered the program back in February 2008 looking to get her GED and find a job, eventually entering the field of criminal justice. Her attendance in the program was remarkable from the beginning. While attending classes, Laporscha showed a strong interest in almost everything we had to offer. Her adventure started when she took part in a focus group sponsored by the Commonwealth Corp on a new initiative called "Think Again." The program was designed to help young people make choices while they were in middle school. She was hooked and wanted to know and do more. We offered to have her enroll in the Northeast Youth Leadership Program and in July 2008 she spent 3 days and 2 nights at Merrimack College in Andover attending a training to become a youth leader. While still attending the GED classes, she also participated in the Navigating the Future/North Shore Community College, *Transition to College course*. Using the skills she had acquired in the training, Laporscha started a work experience placement as the coordinator for the Think Again Project. The design was to have her work with and in the local middle schools to help reach young people thinking about quitting school. She also did a summer youth employment placement at the Catholic Charities North Day Care Center. She worked for 7 weeks in the day care helping with feeding, daily games and activities and assisting the teaching staff. She got a job at the local Taco Bell and was happy to be bringing in a pay check. All the while, she was dealing with serious social issues at home that frequently left her homeless, penniless and with no one to turn to. Amazingly, Laporscha continued to take advantage of everything the program could offer to her. By the winter, she made a difficult decision to go to California to live and work with her grandmother and her aunt. She left in January 2009 in hopes of finding a new life and a new direction. With the beginning of spring, Laporscha returned to Lynn. She called and asked if she could return to the program. Here she has a sense of direction and meaning and she would like to continue toward the dreams and goals she first established a year ago. Very few students take advantage of as many opportunities as Laporscha did, and hopefully, she will continue to reach out to all we have to offer.

GISELL

Gisell came to Girls Inc. from the Dominican Republic during the summer. If she had stayed in the Dominican Republic, she would have been entering her senior year of high school. Her first language was Spanish, so she needed to work on her English. In Lynn she started school as a junior. The Career Path Program funded by the Workforce Investment Board changed everything for her. She says, "I didn't know the way to get into college, especially here in the United States. They showed me everything. Every question I had, they answered." Gisell used every resource available. She found the workshops on interviewing for a job and financial literacy especially valuable—she says these are good skills for *life*. She found the weekly Mentor Program that is part of Career Path was just what she needed to take the many steps she had to take to reach her academic and life goals. She was matched with a volunteer mentor from Lynn who supported and encouraged her, and she found she could make use of the differences in their life experiences. Gisell was accepted at the college of her dreams! However, she ran into a major bump in the

road. While the college offered her some financial assistance, she came to realize that she did not want to put her family into debt. Gisell is very strong-minded, so she was not excited about making a back-up plan. But she says that the Career Path Coordinator and Academic Advisor for the Career Path Program helped her to see that going to another college was not the end of the world and that she could still reach her long-term goals. They helped her adapt successfully to her real life circumstances. Gisell is currently doing well at North Shore Community College and is a member of the Honor Society. She is struggling with one class. She used connections she made while in the Career Path Program to continue working with TRIO and join a study group to help her with the challenging class. Gisell did a summer internship in Lynn at the community dental center. From this experience she gained the confidence that she could "do anything." Later she worked weekends at Brooksby Village leading activities for elders, and they loved her! She also took advantage of a volunteer who came to Girls Inc. to do a physics project in which she made a wooden triangle fly using electricity. She also attended an architecture class taught by a Girls Inc. Board member. Gisell says, "I never would have made it to where I am now without Girls Inc. and the Career Path Program."

Senator MURRAY. Well, thank you very much.

Ms. Cooper.

STATEMENT OF KATHY COOPER, POLICY ASSOCIATE, OFFICE OF ADULT LITERACY, WASHINGTON STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES, OLYMPIA, WA

Ms. COOPER. Thank you, Chair Murray, Senator Isakson. It is a pleasure to be here today to bring some perspective from adult basic education providers in Washington State. I think you will hear them echo the themes that you have already discussed this morning.

I would tell you that I bring their great sense of urgency to this conversation. Adults with skills gaps in basic education and English as a second language in my State come from the fastest growing population groups, are under-prepared for the jobs they have today, and lack the skills for the programs that could prepare them for the job that will need them tomorrow. They will make up a significant part of our future workforce for the next two generations, are one of our State's richest potential assets, and within the parameters and supports of the current law, we are able to serve less than 10 percent of the need.

In response to those needs, I am here today to ask you to focus your modernization in four areas.

The first is to identify the purpose of title II as student success in post-secondary education and progress along career pathways. Eighty-six percent of the adults who come to our program come with the goal of gaining skills to get and keep a better job. Our research has identified the point at which these students will have just enough skills and knowledge to get a family-wage job. We call that the "tipping point." It is 1 year of college credit and a vocational credential or certificate. That is the goal for our adult literacy programs, the minimal goal for every student they serve. It is a goal worth having for title II, and it is a goal the President has declared for the country's education system.

The second change that we seek is language that identifies and supports the expansion of integrated education. As you have heard this morning, our State's flagship innovation is integrated basic education and skills training, or I–BEST. I–BEST puts an adult basic education and professional-technical instructor in the same classroom at the same time, offering instruction that integrates job

training and adult basic education. All I–BEST programs lead to vocational certificates recognized by local employers in demand fields that pay family wages. Those certificates carry exactly the same credit and are the same certificates that other college students earn.

I–BEST also provides a full range of student support, but the most important thing about I–BEST is that it works better than anything else we have ever done. The latest study documents that I–BEST students earn an average of 52 college credits. That is more than the 45 required for the tipping point, and they demonstrate greater gains than adult basic education students in traditional classrooms. However, we cannot continue this level of innovation in the margins. The new WIA can make room, however, for this success in Washington and other States.

A third critical area is to ensure that those who need most education and training will be able to get it by aligning titles I and II and naming community colleges as partners. Even in Washington where we have good will and we have good intentions, we are able to overcome the structural barriers to jointly serve in any great number those who are most under-prepared. The new law can align program definitions, allowable activities, outcome measures, and performance targets that will drive us to invest in the workers who are currently getting the least and who need the most and who stand to most contribute to a vibrant economy.

In my home State, we also know that the community and technical college system is at the center of moving under-prepared adults into the skilled workforce. We are heartened to hear President Obama's support for our system and his inclusion of adult basic education and integration in his thinking.

The success of the new act will be greatest if each State's college system is named as a system partner. That new relationship will result in a more comprehensive education and training system that can more fully develop the workforce.

Finally, we ask you not to starve the solution. In Washington, we know what we need to do and we know how to do it. Meanwhile, Federal resources decrease every year. So we would ask you to authorize an additional $17 million in appropriations this year to hold harmless 36 States penalized when the Department of Education changed their data source. Washington State alone stands to lose more than a quarter of a million dollars.

We would ask you to increase next year's appropriation to $750 million, an investment that would simply allow States to serve as much as 40 percent of the adults already on waiting lists.

And finally, we would ask that you target an additional $75 million to help States develop the kind of innovative programs like I–BEST that move low-skilled adults further and faster on career pathways to success.

We are proud of our good work, proud of the accomplishment of our adult learners, and really applaud your efforts to create new parameters and support new opportunities. Thank you.

[The prepared statement of Ms. Cooper follows:]

PREPARED STATEMENT OF KATHY COOPER

Chair Murray and members of the committee, I am honored to provide perspective about WIA reauthorization from Washington State's adult basic education providers. It is a special privilege to have this role before a committee chaired by Senator Murray—a champion of so many efforts to support low-income families and economic growth.

You could not have picked a more critical time to modernize the framework provided by the Workforce Investment Act. Your work will shape our ability to meet the needs of the emerging workforce and fuel a revitalized economy.

Despite diligent efforts and significant State level investments, we are not able to meet the accelerating needs of adult students and our State's economy within the parameters of the current law. The populations that adult basic education/English as a second language programs target are Washington State's fastest growing groups. Almost all of our students work—often at more than one job. They earn low-incomes, are under-prepared for today's jobs, and lack the skills to succeed in traditional education and training programs. This population will provide the growth in our State's workforce for at least the next two generations. We are able to enroll less than 10 percent of these hard-working adults, recognized by President Obama as making up most of our Nation's talent pipeline.

At the same time, skill levels required from workers continue to accelerate exponentially. When we talk with employers in Washington State, they no longer discuss the workforce needed to support a recovering economy. Instead, they talk about the workforce needed to fuel a *new* economy—one in which workers must demonstrate even higher skills and be much more agile and ready to change.

In response to those urgent needs, I am here today to ask you to focus on four areas as you reauthorize the Workforce Investment Act (WIA).

Redefine the purpose of title II as student success in post-secondary education and progress along career pathways. Eighty-six (86) percent of the students who enroll in adult basic education in Washington State come to learn the skills they need to get and keep a good job. Joint research carried out by the Washington State Board for Community and Technical Colleges and the Community College Research Center at Columbia University found that far too few of them ever complete enough education to make a significant difference in economic self-sufficiency or to meet employer needs. The research also identified the point at which students have just enough skills and knowledge to get family-wage jobs and take the first steps along career pathways. We call that the Tipping Point—1 year of college credit and a vocational credential or certificate. It's the goal that our adult literacy programs have over time for every student they serve and it's a goal President Obama identified for our national education system.

Drive the creation and expansion of integrated education and dual enrollment programs that move adult literacy students further and faster along education and career pathways. In Washington State, the flagship among these kinds of innovative practices is Integrated Basic Education and Skills Training or I–BEST.

I–BEST puts an adult basic education and a professional-technical instructor in the same classroom at the same time. This team offers instructions that integrates job training and adult basic education for highly motivated students, whether or not they have a GED or high school diploma. Their success demonstrates the importance of concurrent, rather than sequential, learning to accelerate progress for adults. In fact, all I–BEST programs lead to vocational certificates recognized by local employers in demand fields that pay family wages. They are the same certificates earned by other college students and carry the same college credit. That instruction not only prepares students for first steps on their education and career pathways, it also gives them the skills and knowledge they need to succeed at the next steps. In Washington State, we look beyond mythical career ladders that have rungs spread too far apart for the reach of most adult basic education students. Instead, we think about skills as a chain with links that interlock.

Beyond integrating basic skills and professional-technical education, I–BEST students also receive a full range of student support, including advising, counseling, case management and financial aid. Blending enhanced student services with innovative instruction is critical to I–BEST success.

The most important thing about the 138 I–BEST programs offered through Washington's 34 community and technical colleges is that they work for students and for employers. The Community College Research Center released a study in May documenting that I–BEST students earn an average of 52 credits, which is more than the 45 credits needed to reach the Tipping Point. At the same time, I–BEST stu-

dents demonstrate greater gains in their adult basic education/English language skills than students enrolled in traditional adult basic education classes.

That's only the data part of the story. The rest of the I–BEST story lives in the success of students and the employers who hire them. They are students like Harry, who was injured and had to leave the job he'd held for three decades. He was apprehensive about enrolling in the manufacturing processes I–BEST program at Lower Columbia College, not sure he could master the required skills after 47 years away from a classroom. Eight out of ten students who begin college without a diploma don't make it. Instead, Harry has a 3.6 GPA, will complete his certificate in December, and already has an internship job waiting.

The I–BEST story is about Dien, who came to North Seattle Community College in the fall of 2007 as a recent immigrant from Vietnam. In only 2 years, he enrolled in adult literacy and I–BEST accounting classes, finished an initial accounting certificate, got a job, completed his AA degree, and will continue work this fall towards a bachelor's degree in accounting at Central Washington University.

The success of I–BEST is echoed by Kekebush and her five children. A refugee from war-torn Eritrea, she developed English skills and completed her Licensed Practical Nurse certificate in the winter of 2008—part of Renton Technical College's second, 2-year I–BEST cohort. Like her I–BEST peers, her grade point average was higher than traditional students in the same classes. She is scheduled to graduate from the Registered Nurse program at the end of this summer.

Ensure that those most in need of services will get them by aligning activities, outcomes and partnerships in titles I and II. The needs of underprepared workers and employers cannot be addressed using the current capacity of either the workforce development or adult basic education system alone. Gaps in service and unsatisfactory results will not be resolved at the level of coordination possible within the confines of the current act. Despite the goodwill of local workforce investment boards and adult basic education providers in Washington State, we have not been able to overcome structural barriers.

Current program definitions, allowable activities, outcome measures, and aggressive targets in title I don't match those in title II. The mismatch leaves providers from both systems in the same quandary. They choose between addressing the needs of clients and communities or hitting performance targets through activities that serve clients who need the least support. Alignment of the two titles will allow qualified providers from both systems to leverage each other's strengths and resources, count shared success, and invest in workers who will benefit the most.

In addition, community and technical college systems are going to play a more central role in moving low-skilled adults along education and career pathways. In Washington, we are learning that the quality of the relationship between the college and workforce development systems predict success in both title I and title II. Reauthorization provides an opportunity to change the parameters of this relationship from a series of individual contracts between boards and college venders into a systemic relationship between partners capable of delivering coherent and comprehensive services.

Don't starve the solution. Faced with increases in both under-skilled population groups and the skill/knowledge levels required to recreate a vital economy, we are starving the solution to both dilemmas. Adult literacy funding continues to decrease across the country.

Three actions will reverse this trend and allow us to better meet the demands of workers and the economy. No. 1, authorize an additional $17 million in the current appropriations bills to hold harmless all 36 States penalized when the Department of Education changed the data source they use for distribution formulas. In Washington State, we stand to lose more than a quarter of a million dollars. No. 2, increase next year's appropriation to $750 million, allowing States to serve 40 percent of those already on waiting lists across the Nation. No. 3, target an additional $75 million for seeding and scaling up approaches that integrate basic skills and post-secondary education and training or which dually enroll students in adult basic education and post-secondary education and training.

We are proud of the innovative efforts of adult basic education providers in Washington State and celebrate the success of our adult learners. As you reauthorize WIA title II, you have the opportunity to create new parameters and support new opportunities that will make it possible for us to expand our successful efforts and be joined in innovation by colleagues across the Nation.

I am happy to take your questions.

Senator MURRAY. Thank you very much.

Mr. Wing.

STATEMENT OF STEPHEN WING, DIRECTOR OF WORKFORCE INITIATIVES, CVS CAREMARK, TWINSBURG, OH

Mr. WING. Good morning, Madam Chairwoman and Senator Isakson. I am Stephen Wing, Director of Workforce Initiatives for CVS Caremark. Thank you for inviting me to speak to you today about CVS Caremark's experiences in the workforce investment system.

Today, CVS Caremark is the only fully integrated pharmacy health care company in the United States. It has approximately 215,000 employees across 45 States who demonstrate a shared passion for customer service and a commitment to creating a better future of health care in America.

At CVS Caremark, we understand how much a company's culture impacts its people and ultimately its performance. That is why we have established a unifying vision that defines our company and serves as a guide of how we conduct our business every day. These principles inspire us to go above and beyond our customers, our clients, and our colleagues.

An integral part of our mission is investment in our workforce and the communities we serve. The primary focus of our workforce initiatives is to train, hire, develop, and retain, and support the lifelong learning of diverse qualified associates, while adding value to CVS Caremark by establishing partnerships with local, State, and Federal agencies, educational institutions, nonprofits, and faith-based organizations under the umbrella of the workforce investment system.

In November 1996, we started our first Welfare to Work program in Akron, OH, in partnership with the Summit County Welfare Office and the Summit County Employment Service, along with Family Solutions, a local nonprofit that assisted us in recruiting four candidates. Since that time, we have hired over 65,000 former welfare recipients, and as of today, 40,000 of those are still actively employed in career path positions at CVS Caremark. At that level of retention, 60 percent, represents a stark contrast to entry-level service jobs in retail where turnover can easily exceed 200 percent a year.

It is worth noting too that the retention rate for former welfare recipients is also much higher than the retention level for other entry-level CVS Caremark colleagues hired from other sources.

In addition, over half of those former welfare recipients we have hired have been promoted at least twice. We are excited to find that people are not just joining us for a job but for a career.

One of those employees is Debra Autry. Debra is a lead technician at our East Main Street store in Akron, OH. She was in our first Welfare to Work program. She started out as a part-time crew member and worked at two stores so that she could get full-time status. Debra showed her supervisors very quickly that she was excellent at customer service and is dedicated to the stores and, in her 13-year career, has been promoted four times, completed the entire pharmacy tech program and received the national certification. We are very proud of Debra. I remember her telling us about other training programs that she had participated in while on welfare where she completed the course and got a certification

with no job. With our training at CVS Caremark, we guarantee a job for all who pass their training.

Some of the benefits of the partnerships that we have been able to develop with these organizations—such as in the workforce system, but the nonprofits and the faith-based organizations—some of the benefits to CVS Caremark of these various partnerships include the following: access to quality job seekers, savings from more effective use of company and adult education resources, improved work qualities, increased employee retention, improved customer service, increased employment promotion rates, support for the well-being and economic development of the community, and the assistance with workers' training and educational needs.

In addition to the benefits to CVS Caremark, the benefits for those involved include: access to good jobs, financial and other support, and greater awareness and access to community resources.

In terms of the reauthorization, we believe that ensuring that existing youth dollars are directed to promote innovation in education and training for disconnected youth is critical. Funding for these kinds of programs should be based at least in part on the success of those models. We also believe that these kinds of programs should include an articulation of key elements linked to outcomes to be eligible for the Federal funding.

And in conclusion, we believe in the workforce investment system and have seen that it has been very positive and productive for CVS Caremark. We would want to share that with other companies and make sure that we get more buy-in from companies.

I also would recommend that you connect with Corporate Voices for Working Families and the Institute for Competitive Workforce at the U.S. Chamber who have great thoughts on the Workforce Investment reauthorization. I serve on both boards and I know that they have done a lot of work on this, and I would recommend that you check with them.

Thank you, Madam Chairwoman and Senator Isakson. We appreciate this opportunity to tell you about CVS Caremark's experience within the workforce system and look forward to your questions.

[The prepared statement of Mr. Wing follows:]

PREPARED STATEMENT OF STEPHEN WING

Good morning Senator Murray and members of the subcommittee. I am Steve Wing, Director of Workforce Initiatives for CVS Caremark. Thank you for inviting me to speak to you today about CVS Caremark's experience in the Workforce Investment system.

First, let me tell you about our company, and our history of business innovation and leadership. Our corporate history begins with the opening of our first retail store in 1963. At that time, we were seen as an innovator in selling health and beauty products at a good price and in convenient locations. Since that time, we have grown to nearly 7,000 retail store locations in 45 States and the District of Columbia. Our groundbreaking efforts have continued in our pharmacy benefit management and retail health clinic and specialty pharmacy businesses.

Today, CVS Caremark, as the only fully integrated pharmacy health care company in the United States, has approximately 215,000 employees who demonstrate a shared passion for customer service and a commitment to creating a better future for health care in America. At CVS Caremark, we understand how much a company's culture impacts its people and ultimately its performance. That's why, we have established a Vision, Mission and set of Values that defines our company and serves to guide our business every day—in the thousands of communities we serve.

These principles inspire us to go above and beyond for our customers, our clients and our colleagues.

An integral part of our mission is our investment in our workforce and the communities we serve. The primary focus of our workforce initiatives is to hire, train, develop, retain, and support the life-long learning of diverse qualified associates, while adding value to CVS Caremark by establishing partnerships with local, State, and Federal agencies, educational institutions, nonprofits and faith-based organizations under the umbrella of the workforce investment system.

In November 1996, we started our first Welfare to Work training program in Akron, OH in partnership with the Summit County Welfare Office, the Summit County Employment Service and Family Solutions, a local nonprofit that assisted us in recruiting four candidates. Since that time we have hired over 65,000 people who had been on public assistance and as of today over 40,000 of them are still actively employed in career path positions at CVS Caremark. This level of retention, 60 percent, represents a stark contrast to other entry-level service jobs in retail where turnover can easily exceed 200 percent a year. It is worth noting that the retention rate for former welfare recipients is also much higher than retention levels for entry-level CVS Caremark colleagues hired from other sources. In addition, over half the former welfare recipients we have hired have been promoted at least twice. We're excited to find that people aren't just joining us for a job but a career.

One of these employees is Debra Autry. Debra is a lead technician at our East Main Street store in Akron, OH. She was in our first Welfare to Work training program. She started out as a part-time crew member and worked at two stores so she could get full time status. Debra showed her supervisors very quickly that she was excellent at customer service and dedicated to the success of the store. In her 13-year career Debra has been promoted four times, completed the entire pharmacy technician program and received the National Pharmacy Technician Certification (CPhT). We are very proud of Debra. We knew she would do well from the beginning of her training because of her motivation to complete the course and her dedication by being in class on time everyday. I remember her telling us about other training programs that she had participated in while on welfare where she completed the course and got a certificate with no job at the end. With our training at CVS Caremark we guaranteed a job for all who passed their training.

Debra's employment with CVS Caremark has not only been life changing for her but also for her family. Debra's daughter came to work for CVS and became a shift supervisor and while working has been going to school to become a registered nurse. She will soon graduate and may someday be a nurse practitioner for our MinuteClinic. When I heard of this young woman following in her mother's footsteps, I realized that our program focus is bigger than just hiring someone. It is about helping people have the confidence and skills to work. For the company, it means building a competent, motivated pool of employees.

Because of what we learned and our success during these early days, our workforce initiatives program has grown and thrived. As such, CVS Caremark constantly seeks new and innovative ways to improve the recruitment and retention of its workforce. One approach has been to liaison our workforce investment programs to a network of local, State, and national partnerships—with K–12 education, adult education providers, faith-based and community organizations, and workforce development agencies to help the company find and train new employees. We have used the workforce investment system to coordinate the process.

Our Workforce Initiatives team oversees these partnerships and other programs designed to strengthen CVS Caremark's workforce. In addition to customized training programs for new and incumbent staff, the department runs internship programs for high school students and incentive programs for mature workers.

OVERVIEW OF PARTNERSHIPS

Our department devotes significant time and resources to finding qualified workers, training them for entry-level positions and helping employees advance their careers at CVS Caremark. It does this in partnership with faith-based organizations, workforce development agencies and private intermediaries all coordinated through the workforce investment system.

One-Stop Centers

In partnership with local One-Stop Centers, CVS has developed a training program for new entry-level employees and first-level managers that simulates on-the-job roles and responsibilities in a replica of a CVS store. At the seven CVS Learning Centers in six cities, employees are trained on curriculum developed by the National Retail Federation (NRF) with an emphasis on customer service and skills that prepare them for a career path ranging from entry-level to pharmacy assistance and

technician positions. Incumbent workers receive training to help them move up the career ladder. A recent study found that the learning centers have a positive impact on employee retention, advancement, completion of certifications, and sales.

For example, CVS/pharmacy partnered with the District of Columbia Department of Employment Services to open the South Capitol Learning Center in Washington, DC in 2001. The Learning Center features a One-Stop job center for unemployed DC residents and a training center for CVS employees. CVS offers the ultimate recruitment incentive to local job seekers that visit the Learning Center—a guaranteed job if they qualify for public assistance funds and complete one of the on-site training programs.

The training prepares entry-level employees for their first jobs at CVS stores and helps current employees improve their skills and obtain higher-paying jobs within the company. At the training center, employees learn to use a cash register, develop photographs, shelve merchandise, and assist in the pharmacy at the center's free-standing mock store. Program costs are shared by CVS Caremark and the District of Columbia through public Welfare to Work funds and workforce investment dollars.

This partnership benefits CVS, the One-Stop Center, unemployed adults, and the District of Columbia. Since 2000, CVS/pharmacy has hired 10,000 trainees from the South Capitol Learning Center, enabling the company to expand its reach in DC. The One-Stop helps with CVS's recruitment by referring qualified low-income job seekers to the company's on-site learning center and in turn fulfills its mission of helping unemployed residents secure employment. While in training, which includes the pre-employment programs, DC residents receive hourly wages and part-time benefits from CVS Caremark.

According to the Department of Employment Services (DOES),

> "Rebuilding the job center was a centerpiece of the District's effort to revitalize the area that surrounds it. Once a rough area, it now features new businesses, renovated buildings, a new elementary school and several new housing complexes."

Partnerships With Faith-based Organizations

Through a successful partnership with the Mt. Lebanon Baptist Church in Washington, DC, we discovered that faith-based organizations could play a major role in recruiting qualified entry-level employees. Together we developed a partnership that would ultimately benefit Mt. Lebanon, CVS Caremark, and DC residents.

CVS and Mount Lebanon worked together to sponsor a church-based job fair, during which CVS interviewed 90 adults and hired 40. The job fair allowed CVS to expand its reach in the DC metro area and hire employees from the church to staff its new stores. Based on the success of subsequent recruitment fairs, CVS Caremark has since refined the church-based job fair model and is replicating it in partnership with churches in other cities across the country.

In addition to the workforce benefits, CVS employees have the option of becoming homeowners. CVS Caremark has developed a home ownership program for employees, called CVS Prescriptions to Homeownership that provides low-interest loans for inner city residents. After 2 years, all employees can participate in the homeownership program. Managers and pharmacists are eligible upon their start dates.

Mt. Lebanon Baptist Church and the Washington Interfaith Network both serve as examples of CVS's success in partnering with faith-based organizations to gain access to a network of potential employees. The faith-based partnership has also expanded within DC, through the help of the Washington Interfaith Network (WIN). Through WIN, CVS gains a vehicle for advertising job openings in the DC area and sponsoring job fairs at over 60 churches in the area.

Additionally, CVS Caremark recently created a mini-learning center at Mt. Lebanon—the first faith-based One-Stop Center in the country—to train qualified low-income residents for entry-level employment at CVS.

Partnerships With Intermediary Organizations

CVS Caremark has also strengthened its workforce by retaining the services of WorkSource Partners, Inc. (WSP), an intermediary organization dedicated to helping companies address workforce challenges in the Boston region. WSP provides guidance to clients on both the hiring and placement of new employees and training and development of incumbent staff, with a particular focus on "help[ing] companies cultivate the enormous potential of our community."

WorkSource Partners approached CVS after learning about the company's learning center model with the suggestion that CVS promote its own employees into store managers. In order to do so, however, CVS needed to provide entry-level workers with remedial skills training because they did not have the educational skills to

complete the tasks. WorkSource Partners turned to its partners, including the National Retail Federation and the Ben Franklin Jr. College to design a basic skills training program. The NRF provided content expertise in the development of customer service training. Ben Franklin offered guidance in curriculum development and instruction.

As the intermediary, WorkSource Partners brokers the relationships between CVS, CVS employees, and the curriculum and instruction team. Its roles include: marketing the program to CVS employees, offering career coaching to CVS employees, working with store managers to identify training candidates, developing training curriculum, and overseeing the partnerships. Funds for this program were received from the workforce investment system.

As the training program developed in partnership with WorkSource Partners shows, CVS did not need to look outside its own workforce to fill managerial positions. Instead, it provided targeted training to entry-level employees—customized for various job-tracks—and encouraged employees to advance their careers within the company.

Other examples of successful models developed in coordination with the Workforce Investment system are:

• Our involvement in a number of initiatives in Cleveland, Kansas City, Los Angeles, Minneapolis, Pittsburgh, New York City, San Antonio, and Indianapolis designed to provide on-ramps to both post-secondary education and career paths for low-income/low-skilled young adults. We are excited about our work to develop an employer-driven alternative pathway for disconnected youth. We think it makes good business sense, and we believe we will also be helping young people develop key workforce skills that will help them advance with us, or move on to other careers.

• In our work with Corporate Voices for Working Families, we participated along with a number of other employers to identify the barriers to employment for disconnected young adults, leading to the creation of a model alternative pathway for disconnected youth that meets the needs of both employers and young adults. Our experience at CVS Caremark confirms the alternative pathway model, with the most effective approach for low-income/low-skilled young adults being one that is holistic, providing integrated skill training (academic, professional/life skills, and technical job skill), social support services, mentoring, a work-based learning experience, and post-secondary academic credits.

• Our Pathways to Pharmacy Program (*see www.cvscaremark.com*). We are piloting a new program in our Boston and Detroit markets. The pilot is focused on high school dropouts and people who have obtained a GED. Working with several partners, we provide 6 weeks of intensive training in a classroom setting. The training was designed so that it incorporates critical workplace skills as well as CVS-specific training. In addition, the young people have a mentor and social supports to help ensure their success. Following the classroom training period, the young people apprentice in a CVS store, where they have the chance to practice what they have learned. At the same time, the managers have the chance to see what kind of employee the young person will be before making a hiring decision. In the second phase of the pilot, once the young person is an employee, we have designed a set of tools that they can use to continue their skill development (on-line training and on-the-job training) so that in conjunction with their manager they can continue on a career path. The mentor continues to check in with them and help them trouble shoot any challenges that may arise. We developed this pilot with support from the Kellogg Foundation's New Options Initiative. Our plan is to work out the kinks in the first two markets, and roll it out regionally and ultimately nationally.

• Our work with the "Year Up" program in Providence, RI. Year Up is a 1-year intensive training program that serves low-income urban young adults. They provide 6 months of integrated skill training along with mentoring and social support. They also partner with a local community college so that the young people earn college credits through the program. In the second 6 months, they partner with employers who provide apprenticeships for the students (*see www.yearup.org/locations/providence.htm*). We have had tremendous success in our partnership with Year Up. We have hired many of the apprentices into jobs in our IT department, and they are some of our best employees. Our CEO has been so impressed by the quality of the Year Up apprentices that he has directed us to find ways to expand the partnership so that Year Up can provide us with a talent pipeline into jobs beyond the IT department.

BENEFITS OF PARTNERSHIPS

Some benefits to CVS Caremark of its various partnerships with faith-based, One-Stop, and intermediary organizations in coordination with the workforce investment system include:

- Access to qualified job seekers.
- Savings from more effective use of company and adult education resources.
- Improved work quality.
- Increased employee retention.
- Improved customer service.
- Increased employee promotion rate.
- Support for the well-being and economic development of the community.
- Assistance with worker training and education needs.

In addition to the benefits to CVS Caremark, the benefits for those involved include access to good jobs, financial and other support and greater awareness and access to community services.

In terms of reauthorization of the WIA, we believe that ensuring that existing youth training dollars are directed to promote innovations in education and training for disconnected youth is critical. Funding for these kinds of programs should be based at least in part, on the success of those models. We also believe that these kinds of programs should include an articulation of key elements (integrated skill training, social supports, mentoring, post-secondary credits, and employer-provided apprenticeship/internship, etc.) linked to measurable outcomes to be eligible for Federal funding. The current system drives support to local youth programs based largely on relationships and local inputs, rather than outcomes.

We encourage our emerging leaders to become active members of workforce investment boards. In many of our major markets we have our local operation executives participate on local boards. This has been a "win-win" for both CVS Caremark and the local WIB. Our managers become more educated on the community and the WIB gets the expertise of a business executive. I myself am a member of the Cleveland Workforce Investment Board.

In conclusion, we believe in the Workforce Investment System and have seen that it has been very positive and productive for CVS Caremark, our workforce partners, and our employees. We would advise other companies considering such programs to contemplate working with various types of organizations that can address workforce challenges, including faith-based organizations, public agencies, and private intermediaries. We would also recommend the development of replicable training models that can be implemented in a variety of locations and for a variety of career tracks. Lastly, prospective employers might consider partnering with adult education providers to develop career pathways for entry-level employees and provide the necessary training to advance them along the path.

Thank you Madam Chairwoman and members of the subcommittee. We appreciate this opportunity to tell you about CVS Caremark's experience within the Workforce Investment System and look forward to working with the subcommittee as you consider reauthorization of this important act.

Senator MURRAY. Thank you very much to all of our witnesses today. This hearing has provided invaluable insight as we move forward on reauthorizing WIA. Excellent suggestions from each and every one of you.

I have a few questions that I am just going to offer up for anybody who would like to jump in and respond.

For the last 11 years, WIA often has not had the level of evaluation and reporting that it should. We have heard about this from several of you. We all want to see stronger evaluation and greater accountability. I think we all understand that, we need to improve our collection efforts.

We also want to be sure that we encourage innovation and risk-taking because nobody knows best. We have heard from the local stories how important it is to put this encouragement to good use.

Does anybody have any recommendations on how we strike a balance between accountability and innovation and still encourage States—or strike a balance between the accountability and reporting and still encourage innovation and creativity at the local level?

Mr. MCQUEEN. I would just say, Madam Chairman, that the 15 percent fund, which was the Governor's fund, has been very important to the ability to innovate, and we have always then been able to spin that off into a performance-driven program. So it really is being able to experiment with the program that is not as regulated, first tweak it and then spin it over into a program that is. In every program that we mentioned, the Governor's 15 percent fund or the discretionary money was critical. But we did not need it to continue with. We worked it out and then we were able to spin it off into the system.

Ms. COOPER. I would also suggest, Senator Murray, that an alignment of some of those accountability measures between title I and title II would help. We are not only reporting on the same things, we are reporting on them defined differently, adults, youth, poverty, and the program year, how long it is, what the performance outcomes are. And I think that duplication and the fact that you cannot align those duplicated data make it harder to really measure success.

Mr. WING. Senator, I think for accountability, one of the things that we would suggest is the board membership on the workforce investment boards. We have a number of our executives, regional managers, district managers, that are on boards.

But I think that the innovation—I think to really look at that and to try to really look at getting great members, I think you need to look at how you can be risk-taking and still be accountable. But I think you will find that there are people in the communities that want to serve and business people that want to serve. I think you need to look at that so that is what you create there so that people will want to serve on those boards.

Senator MURRAY. Ms. Sarris.

Ms. SARRIS. I think that the innovation comes through those very strong partnerships, and there are resources out there. If you have strong relationships with the local school districts, the people who work in the other programs at the local level, it is amazing how much innovation you really can do within the letter of the law to make things happen.

Also, the ARRA grant, in allowing us to do group training—we have used that money to innovate new training programs from there, with the hope that the successful ones will be moved onto our approved vendor list and then become part of ongoing services, I think similar to what Clyde mentioned at the end of the table. If you try it out with this group training money, you could run it a couple of cycles, and then it becomes part of our ongoing system, it gets reported that way. That small part of ARRA has been, I think, very critical to us and probably is something we should think about continuing.

Senator MURRAY. Mr. Kiernan.

Mr. KIERNAN. I think the question about performance and performance measures is complicated because there are 17 mandated partners, each having their own data collection efforts. One of the things that we want to be careful about is that some individuals who come in and benefit from the use of the One-Stop system may take more time, and in fact, the outcome of their earnings may be somewhat less. And so caution has to be really raised toward the

idea of not just cavalierly measuring the numbers of persons who go through and the earnings contributed, so that the measures have to really reflect somewhat the demographics and the population that is served and also, to some extent, spending some time looking at what are the data sets that are already being collected by the public voc rehab system and several other entities to measure outcomes.

The piece of it or the innovation, I think, comes really from being creative about the partnerships and the memorandum of understanding and how that is defined within the One-Stops for mandated as well as the nonmandated partners as education and the developmental disability system and the mental health system.

Mr. BENDER. Senator, I might just comment I do not think you can have both. I think we showed that with our new performance system, you can have both accountability but still allow innovation at the local level. So I think it is important though, however, that there has to be some type of basic standard and services that are being met by everybody in the workforce training system.

Mr. THURMOND. Senator, in Georgia, one of the things we were able to do—we look at WIA as the program, but it is more philosophy, and it is the philosophy of cooperation and service integration. And based on that, we developed a coordinated, unified data collection system among the four major programs which is UI, ES, VR, and WIA. And our Georgia workforce system encompasses the data collection, the storage, reporting capabilities for all of those programs.

Well, how did that help innovation? One of the things we had to understand is that among those four programs, you have to have a common language. We realized that assessment means four different things for four different programs. And so you have to have a common language and then an overarching common goal, which is to help Americans get back to work. Some will require training, education. Others can do it more directly, but understanding that the most important thing about this legislation that Senator Kennedy and others worked on originally was the fact that we were supposed to move toward collaboration and integration. And "collaboration" is a big word. It does not mean nothing until money changes hands out on the front line.

[Laughter.]

Senator MURRAY. With that, Senator Isakson.

Senator ISAKSON. Following up on that outstanding insight——

[Laughter.]

Senator ISAKSON [continuing]. Mr. Thurmond, I think about 90 percent of your budget is Federal funds. Is that not correct?

Mr. THURMOND. That is correct.

Senator ISAKSON. And we have talked a lot about flexibility in Federal funds.

In your prepared remarks, you talk about the provision that you all created in Georgia where you have up to an 8 percent flexibility unemployment insurance tax to use toward programs to get people back to work rather than just an unemployment benefit. That is a flexibility of State funds. Is that unique to Georgia or is that pretty much pervasive around the country?

Mr. THURMOND. A handful of States actually use an administrative assessment. Actually we were in the General Assembly when we passed that in the late 1980s, and because of the flat line in the funding for employment services, many States do not have front line staff. They cannot afford it. That is often missed when we look at getting people back to work. Many States just cannot do it.

So what we were able to do in Georgia is take that .08 percent of the employer taxes and then invest that in re-employment services primarily to pay for career counselors, job fairs, and other resources on the front line.

Without that, States just do not have the resources because they cannot hire the staff, and that is why many of them went to telephonic claims filing and electronic claims filing because we do not have the staff. And I submit to you, in order for us to really address the 14 million or so Americans out of work, we are going to have to get some front line resources to hire some professional staff back out there or partner with States, similar to what we did in Georgia.

Senator ISAKSON. That funds most of your employees in your career centers, does it not?

Mr. THURMOND. A major portion of it, yes, sir.

Senator ISAKSON. Thank you very much, Commissioner.

Ms. Cooper, I need a little information. You referred to DOE changing a data source and it costing you a quarter of a million dollars. Is that right?

Ms. COOPER. Yes.

Senator ISAKSON. What data source were you referring to?

Mr. THURMOND. They used to distribute money to States based on the census, and now they are going to use the ACS, the American Community Survey. And as a result of that, 36 States are going to experience a disruption in funding.

Senator ISAKSON. I am sorry. What is the American Community Survey?

Ms. COOPER. It is the new—every year they figure out sort of what the census is like, but they do it using a different set of data. They are able to get more recent data that way, but it is a different instrument.

Senator ISAKSON. Thank you for educating me on that. I want to followup on that later on.

Ms. COOPER. Thank you.

Senator ISAKSON. Thank you, ma'am.

Mr. Kiernan, I appreciate your commitment to those with disabilities. You made a reference to three to four out of five people with disabilities are not included in unemployment statistics. Is that right?

Mr. KIERNAN. That is correct.

Senator ISAKSON. How would it be publicly available to me to know what percentage of people with disabilities are unemployed?

Mr. KIERNAN. That same survey we just talked about. The American Community Survey would give you information with regard to the numbers of persons who are employed and invested in the labor force market. Usually for all disabilities, it is about 36 percent of the population, which means there are 3 out of 10 or roughly 4 out

of 10. For persons with mental disabilities, which includes intellectual disabilities and mental health, it is about 25 percent.

Senator ISAKSON. Was your comment there a suggestion to merge those statistics with the overall unemployment rate to have a better reflection of total unemployment?

Mr. KIERNAN. The Bureau of Labor Statistics just recently published some of the unemployment stats for persons with disabilities as a new initiative. I think that you have to couple that with the labor force participation rate to get a true picture of what the labor source looks like for persons with disabilities.

Senator ISAKSON. Yes. Ms. Oates is not here, but when we did No Child Left Behind, we disaggregated every group in public education, including those with disabilities. And that was the right thing to do, but there was an unintended consequence, we also locked them in as one group in assessments, which has been a huge problem. There are unique characteristics of people with disabilities that should be focused on separately than getting merged into the overall statistics and somewhat lost, if you will.

So I appreciate your bringing that up because it does beg the question how we might better have available and illuminate the people with disabilities as a disaggregated group in an unemployment survey so as to better focus on the unique needs for them to become employed. I do not know if that is a good observation or not, but I think that is a better way to do it than losing them in that overall merger.

Thank you very much to all of you for your commitment to the workers of America.

Senator MURRAY. I do have some additional questions for all of our panelists. We will submit them to you and ask for your written responses.

Again, this has been excellent for us as we move forward on our committee's work.

Senator Isakson.

Senator ISAKSON. Out of deference to Senator Enzi, can we leave the record open for submission of his questions?

Senator MURRAY. Yes. I will leave the record open, for any members who want to submit a statement to the record, for an additional 7 days.

Again, let me thank all of our witnesses for traveling here to be with us and participating in this important hearing. We look forward to your responses to additional questions. Thank you very much.

With that, this hearing is adjourned.

[Additional material follows.]

ADDITIONAL MATERIAL

PREPARED STATEMENT OF SENATOR KENNEDY

An educated workforce is our country's most valuable resource. America's long-term economic vitality depends on the creation and maintenance of an effective, accessible, and accountable system of job training and career development that is open to all. Disadvantaged adults and out-of-school youth in particular need the opportunity to develop the job skills that will enable them to become productive members of the community. Dislocated workers displaced by the current recession and continuing rapid technological change deserve the chance to pursue new careers. Now, more than ever, people of all ages need opportunities to obtain degrees, credentials and industry-recognized certificates to engage in family-sustaining employment. The way in which we respond to challenges in employment and education today will determine how prosperous a nation we are in the years ahead.

That's why I commend the Subcommittee on Employment and Workplace Safety for holding today's hearing on modernizing the Workforce Investment Act to help workers and employers deal with the changing demands of a global market. The importance of well-developed employment skills has never been greater, and it continues to grow. Even in today's troubled economy, opportunities still exist for many who enter the workforce with good academic training and well-developed career skills. But for those who lack career skills and basic proficiency in language, math and science, today's economy can be an intimidating environment for employment.

It's been too long since we've looked at the Workforce Investment Act. When it first passed in 1998 its goal was to respond to the challenges of the changing workplace by enabling men and women to acquire the skills necessary to enter the job market and upgrade their skills throughout their careers, and that goal has not changed. But as today's witnesses will describe, the challenges facing today's workers and our job-training system have changed, and we must ensure that our efforts in Congress keep up with the times. We've tried before to improve this bill, and I'm optimistic that this time, we will succeed.

In fact, we're already engaged in a bipartisan effort to improve the act. For nearly a year, we've worked together, listening to the voices of those in the field and seeking consensus on an approach that will provide more efficient training and support services to vulnerable populations, including out-of-school youth, and encourage greater program cooperation by business, labor, and education, and by State and local governments and communities. An important goal aspect of our goal has been to ensure that the Departments of Education and Labor coordinate their efforts, so that they can provide their expertise and combine their resources to achieve the greatest impact.

This hearing brings together an impressive array of leaders on these issues, and I thank each of them. Each has made important contributions to employment opportunities in this country, and their voices are the kinds of voices we have been seeking in our listening sessions in recent months.

Mary Sarris has seen the Workforce Investment Act's effectiveness up close, serving on the North Shore Workforce Investment Board. I hope that in our committee's bill, we can reflect her commitment for serving youth more effectively. Supporting One-Stops as they help youth seek summer employment, and encouraging them to pursue future educational opportunities, is vital for improving the services we offer.

In addition, I commend William Kiernan for directing our attention to the needs of adults with disabilities. I, too, remember the enthusiasm for the One-Stop Centers when they were created. I hope, along with Mr. Kiernan, that we can ensure that these centers serve older and disabled adults well in the States, and that we can do more to help young adults with disabilities make the transition to a fruitful work life.

Finally, I particularly commend Undersecretary of Education Martha Kanter and Assistant Secretary of Labor for Education and Training Jane Oates. Martha Kanter has devoted her career to meeting the diverse needs of community college students, and before coming to the Department, she led one of the most innovative community college systems in the Nation. Jane Oates is a longtime friend, having served on my staff for many years, and is as capable a thinker as anyone I know on these issues. From 2006 until this year, she was New Jersey's commissioner for higher education, and she was instrumental in creating a statewide credit-transfer agreement and a supporter of extending in-state tuition benefits to all of New Jersey's students.

This hearing, and the other work we've been doing on these issues, is part of our major effort to streamline these programs and invest in our fellow citizens, young and old, in an effective way. We've conducted a constructive review of all of the various job training programs to determine what kind of vocational training we need to meet the challenges we face today, how best to support adult education programs, and how best to respond to the changes in our workforce as a result of new technology and increased needs for retraining.

These are complex issues, but the bill we will introduce will retain individual choice and quality labor-market information as its cornerstones, and will also incorporate many good ideas like those we'll hear today.

Our witnesses are helping to shape a new Workforce Investment Act that will expand the possibilities offered in today's system, making it possible for millions more Americans to obtain the skills they need to compete in the global economy. And by doing so, we will also enable them to realize their own individual American dreams. As you can tell, I look forward to this hearing very much. I wish I could be there in person.

RESPONSE TO QUESTIONS OF SENATOR MURRAY, SENATOR ENZI, AND SENATOR COBURN BY JANE OATES

QUESTIONS OF SENATOR MURRAY

Question 1. Dislocated workers can access various levels of services based on the reason for their dislocation. What are your thoughts on how we can better align those services in a way that raises the bar for all programs?

Answer 1. Currently the public workforce system makes a distinction between individuals dislocated due to the impact of Federal policy and foreign trade and those

who have become dislocated for other reasons. The Department has made efforts to better align the programs serving dislocated workers and provide these individuals with the resources, services, and training needed to rejoin the workforce. For example, the Department supports dual-enrollment projects that combine Trade Adjustment Assistance and Workforce Investment Act (WIA) Dislocated Worker and National Emergency Grant services to provide a wider array of "wrap-around" services to trade-eligible workers.

We at the Department of Labor (DOL) look forward to further discussions with the Senator and other members of the committee to identify ways in which WIA reauthorization can be used to better align the Federal workforce programs so that they address the needs of dislocated workers as efficiently and seamlessly as possible.

Question 2. How does the Department define "post-secondary education" or a "post-secondary education credential?"

Answer 2. The Department has not formally defined the terms "post-secondary education" or "post-secondary education credential." However, Title I of WIA does provide a definition for "post-secondary educational institution." WIA defines this term to mean "an institution of higher education," as defined by Section 102 of the Higher Education Act of 1965 at 20 U.S.C. 1002. The definition at 20 U.S.C. 1002 is provided for the purpose of student assistance programs, and includes public or nonprofit accredited institutions that award bachelor's degrees or provide not less than a 2-year program that is acceptable for full credit towards such a degree; any school that provides not less than a 1-year program of training to prepare students for gainful employment in a recognized occupation; proprietary institutions; and post-secondary vocational institutions.

The Department has interpreted the term "post-secondary education" to include education that takes place at a post-secondary educational institution. This interpretation includes post-secondary workforce training that takes place after the completion of the 12th grade or the award of a GED or other high school equivalent. Credentials awarded through post-secondary training such as registered apprenticeships and training leading to industry-recognized credentials, which may involve both classroom and on-the-job training or work experience components, also make up the universe of "post-secondary education" for DOL programmatic purposes.

Question 3. What are the Department's principles for WIA reauthorization?

Answer 3. Both the changing skill demands of the 21st century labor market and the recent downturn in the economy have posed challenges for our Nation's public workforce system. In order to increase the skills and competitiveness of the American workforce, the public workforce system must become more innovative, adaptive, and responsive to the needs of workers, businesses, and communities.

A decade after the passage of WIA, reauthorization and reform of WIA provides an opportunity to introduce innovations, build on strengths of the workforce system, and address areas of the system that should be bolstered. WIA reform is an important vehicle for ensuring that the workforce system helps every American worker find a good job, including segments of the population with specific, and sometimes multiple, barriers to employment that the workforce system can help them overcome.

The Department believes that WIA reauthorization should create a modernized workforce system that provides seamless career advancement services for low-skilled adults, at-risk youth, and dislocated workers and others needing employment, training, and retraining services. The Department has already started discussing WIA reform with the Department of Education. Additionally, while the Administration has not yet put forward formal principles, the Department has held many listening sessions with stakeholders concerning WIA reauthorization. Here are some of the ideas we have provided to help frame those discussions.

Public Workforce System

- A dual customer approach is essential because the needs of workers and employers are both important in developing thriving communities where all citizens succeed and businesses prosper.
- The public workforce system is responsive to labor-market demand in industry sectors important to the regional economy.
- State and local workforce investment boards are strategic, effective, and efficient in governing and overseeing the workforce system.
- The performance accountability framework for the public workforce system encompasses measures of both interim and long-term employment outcomes that account for all customers served and encourage the system to serve those most in

need, and produces meaningful and readily available performance information for program administrators, policymakers, and customers.

• Customers have the information they need to find jobs that suit their skills and choose training programs.

• The system encourages innovation, emphasizes proven approaches, and builds knowledge of what works.

• The system is fully accessible and available to all people, including persons with disabilities and those with limited English proficiency.

Dislocated Workers

• All workforce programs for dislocated workers, including those with disabilities, are integrated and accessible through the One-Stop system.

• One-Stop Career Centers provide each worker with a quick and effective assessment of skills and the best plan of services given their interests and skill levels.

• All programs for dislocated workers are available to these workers through both direct in-person services and virtual reemployment services, including easy-to-use assessments and information on skills transferable to new jobs in demand, opportunities provided by career pathway models, and high-quality career counseling supported by real-time workforce information.

Low-Skilled Adults

• The public workforce and adult education systems are available to adults needing education and training information or assistance in a manner that supports the achievement of each individual's educational and career goals.

• A customer's eligibility determination is performed once rather than separately for each program.

• Assessments of customers' educational and training needs are aligned so they can be relied on by other workforce programs, community colleges, and education institutions; except to the extent that a separate assessment process is required for determining eligibility under the Vocational Rehabilitation State Grants program.

• Basic skills programs successfully prepare students to enroll in education courses, advance to credit bearing classes at 2-year or 4-year colleges, or enter or reenter the workforce.

• Career counseling services reflect best practices in assisting low-skilled adults and instruction reflects approaches that have proven successful.

At-Risk Youth

• Both compensated work activity, or related strategies such as internships, and education are emphasized. The former can be an effective method of engaging youth in the short-term, providing an initial introduction to employment; while education, especially when integrated with compensated work activity for at-risk and low-income youth, can contribute to the success of youth in the labor market.

• Emphasis is provided to programs that are "proven" (through rigorous evaluation) or "promising" (on the basis of a record with positive outcomes and operation to scale).

• Because at-risk youth need local providers that connect them to resources that address their wide variety of needs, the workforce system partners with school districts, high schools, community colleges, local employers, criminal justice systems, and various social service providers to provide these diverse services.

• Performance measures for accountability recognize gains over time and do not create incentives to select participants on the basis of anticipated performance success over need.

• The workforce system targets in-school and out-of-school at-risk youth, including those with disabilities. These groups include: (1) young people in high school who are "off-track" and at high risk of dropping out; (2) youth who have already dropped out; and (3) high school graduates who do not have college and career ready skills and who have failed to obtain regular jobs. However, these categories are fluid, as individuals move in and out of school. Youth who live in neighborhoods and areas of concentrated poverty should receive particular attention, as should youth from low-income families, wherever they live.

• A youth's eligibility determination is performed once rather than separately for each program when permitted by Federal law.

• Data related to State certification tests and other performance measures is shared across departments and programs.

Question 4. What are the Department's current plans for addressing the lack of systemic evaluation of programs under WIA?

Answer 4. An important part of reauthorization of WIA will be the identification of strategies that maximize resources, streamline access to services, and avoid the

unnecessary duplication of programs. To support these efforts, the Department has reaffirmed its commitment to evaluating its programs and using the findings of these evaluations to guide the continuous improvement of programs and service delivery. Our commitment is evidenced by our recent Recovery and Reemployment Research Conference, which featured findings from many Department-funded research and evaluation projects and through which we engaged a broad spectrum of communities, including workforce investment, research, education, oversight agencies, nonprofit organizations, and public policy makers. The conference proceeding will help inform ETA's Five-Year Research, Demonstration and Evaluation Strategic Plan for 2009–2014.

In 2008, the Employment and Training Administration commissioned the Net Impact Evaluation of the WIA Adult, Dislocated Worker, and Youth Programs—a random assignment evaluation of major programs under Title I of WIA. The evaluation, which is still in the design stage, will measure the post-program involvement impacts on employment and earnings of participants receiving services funded through WIA, as compared to those receiving services funded through other sources or those who received no services. The complete evaluation is being conducted over the course of 7 years. This approach will allow a sufficient follow-up period to reliably measure post-program impacts, as well as allow time to accommodate the modernization expected to be achieved through reauthorization.

Additionally, in December 2008, the Workforce Investment Act Non-Experimental Net Impact evaluation conducted by IMPAQ International, LLC, was completed. The study reports results of a non-experimental net impact evaluation of the Adult and Dislocated Worker programs under WIA. Statistical methods were used to compare WIA program participants with groups of individuals who were similar across a range of demographic characteristics, social welfare benefit receipt, and labor-market experiences but who either did not receive WIA services or did not receive WIA training. The overall goal of the evaluation was to provide information on the long-run impact of the WIA program at both the local and national level.

The study observed important similarities in the patterns of estimated impacts. The results for all participants in the WIA Adult program (regardless of services received) show that participating in the program is associated with an increase in quarterly earnings of several hundred dollars. Also, over time WIA Dislocated Worker participants' earnings overtake those of a comparison group composed of workers with similar characteristics and work histories. The Department posted the report on ETA's Research Database available at http://wdr.doleta.gov/research/.

Question 5. How does the Department envision the President's new community college initiative interacting with WIA programs and other efforts the Department has undertaken to support the role of community colleges in workforce development, including education and training?

Answer 5. As noted by the President, community colleges are the largest part of our higher education system and are growing rapidly. Community colleges feature affordable tuition, convenient locations, flexible schedules, and programs and curriculums targeted to individuals of various skill and education levels, and have proven their ability to work with businesses, industry, and government to create tailored training programs to meet the needs of both workers and the economy. Additionally, many community colleges have experience providing Rapid Response services to dislocated workers. Because of their unique features, community colleges play a key role in a variety of ways in both the public workforce system and regional economies. Numerous community college representatives sit on workforce boards, operate One-Stop Career Centers on their campuses, and offer programs for low-skill adults to improve their basic skills while acquiring technical training. Community colleges also are important to registered apprenticeship programs, providing the conceptual or academic part of training to apprentices. The role of community colleges was further strengthened by flexibility built into the American Recovery and Reinvestment Act of 2009 (Recovery Act) which facilitated local workforce boards' ability to contract with institutions of higher education, including community colleges, as well as other eligible training providers.

We at the Department are excited about the opportunities that will be created by the President's community college initiative. The initiative, designed to meet the President's goal of an additional 5 million community college graduates by 2020, would invest $12 billion in community colleges over the next decade to provide opportunities for lifelong learning that will raise the level of education and skills of America's workforce. This will help to rebuild the Nation's economic competitiveness and ability to fill the jobs of the future. The proposal would provide several strategies to strengthen community colleges nationwide. Through the Community College Challenge Fund specifically, the Departments of Labor and Education will work in

partnership to jointly administer grants to enable community colleges to innovate and expand proven reforms. To further increase WIA program interaction with community colleges, the Department envisions stronger connectivity and collaboration between the One-Stop delivery system and community colleges, particularly in the areas of eligibility determination, referral, assessment, and service planning based on customers' interests and skill levels. Additionally, the One-Stop system will link customers to the education and training opportunities that will be created by the community college initiative.

The initiative will build on the Department of Labor's current initiatives engaging community colleges as workforce system partners. Beginning in fiscal year 2005, the Department used Community Based Job Training Grants (CBJTG) to support community colleges by helping fund capacity-building, curriculum development, and training in high-growth, high-demand industries. In his fiscal year 2010 budget, President Obama introduced the Career Pathways Innovation Fund as an evolution of the CBJTG. This initiative continues the support to community colleges provided by CBJTG but focuses on career pathways, sequences of coursework, education, and credentials leading to a better job in a particular field. The Department will continue to work closely with the Department of Education and draw on its experience, particularly with career pathways, college-and career-ready standards, credit transferability, longitudinal data system operation, student support services to implement this initiative.

Question 6. How does the Department plan to use lessons learned from the ARRA WIA funding to shape its reauthorization principles? What efforts are the Department making to track and measure the impact of this funding?

Answer 6. As part of the implementation of the Recovery Act, the Department embarked on a review of State and Local Workforce Investment Boards to determine their readiness to implement the Recovery Act along with their regular formula responsibilities under WIA and other workforce programs. The readiness consultations, held with 209 local areas and States across the country during April–May, 2009, provided ETA with some broad insights regarding the general health of the public workforce system and reflected the proactive positioning of the system in the context of WIA reauthorization. Eighty-four percent of State Workforce Investment Boards reported that they were ready to refine and develop a vision to use Recovery Act funds to drive change throughout their workforce systems to meet future workforce and economic challenges. Ninety-four percent of States signaled readiness in the area of partnerships and a shared vision with education, labor, civic and philanthropic institutions to drive regional development strategies. Ninety-one percent of States have developed policies to target services to the hardest-to-serve populations. (The full report can be accessed at http://www.doleta.gov/pdf/National—Readiness—Report.pdf.)

We are also reaching out to learn about needs for improvement from the Government Accountability Office and Office of the Inspector General teams who have been in the field looking at implementation of the Recovery Act.

Based on discussions with State and local workforce agencies, ETA is playing a critical role in providing Recovery Act-related technical assistance for system integration, reemployment, and other reform principles likely to be mainstays of a reauthorized workforce investment system.

Consistent with the principles of transparency and accountability, ETA recognized the need to collect participant and performance information more frequently to inform policymakers and the public about the progress of the Recovery Act's implementation and about the labor-market outcomes achieved for job seekers through the coupling of Recovery Act and regular formula funds. Beginning May 1, 2009, States have been reporting monthly on the number of participants served under WIA Adult, Dislocated Worker, and Youth programs, and the Wagner-Peyser Employment Service program and ETA has been making reported information publicly available on www.recovery.gov. Additionally, to obtain more robust, real-time information on individual characteristics and services and to determine the effect of the Recovery Act resources, States are required to submit WIA individual records on all participants on a quarterly basis beginning May 15, 2010, a change in reporting requirements from annual submissions.

ETA has moved swiftly to ensure that evaluation of the effectiveness of the Recovery Act programs is captured, measured, and assessed and that knowledge is developed to inform implementation efforts. One planned evaluation will examine the summer youth employment opportunities provided through the WIA Youth Recovery Act funding. This implementation study is based on a selected sample of 20 local workforce investment areas.

Other planned evaluations include a review of State workforce development and unemployment insurance policy responses to the current economic recession and the Recovery Act. This project will examine the types of policy actions States take in their workforce development and unemployment insurance systems to meet the challenges of the recession. Plans also include initiating an intensive process study and impact analysis of grants awarded to prepare workers for careers in healthcare and other high-growth and emerging industries as well as an evaluation of the Recovery Act Green Jobs grants.

Question 7. How can adult education services under title II be better aligned with title I programs to help low-skilled adults persist on a career pathway toward a family-sustaining career?

Answer 7. Current information and experience suggest that integrating basic skills training with occupational training can be a better strategy for serving low-income adults in search of a job.

The current statute divides occupational training and adult basic education into separate funding streams (title I and title II, respectively). However, integration of activities is allowed and encouraged to support these efforts, the Department will identify and encourage effective and innovative adult learning practices for low-skilled adults that leverage title I and title II resources. This increased collaboration and the development of new adult learning practices will improve the system's capacity to create flexible delivery models focused on moving low-skilled adults along multiple learning pathways to post-secondary credentials.

In order to encourage State and local areas to effectively coordinate title I and title II services, we must support coordination at the Federal level. Examples of how we can enhance collaboration include:

1. Encouraging States to align title I and title II resources to support dual service programs;
2. Revising performance measures to encourage coordination between programs, especially for those States that have common contracts in dual service programs. Title I and title II programs are subject to different outcome measures and reporting requirements, making it difficult for low-skilled adults to receive both types of services through one program. As part of reauthorization, Congress may want to consider aligning progress and outcome measures for title I and title II programs.
3. Encouraging interagency coordination at the Federal and State levels that creates a greater role for adult education providers in the administration of local workforce investment areas; and
4. Rewarding States that achieve strong outcomes through enhanced collaboration among State agencies administering title I and title II programs.

Question 8. What recommendations do you have for strengthening the public private partnerships to support the goals of WIA?

Answer 8. It is now commonly understood that the effective planning and implementation of workforce development strategies and solutions requires strategic partnerships that include both public and private partners. Important partners include the workforce system, economic developers, business and industry, organized labor, education at all levels, community-based organizations, and others. One of the most often-cited challenges to successful collaboration in the context of strategic partnerships is the need for funding to support the "coming together" of partners. In particular, time and resources are needed to plan and manage partnership meetings, develop and monitor collaborative work plans, and evaluate and assess the outcomes of partnerships. In many cases, individual partners may not have the resources needed for these purposes.

As we approach reauthorization of WIA, one possible approach to strengthening public/private partnerships is exploring incentives for strategic partnerships by using relatively small amounts of resources targeted to promote collaboration among public/private partners. These resources could support a local Workforce Investment Board's efforts to host strategic planning sessions with partners who are not Board members, in order to target skills training that is transferable across industry sectors. The resources also could be used by local Boards to bring together partners that represent a given sector of the local economy to design or validate a training curriculum for occupation-specific training. Such an approach may also include leveraging resources already available through formula programs or other public-sector or private-sector resources. We at the Department look forward to an opportunity to further discuss this and other possible approaches with the Senator and other members of the committee.

Question 9. How can the Department help to improve the accessibility, both physically and programmatically, of One-Stop Centers and training programs? What changes should Congress make to the law to ensure accessibility?

Answer 9. The WIA nondiscrimination regulations require State and local agencies administering WIA financial assistance to designate Equal Opportunity (EO) Officers. These agencies and their EO Officers have an independent obligation to monitor compliance with nondiscrimination laws by covered entities within their jurisdictions, and to ensure that any violations—including violations of the comprehensive access requirements—are remedied. At the departmental level, ETA and the Civil Rights Center (CRC) share the responsibility of monitoring the workforce system's compliance with the legal requirements related to comprehensive access by people with disabilities.

With the proposed end of the Work Incentive Grant pilot program in fiscal year 2010, ETA will increase collaboration with CRC and the ODEP to expand the capacity of the workforce system to provide comprehensive access and to replicate and integrate the promising practices identified through the Disability Program Navigator Initiative, which sought to improve services at One-Stop Centers for job seekers with disabilities. At the same time, CRC and ETA will continue to identify where One-Stops and other entities within the service delivery system do not provide comprehensive access, and will partner with ODEP to provide guidance on how to ensure comprehensive and universally accessible environments.

In addition to these efforts, the Department will explore or expand the following approaches to improve the capacity of the workforce system to serve individuals with multiple barriers to employment, including young people and adults with disabilities: training front-line staff on how to deliver services at One-Stops that are welcoming, accessible, and customer-friendly, as well as legally compliant; building on/establishing disability advisory committees that include representatives from the disability community and vocational rehabilitation, as well as EO officers, to regularly assess and monitor comprehensive access of One-Stop Career Centers; and continuing to conduct legally-required outreach to job seekers with disabilities and the local agencies/organizations serving them.

The Department remains committed to continuously improving the accessibility of the One-Stop System and looks forward to working with Congress during WIA reauthorization to identify strategies and legislative changes that will improve services to persons with disabilities.

Question 10. What administrative and policy changes would you recommend for creating a more coherent, seamless workforce system that encompasses the provisions under Title I, II, III, IV, and V of WIA and serves both job seekers and workers, and employers?

Answer 10. As described more fully in my response to question 3, the Department of Labor believes that WIA reauthorization should create a modernized workforce system that provides seamless career advancement services for low-skilled adults, at-risk youth, dislocated workers, and others needing employment, training, and retraining services. The Department has already been discussing WIA reform with the Department of Education and has held many listening sessions with stakeholders concerning WIA reauthorization.

In order to support a modernized workforce system, the Department will pursue a number of approaches. One possible approach would be to align and simplify the eligibility determination processes for the various programs to ensure that individuals can readily access the services for which they are eligible and do not have to repeatedly provide the same information to determine if they are eligible for different Federal programs.

The Department also recommends aligning performance accountability measures for programs, and ensuring that these measures are based on both interim and long-term outcomes and do not discourage services to those most in need. The Department also sees value in making this information more readily available [**Note:** New DOL edit] and the process more transparent. This information could help customers and others know how the system is performing and help them make informed choices about what training will best prepare them for employment.

In addition, basic skills training should be linked to occupational skills training for those low-skilled adults that have employment related needs and who can benefit from such programs, with multiple opportunities for a worker to access further basic and occupational skills training as he or she progresses along a career pathway.

Question 11. What recommendations do you have for helping communities, including industry and education partners, become more engaged in and find value in their local workforce systems?

Answer 11. Strategic public and private partnerships are required for the effective planning and implementation of workforce development strategies and solutions. The workforce investment system must be seen as valuable and employ effective strategies for engaging key partners, including economic developers, business and industry, organized labor, education at all levels, community-based organizations, and others.

WIA provided a framework for collaboration through the State and local board structures. Due to a variety of factors, many boards struggle to manage two very different statutory roles: (1) to be strategic and (2) to manage programs. In addition, even as large as the boards are per the current statute, they cannot bring all the key partners to the table. Therefore, there is a need for other mechanisms and resources to help make the connections.

Many Local Workforce Boards and One-Stops across the Nation use business representatives, generally, in two primary roles: (1) to bring the business customer to the One-Stop to identify and meet their hiring needs and (2) to engage more broadly with business and industry and other strategic partners in the context of industry sector strategies. Similarly, State and local workforce partners are also actively engaging their education partners.

Thus, as we approach reauthorization of WIA, the Department suggests exploring approaches such as statutory incentives or mandates, for engaging key strategic partners and community leaders as both customers of the system and strategic partners in workforce development.

Question 12. How can the Department support an increased awareness for all potential customers of programs and services available under WIA?

Answer 12. DOL can support outreach activities on behalf of the workforce system in a variety of ways. As a Federal agency, DOL has a broad reach across organizations representing a variety of constituents, including diverse workers' interest groups, labor organizations, industry representatives, Federal agencies, foundations and elected officials. From a national stage, DOL can help these different organizations navigate the public workforce system, and better understand how their own constituents can benefit by working with the system.

Some of the key things that DOL can do to support these efforts include:

- Partner with intermediaries to design and distribute outreach materials describing the workforce system in a consistent and recognizable way.
- Work collaboratively with Federal partners and national organizations to cosponsor learning events for their constituents and members about the workforce investment system and its assets.
- In the context of industry sector strategies, engage strategic partners in promoting the workforce system and the resources that can be leveraged as part of a broader strategy.
- Make performance information more available, transparent, and usable for program stakeholders and customers.
- Work to increase availability of the workforce system to various populations through such activities as extended hours for One-Stop Career Centers, presence of multi-lingual staff, and information on services provided by programs that are not One-Stop partners.
- Continue to work with entities at all levels of the workforce system to educate them about both their legal obligation to conduct, and effective strategies for conducting, outreach efforts to ensure the inclusion of members of both sexes, various racial and ethnic groups, individuals with disabilities, and individuals in differing age groups.

QUESTIONS OF SENATOR ENZI

Question 1. How will you work together (with the Department of Education) to make sure youth served in the WIA programs are connected or reconnected to the larger education system? And, conversely how does the Department of Education plan to coordinate with WIA programs under the Department of Labor?

Answer 1. ETA has provided guidance to the WIA Title I Youth Formula Program that encourages serving hardest-to-serve youth, including a specific focus on high school dropouts and out-of-school youth. Strategies for serving disconnected youth must include a strong academic focus with an opportunity to obtain a high school diploma or equivalent, transition into post-secondary education, and begin a career. This requires clear "on ramps" or reconnection points that link to both the tradi-

tional education system and multiple education pathways. ETA will work with the Department of Education on this priority in the following ways:

- Support joint development of community-wide strategies or blueprints for re-engaging high school dropouts in conjunction with reform efforts already underway to improve high schools;
- Develop a strategy that disseminates to the education and workforce systems successful "on ramp" strategies for reconnecting out-of-school youth, and provide guidance to both systems on how to implement such strategies;
- Explore new approaches for consideration as part of reauthorization of WIA and related education legislation, such as the Elementary and Secondary Education Act of 1965, for ways to leverage and encourage stronger connections between education and workforce systems around reconnecting out-of-school youth; and
- Increase out-of school youth enrollments in community college programs by identifying and promoting best practices and programs with success in this area.

Question 2. How can we better coordinate the One-Stop system and the job training provisions of title I with the other WIA titles, Adult Basic Education and the Vocational Rehabilitation?

Answer 2. Enabling greater coordination among agencies administering WIA Title I funding is a priority for the Department. DOL will work with the Department of Education and the programmatic systems implementing these programs in the following ways:

1. The Department will work with Education to identify and/or develop innovative and effective adult learning practices for low-skilled adults. Such practices should leverage WIA Title I and Title II resources with a goal of creating flexible delivery models that move low-skilled adults along multiple pathways leading to post-secondary credentials. A 2-year non-experimental evaluation of the I-BEST program in Washington by the Community College Research Center at Columbia University found that students enrolled in programs that integrate adult education and occupational training were more likely to obtain certificates than students enrolled in basic education programs (Jenkins, Dais, Matthew Zeidenber & Gregory S. Kienzl. *Educational Outcomes of I-BEST, Washington State Community and Technical College System's Integrated Basic Education and Skills Training Program: Findings from a Multivariate Analysis*. May 2009. CCRC Working Paper No. 16: New York). Additionally, initial results from a multi-year, random assignment study of sectoral training strategies that contextualize basic education into skills training programs, conducted by Public/Private Ventures, demonstrate positive impacts on employment outcomes for program participants (Maguire, Sheila, Joshua Freely, Carol Clymer and Maureen Conway. *Job Training that Works: Findings from the Sectoral Impact Study*. May 2009. Public/Private Ventures. New York).

2. WIA Title I youth programs can be better coordinated with Adult Education's WIA Title II programs around serving older, out-of-school youth in need of basic skills. There is some overlap between the eligibility for WIA Titles I and II. WIA Title I serves youth ages 14–24 and WIA Title II serves individuals age 16 and older who are not in school and are past the age of compulsory school attendance in their State. Programs under both WIA Titles I and II emphasize increasing basic skill levels, and use the literacy/numeracy gains common performance measure. The Departments of Labor and Education will work together to ensure that more WIA Title I youth who are basic-skills deficient receive basic-skills remediation.

3. There are a number of opportunities to strengthen connections among the WIA delivery systems, including WIA Title I programs and Vocational Rehabilitation, for young people and adults with disabilities, while maintaining confidentiality of medical and disability-related information. The Department of Labor intends to build on the lessons learned from the Disability Navigator program, which ETA plans to share with the workforce system through the Workforce3One Web site, to enhance these connections at the One-Stop service delivery level. The Department of Labor will work with the Department of Education to:

- Provide guidance to States and local areas to promote appropriate co-enrollment in workforce development and vocational rehabilitation programs, joint staff training, permissible data sharing, cross-agency referrals, joint staff meetings, and shared resources, with the ultimate goals of reducing the high unemployment and underemployment of people with disabilities;
- Identify and disseminate service delivery models that effectively connect and integrate Vocational Rehabilitation services in One-Stop Career Centers; and
- Explore new legislative approaches for connecting and coordinating services for consideration as part of reauthorization of the Workforce Investment Act.

Question 3. and 6. What are the roles of the One-Stop Centers in providing job training and continuing education opportunities for people with disabilities, particularly youth with disabilities transitioning from high-school to post-secondary programs? What are the One-Stops doing to address accessibility issues and specifically for the One-Stops how are they implementing the 188 Disability Checklist?

Answer 3. and 6. One-Stop Career Centers are required to make available job training and education opportunities to all customers, including job seekers with disabilities, in accordance with the non-discrimination requirements of section 188 of the Workforce Investment Act (WIA) and its implementing regulations at 29 CFR part 37, as well as with section 504 of the Rehabilitation Act of 1973 (which applies to all federally assisted-activities). These opportunities must be provided to customers with disabilities in the most integrated setting appropriate to the needs of those customers. Comprehensive services that use an Integrated Resource Team approach to meet the needs of individuals with disabilities can further these opportunities through leveraging and coordinating diverse resources that address multiple barriers to employment such as transportation, housing, or supported employment needs. Youth with disabilities who are served through the WIA Youth formula program are counseled and provided guidance by either the local WIA Youth service provider or the One-Stop Career Center on continuing education and training services. The need for such services should be documented and included, to the extent possible under current confidentiality requirements, as part of an individual service strategy that addresses the youth's educational and occupational skills needs.

The WIA nondiscrimination regulations at 29 CFR part 37 require State Governors to submit documents known as Methods of Administration (MOA) to the Department of Labor's Civil Rights Center (CRC) for review. The MOA must describe the actions a State will take to ensure that its WIA Title I-financially assisted programs, activities, and recipients are complying, and will continue to comply, with WIA Section 188 and its implementing regulations—including the requirements related to disability. CRC reviews each MOA and, to the extent the document indicates a deficiency in the State's Equal Opportunity (EO)-related policies, practices, and procedures, works with the State to help bring it into compliance.

In addition, all applications for Federal financial assistance under WIA Title I, including WIA State Plans, must assure that the recipient will comply with a list of specified nondiscrimination statutes and their implementing regulations, including Section 188 of WIA, Section 504 of the Rehabilitation Act, and other statutes applicable to recipients of Federal financial assistance. This assurance is incorporated by operation of law in all documents or other arrangements (written or unwritten) that make WIA Title I financial assistance available.

The WIA nondiscrimination regulations require State and local-level agencies administering WIA financial assistance to designate EO Officers. These agencies and their EO Officers have an independent obligation to monitor compliance with nondiscrimination laws by covered entities within their jurisdictions, and to ensure that any violations—including violations of the comprehensive access requirements—are remedied.

While a helpful tool, the WIA Section 188 Disability Checklist was issued in 2003, well before the Americans with Disabilities Act Amendments Act of 2008 (ADAAA) made significant changes to the text and interpretation of Federal disability nondiscrimination laws, including those applicable to the One-Stop system. The Department of Labor intends to revise and reissue the Checklist after the Equal Employment Opportunity Commission, the Department of Justice, and the Department's Civil Rights Center publish final rules implementing the regulatory changes necessitated by the ADAAA. With the proposed end of the Disability Program Navigator (DPN) pilot program in fiscal year 2010, ETA will increase collaboration with CRC and the Department's Office of Disability Employment Policy (ODEP) to expand the capacity of the workforce system to ensure that the One-Stop delivery system provides comprehensive accessibility, and to replicate and integrate the promising practices identified through the DPN Initiative. At the same time, CRC and ETA will continue to identify where One-Stops and other entities within the service delivery system do not provide comprehensive access, and will partner with ODEP to provide guidance on how to ensure comprehensively and universally accessible environments.

Question 4. What types of incentives are needed so that more Adult Basic Education and Perkins Career and Technical students successfully transition to post-secondary education, occupational and technical training (including through the One-Stop delivery system), and the workforce?

Answer 4. We believe that the prospect of higher-paying jobs and careers provides a strong incentive for students to transition into post-secondary education programs

and attain post-secondary credentials. As the Department of Labor has implemented workforce strategies in collaboration with education, business and industry, organized labor, and other partners, it has been our experience that "bridge" programs that support an education pathway have greater success by making the move to post-secondary education seamless. For example, a study by MDRC on Career Academies points to a variety of positive outcomes from the programs, including higher wages and greater autonomy among participants (http://www.mdrc.org/publications/482/overview.html).

In addition, learning environments that integrate academic and occupational skills can lead to an increased number of students continuing on education pathways into post-secondary education. The One-Stop system also plays a key role by providing individuals access to the resources necessary to make informed career choices and information about the linkages between further education, training, and good jobs.

The Department of Labor will work with the Department of Education to identify incentive mechanisms to promote greater use of WIA Title I, Adult Basic Education, and Perkins Act funding at the State and local levels to improve successful student transitions to post-secondary education.

Question 5a. What do we need to do so that the workforce development system is viewed as an economic development strategy?

Answer 5a. A modernized workforce investment system should position education and training as critical drivers of a knowledge-based economy, and function as an essential element of a broad-based economic development strategy. The Department believes a reinvigorated workforce investment system will be aligned with the Secretary's goal of a good job for everyone. To meet this goal, the workforce system must embody a dual customer approach that ensures that all individuals have pathways to good jobs, and growing businesses have full access to skilled workers, including untapped and diverse labor pools. In order to promote these ideas, it is important that the Department of Labor work closely with the Department of Commerce to align our efforts in economic development and workforce development. We need to encourage economic development funding that incorporates workforce strategies as a key component of a comprehensive economic development strategy. Similarly, we need to help State and local workforce system partners be positioned to play this role in economic development by carrying out activities such as working to ensure workforce training programs are providing participants with the skills needed by the local economy. It will be important to acknowledge this role in the context of WIA reauthorization and to provide guidance in support of that role.

Question 5b. What types of incentives are needed so that State and local workforce investment boards align workforce development services with regional or sectoral strategies to enhance system coordination?

Answer 5b. A number of States and their local Workforce Investment Boards and One-Stop Career Centers have successfully implemented a variety of sector approaches that have examined labor market trends, developed an understanding of specific industry sector workforce needs, and promoted training that responds to those immediate employer needs within the identified sectors. Leadership at the State and local levels is required to emphasize this approach, as well as funding to support it. It has also required recognition that workers are better served by service providers that know what skills a given sector needs and strategies that ensure that workers can attain those skills and related credentials.

The Department of Labor's recent American Recovery and Reinvestment Act Solicitation for Grant Applications for State Energy Sector Partnership and Training Grants incorporated sector strategies into competitive funding opportunities as an incentive for State and local workforce investment boards to align workforce development services with regional or sector strategies. Funding incentives are an effective way for the Department to bring attention to a new approach, but supporting replication of these approaches though policy guidance and technical assistance (without dedicated funding) are other options.

We believe a modernized workforce investment system should require that training programs be designed and implemented through a range of Federal, State, local, and private-sector institutions working collaboratively to encourage the integration of education, training, and supportive services. This strategic planning process needs to include key decisionmakers from a range of appropriate institutions to ensure that workforce development strategies are reflective of State and local policies and priorities. In addition to planning requirements, the Department could award incentive resources to States that take this approach. As we consider reauthorization of the Workforce Investment Act, we recommend exploring incentives for stra-

tegic partnerships, using relatively small amounts of funding and other resources targeted to promote collaboration among public/private partnerships, with a goal of helping partners leverage resources already available through formula-funded programs.

Question 5c. What can be done to strengthen partnerships with employers, especially small businesses, to allow them to make meaningful contributions to the workforce development system?

Answer 5c. Engaging small businesses with the workforce investment system is an ongoing challenge due to the limited time and resources small business owners have to commit to activities other than their own business. Therefore, successful engagement of small businesses requires carefully crafted strategies that accommodate their needs.

The workforce system must be seen as an important resource to small businesses by connecting them to relevant information and services. Presenting One-Stop Career Centers as a key human resource development asset for small businesses is a first and key step. Industry sector strategies provide a context for small business engagement as has been demonstrated by Manufacturing Extension Partnerships across the country. Another strategy that has been successful over time is for the Local Workforce Investment Board or One-Stop to provide networking opportunities for small businesses combined with informational presentations on key issues, not all of which need to relate to workforce development, but that successfully engage the small business owners. Using Chambers of Commerce as an intermediary to engage small business has also been a successful model. Another successful strategy has been to encourage integration of Small Business Development Centers into One-Stop Career Centers to support small business growth.

Having engaged the small business owner as a customer, small businesses can contribute to the workforce system in a variety of meaningful ways, including: (1) providing internships, externships, and hands-on training and, where possible, offering stipends to participants; (2) connecting small businesses to existing community college programs designed for entrepreneurs by serving as mentors/coaches or serving as instructors; (3) having Small Business Development Centers serve as One-Stop satellites during off-hours of the One-Stop; and (4) taking advantage of on-the-job-training.

Opportunities to provide further incentives for small business engagement include:

- Exploring both administrative and legislative changes that encourage coordination and information sharing between One-Stop Career Centers and Small Business Development Centers (SBDCs). This could include the exchange of data to track participants who are referred to SBDCs for entrepreneurship training and policies that require participation of SBDCs on Workforce Investment Boards (WIBs) or other governing structures.
- In WIA reauthorization, considering incentives for cluster-based activities, whereby a collection of WIBs is rewarded for recruiting, training, and placing workers into jobs across a set of industry competitors. By providing financial incentive, WIBs could engage these "pools" of employers in addressing their needs, which may be particularly attractive to small businesses that do not have the resources to act independently to access the workforce system. At the same time, this would encourage partnership among WIBs that may consider themselves in competition with one another for the partnerships with employers.

Question 7. Furthermore, how is the One-Stop system addressing the concern that One-Stop Centers automatically refer people with disabilities to the Vocational Rehabilitation system?

Answer 7. This is an important issue, and we are currently considering the full range of options for addressing it. In part, this issue is being addressed by promoting greater coordination, to the extent possible under current confidentiality requirements, at the local level between the Vocational Rehabilitation (VR) and workforce systems. For example, training One-Stop Career Center staff in the eligibility requirements of VR services, which in recent years has been provided through the assistance of Disability Program Navigators (DPNs), has led to improving the capacity of the staff to determine which job seekers with disabilities are eligible for and would most benefit from VR services. Further, integrated resource team approaches, which have been emphasized in training and technical assistance efforts, promote the leveraging of expertise and resources of the respective systems to benefit job seekers with disabilities.

Over the last 2 years, an increasing number of One-Stops and Local Workforce Investment Boards have become Employment Networks under the Social Security

Administration's Ticket-to-Work Program, so they are serving customers who are Social Security disability beneficiaries, rather than referring them to VR. Moreover, because most State VR agencies are on an "order of selection," under which people with the most significant disabilities are served first, the VR system often refers persons with disabilities who are on its waiting lists to the other programs within local One-Stop systems. More effort is needed to further educate entities at all levels of the system about their legal obligations regarding customers with disabilities, eligibility requirements for the various programs targeted towards customers with disabilities, and effective service strategies in fully integrated settings.

At the Federal level, ETA is increasing collaboration with the Department's Civil Rights Center and Office of Disability Employment Policy. The goals of this increased collaboration include the provision of the education discussed above, and the integration of the promising practices identified through the DPN Initiative into the public workforce system. The latter integration will ensure that the lessons and practices learned through the DPN pilot program are continued after it ends.

QUESTIONS OF SENATOR COBURN

Question 1. In both written and verbal testimony, you expressed a desire to work cooperatively with other agencies like the Department of Health and Human Services in addition to the Departments of Labor and Education in attempting to improve job-training programs. Beyond these three agencies, what other agencies conduct job-training or job-training related programs that should be included in multi-agency collaborative efforts?

Answer 1. In addition to the Departments of Health and Human Services and Education, several other Federal departments and agencies provide a variety of resources that can support worker reemployment. State agencies operate employment and training programs under the Department of Agriculture's Supplemental Nutrition Assistance Program (SNAP). The Department of Energy received training funds as part of their Recovery and Reinvestment Act of 2009 (Recovery Act) investments. The Department of Defense provides resources for military spouses and supports the National Guard's Youth ChalleNGe program, and the Department of Veterans Affairs provides resources for veterans. This list is not comprehensive, but includes some of the key agencies with training resources. The Department believes strongly that increased cooperation and collaboration among these departments and agencies, combined with the leveraging and aligning of resources, will result in higher quality and more comprehensive job training programs.

In addition to programs administered by the Departments of Labor, Education, and Health and Human Services, the One-Stop delivery system under the Workforce Investment Act (WIA) includes additional partner programs' employment and training activities carried out by the Department of Housing and Urban Development, work programs authorized by the Food Stamp Act (administered by Agriculture), and programs authorized under the National and Community Service Act. The One-Stop system is based on partnerships that leverage resources to support comprehensive centers where individuals can find access to, and information about, the wide array of job training and education opportunities that exist.

Question 2. In Ms. Oates' verbal testimony regarding performance measures, she mentioned potential waste that occurs as job training providers have to submit different performance measure reporting requirements and related paperwork that differs from agency to agency. Please provide specific examples of how performance measures and reporting requirements are duplicative and provide recommendations to eliminate this duplication for Congress to consider as we reauthorize WIA. Please also provide information regarding which performance measures have shown to be useful in evaluating program success.

Answer 2. The definitions of the performance measures for the WIA Title I programs and the Wagner-Peyser Employment Service differ from the statutorily-defined measures of the Trade Adjustment Act (TAA) program, and the WIA Title II program measures, while similar to the WIA Title I Adult and Youth measures, have different definitions as well. As a result, service providers must collect different information for different measures according to funding stream, and program specific goals and purpose, often for the same individual customer being served. The Department believes it would be useful to explore how WIA can support the development of performance measures that will reflect the success of both job training and education initiatives by collecting and reporting interim and long-term outcome data from all participants served and that specifically encourage the system to serve those most in need. Additionally, the Department believes that the ultimate purpose of performance data is to help establish goals and assess whether the workforce sys-

tem assists its customers, including individuals from traditionally underserved populations, in finding a good job.

ETA believes a streamlined performance reporting approach has the potential benefits of reducing the administrative burden and enhancing collaboration among service providers, if the recordkeeping and reporting requirements are similar among funding streams. Previously, the Department of Labor worked with other Federal agencies to develop a set of performance measures that included entered employment, employment retention, and earnings for all adult job training programs and a set of youth and lifelong learning measures for youth and adult basic education programs. The Department of Labor implemented this set of performance measures for its workforce development programs; however, we understand that statutory constraints and requirements prevented other Federal agencies from full implementation. ETA continues to consider streamlined reporting and other proposed initiatives in collaboration with its partners and stakeholders as it refines its approach to program performance reporting for the workforce system and its customers.

The core set of current performance measures for adults and dislocated workers in WIA Title I and other workforce programs—entered employment, employment retention, and earnings—provide a good basis for evaluating the success of these programs. However, there is a lag in outcome data due to the time period to assess outcomes. For example, employment retention is measured at 6 months and 9 months after program completion for WIA Adult and Dislocated Workers programs and the Wagner-Peyser Employment Service. However, under TAA it is measured 12 months after program completion. While outcome data is essential to gauging program effectiveness, the collection of further information on interim progress that could be gathered without a significant lag could also be beneficial for program management. Such information could include training received and credentials attained.

In addition to the core set of outcome measures for title I adult participants, measures of credentials attained and customer satisfaction with the services received would be valuable measurement tools. The credential measure can provide insight into training milestones and the degree to which participants secure portable credentials (certificate and/or degree) vital to continuing on a career pathway. The customer satisfaction measure would be useful to assess the value of the program and to aid in improvement of strategies and services.

For the WIA youth program, as part of the set of performance measures referenced previously, States report outcomes for all youth using the following measures: placement in employment or education, attainment of a degree or certificate, and literacy and numeracy gains. An employment/education retention measure for youth is critical as another measure of effectiveness of the service strategy.

Question 3. During the President's transition he promised to conduct "an immediate and periodic public inventory of administrative offices and functions and require agency leaders to work together to root out redundancy." Please identify what redundancies you have discovered in existing job-training programs including any you have uncovered in your current collaborative efforts with other agencies.

Answer 3. An important part of WIA reauthorization will be the identification of strategies that maximize resources, streamline access to services, and avoid the unnecessary duplication of programs. To support these efforts, a strong emphasis on informed decisionmaking is required. Thus, the Department is strengthening its efforts to conduct rigorous evaluations of its programs to gather data, inform systematic and policy decisions, and guide the continuous improvement of programs and service delivery. The continuous improvement of DOL's programs will help American workers improve their skills, advance their education, and secure a good job.

We are also working with the Department of Education and other Federal agencies to review the current mix of job training investments to determine if redundancies or inefficiencies exist and develop strategies to address them.

Question 4. As the unemployment rate continues to climb, making efficiency in job-training programs a critical necessity, which job-training or job-training related programs, do you think can be eliminated because they are ineffective, duplicative, unnecessary, or have outlived their purpose?

Answer 4. The current design of the workforce system was put in place in 1998, at a time of full employment (the national unemployment rate for the year ranged from 4.4 to 4.6 percent that year). Though designed at a time when economic conditions were better than they are now, the public workforce system has stepped up to the plate, performing admirably in responding to the challenges it has faced in the current recession. In this time of high unemployment, it is important that the

workforce system look carefully at the labor market and target investments to skills areas that will help workers to attain good jobs as the economy recovers.

The spirit of WIA embodies streamlining programming and access to services. We agree that we must consider how the workforce system can be improved through WIA reauthorization to modernize the system to meet the needs of today's economy, while continuing to serve those who are most in need of help securing and retaining good jobs. The Department has engaged in activities specifically related to modernizing WIA, such as meeting with stakeholder organizations to gather suggestions about reforming and improving the workforce system, and looks forward to further opportunities to share information and work with the Senator and other members of the committee during WIA reauthorization. Together, we need to examine ways to improve the delivery of services through the workforce system, identify and eliminate unnecessary duplication (such as complex eligibility determination processes across multiple programs), and maximize the effectiveness of our limited resources in serving the American workforce.

Question 5. How do your agencies detect fraud in job-training or job-training related programs?

Answer 5. ETA monitors grantees through six regional offices, each managed by a Senior Executive Service (SES) Regional Administrator. On-site monitoring of all grantees is done to the extent that travel resources allow, and each State grantee receives a comprehensive review of fiscal and programmatic activity once every 3 years. In addition, ETA conducts quarterly desk reviews of all active grants using a system called the Grants Electronic Management System, or GEMS. These desk reviews consist of standard questions and analysis and are recorded in the GEMS system along with documentation of grantee-submitted fiscal reports, performance data, and Federal Project Officer notations. On the basis of these quarterly reviews, ETA assigns a risk rating to the grantee (red, yellow, or green). ETA monitors "at risk" grants on a more frequent basis, using standard operating procedures and a comprehensive Core Monitoring Guide and its supplements. A grantee is categorized as "at risk" based on criteria designed to evaluate the degree to which Federal staff should provide oversight and technical assistance to ensure compliance with financial reporting requirements. Such criteria include the grantee's ability to timely and accurately submit financial reports, the amount of grant funds awarded, and whether or not the grantee is a first time ETA grant recipient. During the course of monitoring, if any suspicion of fraud or abuse is detected, it is immediately reported to the Region Administrator who determines if there was intent to misapply funds that would warrant an Office of the Inspector General (OIG) Incident Report.

ETA is also focusing on strengthening its working relationship with OIG. Through this strengthened relationship, ETA hopes to research new approaches that will allow us to proactively identify and correct problems before they become significant.

RESPONSE TO QUESTIONS OF SENATOR MURRAY, SENATOR ENZI, AND SENATOR COBURN BY MARTHA KANTER

QUESTIONS OF SENATOR MURRAY

Question 1. How does the Department define "post-secondary education" or a "post-secondary education credential"?

Answer 1. The generally accepted understanding of the term "post-secondary education" is education and training beyond high school. This could include education from a number of sources, such as at 2- and 4-year colleges and universities, post-secondary trade and technical schools (along with community-based training), post-high school adult education, and registered apprenticeship programs.

Although there is no statutory or regulatory definition of "post-secondary education credential," again generally, the term is understood to include both formal degrees and certificates awarded by traditional institutions of higher education as well as industry-recognized credentials and certificates based on non-credit training that takes place either within or outside of a traditional educational setting.

ED and the Department of Labor (DOL) have begun discussions about what standards should be used to define industry-recognized credentials. This joint effort will help inform our decisionmaking when WIA reauthorization is considered. Also, we want to include industry stakeholders in the process of helping us define these standards, so that credentials provide interim performance measures and are portable and "stackable" and are both recognized and used by employers.

We think that the adoption of standards will help workers who seek credentials, particularly low-skilled workers, obtain employment and advance in their education and careers. States are not currently required, under Title II of WIA, to report information on certificates beyond the secondary level. Expanding and enhancing data

collection on certificates would be useful if there were established common Federal definitions of certificates and industry-grouped post-secondary credentials.

Question 2. What are the Department's principles for WIA reauthorization?

Answer 2. While formal principles have not yet been established, we believe that WIA reauthorization should aim to ensure that adults seeking training will find, gain physical and programmatic access to, and, if eligible, obtain the federally supported services they need, regardless of their system point of entry. To this end, we must improve the alignment and integration of adult education and employment and training services in order to fully meet the needs of the target populations: the unemployed, the underemployed, and those who need basic educational training in order to advance in their education and career goals—including individuals with disabilities.

The Department will continue to have conversations with DOL to ensure that this overarching principle, anchored in the needs of the client, guides our work.

WIA reauthorization should ensure that all individuals are served, including low-skilled adults and individuals with disabilities, and that clients can gain access to programs and systems in a variety of ways. Multiple points of entry are needed to ensure that clients can gain access to services in a manner that best meets their needs. The One-Stop Centers are one vital point where customers can obtain the services they need and connect with Federal education and training programs. Other system-entry points, particularly community colleges and community-based organizations, must also help workers gain education and workforce skills, find and sustain employment, and advance in their careers. Performance and accountability measures must be aligned and must recognize gains over time if the systems are to align and customers' needs are to be fully met.

Question 3. How does the Department envision the President's new community college initiative interacting with WIA programs and other efforts the Department or the Department of Labor has undertaken to support the role of community colleges in workforce development, including education and training? What is the Department's view on the role of community colleges in workforce development, including education and training?

Answer 3. Community colleges are central to the workforce system and to strengthening the economy because they provide skilled workers who are necessary to meet our Nation's economic and social challenges. There are nearly 12 million students enrolled in community colleges across the country. These students are choosing among for-credit and noncredit classes, developmental courses, career-prep courses, adult education, core career and technical education, general education courses, and apprenticeships, in obtaining the instruction and skills they need to further their education and achieve their career goals. Community colleges lead the way in preparing graduates in fast-growing fields such as healthcare. The flexible nature of community colleges allows them to work with employers and the private sector to address regional workforce shortages and create tailored training, partnerships, and apprenticeship programs for specific occupations. These institutions offer a low-cost and flexible way for students to achieve their educational and employment goals.

The President's community college initiative, the American Graduation Initiative (AGI), was announced in July and is included, in large part, in H.R. 3221, the Student Aid and Fiscal Responsibility Act of 2009, as passed by the House. H.R. 3221 would require that the AGI be jointly administered by the Department and DOL and is geared specifically toward strengthening the community college system so that it can provide education and training critical to advancing America's workforce. We see this effort as aligning with WIA and will work to integrate the two authorities on enactment.

Designed to help meet the President's goal of an additional 5 million community college graduates by 2020, AGI, as incorporated in House-passed H.R. 3221, would provide competitive grants to fund innovative programs and programs of proven effectiveness that improve post-secondary completion rates and train workers for skilled occupations. The two Departments would give priority to applications focused on serving low-income adults and nontraditional students. Funds could be used to enhance linkages with various local, State, and Federal programs, including those funded under WIA, and to focus on integrated education and training programs and sector-specific strategies in high-growth and high-need areas. The targeted population and activities in the AGI grant programs would be in alignment with the Administration's principles for WIA reauthorization. If the AGI is enacted, the Department and DOL will seek to ensure that the grants are implemented in a manner that enables students to achieve maximum educational and employment gains.

Question 4. How can adult education services under title II be better aligned with title I programs to help low-skilled adults persist on a career pathway toward a family-sustaining career?

Answer 4. In addition to the principles discussed above in response to question 2, we are discussing with DOL several key strategies for improving the alignment and integration of services provided to low-skilled individuals under Title I and Title II of WIA, including: (1) creating incentives to dually enroll clients in education and training programs that include shared accountability and reporting on employment and education outcomes; (2) encouraging models of service delivery that integrate education and training, specifically by targeting resources so as to connect adult education to post-secondary career pathways in industry-specific, high-growth areas-and in areas where replacements of large portions of the sector's workforce are needed; and (3) expanding the availability of basic skills services to One-Stop clients through title II providers. This integration and alignment could extend to the title I youth program for both in-school and out-of-school youth and include the provision of more comprehensive services to out-of-school youth enrolled in title II through partnerships with the title I youth program.

During reauthorization, we also want to look at ways to improve the alignment of education and workforce services under title II, such as by requiring States to implement content standards that are aligned with college-and-career-readiness competencies and to provide for the development of assessments to measure student achievement against these standards. We will also look at ways to use innovative literacy programs, through work-focused education, as a mechanism to assist the neediest families in moving to economic self-sufficiency.

Question 5. What recommendations do you have for strengthening public and private partnerships to support the goals of WIA?

Answer 5. Effective public-private partnerships are essential to maximizing workforce development, job placement, and educational achievement. The cornerstone of these partnerships is alignment and integration of standards and expectations of the private sector with training and educational delivery systems through ED and DOL.

The best-performing public-private partnerships result in identified sector-specific curricula, standards, and assessments that are well-informed by industry expectations for workforce performance. To this end, the Department, in collaboration with DOL, is leading an effort to define career pathways in 16 general industry sectors, including healthcare, construction technology, information technology, and manufacturing. These pathways define the learning expectations of the industry partners. The learning expectations can be captured in "stackable" industry-recognized credentials that reflect increasing levels of skills. These credentials are valuable for employers looking to hire workers with a set level of expertise and for workers looking to improve their earning potential.

Additionally, the creation of broad State and local partnerships that include not only business and industry partners, but also local governments, education institutions, agencies, and organizations, corporations, foundations, and workforce investment boards and mandatory One-Stop partners under WIA, may help ensure that workers, learners, and businesses benefit. Clear expectations and accountability for partnerships will strengthen coordination among these agents, particularly between the private and public sectors.

State and local Workforce Investment Boards (WIBs) are important to fostering the types of partnerships necessary to maximize workforce development, job placement, and educational achievement. Therefore, WIBs must be strategic, effective, and representative; State and regional communication and coordination systems will ensure that workforce training is aligned with State and regional employer needs.

Federal partnerships are also critical to the success of these efforts. To increase students' job placement and career advancement success, ED can expand and deepen career pathway efforts by improving coordination with DOL to encourage State and local partnerships throughout entities such as educational institutions and training programs.

In order to facilitate the employment of individuals with disabilities who are eligible for Vocational Rehabilitation (VR) services, the Department has supported a number of activities to increase business and industry's awareness of the services provided through the VR State Grants. We've supported and participated in conferences and job fairs offered by business organizations, conducted forums in four high-growth industries—financial services, hospitality/retail, technology, and health care—and published the employer resource Disability 101. Also, the Council for State Administrators of VR has begun work on the "Net," an online tool to connect VR agency job developers and employers nationally.

In reauthorizing the Rehabilitation Act, we want to look at ways to further strengthen collaboration between VR agencies and employers at the national and State levels.

Question 6. How can the Department help to improve the accessibility, both physically and programmatically, of One-Stop Centers and training programs? What changes should Congress make to the law to ensure accessibility?

Answer 6. One-Stop accessibility is required under Section 188 of WIA and Section 504 of the Rehabilitation Act; however, there are anecdotal reports that problems still exist with accessibility of physical structures, technology, and service delivery. We will work with DOL to identify if there are approaches that can better ensure access by individuals with disabilities—both physically (i.e., facilities are readily accessible and useable) and programmatically (i.e., the full array of WIA services is available).

Question 7. What administrative and policy changes would you recommend for creating a more coherent, seamless workforce system that encompasses the provisions under Title I, II, III, IV, and V of WIA and serves both job seekers and workers, and employers?

Answer 7. Improving the alignment and integration of adult education and employment and training services in order to meet the needs of clients is one of the Department's overarching priorities for WIA reauthorization. Several strategies we are considering were discussed above in response to questions 2 and 4. Additionally, reauthorization will allow us to examine ways to further strengthen the accountability provisions, such as establishing local and regional performance targets; connecting funding to performance; and expanding the use of longitudinal data systems to track education and employment outcomes.

Further, we want to look at ways to establish core standards for adult education instructors and faculty and strengthen the teacher-quality and professional-development provisions in State plans; increase the use of technology for classroom instruction and distance learning; and employ innovative "platforms" and evidence-based learning strategies to enhance the provision of services.

Several ways to improve coordination of programs under title I with the VR program under the Rehabilitation Act include:

(1) Using a common intake or application process to ascertain basic information about the individual (though eligibility for specialized VR services would continue to be made by a qualified VR counselor who meets the personnel standards).

(2) Co-location of programs funded through WIA within One-Stop Centers. Anecdotal evidence, gained in monitoring, suggests that in States where VR program staff are co-located in the One-Stop with title I staff, (e.g., in Georgia, Minnesota, Wyoming, and Washington), information sharing and referral can be facilitated.

(3) Training of One-Stop Center staff to work with individuals with disabilities, including developing a better understanding of the eligibility requirements of relevant programs, would make the staff more aware of how to better meet the needs of those individuals and would increase the likelihood that direct services would be provided and appropriate referrals would be made to the VR program and other programs.

(4) Ensuring that One-Stops are fully accessible and available to individuals with disabilities, in order to promote coordination among partner programs as well.

Question 8. How can the Department support an increased awareness for all potential customers of programs and services available under WIA?

Answer 8. Federal agencies, including ED and DOL, should continue to work together to ensure that clients are informed of and receiving services for which they are eligible. Co-location of services within a One-Stop, enrollment through a common intake process, and the option for co-enrollment in multiple programs by individuals who come to a One-Stop could be powerful tools in meeting the needs of those who are already being served, but who have not sufficiently realized the potential of the broader workforce system. For example, co-location of the VR agency staff within the One-Stop Center, where feasible, could assist in exposing disabled persons to all the available partner program services, including VR services.

Public-awareness efforts aimed at promoting the services offered by the workforce, adult education, and community college systems need to be targeted to the various customers they serve. Strategies to re-engage youth and adults in educational and career pathways should make use of technological innovations, including social networking and use of web portals, to disseminate information more widely. Our efforts should include: (1) working with high schools to build awareness of services available to youth; (2) expanding services to incumbent workers within targeted busi-

nesses, especially small- to mid-size companies that have the need to upgrade the skills of their workers; (3) using community-based and non-profit organizations to reach new immigrants, including those with professional skills; (4) expanding use of technology to reach different client populations, including youth who have dropped out of school, as well as linking to VR with DOL's Web sites and online information-sharing to offer as much information as possible to VR consumers and employers; and (5) highlighting referral directories and toll-free hotlines that States would support by keeping current information about publicly-funded local providers; and (6) providing guidance to States on how to inform students receiving IDEA services of the available One-Stop services as part of a required transition plan.

Question 9. How will the Department institute a partnership with the Department of Labor on WIA and other workforce development education and training initiatives?

Answer 9. The reauthorization of WIA affords a great opportunity for the two Departments to work hand-in-hand to assist in the provision of world-class education and career development opportunities, and successful job placement, to the full spectrum of Americans—from those who need basic literacy training to highly-skilled displaced workers who need to change careers. We have begun to have conversations with DOL about how to better align our programs and leverage our resources so as to ensure the best possible outcomes for our clients. The recent work between DOL and ED to help those who are unemployed enroll in and pay for post-secondary education, and the work we're committing to do together under the President's American Graduation Initiative, demonstrates both the desire and ability of our agencies to work together in the best interest of clients.

QUESTIONS OF SENATOR ENZI

Question 1. How will you work together (with the Department of Labor) to make sure youth served in the WIA programs are connected or reconnected to the larger education system? And, conversely how does the Department of Education plan to coordinate with WIA programs under the Department of Labor?

Answer 1. The Department has a strong commitment to collaborating with DOL to help better connect or re-connect students with the larger educational and employment systems. The workforce system should target both in-school and out-of-school at-risk youth, including those with disabilities. These groups include: (1) young people in high school who are "off-track" and at risk of dropping out—especially those with poor literacy skills and mental-health/substance-abuse problems; (2) those who have already dropped out; and (3) high school graduates with poor skills who are not enrolled in post-secondary education and failing to obtain regular jobs. These categories are fluid as individuals move in and out of school and college and as they may enter or re-enter one or more of these categories. ED also recognizes that employment can be a vital component of any high-engagement educational strategy for at-risk youth. Reauthorization provides an opportunity to strengthen the connection between DOL's programs and academic skills development. For example, employment opportunities funded under WIA Youth could strengthen linkages to an academic component to help ensure that students are attaining college- and work-ready skills while participating in meaningful employment.

The agencies could also better align performance measures and eligibility criteria so as to reduce barriers to participation in WIA programs for at-risk youth, by instituting performance measures that recognize gains over time and avoid the selection of participants on the basis of performance rather than need. Sharing and matching data related to performance measures across programs and departments will enhance the agencies' ability to measure the success of educational and employment strategies. Youth eligibility could be established once, rather than for each separate program. Certain programs could consider automatic eligibility for at-risk groups such as juvenile offenders, homeless individuals, dropouts, and foster youth. Particular attention could be paid to youth who live in areas of concentrated poverty, both rural and urban.

The VR program reconnects individuals whose disabilities pose a substantial impediment to employment to the larger education and training system by providing educational services to those individuals as part of their Individualized Plan for Employment (IPE). It is a frequent user of existing training programs in carrying out an individual's IPE. For example, 22 percent of individuals of transition age (14–24 at application) whose service records were closed in fiscal year 2008 after receiving services from the VR State program were assisted in the provision of college or university training; 14 percent received occupational or vocational training; 14 percent received other miscellaneous training; and about 3 percent received basic aca-

demic remedial skills or literacy instruction independent of the training period under the above categories.

State VR agencies also help facilitate the transition of youth with disabilities from high school to post-secondary education and employment through the provision of transition services both under VR and IDEA. In addition, they also provide consultative and technical assistance services to assist educational agencies in planning for the transition of students with disabilities from school to post-school activities, including employment. When VR staff visit a school to consult, they provide information about VR services, employment trends, and career options with school staff, students with disabilities, and their families. These consultations would be a good time to provide information about services available through the One-Stops.

The Rehabilitation Act also requires State VR agencies to have an interagency agreement in place with each public institution of higher education (IHE) in the State, including community colleges. These agreements detail the financial responsibilities of the IHEs and the State VR agency in the provision of educational support for individuals with disabilities who are VR participants. These agreements help to ensure that services to VR participants are coordinated and that the needs of those individuals are fully addressed as the student matriculates. The Office of Special Education and Rehabilitative Services, the Office of Post-Secondary Education, and the Office of Vocational and Adult Education (OVAE) are working to develop model agreements and to ensure that States and IHEs meet their obligations. Where practical, greater alignment between the programs that serve young people with disabilities under IDEA, the Higher Education Act (HEA), WIA, and the Rehabilitation Act is useful and would streamline practices and eliminate barriers to participation.

Question 2. How can we better coordinate the One-Stop system and the job training provisions of title I with the other WIA titles, Adult Basic Education and the Vocational Rehabilitation?

Answer 2. Multiple points of entry into the One-Stop system (both locally and through technology) should be available to ensure that clients can find, gain physical and programmatic access to, and, if eligible, obtain services in the manner that best meets their needs. For example, all workforce programs (including those for dislocated and laid off workers) should be available, coordinated, and accessible within State and local One-Stop Centers and in partnership with community colleges and community-based organizations, in order to provide each individual quick and effective triage, assessment of skills, and the best plan of services given the customer's interests and skills. In addition to the principles discussed in response to Senator Murray's second question, we're looking at the specific strategies mentioned in the answers to most of these questions.

Co-location can be an effective strategy to facilitate greater integration of adult education and employment-related services, but the current financial burden on One-Stop partners often acts as a barrier to such integration. Adult education providers spend very little of their local budgets on administrative staff (10 percent) or on rent (3 percent). These providers, working with limited resources, work diligently to secure in-kind support for physical facilities so that more monies are available to provide instruction for clients. The decision to co-locate in a One-Stop often means deciding to sacrifice instructional time for clients, since One-Stops often require partners to pay for space.

Question 3. What are the roles of the One-Stop Centers in providing job training and continuing education opportunities for people with disabilities, particularly youth with disabilities transitioning from high-school to post-secondary programs? What are the One-Stops doing to address accessibility issues and specifically for the One-Stops how are they implementing the 188 Disability Checklist?

One-Stops should provide people with disabilities physical and programmatic access to—and, if eligible, the ability to obtain—the same programs and services that are as available to anyone else. The VR State Grants program is available to provide additional specialized services that are not provided by the other One-Stop partners, but are necessary for individuals whose disabilities pose a substantial impediment to employment to successfully prepare for and gain employment.

Implementing a revised WIA Section 188 Disability Checklist and ensuring effective enforcement of the underlying regulatory requirements would help individuals with disabilities (including those transitioning from school to work) participate fully in all One-Stop programs, by helping ensure consistency of treatment from place to place. We are told that youth with disabilities who access One-Stop services often do so through VR, likely because VR is required to be involved when transition from secondary school is discussed with students with disabilities receiving IDEA serv-

ices. Transition services for all students might be improved by requiring other agencies, including the One-Stop partners, to be involved with transition planning for youth with disabilities at the secondary school level.

Minnesota is one example of a One-Stop system with youth programs designed for individuals with disabilities. RSA and IDEA monitoring staff observed in a site visit that the State's One-Stop system offered individuals with disabilities career guidance, individualized assistance in assessing skills and abilities, and first-hand support in how to conduct a job search.

Question 4. What types of incentives are needed so that more Adult Basic Education and Perkins Career and Technical students successfully transition to post-secondary education, occupational and technical training (including through the One-Stop delivery system), and the workforce?

Answer 4. Shared accountability systems that reward education and employment outcomes for clients who are dually enrolled in title I and other WIA programs, and establishing common measures across systems that include long-term goals for low-skilled adults, regardless of their point of entry, could be created. Enhancing support services provided to adult basic education participants, such as academic and career counseling and mentoring, would help provide adults with the knowledge, skills, and support needed to successfully transition to post-secondary education. Providing services outside the traditional 8 to 4 workday would also assist adult basic education students.

Creating the opportunity for students to earn college credit while in high school is an incentive for transition to post-secondary education for students enrolled in career and technical education programs. Integral to transition is the availability of academic and career counseling to students and expanding the availability of career pathways between secondary and post-secondary education. Reauthorization could also encourage the development of new models of service delivery that integrate education and training, specifically by targeting resources to bridge adult education to post-secondary career pathways in industry-specific, high-growth and high-need areas. Creating a "pipeline" for low-skilled adults into established post-secondary career pathway programs will provide an incentive to align adult education and post-secondary education requirements and prepare adults to be college-and career-ready.

Reauthorization of title II should address improving the alignment of education and workforce services to achieve a contextual approach to work-based learning. Requiring States to implement content standards that are aligned with college- and appropriate career- readiness competencies and the development of assessments to appropriately measure how clients meet these standards will encourage this alignment. The current effort to establish core standards for workforce- and college-readiness can also be extended to the adult population and serve as the framework for contextualized work-relevant curriculum and instruction.

Question 5. What new programs or strategies will be initiated to provide individuals, seeking jobs, training, or retraining, with the necessary background and skills for lifelong learning?

Answer 5. Although the Administration has not yet reached decisions on what, if any, new programs to recommend as part of the reauthorization of WIA Titles II and IV, we are exploring certain issues. The ability to re-engage out-of-school youth and adults in educational programs leading to college- and career-readiness is critical to meeting the President's goal of having the highest proportion of college graduates by 2020.

In addition to working on the WIA reauthorization, we are eagerly awaiting the enactment of the American Graduation Initiative. We believe the AGI, if enacted, would provide us with mechanisms for identifying new and replicating currently successful strategies for helping youth and adults, at various points in their education and careers, succeed and advance. Under the AGI, as set out in the House-passed bill, the Department and DOL would make competitive grants to increase program and college completion in community colleges, with an emphasis on preparing students for employment in high-demand industries and closing the enrollment and achievement gaps for underrepresented students. The AGI would also encourage States to enact reforms that make community colleges more responsive to student and workforce needs and to ensure that they measure and make public, education and employment outcomes. In addition, ED would expect to see a number of innovative practices created under the AGI, including an increased number of institutions that use contextualized and integrated programs that combine education, training, and "wrap-around" support services tied to occupational or career pathways in critical, growing, and emerging industries. We would also expect to see the

creation of more dual-enrollment options in order to help older youth and adults transition successfully into the workforce, post-secondary education and training systems. WIA could further bolster these efforts and provide incentives for States to establish career pathway models connected to post-secondary education.

Another component of the AGI that we believe would help individuals at different points in their educational and employment histories is Open Online Education, the Online Skills Training Laboratory, which would make high-quality higher education and training widely and openly available. Online courses provide flexibility, which is important to students and workers who may juggle multiple commitments, including family and work, or those who live in rural areas without convenient access to traditional systems of higher or adult education. Software can tailor instruction to student learning styles and paces and generate immediate feedback on student learning outcomes and course effectiveness. We believe that this initiative would be instrumental in helping students gain the knowledge, skills, and credentials they need to advance their education and careers.

Question 6. What are the roles of community colleges in providing job training and continuing education opportunities for people with disabilities, particularly youth with disabilities transitioning from high school to post-secondary programs?

Answer 6. State VR agencies frequently refer (and pay for) VR participants to attend community colleges for job training and continuing education to help to prepare them to achieve their particular employment goal. (See response to Enzi Question 1.) In addition, the State VR agency is required under the Rehabilitation Act to have an interagency agreement in place with each public IHE, including community colleges, located in the State. These agreements detail the financial responsibilities of the IHE and the State VR agency for providing services to VR participants, and help to ensure that services are coordinated and that the needs of these individuals are fully addressed as the student matriculates.

Community colleges are also sources of basic education, either provided as a free-standing service or as a support, for individuals who are pursuing academic or vocational programs at the college level, and, so, are major resources for individuals with disabilities who need remediation or academic accommodation to complete formal training programs. As discussed earlier, the AGI would be focused specifically on strengthening the community college system to improve education and training, and we see this effort as aligning with WIA and will work to integrate these two programs.

Question 7. How will the Department of Education partner with the Department of Labor to address the educational needs of disadvantaged, disconnected youth who may be in or out of school?

Answer 7. The WIA Title II program serves almost 1 million youth who have dropped out of school each year. We will work with DOL to expand educational services to more out-of school youth and the current partnership with the title I youth program, such as our partnership with DOL's Youth Vision, to offer more comprehensive services and employment support than it is currently able to provide. Additionally, ED is committed to working with DOL on the specific strategies discussed earlier.

With regard to youth with disabilities, ED and DOL will work together to ensure that policies are consistent across programs. One-Stops and employment programs that serve individuals with a developmental or mental health disability could become more actively involved in IDEA transition planning, including the development of IEPs, for students who are also eligible for services under programs administered by DOL and HHS.

Question 8. From the perspective of the Department of Education what can be done, internally, to link K–12 school systems with the workforce system? Externally, how can school systems be incentivized to partner with the One-Stop system so that more students know about these important resources?

Answer 8. The Department is committed to improving coordination between the K–12 school system and the higher education and workforce systems in order to ensure that students are leaving school with the skills needed to succeed in college and the workplace. Within the Department, a key strategy, incorporated in our appropriations, the Recovery Act, and the AGI, is supporting the development of statewide longitudinal data systems that will provide data that can be used to evaluate how well students are prepared for higher education, lifelong learning, and the workforce. These systems will bring educators closer to being able to evaluate which programs and pathways effectively prepare students for employment and provide feedback that enables educators to improve teaching and learning.

The Department requested and received fiscal year 2009 appropriation language that allows us to provide funds under the Statewide Data Systems grant program for data systems that include post-secondary and workforce information; and, under the Recovery Act, the Department received $250 million to help States build systems that can include post-secondary and workforce information. The competition for Recovery Act money is under way.

QUESTIONS OF SENATOR COBURN

Question 1. In both written and verbal testimony, you expressed a desire to work cooperatively with other agencies like the Department of Health and Human Services in addition to the Departments of Labor and Education in attempting to improve job-training programs. Beyond these three agencies, what other agencies conduct job-training or job-training related programs that should be included in multi-agency collaborative efforts?

Answer 1. In addition to these agencies, the Department has engaged in conversations with the Departments of Justice (DOJ) and Homeland Security (DHS) to support both the continuation and the initiation of multi-agency collaborations. DHS's Office of U.S. Citizenship and Immigration Services' Office of Citizenship (USCIS) continues, for the third year, to provide funds to the Office of Vocational and Adult Education (OVAE) through an interagency agreement. We are using the DHS funds to support the development and dissemination of teacher-training materials for the English Language and Civics program. OVAE collaborates with DOJ on issues related to incarcerated individuals and OVAE currently participates in the National Offender Workforce Development Partnership along with other agencies, including DOJ. Further, the Department, DOL, and the Department of Energy have entered into a memorandum of understanding to collaborate on linking our workforce to job, training, and education opportunities under the Recovery Act and annual appropriations.

We will also consult on job training with the Social Security Administration (SSA) and the Department of Veterans Affairs (VA). SSA administers disability programs and the Ticket to Work program and the VA funds educational benefits programs and offers vocational rehabilitation programs through the Vocational Rehabilitation and Employment Service and through rehabilitation programs operated in conjunction with the VA hospital system.

Question 2. During the President's transition he promised to conduct "an immediate and periodic public inventory of administrative offices and functions and require agency leaders to work together to root out redundancy." Please identify what redundancies you have discovered in existing job-training programs including any you have uncovered in your current collaborative efforts with other agencies.

Answer 2. The Department is reviewing all currently funded programs to determine which ones should be continued and which should be eliminated in fiscal year 2011. The Secretary has pledged to conduct a line-by-line review to identify programs that duplicate other Federal efforts, that have proven to be ineffective, or that are too narrow or small to have a national impact. We are completing that review and have incorporated the results into our fiscal year 2011 budget submission to the Office of Management and Budget (OMB).

Question 3. As the unemployment rate continues to climb, making efficiency in job-training programs a critical necessity, which job-training or job-training related programs, do you think can be eliminated because they are ineffective, duplicative, unnecessary, or have outlived their purpose?

Answer 3. The President's fiscal year 2010 budget request includes the elimination of programs that have proven to be ineffective, unnecessary, or redundant, or that have outlived their purpose. The President's fiscal year 2011 budget will reflect a thorough review of currently funded programs as well as the President's goal of either fixing or eliminating programs that meet the criteria described above. In addition, the Department has begun to identify areas of weakness as well as areas of opportunity in anticipation of the reauthorization of WIA.

Question 4. How do your agencies detect fraud in job-training or job-training related programs?

Answer 4. Our program offices monitor the States with regard to their compliance with programmatic and fiscal requirements in the statutes, regulations, and OMB circulars. In the course of this monitoring, if fraud is suspected, the facts are summarized and provided to the Department's Office of Inspector General. Offices also receive information from State audits conducted as part of the State single-audit requirement.

RESPONSE TO QUESTIONS OF SENATOR MURRAY AND SENATOR ENZI
BY CLYDE MCQUEEN

QUESTIONS OF SENATOR MURRAY

Question 1. More often than not, people think of workforce development as separate from education programs and economic development efforts. I believe we have to think comprehensively about how these efforts are connected at the regional, State and Federal levels. In your experience, how can we encourage these connections in WIA reauthorization?

Answer 1. We encourage connectivity between workforce, education, and economic development by insuring that there is legislative direction in each of the programs funded to coordinate programs, policies, and projects. Merely placing this in WIA reauthorization language does not necessarily encourage the other agencies (Education and Economic Development) to push for program integration. In lieu of this legislative compulsion for all three areas, these areas can provide incentives to cooperate through the Governor's 15 percent funds, a local innovation account, the sole purpose of which would be to encourage program coordination or regulatory relief through reduced program regulation when these three programs interact around a common project. We have had excellent experience with economic development and education coordination and integration with these types of funding and regulatory exemptions.

Question 2. What recommendations do you have for branding the system and increasing awareness among all job seekers, employers and our communities at-large?

Answer 2. The system should have a national tag line that all Department of Labor (DOL) career centers and contractors are required to have displays on their career centers, stationary, and advertisements. We should have national "smart" 1-800 numbers that, when called, would automatically route the job seeker to the career center in their area. There should be a "National Workforce Week" where, every year, the focus is on developing talent for the future with events staged at the DOL-funded career centers and the development of partnerships with community colleges and 4-year institutions of higher learning.

Question 3. What are the essential partnerships that you believe local boards must have in their communities to make their work comprehensive and maximize their effectiveness?

Answer 3. Essential partnerships must include education at the high schools, community colleges, proprietary schools and 4-year institutions. Additionally, partnerships should be developed in the areas of economic development, organized labor, business associations, Temporary Assistance to Needy Families (TANF) Programs, Growth Programs and/or high paying industries, such as healthcare, manufacturing, industry associations, etc.

Question 4. What are the major barriers you have experienced to aligning WIA services and building these partnerships? How can policymakers encourage public and private partnerships and strategic sector or regional approaches for all local boards in reauthorization?

Answer 4. The major barriers I have experienced in aligning these services is not as dramatic as it was earlier in my tenure with my organization. I have found that my tenure has extended my involvement with economic development, education and sector organizations and has enabled me to create the type of relationships necessary to execute these programs. When I did not have this interaction with these organizations, my job was more difficult. When I was newly appointed, with no tenure in the organization, it took a while for people in these systems to feel comfortable with me and my organization. A structural barrier was that, often, the metrics that governed WIA were not always compatible (as my partner agencies saw it) with their programmatic goals and objectives. Public and private partnerships can be encouraged through incentives such as local demonstration money; regulatory relief from regulations as an incentive to work with certain industry sectors or partnership areas, establishing national memorandums for coordination and integration at the national, regional, State, and local areas, where appropriate. There should be metrics assigned to such formal agreements and national regional report cards issued on their results.

Question 5. In your opinion, what are the appropriate roles for the State and local boards in WIA? How should those roles be balanced in a way that promotes respect and collaboration?

Answer 5. The primary objective of State boards is to align State programs and policies that create a State level plan for workforce development and coordinate the execution of its plan. State boards create the policy and coordination framework that sets the operating parameters that are passed on the local workforce regions for execution. These broad goals, policy framework and funding establish the framework against which local and regional workforce programs are executed. The local boards are charged with developing local and regional strategies and tactics to execute the States' plan depending on the unique socioeconomics of each region/locale.

The State board should set metrics of its own regarding how to align, plan, and execute State level strategies and tactics. Results should be posted quarterly in the same fashion that the WIB posts its quarterly results. I think a point of conflict has been that the State WIB has seen its role as solely oversight of local programs with minimal attention to what it can do to create more comprehensive workforce development policy and tactics at the State level.

Question 6. Why do you believe that work experiences for young people are so valuable?

Answer 6. Work experiences are valuable in helping young people to develop a work ethic, determine and develop future career choices, teach financial literacy and develop employer relationships. The private sector alone does not have the capacity to generate the type of "try-out" employment opportunities necessary to develop the work and skill assets of "at-risk" youth.

Question 7. How have you successfully engaged employers in hiring young people, particularly those that are most at-risk? And, have they found the experience valuable?

Answer 7. Yes we have successfully engaged employers in hiring at-risk youth through a combination of publicly subsidized and private sector employment. Employers have found this to be successful because, in many instances, they have retained the youth in employment positions or provided excellent recommendations for them.

QUESTIONS OF SENATOR ENZI

Question 1. What principles do you recommend for inclusion in a WIA reauthorization that would encourage communities to design One-Stop Career Centers that effectively serve workers of all ages and all abilities?

Answer 1. Language should indicate that all Career Centers should be ADA accessible and accessible by public transit only if there is a transit system in the area. Each Career Center should have a designated youth area or designated external youth office where youth between the ages of 16–24 can be immediately engaged for program services.

Question 2. What do you recommend to other States and communities interested in developing a similar program to Kansas City for youth?

Answer 2. In developing programs similar to youth programs in Kansas City, it is important that there be recognition of youth talent as a key ingredient to economic development that permeates city and regional economic development policy. The development of young people must be viewed as a key economic development strategy to sustain and expand communities, as opposed to merely a "social enterprise."

RESPONSE TO QUESTIONS OF SENATOR MURRAY AND SENATOR ENZI
BY MICHAEL L. THURMOND

QUESTIONS OF SENATOR MURRAY

Question 1. More often than not, people think of workforce development as separate from education programs and economic development efforts. I believe we have to think comprehensively about how these efforts are connected at the regional, State, and Federal levels. In your experience, how can we encourage these connections in WIA reauthorization?

Answer 1. As stated during my testimony at the Senate's Employment and Workplace Safety Subcommittee, I believe, the Workforce Investment Act (WIA) of 1998 provided an unprecedented opportunity for State and local jurisdictions to develop a more coordinated and efficient system. To advance and expand upon the success of the WIA and to better link education and economic development to the system, the following suggestions are offered for your consideration:

- We must clearly define this intent in WIA reauthorization legislation and reinforce this expectation in the way the systems allocate funds and measure outcomes;

• System partners at all levels must fully understand the role and relationship between education and workforce development on the Nation's economic development capacity;
• Develop common statutory language, goals and performance outcomes which complements, connects and coordinates the role and function of education, economic development and workforce development;
• Provide incentives to States that align the desired connections through performance;
• Allow flexibility for the broad use of customized training, incumbent worker training and on-the-job training;
• Encourage the use of information systems with shared portals across programmatic areas to enhance communication between education, economic development, and workforce development. This would enhance sharing of customer information and outcomes, facilitate better marketing of initiatives, and promotion of employment incentives (e.g. tax and credits).
• WIA Reauthorization should include language which describes a seamless transition of the systems E3 strategy (Economic Development, Education and Employment) with clearly defined roles and responsibilities.

Question 2. Overall I think we need to do a better job of getting the word out about the services available under WIA and at local One-Stop Centers for workers, employers, educators and the community. What recommendations do you have for branding the system and increasing awareness among all job seekers, employers and our communities at large?

Answer 2. Today's economic crisis requires our Nation to re-think and retool our efforts in connecting economic development, education and employment through strategic alignment. National/State/Local awareness of effective federally funded programs will play a pivotal role in how we rebound from this crisis.

Any marketing campaign should adopt global business language which describes the system's purpose, goals and benefits to all stakeholders. A clear description of how the system is designed to create a skilled and qualified workforce to meet the existing and emerging workforce needs is essential.

Branding would enhance the system's universal identity. Wikipedia defines "brand" as the following:

> *A brand is a name or trademark connected with a product or producer. Brands have become increasingly important components of culture and the economy, now being described as "cultural accessories and personal philosophies".*

I emphasize the "*increasingly important components of culture and the economy*" within this definition and would recommend from a Federal level that the WIA umbrella system adopt a modern brand name with a business economic driven "credo" tag line. A suggestion would be to use the WIA acronym as a trademark such as "Workforce In Action"—*Your System, Your Future*. Employers tend to support and utilize a Federal program where they can financially articulate the services to their bottom line savings. The "Your System, Your Future" tag line addresses today and tomorrow's workforce needs through Education and Economic Development of high demand jobs.

Effective branding would require that system stakeholders clearly understand their role, responsibilities and investment in achieving the system's bottom line—an emphasis on job creation and growth while building a skilled and trained workforce.

Importantly, the branding process should be developed with a universal trademark that promotes ownership of the WIA system as a unified, inclusive workforce system within education, the business community, the job seeker and the community-at-large.

Finally, the Georgia Department of Labor's (GDOL) branding campaign history and success may be used as a model for the system. GDOL established a strong brand identity through the use of a logo (A Job for Every Georgian and a Georgian for Every Job), tagline (Building a World-class Workforce) and GDOL footprint and signage which is highly visible and known through the State. More importantly, GDOL is known for its effective and responsive service to all customers and for its emphasis in achieving results.

Question 3a. Your statement describes how the State of Georgia used the enactment of WIA as a way to make significant changes to the planning and delivery of workforce services. State and regional partnerships among agencies and private and public organizations seem to be a critical contributor to State and regional innovations in policy and services. How do the multi-agency partners in Georgia work together to jointly plan, support, and evaluate services and how well does that process

work? How do the partners collaborate within the One-Stop delivery system? How do the partner agencies and organizations create linkages with economic development to support State and regional growth plans?

Answer 3a. The State of Georgia used the enactment of WIA to make significant changes to the planning and delivery of workforce services by encouraging customer choice, increasing customer satisfaction and by integrating services and leveraging various funding streams.

Question 3b. How do the multi-agency partners in Georgia work together to jointly plan, support, and evaluate services and how well does that process work?

Answer 3b. In Georgia, partners work in a collaborative and effective manner through a variety of avenues to plan, support and evaluate services. This includes State level meetings involving partners from various agencies including education, economic development and workforce development. Other efforts include State board workforce meetings, monthly WIA Director's meetings and regular One-Stop partner meetings at the local level to discuss: workforce strategies, referral systems, community resources, ways to leverage available funding, and opportunities to secure new funding.

In Georgia, 32 of GDOL's 53 career centers are designated One-Stops, while the remaining offices serve as satellite locations. This unique arrangement allows for enhanced planning, sharing of resources and coordination among State and local partners.

Question 3c. How do the partners collaborate within the One-Stop delivery system?

Answer 3c. In addition to the regular One-Stop partners meetings, local partners work closely together to develop Memorandums of Understanding (MOU's) and Resource Sharing Agreements (RSA's) that document a level of commitment to partner collaboration within the One-Stop delivery system. These agreements outline service strategies for co-located staff, referral procedures, shared resources, quality standards, performance data tracking and outcome requirements.

Question 3d. How do the partner agencies and organizations create linkages with economic development to support State and regional growth plans?

Answer 3d. Partner agencies and organizations create linkages with economic development to support the State/regional growth plans through the Board's strategic planning efforts, coordination with local and State economic development partners, and by coordination with State and local governments. In Georgia, 16 local workforce areas are administered directly by local governments or regional development commissions which create an intrinsic partnership between workforce and economic development efforts and support for local and regional growth.

During the initial implementation of WIA in Georgia, local workforce areas were given funding to develop regionally-based strategies related to economic and workforce development. Communities in Georgia continue to respond effectively to the message of partnership as a means of achieving goals. With the support of State leaders, local and regional partners come together on Workforce Investment Boards, task forces and regional planning boards to develop creative and attainable solutions to challenges such as educational attainment, teen pregnancy, provision of transportation and other employment barriers.

QUESTIONS OF SENATOR ENZI

Question 1. A number of people with disabilities have claimed that around the country One-Stops are neither physically or programmatically accessible. What has Georgia done to improve the programmatic and physical accessibility of One-Stops for individuals with disabilities? Based on your experience, what would you recommend to other States to improve the programmatic and physical accessibility for individuals with disabilities?

Answer 1. As a result of a legislative action, Vocational Rehabilitation became apart of the Georgia Department of Labor in July 2001. This move ended the segregation of services for people with disabilities and put in motion an opportunity for a fully integrated employment service system for all Georgians. Budgetary and cultural changes were first addressed. A culture of inclusion was communicated, adopted and enforced from the top and throughout the organization. Importantly, we focused on the ability people have as opposed to the physical, mental and/or emotional "disability" of an individual. In doing so, we established a service delivery system which allowed all citizens to fully participate in the workforce services offered.

The Georgia Department of Labor/Vocational Rehabilitation (GDOL/VR) staff members with Americans with Disabilities Act (ADA) and Assistive Technology (AT)

expertise provided training and technical assistance to GDOL Career Centers and One-Stops to enhance customer services and exceed ADA requirements. We feel other States could benefit from taking actions similar as to the items below that GDOL/VR implemented at Career Centers and One-Stops to improve the programmatic and physical accessibility for individuals with disabilities:

• Install appropriate automatic doors and frequently test them to ensure they continue to be in good working condition.
• Provide a front reception or help desk that is a lower height for better direct interaction with people who use a wheelchair.
• Provide more accessible parking spaces.
• Train all Career Center and One-Stop staff members to offer excellent customer service for all customers including those who have disabilities.
• Provide special training on the AT on the accessible computer(s) and work stations to Career Center staff assigned to Resource Centers to enable them to assist customers better and ensure the training is updated as appropriate.
• Install accessible work stations with customer-controlled adjustable heights that are designed to meet the needs of individuals with a variety of disabilities including visual impairments, extremity impairments, learning or reading impairments, dexterity impairments, etc. Examples of the work station accessibility features that GDOL implemented include:
• **JAWS**—for users who are blind,
• **MaGIC**—for users who have low vision,
• **WYNN**—for users with a learning disability,
• **OpenBook**—for users with vision loss,
• **Microsoft Accessibility Features**—including features such as Sticky Keys and Filter Keys for users with dexterity issues,
• **21″ Monitors,**
• **Brailed and Large Print Materials**—Many of the print documents at the Career Centers have been converted into grade 2 Braille and 22 point large print. These are regularly updated and replaced.
• **Anti-glare Computer Monitor Filter,**
• **Scanner** to scan a document and read it aloud to user with vision loss,
• **CCTV** for users with low vision to read printed documents,
• **Trackball or accessible mouse,**
• **TTY,**
• **Headsets for privacy in using AT software—with disposable covers for sanitization,**
• **Ubi Duo** at the Help Desk to facilitate communication with customers who are deaf, and
• **FM Listening Devices, Talking Calculators, Franklin Talking Dictionaries.**

We also suggest States incorporate an annual review process similar to Georgia's to ensure and maintain programmatic and physical accessibility. Continuous training is necessary for staff to provide service and coordinate effectively with other internal and external partners.

For the past year, GDOL advanced its inclusion strategy with an initiative called "OASIS." OASIS allows for the integration of customers into the Wagner-Peyser funded activities with an emphasis on the work first philosophy.

Question 2. How is Georgia working with small businesses and other businesses that might not have been active participants in the workforce system in the past, to get them to use it and see it as a valuable source of qualified workers?

Answer 2. Georgia Department of Labor (GDOL) Commissioner Michael L. Thurmond created **Georgia Work$ (GW$),** an innovative training initiative designed to stimulate job growth and hiring as the primary strategy for engaging small businesses and other businesses who have not been active participants in the past.

Georgia Work$ (GW$), a proven Georgia Department of Labor initiative reduces employer costs associated with recruiting, training and hiring new employees.

During the past 6 years, GW$ has helped Georgia employers train and/or hire over 3,000 qualified employees. Participating employers have reduced their hiring costs by more than 19.4 million dollars.

All Georgia employers willing to provide job specific training to unemployment insurance (UI) claimants are eligible to participate. GW$ provides a number of competitive advantages, including:

• Pre-screened qualified applicants
• Up to 6 weeks of pre-employment training
• Trainee stipends are fully covered by GDOL
• Hiring of trainees at discretion of employers

• Workers' compensation coverage provided by GDOL

Benefits to the GDOL and State

1. Protects solvency of UI Trust Fund
2. Stimulates job growth
3. Provides career center staff with a new tool to help job seekers and employers

Other GDOL business engagement strategies include:

• Marketing and education through the local WIB's comprising 51 percent business membership;
• Partnering with Chamber of Commerce and Business leaders on economic development;
• Use of on-the job (OJT) as a method of job placement and support to small businesses;
• Georgia Department of Labor hosts an annual workforce conference to engage large and small businesses to learn about all of the workforce development services;
• The Rapid Response unit is used to address small business lay off's and opportunities for job seeker transitioning services;
• Georgia has retained employer committees, with a membership of over 1,600 employers, as advisors to the career centers located throughout the State. Participating business members assist the department in reaching out to businesses in the community; and
• Employer Marketing Representatives work with employers throughout their service area, often in conjunction with Vocational Rehabilitation Employment Specialists. This ensures that individuals served by Vocational Rehabilitation have the full range of employment opportunities available in the community.

Question 3. It has been argued that the One-Stops and State Vocational Rehabilitation programs are built on different principles. These differences are highlighted in outcomes measures. Realizing that it can possibly cost more and take longer for some people with disabilities to reach their employment goals how should the WIA performance measures be adjusted to take this into account?

Answer 3. The differences are based in Federal legislation and regulations. The VR program reporting measures are detailed in the Rehabilitation Act, Section 106, Standards and Indicators. Standard 1, Indicator 1.1 requires an equal to or greater number of successful closures from the prior year for compliance with the indicator. The requirements for determining a successful closure are found in the Code of Federal Regulations (CFR) Section 361.56, requirements for closing the record of services of an individual who has achieved an employment outcome. The major requirement that a VR client must be employed for a minimum of 90 days before a case record may be closed as successful is significantly different from the WIA requirements. WIA measures the job retention in the first, second and third quarters after a client entered employment.

Since the VR and WIA measurements are prescribed by law, only changes in those laws could adjust them. Other VR requirements that do not correlate to a WIA outcome are these requirements of VR Performance Indicators:

• 1.2—Ratio of successful employment outcomes to non-successful outcomes,
• 1.3—Earnings equivalent to at least the minimum wage,
• 1.4—Percentage of individuals served who with significant disabilities,
• 1.5—Ratio of wage compared to State average,
• 1.6—Percentage of individuals who report self supporting before and after VR services and successful employment, and
• Standard 2—Ratio of minority compared to non-minority individuals receiving services from the VR program.

A recommendation for WIA performance measures is to allow more flexibility to adjust performance measures, if necessary, to allow for full service inclusion. Specifically, reauthorization should encourage renegotiation of measures with more emphasis on serving all "hard-to-serve" populations.

RESPONSE TO QUESTIONS OF SENATOR MURRAY AND SENATOR ENZI
BY WILLIAM E. KIERNAN, PH.D.

I am William E. Kiernan, Ph.D., Director of the Institute for Community Inclusion, a University Center for Excellence in Disabilities located jointly at the University of Massachusetts Boston and Children's Hospital Boston. We are one of 67 such Centers that make up the nationwide network of University Centers for Excellence in Developmental Disabilities (UCEDD) that are national leaders in research, interdisciplinary training, technical assistance, and service and are supported by the As-

sociation of University Centers on Disabilities. UCEDDs are the national leaders in a constellation of activities designed to improve employment options and outcomes for people with developmental and other disabilities. Our Center has worked extensively in supporting the employment of persons with disabilities and has been involved with supporting the One Stop Career Centers and the public Vocational Rehabilitation agencies at the State level in expanding employment options for persons with disabilities. I am pleased and honored to have been asked to comment to the written questions for the record from Senators Murray and Enzi on the reauthorization of the Workforce Investment Act and correspondingly the Rehabilitation Act.

I have organized my written responses around the 10 questions (four from Senator Murray and six from Senator Enzi) that were sent to me by Senator Murray on behalf of the Subcommittee on Employment and Workplace Safety of the Senate HELP Committee. Additionally, I am submitting supporting appendices relating to these questions that will integrate the common areas that were emphasized in my oral and written testimony of July 16, 2009 and my written responses to these 10 questions submitted on September 18, 2009.

QUESTIONS OF SENATOR MURRAY

Question 1. What policy changes need to occur to make One-Stops fully accessible—both physically and programmatically—for individuals with disabilities?

Answer 1. In responding to this initial question on accessibility, I would like to again remind the subcommittee of our feeling that there is a substantive difference between the One-Stop system and the One-Stop Career Centers and that, in order to realize the full intent of Congress that there be a universally designed and seamless gateway for all job seekers, one needs to look at both the individual elements of the system (the 17 partners including the One-Stop Career Centers) as well as how the collective partners perform with regard to access, utilization and impact for all job seekers, including job seekers having a disability. More details on the perspectives of the One-Stop system and the One-Stop Career Centers are included in my testimony submitted on July 16, 2009.

That said, the following response reflects a focus primarily on the One-Stop Career Centers and ways in which there can be a clearer sense of how accessible and effective they are in serving customers with disabilities. It is also my feeling, and those of my colleagues who have assisted in framing these responses, that many of the issues that are raised in this and the other questions can be addressed though: (1) clearer interpretation of the current law, (2) more effective documentation of the nature of the population served and the outcomes of the service provided and (3) more accountability exercised by DOL in the functioning of the LWIBs at a local level and the SWIBS at the State level.

The current legislation and regulations already are sufficient to address concerns about access to the One-Stop Career Centers by customers with disabilities. Again as noted in the original testimony we feel that there has been considerable progress made on both the physical and program access in the One-Stops though the actual data in these areas is limited and tends to be more anecdotal in nature. Given that, much of my response will address the need for data collection at the One-Stop levels and the requirements for reporting to DOL and the making of these results available to other interested parties.

From a legislative and policy perspective, there is a need to get a better handle on how much of an issue accessibility really is (and creating an ability to measure progress in these areas moving forward), before promulgating new regulations and or offering new directives. What would help is better data regarding the use of the system by people with disabilities, and better use of the existing data. A few thoughts on this include:

- changing the data collection requirements of all customers including the collection of information on the receipt of SSA benefits (SSI, SSDI and the combined SSI/SSDI) by customers. These data will offer some measure of the presence of a disability for the customer and also offer data for administrative purposes to the One-Stops regarding the number of customers who may have a Ticket to Work option available. In those instances SSA revenues would be available should the customer enter and remain in employment at the required level according to the Ticket regulations. Such an effort may change some of the role of the One-Stop Career Center, that is, moving from solely a high volume low touch service to a high or moderate touch and lower volume service. It may also impact the nature of the partners' roles in the One-Stop system creating new ways in which the One-Stop Career Centers may interact with other partners (those other 16 that are mandated as well as those that are non-mandated including State Mental Health and Developmental Disabil-

ities agencies as well as community rehabilitation provider agencies) and realize greater service and better outcomes for customers with disabilities.

• implementing a new integrated data collection system (currently in process by DOL), WISPR, which essentially will serve as a One-Stop performance measurement system. It would seem opportune for there to be a directive from Congress that requires that WISPR include a mechanism for measurement of the system's performance in terms of serving people with disabilities, as a direct sub-set of how performance is measured for the overall population (including percentage of people served, mix of services provided, outcomes realized, etc). The GAO has on several occasions called for better measures of performance, ones that reflect the demographics of both the labor market as well as the population of potential job seekers in the geographic area served by the One-Stop. The integration of this effort into the developing WISPR system and a clear start date (for full implementation or implementation on a pilot basis) would be a reasonable step in gathering data to answer the questions on accessibility, utilization and impact for persons with disabilities seeking services through the One-Stop system as well as the One-Stop Centers.

• have Congress direct DOL to develop a scientifically valid sampling procedure for collecting data on the access, utilization and impact of the One-Stop system as well as the One-Stop Career Centers and to integrate these data collection efforts with those that exist for the public Vocational Rehabilitation system (RSA 911). Such an effort would give Congress and DOL a view of the impact of the One-Stop system on customers with disabilities seeking and obtaining employment through this system. Additionally, this information should be made available to customers as well as become part of the public reporting system of DOL on One-Stop and or WIA performance.

In addition to the development of better and more effective data collection for purposes of offering services to customers in a more timely fashion, provision of materials for planning at the local level, documentation of service utilization and measurement of impact at the local, State and national levels, the development of reporting and monitoring by DOL and the use of these processes to enhance compliance, identify areas for increased capacity development efforts and areas for expansion of services and expertise based upon local needs would be most appropriate.

To that end the following suggestions are put forth to the subcommittee:

• adopt a streamlined checklist to be completed on at least a bi-annual basis or some scheduled basis (this is not specifically required in Section 188). The completion of such a check list will serve to raise the issue of access as well as report on actual services (the outcome of increased access should be reflected in an increase in the utilization of One-Stop services and supports by persons with disabilities) and give a baseline of data on utilization as well as outcomes.

• Congress to direct DOL to prepare an annual report on the performance of the One-Stop system in terms of people with disabilities, using secondary analysis of existing data (WIA, Wagner-Peyser etc.) as well as some qualitative research/data. Other data sources such as RSA 911, ACS, SSA data, State DD and State MH data and other sources (see *http://www.statedata.info/about/data—sources.php* for list of relevant data sources in employment and disabilities) could be accessed to support the current WIA and Wagner-Peyser data. This, of course, is assuming the no common data elements are identified as noted in a prior recommendation.

• given the wide variation reported in percentage of people with disabilities using the system from state-to-state (via the Wagner-Peyser data), Congress may want to consider requiring DOL to either penalize those States that are in the bottom quartile, or require those States to develop some type of corrective action plan addressing ways to increases access, utilization and outcomes for customers with disabilities. If this effort is to be effective, DOL will need to be able to offer training and technical assistance to such States in both the framing of a corrective action plan and its implementation.

• Congress could consider enhancing enforcement by the DOL Civil Rights Center including an annual report to DOL (to be included as part of the above noted report to Congress) regarding its efforts to ensure non-discrimination against people with disabilities, including a summary of complains received and responses made. Such a report may include the required Section 188 Methods of Administration that are to be issued by each State's governor with these elements made public along with the data reported on access and outcomes for customers with disabilities and an analysis of all stats done by the DOL Civil Rights Center on issues of compliance.

In facilitating increased access there must be a change in the way that DOL interprets the allocation of resources for services to customers including customers with disabilities. The continuation of the use of funds being 'siloed' and not able to be blended across groups presents a considerable challenge to managers of the One-

Stop Career Centers and in many ways may serve to limit access to services by many customer population groups. In an effort to create more flexibility, DOL should, as was noted in my prior response to the subcommittee, move away from the sequential perspectives of the services offered, that is having customers move from core to intensive to training. The capacity to rapidly assess needs of individual customers and the ability to directly access the level of services needed will serve to streamline the overall structure for customers seeking service. The adoptions of flexibility in the allocation of funds by specific groups as well as the ability to go directly to one level of service rather than to move through the sequence of services (core, intensive and training) will offer increased capacity of the One-Stops to be more responsive to customers with disabilities and for that matter all customers.

When discussing data and its utilization, it is important to separate out the data collection efforts that are directed as assuring that the most appropriate services are identified for a customer and those that are collected for documentation of effort as well as administrative and planning purposes. While some variables such as presence of a disability, sources of financial support and other service systems accessed will facilitate the accountability, planning and administration of the program, data on nature of the limitations, extent of the needs and barriers to employment may be more valuable in planning for and obtaining services and supports. These latter elements are useful in the establishment of a plan but will often not be relevant, effective or even legal to be shared with others including employers or useful, to any great extent, in planning and administration.

There should be guidance from DOL on clarifying the distinction between disability information available and useful to the customer service part of workforce development services (intake, case management, support services etc.) which workforce staff should be encouraged to be "proactive" in seeking out for support reasons and the more privileged information that should be less accessible to employer marketing staff and certainly generally not accessible to employers themselves. By the universal access nature of WIA, data in no instance should be utilized to rule a customer out of the service streams but rather to get them more effectively and efficiently into the most appropriate service stream.

Given the increasing concerns about the payment of sub-minimum wage and the significant presence of persons with intellectual and significant disabilities in sheltered employment settings, it may be possible for DOL to further options for persons with disabilities in sheltered workshops to be served by the One-Stop Career Center as well as other WIA partners under the dislocated worker provisions. Such an approach should be considered if, in fact, the funding sources of WIA remain separated and not able to be blended. Should DOL enforce the Dislocated Worker provisions as noted below, more individuals with disabilities who are marginally employed in sheltered employment settings could be eligible for supports and services under the dislocated worker provisions. The Dislocated Worker definition already has a capacity to serve workers with disabilities but those sections (underlined below) are not often used and DOL may want to consider reinforcing the sections of the existing definition as a way of offering additional options for individuals with disabilities.

Dislocated worker.—The term "dislocated worker" means an individual who—(A)(i) has been terminated or laid off, or who has received a notice of termination or layoff, from employment: (ii)(I) is eligible for or has exhausted entitlement to unemployment compensation; or *(II) has been employed for a duration sufficient to demonstrate, to an appropriate entity at a One-Stop Center referred to in section 134(c), attachment to the workforce, but is not eligible for unemployment compensation due to insufficient earnings or having performed services for an employer that were not covered under a State unemployment compensation law; and (iii) is unlikely to return to or benefit from returning to a previous industry or occupation*; (B)(i) has been terminated or laid off, or has received a notice of termination or layoff, from employment as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise; (ii) is employed at a facility at which the employer has made a general announcement that such facility will close within 180 days; or (iii) for purposes of eligibility to receive services other than training services described in section 134 (d)(4), intensive services described in section 134 (d)(3), or supportive services, is employed at a facility at which the employer has made an general announcement that such facility will close; (C) was self-employed (including employment as a farmer, a rancher, or a fisherman) but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters; or (D) is a displaced homemaker. (10) Displaced homemaker.—The term "displaced homemaker" means an *individual who has been providing unpaid services to family members in the home and who—(A) has been dependent on the income of another family member but is no longer supported by that*

income; and (B) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

Question 2. We have heard that an important consideration is staff development—ensuring that job seekers and workers with disabilities are treated with respect, provided information to explore career opportunities, and access to appropriate services when they enter a One-Stop facility. How should WIA support such professional development through legislation?

Answer 2. There is a growing recognition of the need for a highly trained workforce that is knowledgeable about employment and training as well as job support strategies. There are some competencies that have been identified by workforce training and disability training entities that address skill areas in job development, marketing, job placement and other employment supports for customers seeking assistance in obtaining and maintaining employment. Trainings are typically offered in person, on site or through the use of a distance education platform and often are done on an "ad hoc" basis. The requirements of skill level and competency mastery are seldom part of the requirement for those working in the employment and training system. For personnel employed in the public Vocational Rehabilitation system there is a requirement that all staff are master's prepared and that there is a national certification that carries with it an obligation for in-service training over a 5 year period in order to maintain this national certification. Much of the training offered relates more to counseling and individual service and less to job development and placement skill levels.

There is some precedence regarding the need for training of staff in the One-Stops as stated through the Section 188 regulations. Currently the regulations require that the Governor's Methods of Administration "include a system of policy communication and training to ensure that personnel are aware of and can effectively carry out these responsibilities." It may be worthwhile for Congress to stipulate that these requirements be more prescriptive, including specific competencies and knowledge areas related to people with disabilities.

At the local level some LWIBs require programs that want to be considered One-Stops and eligible for WIA supports must have a defined percentage of staff completing their training in the employment and training fields. This effort is entirely local and has not yet been adopted on a statewide or national level. Training at the in-service level could easily incorporate strategies to support customers with disabilities. Some training areas might include basic knowledge in non-discrimination policies and practices, reasonable accommodation, general disability etiquette, job training and supports for all job seekers and universal design strategies to support all job seekers.

It would be appropriate for DOL to consider designing and or adapting training materials that could be made available for LWIBs and One-Stops to increase the capability of the Centers and the staff in the system to better understand issues of disability, supports for customers with disabilities and knowledge about accommodation and non-discrimination in the workplace. While it may not be the prerogative of the DOL to prescribe a specific training curricula, the recognition of the mastery of identified competencies in employment and training, the documenting of such mastery and the use of in-service training (face to face, on-line and self instructional) could go a long way in increasing the capacity of personnel in the One-Stop system and the One-Stop Centers to support customers with disabilities.

Question 3. How should the legislation address what some argue are disincentives to serve individuals with disabilities under WIA?

Answer 3. Reflecting legislative and Congressional intent, there is no disincentive for One-Stops to serve people with disabilities, as it is a universally accessible system in terms of core services. The issue may be the misunderstanding by front line staff and local officials in terms of what is and is not subject to performance requirements. By strengthening the language in WIA regarding the universal access requirements to labor exchange services some of the perceived disincentives could be dealt with.

The basic issue with services funded by WIA Adult and Dislocated Worker funds (which is only a sub-set of services provided via the One-Stop system as discussed in my original testimony) is indeed the high performance requirements and sanctions that result. The data analysis completed by the ICI indicates that individuals with disabilities do lag the general population in terms of their performance under WIA, and over time we have seen a drop off in participation rates (please see prior testimony submitted on July 16, 2009 at the WIA hearing on this issue). GAO has recommended systematic adjustment of expected performance levels to account for different populations and local economic conditions when negotiating performance.

Given this GAO response, Congress may at least urge some demonstration projects that deal with ways to address the apparent disincentives in the current DOL performance measures that create a disincentive for One-Stop Centers to serve customers who may be more difficult to serve or may not reach the exit criteria of employment.

Additionally, what is probably more important is for DOL and States to stress that the performance standards are (1) meant as the responsibility of the staff and not to be transferred to the customer and (2) that the standards apply to the system and not to all individual programs in the system but rather to the aggregate of the programs in a State. In some instances the standards are viewed as the requirement or goal for each individual program and thus create a disincentive for programs serving customers with disabilities who may take longer to serve and not realize full time employment at the end of the effort. Considering the performance standards as an aggregate measure and not applied rigidly to each individual program may be one strategy that WIA and the State SWIBs can employ to support those programs that are interested in serving a greater portion of more hard to serve customers.

We would also suggest that the subcommittee may want to consider some language that reinforces that specific criteria must be used to determine eligibility that are not arbitrary in nature, and that concerns over meeting performance criteria by an individual or group of customers cannot be used as a reason to deny eligibility. To that end we would offer the following suggestions. Under the language specifying criteria for intensive and training services we would suggest that the following may be added:

> *Clear, consistent, objective criteria that are in full compliance with all aspects of the Workforce Investment Act (including Sec. 188. Nondiscrimination.) and approved and fully documented by the State and local workforce investment area are to be used in determining eligibility for intensive/training services. Subjective criteria are to be avoided, including assumptions regarding an applicant's ability to meet performance measurement requirements, which may not be used as criteria for denial of services.*

Additionally, we offer the following suggestions in language changes under **Chapter 6—General Provisions,** to address performance issues and concerns:

SEC. 136. PERFORMANCE ACCOUNTABILITY SYSTEM

(e) Evaluation of State Programs.—

(1) In general.—Using funds made available under this subtitle, the State, in coordination with local boards in the State, shall conduct ongoing evaluation studies of workforce investment activities carried out in the State under this subtitle in order to promote, establish, implement, and utilize methods for continuously improving the activities in order to achieve high-level performance within, and high-level outcomes from, the statewide workforce investment system. To the maximum extent practicable, the State shall coordinate the evaluations with the evaluations provided for by the Secretary under section 172.

(2) Design.—The evaluation studies conducted under this subsection shall be designed in conjunction with the State board and local boards and shall include analysis of customer feedback and outcome and process measures in the statewide workforce investment system. The studies may include use of control groups.

(3) Results.—The State shall periodically prepare and submit to the State board, and local boards in the State, reports containing the results of evaluation studies conducted under this subsection, to promote the efficiency and effectiveness of the statewide workforce investment system in improving employability for jobseekers and competitiveness for employers.

Insert the following additional language:

> *Among the information to be included in this report is information that specifically addresses the efficiency and effectiveness of the statewide workforce investment system in improving the employability of the groups specified in Sec. 136(d)(2)(F), recipients of public assistance, out-of-school youth, veterans, individuals with disabilities, displaced homemakers, and older individuals.*

(i) Other Measures and Terminology.

Insert the following additional language:

> *(4) Development of weighted performance measures for difficult to serve—To ensure that performance measurement accounts for the needs of individuals with more significant barriers to employment, the Secretary, after collaboration with representatives of appropriate Federal agencies, and representatives of States and political subdivisions, business and industry, employees, eligible providers*

of employment and training activities, educators, and participants, with expertise regarding workforce investment policies and workforce investment activities, shall issue regulations and guidance for the development of performance measure mechanisms for State and local areas that account for investments in individuals requiring more effort due to more significant barriers to employment including but not limited to education and literacy, lack of basic skills, disability, homelessness, and individuals who are ex-offenders. These modifications in performance criteria will be designed to evaluate performance based upon a number of factors to differentiate degrees of difficulty and effort required while encouraging and supporting the workforce development system to focus efforts on the harder to serve.

Question 4. What policy changes are necessary to ensure a stronger connection between the Vocational Rehabilitation program and other programs under WIA? How can those programs be better aligned or integrated to serve the needs of individuals with disabilities?

Answer 4. The overall interaction between public Vocational Rehabilitation and the One-Stop Career Centers has been evolving over the past 10 years. The relationship between the two entities in some instances is one of collaboration and cooperation and in other instances one of avoidance and non-interaction. In many instances, the relationship of VR to the One-Stop Career Centers, has been growing with qualitative data showing the in some settings the VR staff are central to the operations of the One-Stop and in others the VR staff have been effective at engaging One-Stop personnel in providing the core services to VR clients including but not limited to résumé building training, job interviewing skills, interviewing strategies and marketing skills to meet those needs in the local community, with VR staff resources then utilized for more focused and intensive disability specific services.

In establishing the relationship between VR and the One-Stops often the driver of the relationship is the framing of the MOU with that document defining the nature of the interaction. By defining the nature of the relationship based upon the personnel, expertise and fiscal interactions between the VR and One-Stops, the emphasis is on how these two elements of the One-Stop system can focus upon the needs of the customers who have disabilities. If DOL is more able to clarify the extent of the elements to be included in an MOU, assist in supporting creative options through the use of the MOU and offer greater guidance on the aspects that should be covered by the MOU ultimately the relationship between VR and the One-Stops can be further expanded. Too often the initial discussions on framing the MOU deal with how fiscal resources can be accessed to share the infrastructure support needs of the One-Stop. As was noted in my prior testimony, we would strongly support that core infrastructure funding for the One-Stops be provided through DOL and that the elements of the MOU focus on the personnel, expertise and shared funding that could be used to assist customers with disabilities served by the One-Stop system.

What would be very useful is to be able to document where the interactions have been most productive, what the elements to those relationship are, how each entity interacts around an individual customer and what strategies they have been able to use to assure the there is coordination and collaboration across the many employment and training resources. Ultimately what would be effective would be the ability of DOL to identify the core elements of a MOU that lead to better coordination and corresponding better outcomes for job seekers having a disability.

There are some areas where the VR and One-Stop programs could logically interact. The newly expanded focus of VR on transition and the ongoing interest of DOL in youth offers a common area of interest. The ability for VR and One-Stops to collaborate around the theme of transition from school to work could be a mandated element in the development of statewide MOUs. While it is not clear how many youth who are served through DOL programs have a disability, by the nature of the eligibility for such service many youth with disabilities would be eligible for DOL youth services. Modification of the youth services to consider not just summer but year round programs that are jointly supported by DOL, VR and local educational entities could significantly impact the transition process for many youth with disabilities. The capacity to develop a shared initiative or for DOL to develop a national initiative in collaboration with the Department of Education's Rehabilitation Services Administration could serve as a strong incentive for One-Stops and the local VR offices to collaborate. The recent emphasis on post-secondary opportunities for youth with intellectual disabilities and the extensive use of community college settings by DOL is again an area for potential collaboration and could also be an area addressed through the State MOU process.

QUESTIONS OF SENATOR ENZI

Question 1. What happens to individuals eligible for VR services but who are subject to an "order of selection policy" or waiting list? Typically, people on a State waiting list receive information and referral services from the VR agency, but what does or should the One-Stops (including adult education, dislocated workers, and community colleges) also provide?

Answer 1. The number of VR agencies with waiting lists is relatively small with the number of individuals on the list also small. Given this, it would seem that there would be limited impact should there be a substantial focus on dealing with those individuals affected by the OOS and relegated to waiting lists in VR. That said, the One-Stops have been able to offer a range of core services to customers who have a disability some of which are known to VR and some may not be. The information and referral supports are available from both VR and the One-Stops for job seekers. As in the discussion of the role of the MOU, it is highly likely that through the use of the MOU the core services and related supports and information could be made available to customers with disabilities who do not meet the VR Order of Selection. Correspondingly VR can serve as a technical resource to the One-Stop in areas such as types of accommodations, utilization of assistive technologies, strategies for provision of supports in job placement and consultation on related topics. These same customers who may not meet the OOS would be able to benefit from the core services of the One-Stop as well as the information and referral from the public VR agency.

As was stated in our response to a prior question, the overall interaction between public VR and the One-Stop Career Centers has been evolving. The relationship between the two entities in some instances is one of collaboration and cooperation and in other instances one of avoidance and non-interaction. Over the past 10 years the relationship of VR to the One-Stop Career Centers has been growing with qualitative data showing that in some settings the VR staff are central to the operations of the One-Stop and in others the VR staff have been effective at engaging One-Stop personnel in providing the core services including but not limited to résumé building training, job interviewing skills, interviewing strategies and marketing skills to meet those needs in the local community, with VR staff resources then utilized for more focused and intensive disability specific services.

Question 2. Frequently, there is a concern that people with disabilities seeking services through a One-Stop are immediately referred to the Vocational Rehabilitation agency. How do we better equip our One-Stops to address the needs of this population so that they can receive educational and job training skills needed to be competitive in the marketplace?

Answer 2. While there is no substantial data on whether there are immediate referrals of persons with disabilities to the VR system when they are seeking services at the One-Stops, there are anecdotal accounts of such happening. Such an automatic referral is not consistent with the universal access concepts of WIA and is often not in the best interest of the individual. Should the One-Stop system and the One-Stop Career Centers be able to directly access the most needed service (core, intensive or training) then with the adoption of an initial screening of all job seekers it would be relatively easy for the One-Stop to direct the customer to the most appropriate services. Much of this can be clarified through elements of the MOU. It should also be noted that the VR contribution to the One-Stop is one of personnel and expertise not necessarily to the customer but to the One-Stop staff. VR knowledge of disability and disability conditions, accommodation strategies and local disability specific resources can be an additional resource to the One-Stop staff. Again such arrangements should be included as part of the MOU that is developed between the One-Stop and VR as well as the other mandated and non-mandated partners of the One-Stop system. As was noted in prior responses to some of the earlier questions, as DOL requires greater reporting from the SWIBs and LWIBS (through the SWIBs) about the activities of the One-Stop system, questions about and data showing the pathway of customers with and without disabilities through the One-Stop system would certainly be useful to DOL in both measuring efficiency as well as documenting trends in service.

The analysis of the MOUs, if they are required to identify and detail strategies for serving customers with disabilities, will also offer DOL some indications of how it is anticipated that the system will serve customers with disabilities. Data on where individuals may be referred (this could be quantitative or qualitative data depending upon the requirements established by DOL for reporting activities of the One-Stop system at the State and local levels) would provide DOL with a better

sense of how often, if at all, customers with disabilities are automatically referred to VR.

Additionally, we have adapted a decision making guide assembled by Mr. Joe Marrone of the ICI as a way for VR and One-Stop Centers to decide when a referral to VR is appropriate or not for an individual State. While we are not indicating that this is the strategy to be adopted, it is a reflection of the types of procedures that could be included as part of an MOU or even just a memo of agreement and practice clarification from one agency to another as to how to most effectively utilize the resources of the One-Stop system.

Finally in some cases, referral to VR is what people may need and thus a direct referral may be appropriate. In general, we would feel that an automatic referral may not be warranted without at least some utilization of a triaging process by the One-Stop identifying what those customers they feel may benefit from VR services and supports would in fact need. Given this, the subcommittee might want to strengthen language in WIA, indicating that automatic referral to VR is not acceptable, and that as people are referred to VR or other partners, there is an expectation that they may still utilize other elements of the workforce development system. While not stipulating VR directly but rather including a procedure to be followed with all customers to the One-Stop Career Centers prior to a referral to any other mandated or non-mandated partners there needs to be clear evidence that both the referral is correct and that the partner has the capacity to meet the perceived needs of the customer.

Beyond the issue of VR relationships, key to addressing the education and training needs of individuals with disabilities, is ensuring that the training providers funded by WIA and accessed by the workforce development system, offer services in ways that are fully responsive to the needs of individuals with disabilities. To address this issue, it is suggested that under the WIA legislative language address selection of training providers, the following changes be made:

CHAPTER 3—WORKFORCE INVESTMENT ACTIVITIES PROVIDERS

SEC. 122. IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.

(c) Subsequent Eligibility Determination.—

(4) Considerations.—In developing such procedure, the Governor shall ensure that the procedure requires the local boards to take into consideration, in making the determinations of subsequent eligibility—

(A) the specific economic, geographic, and demographic factors in the local areas in which providers seeking eligibility are located; and

(B) the characteristics of the populations served by providers seeking eligibility, including the demonstrated difficulties in serving such populations, where applicable.

Insert the following additional language:

(C) the ability of training providers to respond to the diverse needs of populations served, including but not limited to individuals with disabilities, older workers, and individuals from racial and ethnically diverse backgrounds.

(D) the ability of training providers to apply the principles of Universal Design for Learning to accommodate learner differences and meet the diversity of individual training needs.

Question 3. Youth transition is also an area of significant concern. How can the One-Stop system help assist with the transition of youth with disabilities from high-school to post-secondary life?

Answer 3. The research on the development of careers and occupations for youth, including the DOL longitudinal study of youth shows that the period from 16 to the mid 20's is a time of exploration and learning of job skills including the so called soft skills to employment. The One-Stop system with its partners, including public VR, needs to offer opportunities for various types of employment, support for training and education with the emphasis on connection to the growth and better wage occupations. The One-Stop system needs to stay connected with youth and young adults longer than just entry into a job with more focus on entry into industries and occupational areas. The reinforcement of lifelong learning is also key to future success. This effort could be easily linked to the youth employment activities of DOL and also serve as a way of bringing together schools with high growth job needs in the local communities. The skills and competencies required for some of these high growth jobs could assist schools in shaping their curricula to meet the skill demands in some of the labor marker sectors.

Additionally, the One-Stops may want, along with VR, to develop MOUs with local educational associations such that the resources of the One-Stop and VR can be more effectively integrated into the transition planning processes that schools must engage in for students with disabilities. There is clear evidence that for those students who are engaged in employment (off campus employment more than in school employment experiences) are more likely as adults to be in the real work setting. Given this well documented phenomena, the role of the One-Stop and VR in the transition planning and the development of work experiences for students with disabilities can be considerable.

While the majority of students with disabilities exit school at around 18 years of age, some remain in school until their 22nd birthday. The restructuring of the final years of entitlement to education needs to be a priority for local schools, VR and the One-Stops. The potential for the development of shared demonstration projects that facilitate the movement of students with disabilities from school to post-secondary and employment settings would be an effective collaboration that could be initiated at the Federal level through a joint program of the Departments of Labor and Education.

With VR having responsibility for facilitating the transition from school to work, the increased emphasis from the Corporation for National and Community Service (CNCS) to have volunteer experiences be a gateway into employment (part of the Edward M. Kennedy Serve America Act) and the initiative in higher education for students with intellectual disabilities (a recent initiative included with the passage of the Higher Education Act), there are now additional resources that could be brought into the transition planning and implementation process. The One-Stops can serve as a realistic resource for job preparation and résumé building while the VR system can work with the schools to provide the necessary consultation and technical assistance for students to enter employment while in their high school years. These jobs should remain with the student upon graduation with the ongoing support services (if needed) provided by VR and or the Developmental Disabilities or Mental Health systems. The success of the transition process for students with disabilities will be the capacity of the various One-Stop partners and non-mandated partners to share resources and expertise with the focus on employment as the ultimate outcome either upon exit from high school or post-secondary school programs.

One-Stops can help with transition primarily by doing a better job of partnering with schools. We would thus suggest that the subcommittee may want to consider adding in language to the legislation that would encourage a more aggressive relationship with schools and a more active role in the transition process for youth with disabilities. Most of the activity relating to youth is undertaken outside the One-Stop system, and more with youth services (which often are primarily delivered separately from One-Stops). Some possible language that the subcommittee could consider is presented below.

CHAPTER 4—YOUTH ACTIVITIES

SEC. 129. USE OF FUNDS FOR YOUTH ACTIVITIES.

(c) Local Elements and Requirements.—(3) Additional requirements.—

Insert the following additional language:

(D) Linkage with IDEA authorized transition services.—When serving youth with disabilities receiving services authorized under the Individual with Disabilities Education Act (IDEA), providers of youth services shall coordinate activities with the local educational authority, and work collaboratively to incorporate the WIA youth services into the Individual Education Plan (IEP) and the transition services incorporated within the IEP, and act as a participating agency in the transition process.

(E) Criteria in determining eligibility.—Clear, consistent, objective criteria that are in full compliance with all aspects of the Workforce Investment Act (including Sec. 188. Nondiscrimation.) and approved and fully documented by the State and local workforce investment area are to be used in determining eligibility for youth services. Subjective criteria are to be avoided, including assumptions regarding an applicant's ability to meet performance measurement requirements, which may not be used as a criteria for denial of services.

Question 4. It has been argued that the One-Stops and State Vocational Rehabilitation programs are built on different principles. These differences are highlighted in outcomes measures. Realizing that it can possibly cost more and take longer for some people with disabilities to reach their employment goals how should the WIA performance measures be adjusted to take this into account, if at all?

Answer 4. The challenge in development of common performance measures is that they do not by their nature take into consideration the local demographics nor the diverse nature of the local population being served by WIA. The suggestion that was made in my original testimony asks that DOL convene a group of experts that will come up with a series of common measures (regression formulae, individual data elements across partners, new data elements unique to WIA activity—number placed, earnings, benefits, impact on reduction in public expenditures etc.) for reporting outcomes and also how those measures could be integrated into existing data collection efforts across the WIA partners including those noted in the RSA 911 data collection activities. I have included in Appendix B the position that was presented in the full report on July 16, 2009.

What is probably equally important is for DOL and States to stress that the performance standards are measures of staff function and not of how customers perform and also that these standards are not used to eliminate the establishment and or support for programs that choose to address the needs of harder to serve customers and correspondingly viewed as not carrying their weight with regard to meeting the DOL performance standards. In this latter situation it is possible that the performance standards could be considered as looking at the aggregate for a State and that within individual programs in the State there can be considerable variability reflecting differences in both the demographics of the local economy and the population served.

Also as was noted in our response to question 3 from Senator Murray, the basic issue with services funded via WIA Adult and Dislocated Worker funds (which is only a sub-set of services provided via the One-Stop system as discussed in my original testimony) is indeed the high performance requirements and sanctions that result. The data analysis completed by the ICI indicates that individuals with disabilities do lag the general population in terms of their performance under WIA, and over time we have seen a drop off in participation rates. GAO has recommended systematic adjustment of performance levels to account for different populations and local economic conditions when negotiating performance. Given this GAO response, Congress may at least urge some demonstration projects that deal with ways to address the apparent disincentives in the current DOL performance measures that create a disincentive for One-Stop Centers to serve customers who may be more difficult to serve or may not reach the exit criteria of employment.

Question 5. What can be done within schools to enhance transition services so that students receive real job training instead of contracting with sheltered employment providers that eventually hire the students they support?

Answer 5. The concern about the transition process leading to placement into sheltered settings is a clear concern. Ongoing data collection conducted by the ICI has shown that there continues to be on an annual basis a greater number of individuals with disabilities entering sheltered employment than integrated employment over the past decade. In fact, there has not been a single year in the past two decades of data collection regarding those individuals served by State Developmental Disability agencies that more individuals have entered integrated employment than sheltered employment. It is clear and has been commented on in our response to prior questions, that there is a need for clarity that the desired outcome of the transition process be employment in typical work settings. This does not mean that students with disabilities are to move for high school to employment but that student goals in the long term whether exiting high school or an institution of higher education must be entry and advancement in an integrated employment setting.

The changes in legislative language addressing the issues noted in this question may be more appropriately addressed in the IDEA reauthorization. The clear message should be that the transition outcomes should address post-secondary options and subsequently employment or direct assistance in entering employment for student with disabilities who are exiting school and entering adult life, and that utilizing sheltered work or similar services during the transition process or as an outcome of the process is not an acceptable outcome.

Some of the strategies noted in our response to question 3 would also apply to our response to this question. The transition process is one that will require active student involvement, a clear focus on employment as the ultimate outcomes and the development of curricula and school based experiences that prepare the student to be ready to engage in employment and or post-secondary outcomes upon graduation (see our responses to question 3 for more detail on the transition planning and implementation process).

Question 6. Consumers are interested in the possibility of exploring a self-directed form of vocational rehabilitation services, similar to self-directed service in the Medicaid Home and Community Based Waiver program. What are your thoughts and how would you establish such a program?

Answer 6. Historically the VR legislation and regulations provide a wide array of options for the design and structuring of VR services through the IPE process including the option for a consumer to develop and implement their own plan (IPE). The only agency requirements are that a VR counselor review and mutually agree with the IPE. The consumer has broad discretion on how, and through what programs their services will be provided. The real challenge is how effectively the existing options are practiced. Funding some research into the practices and their impact would create interest in the development of approaches embracing self directed services.

A significant issue in this area of self-directed services is the individual States comfort with providing financial options under self directed services. It is not generally under the control of an agency such as VR but rather with financial and administrative agencies and thus a single agency is often limited in what it can implement. Thus, at times the limitations in having a self directed service may be a reflection of the overall State financial management practices rather than the interest and capacity of the public VR system.

[*Preparation of Responses:* The lead author, William E. Kiernan, would like to acknowledge the very considerable support, guidance and review of the above responses to each of the questions submitted to Senators Murray and Enzi by John Halliday, David Hoff and Joseph Marrone. The recommendations as well as observations made are reflective of the combined input from the senior author as well as these ICI senior staff members. Specific questions or areas for clarification should be sent to: William E. Kiernan, Ph.D., Director and Research Professor, Institute for Community Inclusion, University of Massachusetts Boston, 100 Morrissey Blvd., Boston, MA 02115–3393; e-mail: william.kiernan@umb.edu; phone:617–287–4311; web: *www.communityinclusion.org*.]

APPENDIX A

Subject: Guidance Regarding Referral of a Customer with a Disability for VR Services

Date: 10/1/04

A. **Purpose.** To provide guidance to local One-Stop Career Centers and to the VR agency on how to determine whether it is appropriate for One-Stop Career Center System to refer a customer with a disability to the local VR office for assistance.

B. **References.** The Workforce Investment Act of 1998; 29 CFR Part 37; Title II of the Americans with Disabilities Act, DOL Training and Employment Guidance Letter No. 9-02 and (name of State here) DOL Policy Directive No. 1-04 and Institute for Community Inclusion Policy Brief, Volt. 3, No. 2: Provisions in the Final Regulations Governing the State VR Program Describing the Interplay with WIA and TWWIIA (February, 2001).

C. **Background.** The Workforce Investment Act (WIA) includes nondiscrimination and equal opportunity regulations for the provision of services to all customers. Included in those regulations is specific language regarding the service to individuals with disabilities specifically:

- Individuals with disabilities have a right to use the services of the One-Stop system.
- One-Stop Career Centers must be readily accessible to individuals with disabilities.
- Individuals with disabilities are entitled to reasonable accommodations and modifications when using One-Stop services.
- Individuals with disabilities should not be automatically referred to agencies providing services for people with disabilities.
- Referral to other programs such as vocational rehabilitation should be based upon individual need and agreement by customers.

Collaboration between the VR agency and the WIA administering agency is intended to produce better information, more comprehensive services, easier access to services, and improved long-term employment outcomes. Thus, effective participation of the State VR program is critical to enhancing opportunities for individuals with disabilities in the State VR program itself as well as other components of the workforce investment system in each State and local area. [65 FR 10621, 10624 (February 28, 2000)]

All partner programs (not just the Designated State Unit implementing the State VR program) have a legal responsibility under Title I of WIA, the ADA, and Section 504 of the Rehabilitation Act to serve persons with disabilities. Some individuals with disabilities may receive the full scope of needed services through the One-Stop system without accessing the State VR program at all; while others may be referred to the designated State unit for a program of VR services or receive a combination of services from the State VR program and other One-Stop system partners. [66 FR 4425 (January 17, 2001)] Nothing in Title I or Title IV of WIA or the implementing regulations is meant to be construed to require designated State units to pay the costs of providing individuals with disabilities access to the One-Stop system. In fact, that responsibility falls to the One-Stop system in accordance with the ADA and Section 504. [66 FR 4425 (January 17, 2001)] In addition, some individuals who are eligible for VR services may choose not to participate in the VR program and, therefore, also may be served exclusively by other partner programs of the One-Stop system. [66 FR 4425 (January 17, 2001)]

Therefore this policy guidance is issued under the premise that the One-Stop system will endeavor to serve customers with disabilities through the full panoply of services the One-Stop system offers and that the customer with a disability is (potentially) eligible for, whether or not, they may also be (potentially) eligible for other employment related disability specific services. It is expected that, while the final decisions regarding which agency services the customer would choose to access would reside in the customer, as agency policy the DOL would expect referrals to be made to the State VR agency primarily as a complement to One-Stop services and NOT as a replacement for such services. Also, since the VR agency is a partner in each One-Stop, it is strongly encouraged, that in addition to this policy directive, each Center develop a local referral protocol under the statewide parameters outlined below. Several Centers have developed Employment Planning teams involving VR, WIA staff, and other disability specific partners and this may be a viable model to continue to expand in various parts of the State to assist in rendering assistance to customers with disabilities more effectively, especially in regard to the collaborative activities envisioned specifically in the areas under Sections D.4, D.5, D.6, and D.8 below.

As noted in the Policy Directive No. 1-04, previously issued by the State Department of Labor, One-Stop staff may not make unnecessary inquiries into the existence of a disability but they may ask whether an individual has a disability, as long as there is a specific reason for making such an inquiry and these inquiries are made for all customers of the system. The One-Stop system may ask whether an individual has a disability for the following reasons: ". . . *to determine if the individual is eligible for special services or funding as a result of the disability* . . .". If using the previous guidance, Policy Directive No. 1-04, the customer is believed to be a person with a disability, then the following decision tree process should be used to determine the feasibility and appropriateness of a referral to the State VR agency. The information should be used consistently while, at the same time, recognizing that every situation that staff confront involves a multitude of factors that must be considered. But applying the decision making guidelines described below should help in assisting customers with disabilities more effectively and expeditiously.

D. **Guidance:**

Below is the decision tree protocol for considering whether a workforce customer should be referred for VR services. Nothing in the guidelines below is meant to contravene the Policy Directive No. 1-04 referenced above, which remains fully in effect and is expected to be adhered to in all respects. This guidance serves as a complement and supplement to that directive, not as a replacement in any form.

Questions to consider in deciding whether a workforce customer should be referred to the local office of the State VR Agency for assistance.

These questions below are developed in a decision tree format and should be applied in the order described.

(1) Do you know that a customer has a disability? **Y/N**

- If Y, did [s]he self disclose? **Y/N**
- If Y, on a form? Or to you directly? Or to others who informed you?
- If N, what other factors lead you to believe this? How does this knowledge get incorporated into your decision given the requirement that it is up to the customer to voluntarily self disclose disability status and not have that label assigned to him/ her by external parties?

(**Note:** It would be useful and all One-Stops are encouraged to incorporate as part of their general customer orientation several pieces of disability service oriented in-

formation, both in written material and oral presentations at general orientation sessions. This should include information about why One-Stops encourage customers to self identify should they need disability specific assistance, what disability specific partners and resources might be available to help, and how customers might self identify and with which staff should they be encouraged to connect. Where possible it is highly desired that VR staff participate at some level in presenting a brief description of VR services to all customers attending orientation sessions.)

(2) Does the customer have a disability that needs some special accommodations if [s]he is to successfully use workforce services? **Y/N**

• If Y, what leads you to believe this? (**Should reference local resources and info re accommodations here**)

(**Note:** If staff believe an accommodation is necessary and staff broach the topic, then such staff should explain what leads them to arrive at this judgment and how such an accommodation might benefit the customer to derive the full benefit of workforce development services.)

• If N, no other action regarding referral to VR is needed at this time, unless the customer specifically requests such service.

(3) Does the customer believe [s]he needs and desires this accommodation? **Y/N**

• If Y, what leads you to believe this?

• If N, no other action regarding referral to VR is needed at this time, unless the customer specifically requests such service.

(**Note:** If the customer believes an accommodation is necessary then staff should ask the customer what sort of accommodation might be needed and how such an accommodation might benefit the customer to derive the full benefit of workforce development services.)

(4) Does the One-Stop Center have the ability to provide this accommodation service on its own without the assistance of VR? **Y/N**

• If Y, what leads you to believe this?

• If N, what leads you to believe this?

(**Note:** Each One-Stop Center should have in place an MOA regarding the process in place for assessing and providing needed accommodations. The One-Stop staff should reference this policy at this juncture. However, it is also useful for the workforce staff to identify local resources or experts who may assist the Center staff in examining other creative problem solving options that have not previously been acknowledged.)

(5) Does the customer have some more extensive individual support needs related to his/her disability that should be attended to in order for the person to successfully attain and retain employment? **Y/N**

• If Y, what information, in addition to the customer's own statements, leads you to believe this? Have you discussed this opinion with the customer directly?

• If N, why not and what leads you to believe this? Do you need some assistance from someone else to discuss this with the customer directly? It is expected that there be both formal (through Memoranda of Understanding) as well as informal working relations established with VR and other disability partners in the One-Stop so that this consultation can be accessed readily and effectively.

(**Note:** Workforce staff should be clear when identifying the perceived need for extensive individual support that this judgment is rendered with the expectation that such support should be expected to assist the customer in achieving a successful employment outcome and is not being used to "screen the person out" of services.)

(6) Does the customer wish to be referred to disability specialty services that VR provides? **Y/N**

• If Y, what leads you to believe this? Staff should provide every opportunity to the customer to continue to use all appropriate workforce services, especially core and assisted self service, even while discussing with the customer the possible need of disability specialty services.

• If N, what leads you to believe this? If N, no other action regarding referral to VR should be undertaken, unless the workforce staff believe that this additional service is essential and without it, the customer can not get any further benefit from the other workforce services available. In that case, it is then incumbent upon the staff member to explain the rationale for this decision cogently in a manner that elicits a positive response and agreement to this referral from the customer, not merely acquiescence.

(**Note:** Workforce staff should be clear when identifying the perceived need for disability specialty services that VR provides that this judgment is rendered with

the expectation that such service is expected to assist the customer in achieving a successful employment outcome and is not being used to "screen the person out" of workforce services.)

(7) Do you think the person should still consider VR even if [s]he is not interested? **Y/N**

• If Y, why do you believe this? Do you need some assistance from someone else to discuss this with the customer directly? As with question 5 above, workforce staff should have a collaborative relationship established with disability partners in the One-Stop or the community at large so that this consultation can be accessed readily and effectively.

• If N, then it is expected that the One-Stop Center will then seek to provide the service that staff felt the person needed, which they thought VR should provide. If this service provision is ascertained to be impractical or impossible without VR assistance, then it is the responsibility of the workforce staff or supervisors to clearly explain their rationale and gain the customer's understanding (and ideally) agreement. This decision should only be rendered after full discussion with administrative staff at the One-Stop Center and with the local VR partner personnel.

(8) Will you make the referral directly to VR if the customer agrees that [she] is interested in VR services? **Y/N**

• If Y, does your One-Stop Center have a regular process in place to do this? As noted above in question 5 above, each One-Stop Center is expected to have in place both formal (through Memoranda of Understanding) as well as informal working relations established with VR so that this referral can be accomplished effectively and seamlessly.

• If N, why not? Is this because the customer prefers to do it him[her]self? If so, then workforce personnel should offer advice to the customer on the most efficacious way to accomplish this self referral and proactively offer to assist if the customer changes his/ her mind. Furthermore, workforce personnel are expected to ensure that the customer understands the situation fully, including the ability to continuing receiving all appropriate workforce services (the preferred mode) or the process in place to reaccess workforce services without prejudice at a future time.

(**Note:** It is not acceptable to suggest the customer self refer to VR either because of workforce staff's other work requirements or because staff are not knowledgeable how to arrange such a transition. In either case, workforce staff are expected to do timely follow up to make sure the person is connected appropriately and that the customer is engaged in services that meet the needs assessed.)

(9) If the customer with the disability will be getting assistance from VR, will the One-Stop Center workforce staff still continue to serve him/her with other (non VR funded) services? **Y/N**

• If Y, how will this be communicated to and coordinated with VR staff? Procedures for providing joint services should be fully explicated in the Memoranda of Understanding between local One-Stop Centers and the State VR local service offices.

• If N, why will the One-Stop Center not continue to assist the person? Is it because the One-Stop Center does not have any services the person needs? If so, how did you decide this? Core services or assisted self service should be feasible alternatives in almost every instance. It is expected that this assessment is done in partnership with the affected customer and explained clearly and in writing if the person requests it. If the customer still seeks One-Stop Center services, then there needs to be an administrative policy in place in writing regarding the process for why further services would not be offered—a situation that should occur infrequently if ever.

Is it because VR is better equipped to deliver all the services needed? If so, how did you decide this? It is expected that that this assessment is done in partnership with the affected customer and explained clearly and in writing if the person requests it. If the customer still seeks One-Stop Center services, then there needs to be an administrative policy in place in writing regarding the process for why further services would not be offered—a situation that should occur infrequently if ever.

(**Note:** As noted in question 8 above as well as in Section C of this document, the preferred mode for the system (and consistent with the spirit and the letter of the ADA and WIA legislation) is for the customer to be able to continue to receive all appropriate workforce services concurrent with participating in VR services wherever possible.)

[*Draft prepared by*: Joe Marrone, Senior Program Manager, Public Policy National Center for Workforce and Disability, Institute for Community Inclusion, UMASS

BOSTON, West Coast Office: 4517 NE 39th Ave., Portland, OR 97211–8124; tel: 503–331–0687 (home office) or 503–331–0486 (home); fax: 503–961–7714; e-mail: JM61947@AOL.COM; web: www.onestops.info.]

APPENDIX B

RESPONSE TO PERFORMANCE MEASURES AS PRESENTED IN JULY 16, 2009 TESTIMONY OF WILLIAM E. KIERNAN, PH.D.

Measurement of effectiveness and impact must not create a disincentive for One-Stops to serve customers with disabilities: While this has been an area of continuous discussion over several years, there is little progress in the area of identifying clear performance measures for the One-Stop system. Some of this is reflective of the nature of the One-Stop in that it is a system and not an individual program, and thus for the One-Stop there must be collaborations across multiple agencies addressing the needs of the customers who are seeking employment. Many of these partner agencies have outcome measures and most have unique interpretations of what the actual measure means, as in the case of "what is employment" and "how long should individuals be followed". Care must be exercised so that any measurement of outcomes does not create a disincentive for the One-Stops to serve specific sub-populations.

As it currently stands, if the One-Stop does not meet its performance measures while using WIA funds, there are clear sanctions. The existing structure can and often has been reported to be a reason for the low rate of service for persons with disabilities and other hard to serve customer groups. There is a need to develop measures of effectiveness that reflect the customer diversity while embracing the mandate of the One-Stop to serve all customers. In some instances the customer mix will vary depending upon the demographics of the area served by the One-Stop. Any measurement system must be sufficiently flexible to accommodate the diversity of the populations served by the One-Stops as well as be able to provide consistent measures of outcomes such as employment placements, earnings and job retention among other variables. The identification of effective outcome measures for WIA is clearly an area of importance and should be a priority for both ETA and ODEP with the development of such measures including both mandated and non-mandated partner input and consideration.

While not a performance measure, the adoption of common intake and application materials across the One-Stop and its partners would serve to streamline the application effort for the customer as well as reduce the costs to the agencies if common data and variables are used for multiple applications for service. The same would be true for outcome measures. With some greater consistency in the definition of the outcomes measures, cross agency reviews may be able to be accomplished with the outcomes providing more meaningful and useful monitoring as well as strategic planning. Finally, the development of measures and processes that do not create disincentives for the One-Stops to serve the harder to serve customers is essential if the mandate of WIA to be universal, seamless and accessible to all is to be realized.

Performance Measurement and Issues: The inability to properly measure the performance of the One-Stop system is an ongoing issue. At this point, the only mechanism for measurement of One-Stop performance is through individual partner and funding stream performance measures that allows only a partial (although still somewhat informative) look at the system. A subtext of this lack of a comprehensive performance measurement system, is the lack of a measurement system for One-Stop system performance in serving various groups and sub-populations including people with disabilities. As a result, it is impossible to truly ascertain the performance and progress of the One-Stop system as a whole in meeting the needs of people with disabilities.

Wagner-Peyser Data: The performance data that is available, while limited, indicates both successes and challenges regarding serving people with disabilities. The Wagner-Peyser data are probably the best indicator available of overall One-Stop performance. These funds are used for basic employment/labor exchange services, and track the largest number of individuals using the generic workforce development system—and per WIA regulations, are to be delivered within the One-Stop system.

Analysis by the Institute for Community Inclusion (ICI), indicates that the percentage of individuals identifying they have a disability has shown a steady increase over time, from 2.3 percent in 2002 to 3.1 percent in 2005 figure. The more recently available data show a slight decline: in 2007, 2.8 percent of individuals using Wagner-Peyser funding were identified as having a disability. As noted in a recent publication by the Institute for Community Inclusion (ICI) (*http://www.communityinclusion.org/article.php?article*__id=233&type=project&id=16), "In

examining and interpreting these data, it is important to note that these data may not fully reflect the use of these services by people with disabilities, as it does not include individuals with non-apparent disabilities who have declined to identify that they have a disability." There are a number of other issues with these data. It first off, only indicates percentage of use of the system by people with disabilities, with no outcome data (although outcome data is made available for Wagner-Peyser participants as a whole). Secondly, the data indicate massive variations in the percentage of people with disabilities using services from state-to-state: from less than 1 percent to over 15 percent. The underlying reasons for this variation are not clear, but it is concerning and bears further investigation.

WIA Data: The other piece of significant data that is available is the Workforce Investment Act fund data. These funds are generally used for training, as well as more intensive services in the workforce development system. In some cases, WIA funds are also used for core services. The WIA performance data do provide highly detailed information regarding performance and outcomes for people with disabilities. However, only a small percentage of individuals served in the workforce development system are served via WIA funds (approximately a million people annually vs. over 13 million via Wagner-Peyser funding). Therefore WIA performance is **not** equivalent to One-Stop performance, although it has been observed that many policymakers internal and external to the workforce development system, advocates, and academics often verbally and in writing incorrectly make this assumption. To reinforce this point, in 2007, only 58,000 individuals identified as having a disability were served via WIA funds, while 499,000 individuals were served via Wagner-Peyser funds.

There are three WIA funding streams: Adult, Dislocated Worker, and Youth. Analysis of these data by the Institute for Community Inclusion revealed the following: from 2001 to 2007, the percentage of individuals with disabilities served via WIA Adults funds declined from 9 percent of the total served to 4.2 percent. For WIA Dislocated Worker funds, the results have varied over this same period, from a low of 3.3 percent in 2005 to a high of 4.6 percent in 2006. In conjunction with declines in percentage of individuals served, the outcomes for individuals with disabilities trailed the overall average performance. (It is important to note that there are significant penalties in terms of funding losses for not meeting required performance outcomes using WIA funds.) For Youth funds however, the results are more encouraging. For WIA Youth with disabilities (ages 14 to 21), the percentage of individuals served actually increased from about 14 percent to 16 percent from 2001–2004 (although this has since declined to 14.5 percent in 2007). In terms of performance, Older Youth (ages 19–21) with disabilities slightly lagged the average performance, and for Younger Youth (ages 14–18), performance was either equivalent or exceeded the average performance. (**Note:** Youth with disabilities are highly eligible for WIA youth services.) These results appear to indicate that when performance for people with disabilities lags the general population, their ability to access services decreases, and when performance for people with disabilities is similar to or exceeds the general population, their ability to access services increases.

4. WIA Reauthorization Recommendations

Given this context, the following are specific recommendations regarding reauthorization of WIA:

Performance Tracking and Measurement

• **Development of One-Stop Performance Measurement System:** A key piece of WIA reauthorization needs to be mandating development of performance measurement for the One-Stop system as a whole, which includes measurement of performance in serving people with disabilities, among other groups.

• **Clarity of Disability Definition and Tracking of SSI/SSDI Enrollment Status:** Part of the reform of performance measures needs to include much greater clarity regarding definitions and mechanisms for measurement, as it appears that the mechanisms for measuring disability are at best inconsistent making it difficult to have full confidence in the accuracy of the data. Mandating the collection of SSI/SSDI enrollment status of individuals being served would assist in this process, and allow for a much stronger sense of how the system is performing for individuals with more significant disabilities, and also allow for greater determination of the potential of the workforce development system in terms of participation in the Ticket to Work.

• **Creation of Benchmarks and Targets for Specific Populations:** In conjunction with reform of performance measures, it is also recommended that statutory language be included in the reauthorization, which mandates creation of an-

nual benchmarks and targets for serving specific populations, including people with disabilities.

• **Revamping WIA Performance Requirements:** Revamping of the performance requirements for WIA funds is clearly needed. Too often, concerns over the inability to meet performance standards, is used as an excuse for not serving people with disabilities. The WIA performance measures must be modified to account for a wider range of job seeker needs. Language must also be incorporated into reauthorization that clearly reinforces that discrimination against individuals based on performance measure concerns is not acceptable.

RESPONSE TO QUESTIONS OF SENATOR MURRAY AND SENATOR ENZI
BY MARY W. SARRIS

QUESTIONS OF SENATOR MURRAY

Question 1. In your testimony, you discuss strong, collaborative partnerships as a key to developing and sustaining creative services to help at-risk teenagers and young adults disconnected from school and work transition into the labor market. What have been the most beneficial relationships with key stakeholders in the industry and education community for your Workforce Board in helping young people prepare for a full range of post-secondary education and training options and careers?

Answer 1. Sector-led partnerships that incorporate multiple stakeholders with post-secondary and adult basic education are one way to prepare young people for careers as well as give them an introduction to continuing their education. One example of this would be a program we developed several years ago called TURBO which worked in the construction trades industry and had adult basic education providers as well as our local community college participating and assisting youth in gaining basic skills and work readiness elements to be hired and then begun a career ladder within the industry. Private industry within the construction trades were involved in the development of the curriculum to ensure the basic elements needed to be successful.

In addition, through funding from the State of Massachusetts, we have developed a partnership of over 20 youth serving organizations called Pathways to Success by 21 (P–21). Through P–21 we have established solid relationships between and among agencies which work on various elements of youth distress so that true coordination of services can be provided. For example, through P–21 we surveyed teens using an Asset model to better understand teen perception of their strengths and challenges they face, most importantly unstructured time after school and lack of quality work experience opportunities. This information helps us develop community-wide solutions including stepping up efforts for part-time job development. In addition, P–21 partners serving out-of-school youth have come together to offer college credit courses in GED programs, leading to a surge of interest in GED attainment and college enrollment. Finally, we have offered quality training to youth serving staff in P–21 agencies to improve their overall ability to reach and serve youth.

Another partnership on behalf of youth involves a teacher externship program, which includes local STEM companies, local public school systems and their teachers, and Salem State College, the largest providers of bachelor and master degree education programs. Teacher externs work for 5 to 8 weeks during the summer in real STEM activities where they practice their science and math competencies in a high skills environment. Wrapping around this experience is a graduate level education course led by Salem State where they work as a cohort to design curriculum that brings what they learned right into the classroom, thus enhancing the learning experience for their students and motivating them to choose STEM careers. While a very new program, we believe teacher externships are a wise investment of corporate and public funds, leading to returns in higher high school graduation rates and an increase in STEM career choices.

Question 2. How are these partnerships important to the sustainability of North Shore's efforts to provide learning and work opportunities to young people, particularly those who are struggling to graduate from high school or have dropped out?

Answer 2. The issues facing youth cannot possibly be overcome without many stakeholders working together on behalf of these youth. At the same time, developing relationships in a neutral environment and growing these relationships into true collaboratives on behalf of youth is not a natural role for any agency in particular. The Workforce Investment Board, however, is established to provide this neutral environment through which services for youth can be vetted, developed, enhanced, and improved. The WIB provides economic and labor market information

backing up the need for these relationships and provides the impetus for organizations to come together and change in positive directions.

The partnerships which focus in on careers and educational pathways that youth can embrace while they are finishing their GED is one example. As stated above, here in the North Shore, WIA youth participants can take college credit courses while simultaneously working on their GED. This ensures that once they have received their GED they are not only familiar with the post-secondary education system but they have already gained "credit" and confidence. P–21, led by the WIB, provided the environment where this innovation came to light and was made a reality. The same can be said for sector partnerships such as TURBO and our Teacher Externship project. Permanent positive impact on youth development can only happen when all agree to work together toward a common goal, with the WIB operating in a convening and brokering function.

Question 3. From the North Shore Board's experience, what policy improvements can you suggest to encourage the sort of partnerships that help young people successfully transition from school to successful careers?

Answer 3. We urge you to help develop incentives that encourage local school districts to work with the workforce development system toward this transition goal. While our relationships with local school districts are in some cases strong and in other cases developing, there is no doubt that schools easily become isolated in their quest to help students pass standardized tests, while addressing the myriad of social issues in a less organized fashion. We would urge that Education policy, along with Workforce policy, provide direction and resources that support programs such as sector partnerships for youth, P–21, and teacher externships. For example, States should be encouraged to include teacher externships as either a required or highly encouraged route for teacher re-certification. This would elevate the concept of business involvement in classroom planning to a higher level. In addition, students who become involved, through career exploration, internships, or joint projects with companies in sector partnerships should be able to receive school credit once such involvement is reviewed and approved by qualified teaching staff. These types of policies result in stronger relationships between schools and their communities and more successful outcomes for all students, including those at risk of leaving school or those in alternative education programs.

QUESTIONS OF SENATOR ENZI

Question 1. Some States and localities have boards that excel in their leadership and performance outcomes. What could be done to disseminate these best practices to other State and local workforce boards?

Answer 1. We have participated in the National Business Learning Partnership (a DOL-sponsored program) which matches up Leaner and Mentor WIB's from around the country to learn and share. We have participated three times in this program (once as a learner site working with a local WIB in Sunnyvale CA, then as a mentor site with a Council of Governments in Clovis, NM, and most recently again as a mentor site with Department of Workforce Development in Iowa) and have learned a tremendous amount form these peer-to-peer experiences. A continuation and expansion of this program would without a doubt provide the appropriate forum for best practice dissemination. The cost of this program revolves primarily around travel between the sites. Costs such as this could be shared by the U.S. Department of Labor, the States, and various WIBS participating.

Question 2. An unintended consequence of the enactment of WIA in 1998 has been the creation of local workforce boards with 40 or more members. The North Shore Workforce Investment Board has an effective Board. What are the defining characteristics of this board? What incentives are used to attract the right employer representatives to serve on the boards, who then take on a meaningful role?

Answer 2. The North Shore WIB consists of 35 members. In regard to mandated partners, we have several members who represent more than one partner, for example, one board member represents Wagner-Peyser, Unemployment Assurance, Rapid Response, and Migrant/Seasonal Farm workers. This type of state-level organization greatly helps keep WIBs to a more reasonable membership level.

From a higher perspective, however, the North Shore WIB and our lead-elected official, Mayor Kimberley Driscoll of the city of Salem, believe that the WIB provides a vital, strategic function in the support and development of our workforce as an economic development activity. The North Shore economy is one that demands and rewards high skills. This translates into the need for an organization that can bring this information to the general public, develop resources, including WIA and

non-WIA, and help invest these resources wisely in educational and community organizations. This is how we see the WIB on the North Shore.

The Mayor and Board Chair work continuously to ensure that all board appointments are appropriate to our Strategic Plan. This includes ensuring that private sector leaders—representing at least 51 percent of board membership—come from our critical and emerging industries and have concerns and interests in developing our workforce. They work closely with local Chambers of Commerce and other business organizations to find those business leaders who exhibit this level of interest. Community and public appointments are approached with the same level of scrutiny.

These companies and community leaders believe that they have authority AND responsibility to develop and carry out a strategic plan that meets the needs of the North Shore. They view funding sources, both WIA and non-WIA, as tools to carry out this plan. The WIB has a committee structure that allows board members to participate in whatever specific interest they may have, such as youth pipeline, skills gap, or partnership development. By combining a concentration on a specific area with an opportunity to truly participate in decisions at the full WIB level, board members believe their expertise is of value and actually makes a difference in their community.

In short, the defining characteristics of the North Shore WIB is a Mayor who takes the appointing authority seriously, a board chair who provides the Mayor with the information needed to make strong appointments, a strategic focus on the workforce needs of the region, and a structure that mandates participation but also provides full authority to make decisions over how WIA and non-WIA funds are invested in our local economy. With this type of philosophy, local business and community leaders are naturally motivated to participate and find incentive in the successful implementation of services to job seekers and companies in our region.

Question 3. How can we create incentives so that State and local workforce investment boards are actively involved in strategic planning rather than limited to program operations?

Answer 3. The State of Massachusetts has established a High Performing Board application process which places emphasis on the boards "being" and "thinking" strategically. Through the HPWIB process, Massachusetts, along with various regional and local stakeholders, has defined what a successful workforce board looks like. Part of the application process in Massachusetts is that in order to be "high performing" the board needs to have a strategic plan in place and the ability to track progress on the goals, indicators and benchmarks in the plan. This is the only way that boards can be assured that they are truly having an impact on their region, making it a better place to live, work, and in which to do business.

The successful attainment of HPWIB status provides in and of itself an incentive to reach this goal. By being identified as high performing, WIBs become more credible in their communities and across the State, are sought out for other leadership roles such as presentations, grant partnership opportunities, and other community leadership roles. However, additional financial resources to continue the good work they do are truly appreciated. In Massachusetts, the State has freed up WIA 15 percent funds in the form of $100,000 grants to successful HPWIBs. While small in the scheme of overall budgets (the NSWIB has a budget of about $6 million of which about 65 percent is WIA funding), this type of grant provides flexibility for boards to continue their strategic activities, such as developing new labor market reports and blueprints, attending trainings, etc. We would urge Congress to codify the Massachusetts High Performing WIB definition into WIA and to provide resources to WIBs that reach and maintain this certification.

RESPONSE TO QUESTIONS OF SENATOR MURRAY AND SENATOR ENZI BY KATHY COOPER

QUESTIONS OF SENATOR MURRAY

Question 1. The President and others have recognized Washington's I–BEST program as one of the most innovative approaches to adult education in the country. The program has shown great results in helping adult learners achieve learning gains by integrating basic skills learning with occupational training. What specific barriers do you encounter in implementing the I–BEST program relating to rules and requirements under titles I and II of WIA?

Answer 1. The I–BEST program is not a ready fit within titles I and II as they are currently written and interpreted. This continues to complicate I–BEST progress and limit our ability to partner with title I providers.

• The purposes of title I do not require offering services to low-skilled, low-income workers or making investments in the education and training needed to develop the workforce.

• Title I has been interpreted to require a sequence of service that does not match the needs or schedules of low-income, low-skilled workers or the structure of I–BEST. In addition, community and technical colleges and adult basic education providers are not defined as automatic or priority providers.

• The title I accountability system places weight on job placement and wage levels in short timeframes, incenting service to the highest skilled and easiest-to-place customers. I–BEST succeeds with low-wage workers, placing weight on measurable progress along a career pathway in a high demand field that addresses needs of local employers. Title I would need to weigh such measurable progress equally to job placement in order to support I–BEST—a wise course of action in the long term because I–BEST better develops the emerging workforce as it meets employer demand.

• The success of I–BEST students in adult basic education, post-secondary education, and progress on career pathways is not a purpose of the current version of title II.

• Current law and policy require that title II instruction focus only on educational and/or English language gains defined by Federal levels. They specifically restrict investment of funds for instruction defined as "vocational"—which includes how to use a computer.

• While the achievement levels of I–BEST students exceed that of students in traditional ABE classes, the achievement system itself focuses too many of our limited resources on documenting progress within arbitrary levels that change every few years and have no meaning or relevance to students, employers, or our title I partners.

Question 2. How do you recommend that the goals of both titles be better aligned to serve adult learners in WIA reauthorization?

Answer 2. The goals of the title I and title II should *not* be identical. It makes little sense for partners in the workforce development system to duplicate services. Instead the purposes should be intentionally and specifically complementary.

• We recommend title I have a goal to create a comprehensive workforce development system that meets the skills and needs of existing and emerging employers at the same time as it supports under-prepared adults and workers who need to advance to the next level of education and employment.

• The goal we recommend for title II is to provide students with the skills and knowledge required for success in post-secondary education and progress on pathways to family-wage jobs. This goal aligns with the explicit workforce development goal for title I and reflects the vision from Tipping Point research done here and replicated nationally. The Tipping Point for self-sufficiency is 1 year of college credit and a vocational certificate recognized by local employers.

Question 3. What are the core principles of the I–BEST program that make it effective and how can other programs emulate and implement those principles even if their adult education services are not provided within a State's community college system?

Answer 3.

• I–BEST begins with a clearly defined career pathway in a high demand field that is developed in partnership with local/area employers. Pathways must have multiple access points for students and reach as far as a 4-year degree, when possible.

• I–BEST projects provide options for short-term training that typically lasts two quarters, but may be designed for between one and eight quarters. The initial program on the pathway must result in college-level credits, a college credential that has meaning in the local job market, and readiness for a job that pays a family wage.

• Instruction integrates adult basic education and professional/technical skills and is based on an approved set of integrated learning outcomes.

• Instruction is delivered by a team that includes an adult basic education instructor and professional/technical instructor who teach as a team at least 50 percent of the time.

• Student support services and success strategies are provided from entities across the college structure and the community.

• Each provider has a plan to support students as they transition to next steps on the pathway, whether students continue immediately or stop out for a period of employment.

While I–BEST in Washington State benefits from the commitment of our community and technical college system, all core activities can be achieved by a variety of partnering entities. In fact, when we created an I–BEST pilot project targeting out-of-school youth—a difficult population with whom to succeed, colleges partnered with local workforce development councils and community-based organizations. These partners bring expertise in case management, employer engagement, and community-based resources that proved invaluable to this group.

Question 4. What role should adult education programs play in the President's community college initiative? How can adult education providers and community colleges partner to create pathways for low-skill adults into a post-secondary education program that leads to a credential of value in the labor market?

Answer 4. Our Nation cannot meet the degree achievement goals set by President Obama for the community college initiative unless we address the demographic imperative that already drives the adult basic education system. Like most of the country, our State knows that the current number of under-prepared adults is greater than the number of all the young people who have or will graduate from high school in classes from 2000 to 2010.

Adult basic education programs open the doorway to educational achievement for under-prepared adults. Adult basic education must be clearly included and supported in the initiative in order for it to succeed with our Nation's fastest growing populations. Whether adult basic education is provided within a community college system or by community-based partners, the keys to success are:

- A clear purpose of student success in post-secondary education and progress on pathways to family-wage jobs.
- An accountability system that measures and rewards progress toward that purpose and that matters to adult students and employers.
- Flexibility to design and deliver instruction that leads to defined outcomes.
- Partnerships that leverage State investments.
- Adequate Federal funding to address the expanding services and unmet need.

I–BEST is only one example of the way that college and adult basic education providers can partner to make good on education's promise of better skills and better lives. Reflecting I–BEST's documented success, the new law must create a pocket for innovation, providing funds to design new programs and support implementation beyond the capacity of current resources.

Question 5. In your opinion, what should be the overall goal of adult education services provided by the Federal Government? How should that goal be reflected in a reauthorized WIA?

Answer 5. The overall goal of the Federal Government's adult education services should be threefold:

- maintain focus on the highest and broadest purposes of the reauthorized WIA;
- distribute resources that support States to meet those purposes, extending to States maximum flexibility to tailor programs within the realm of effective practices; and
- act as advocates that encourage States to innovate in order to increase the success of adult basic education students in post-secondary education and in progressing on career pathways.

To those ends, we specifically recommend that the new law direct the Federal Government to:

- immediately convene a broad spectrum of innovative system leaders and independent researchers in order to create a much-simplified accountability system that measures meaningful progress along education and career pathways;
- gather, analyze, and distribute data that States will use to identify and implement best practices; and
- provide support to a third-party research center located in an organization recognized for independence and validity, charging that entity to identify evidenced-based practices that increase student success in post-secondary education and progress on career pathways; and
- distribute dedicated funds for innovation, supported by waivers from requirements that restrict the innovation critical to progress.

Question 6. What are some of the lessons you have learned from I–BEST demonstration projects with young people?

Answer 6. (a) Because I–BEST is a short-term program with tangible outcomes, includes wrap-around services, and is taught by a team of skilled instructors, it is an ideal foundation for services to young people.

(b) Many young people require deliberate guidance to navigate career exploration, higher education, and the workplace. This includes skill building in areas termed "soft skills" or "work readiness" and frequently prioritized by employers.

(c) Intensive and flexible support services must be readily available at the site of instruction. Barriers to success are multiple—ranging from a diploma held for unpaid parking tickets to homelessness and lack of computer access. Without the capacity and resources to readily respond to such barriers, each issue can stop students in their tracks.

(d) Employer support must be cultivated in order for successful completers to be hired.

(e) Partnerships between title I and II providers as well as between community-based and educational entities are critical. It continues to "take a village" to support young adults who need a ticket into the middle class.

QUESTIONS OF SENATOR ENZI

Question 1. How did Washington State work with the reformed Adult Basic Education program so that staff had the professional development they needed to teach in a new system? What professional development did they need and who provided it?

Answer 1. I–BEST professional development is created and delivered in a partnership between two groups. The first group is made up of staff from the State Board for Community and Technical Colleges' adult basic education, information technology, student services and workforce development offices. The second group is successful college practitioners with program expertise, experience, insights, advice and materials in the same four areas. In addition, a college system Center of Excellence in Education and Training has offered summer institutes with an I–BEST focus.

I–BEST professional development activities focus primarily in four areas:

- consideration of research and evidence-based practices linked to student success;
- sharing of barriers and best practices;
- creating integrated outcomes; and
- teaching in teams.

Practitioners identify professional development as a critical factor to their success. However, limitations in funds that can be used to support such professional development—notably, the 12.5 percent cap in ABE leadership dollars—currently curtails our efforts and acts as a barrier to I–BEST expansion.

Question 2. What are the best strategies for building partnerships between post-secondary education and workforce development programs to promote a seamless system for our students and workers?

Answer 2. Clearly, aligned goals and accountability systems are a necessary foundation for success in building partnerships between adult basic education and post-secondary providers—whether or not these providers sit in the same system. Adult basic education providers must have as their goal to provide students with the skills and knowledge required for success in post-secondary education and progress on pathways to family-wage jobs. The vision for the current adult basic education system cannot continue to stop far short of college-level skills.

Postsecondary providers must also have a broader goal: to provide *all* adults with the skills and knowledge to gain certificates and degrees necessary to fully meet their academic and employment goals. Community and technical college systems are leaders in the sea change from viewing student failure in higher education as a mark of institutional rigor to creating innovative strategies that ensure a wider range of students gain the skills and knowledge to take their place in America's workforce and the middle class.

Washington State is using a range of strategies to assist ABE and other non-traditional students in successful transitions through post-secondary education. The first is a Student Achievement System that provides financial awards to colleges based on student attainment. Colleges earn points along a continuum from adult basic education through degree/certificate attainment. This system provides highest rewards to those colleges that move ABE students across the entire continuum. The second effort focuses on student success strategies that include efforts like building student cohorts, deliberate instruction in how to navigate the college environment, and mandatory advising. The third provides additional financial resources to low-income students. Opportunity Grants are given to low-income students on career pathways in demand fields and have clearly demonstrated that additional financial support results in higher rates of retention and achievement. Finally, Washington State continues to believe that integration—moving two points on the educational

pathway together—is the best way to ensure that students do not get lost moving from one point to the other. This year, we will design and fund I–BEST pilots that integrate developmental education with one or more general education classes required for 2-year degrees.

RESPONSE TO QUESTIONS OF SENATOR MURRAY AND SENATOR ENZI
BY STEPHEN WING

QUESTIONS OF SENATOR MURRAY

Question 1a. While companies like CVS Caremark are motivated to contribute to a better society, I know that businesses also have to do what's good for productivity, growth, and competitiveness.

How has your investment in training and education for workers, even those who face multiple barriers to employment and your partnership with the workforce investment system been beneficial to your company's sustainability?

Answer 1a. We have found that partnering with the workforce investment system is beneficial in multiple ways, most importantly to our business is that our retention rates are much higher. The system has become a branch of our human resources team. The One-Stop system uses our job descriptions and then recruits individuals that meet those requirements. Using their pool of potential employees, they prescreen applicants so we only see candidates that meet our standards. Everyone wins in this scenario. The incentive for our hiring locations is that we get workers who share our core values. We can work with them to become skilled members of our team and the incentives such as tax credits and on-the-job training dollars are of great help to those potential employees.

Question 1b. Have the return on your investment been worth it?

Answer 1b. We strongly believe our investment has reaped multiple benefits. As we stated in our initial testimony, we have hired over 65,000 former welfare recipients since 1996. We have found that these individuals have stayed with the company at a much higher rate than other employees in similar roles. They have received additional training and have been promoted to new positions. In developing these partnerships, we have been able to attain a competitive advantage over our competition by tapping into the workforce system and creating a trusting relationship.

CVS Caremark not only looks at the Return On Investment (ROI), but considers how we can give back to the communities we serve. One example is our new partnership with the local One-Stops where we are going to give 100,000 free flu shots to the unemployed. We found that over 70 percent of the unemployed this year do not plan to get a flu shot. We have set up partnerships in 20 key markets and are working with those local One-Stops to assist in giving out vouchers that can be redeemed for the shot at a CVS/pharmacy or Minute Clinic. In addition, we will also have a scheduled day when the shots will be given at the One-Stop location.

Question 1c. Why do you think other employers don't leverage the workforce system the same way CVS Caremark has done? How can we change that?

Answer 1c. There are many misconceptions regarding the system. Most think that the standards of the centers are poor and that they cannot supply the people needed for staffing. The University of Virginia Continuing Education Department is doing a week-long training conference for workforce investment system participants to learn how to work with their local businesses. It is an intense program where they will hear from business executives on what they are looking for in employees. They are also given projects to present to the entire group meant to promote discussion on how to work with businesses in finding new employees and how to work with them when they are displaced. It is an excellent program and we assist in the sponsorship of it. We suggest that this concept be enlarged to cover all States and local WIB participation.

Question 1d. How do we create a more meaningful role for business in the workforce system?

Answer 1d. One simple thing is to increase the incentives for companies to participate. The WOTC program and on-the-job training dollars should be designed to make it easier for companies to participate. During the mid-1990s we joined the Welfare to Work Partnership where four charter companies became thousands of companies and millions of people were hired. Another incentive may be to look at other targeted groups of individuals such as out-of-school youth and mature workers. We would be happy to work with the U.S. Department of Labor to assist in creating a more meaningful role for business.

QUESTIONS OF SENATOR ENZI

Question 1. What functions, including strategic planning, would be incentives for employers to be meaningfully engaged on State and local workforce boards to produce coherent, effective workforce system that better serves both employers and workers?

Answer 1. One key area that would make it more meaningful for business is to get them to be board members on the local workforce systems. One suggestion is to use the National Association of Workforce Boards (NAWB) in assisting in recruiting and educating businesses on how to become a member. Board membership needs to be meaningful including the ability to make decisions on programs and how monies should be spent locally.

Question 2. How do we encourage business to partner with the workforce system through innovative partnerships like the CVS One-Stop operated here in Washington, DC?

Answer 2. For over 9 years we have worked closely with the One-Stop system to hire targeted groups of employees. The mock up store gives the new employee an opportunity to learn the system and go through the company's training. When they start at the store they have had hands on training and a higher level of confidence. Thousands of Washington, DC residents have gained employment through this system. The ROI for this endeavor has been great and we have seen high retention rates. The One-Stop and CVS Caremark share costs, rent is free for us, while we supply the equipment and staff the location with our trainers. We also agreed to hire 250 new workers that are from a targeted population in the district each year. In fact we now have six regional learning centers across the country in partnership with One-Stops. Our seventh center will open later this year in Washington, DC.

We believe the key to getting business involvement is to be innovative and train employees to their skill levels. Companies need to see the value of working in the workforce investment system. We think the best ways are to show the companies that they can get involved just as we did. That they are able to do their own training and get quality new hires. That they can apply for tax credits and On-the-Job Training dollars that are easily secured. We could also do an Open House and invite business leaders to come to the center to see the facility in action and then ask for their feedback and replicate the program within their company in partnering with the One-Stop.

As stated before, we would be glad to work with the U.S. Department of Labor on new and innovative ways to work with businesses to get them to the table. Smaller companies could partner up with larger companies to maximize the training dollars.

CONSORTIUM FOR CITIZENS WITH DISABILITIES (CCD)

WORKFORCE INVESTMENT ACT REAUTHORIZATION PRINCIPLES
JULY 2009

• People with disabilities using the workforce investment system must be thought of as job seekers first. The workforce investment system should then respond to their needs from this assumption as it would any job seeker utilizing the system.

• The workforce investment system should be reconstructed using the principles of universal design to ensure that any job seeker can access the full array of services available.

• Training should be enhanced for workforce investment system staff to respond to differing levels of customer need.

• The workforce investment system should be structured to access and utilize a variety of approaches and strategies to infuse disability awareness throughout local service delivery systems.

• This reauthorization should strengthen the workforce investment systems commitment to physical, technological and programmatic accessibility.

• People with disabilities must be included in any categories of priority of service and funds should be dedicated to meeting those needs. Workforce investment funds should prioritize targeted at-risk groups.

• The workforce investment system should approach each job seeker as an individual and respond to his or her needs accordingly.

• It should provide each job seeker with access to training needed to meet local labor market needs.

• It should utilize strategies such as assistive technology, supported or customized employment, job restructuring, and flex arrangements that allow job seekers to maximize opportunities in the local labor market.

• It should provide reasonable accommodations when appropriate.

• A dedicated Federal funding stream should be established to adequately fund all of the infrastructure costs of our Nation's job training system.

• The role of the workforce investment system in youth with disabilities transitioning from school to work and community life should be strengthened.

• The workforce investment system should strengthen its coordination with vocational and educational programs for veterans with disabilities to ensure that wounded warriors access all services and benefits to which they are entitled.

• The workforce investment system must be held accountable for its services to people with disabilities. This means that:

• The performance measurement system should be redesigned so as to not create disincentives to serving people with disabilities.

• Reporting requirements must be changed to include data on services to people with disabilities.

• State and local system governance plans should explicitly outline strategies for serving individuals with disabilities.

• Local systems should engage employment service providers with expertise in serving people with disabilities.

• Governance bodies should assure that staff are appropriately trained to respond to the needs of job seekers with disabilities.

• The employment interests of people with disabilities must be represented in the workforce investment system's governance structure.

• The Secretary of Labor should ensure that personnel with expertise in disability policy and programs are embedded in the local and State system to promote linkages between public and private agencies and expand employment opportunities for people with disabilities.

• We support authorizing and strengthening the Office of Disability Employment Policy's role in shaping and advancing policy on employment of people with disabilities.

The Consortium for Citizens with Disabilities (CCD) is a coalition of national disability organizations and advocates for public policy that ensures the inclusion of children and adults with disabilities in all aspects of society. The Employment and Training Task Force is a smaller group within the coalition that addresses Federal disability employment issues, working to secure national public policy that advances self-determination, independence, empowerment, integration and inclusion in employment for individuals with disabilities.

We hope this document will be useful as you move through the legislative process and look forward to working with you over the coming months.

Sincerely,

American Association on Intellectual and Developmental Disabilities; American Congress of Community Supports and Employment Services; American Council of the Blind; American Network of Community Options and Resources; APSE; Council of State Administrators of Vocational Rehabilitation; Easter Seals, Inc.; Inter-National Association of Business, Industry and Rehabilitation; Judge David L. Bazelon Center for Mental Health Law; National Collaborative on Workforce and Disability for Youth; National Disability Rights Network; National Down Syndrome Congress; National Industries for the Blind; National Rehabilitation Association; National Spinal Cord Injury Association; NISH; Paralyzed Veterans of America; The Arc of the United States; United Cerebral Palsy.

COUNCIL OF STATE ADMINISTRATORS OF VOCATIONAL REHABILITATION (CSAVR)

The Council of State Administrators of Vocational Rehabilitation (CSAVR) submits this statement on Modernizing the Workforce Investment Act (WIA) of 1998. CSAVR is composed of the chief administrators of the State Vocational Rehabilitation (VR) Programs serving individuals with physical and mental disabilities in the States, District of Columbia, and the territories. The Council, which was founded in 1940 to furnish input into the State-Federal Rehabilitation Program, provides a forum for State administrators to study, deliberate, and act upon matters affecting the rehabilitation and employment of individuals with disabilities. The Council serves as a resource for the formulation and expression of the collective points of view of the VR Directors across the country on all issues affecting the provision of quality employment, training, and rehabilitation services to individuals with all types of disabilities who are seeking to enter or re-enter the labor market.

The Workforce Investment Act of 1998 (WIA; P.L. 105–220) established a new One-Stop Career Center system, administered by the U.S. Department of Labor (DOL), through which a number of federally funded education and training programs, e.g., Wagner-Peyser, post-secondary vocational education, adult education, vocational rehabilitation, etc., recruit and serve their customers.

The Rehabilitation Act of 1973, as amended (the Rehab Act), which was linked to workforce through Title IV of WIA in 1998, funds multiple programs and projects that provide comprehensive and complementary services and supports to empower eligible individuals with disabilities to maximize employment, economic self-sufficiency, independence, inclusion and integration into society. The VR Program, authorized under Title I of the Rehab Act, is the primary federally funded employment and training program specifically designed to assist individuals with disabilities, including individuals with the most significant disabilities, in overcoming barriers to employment.

The VR Program operates across all sectors (public, private, non-profit, for-profit), and at all jurisdictional levels (Federal, State and local). It is built on federally mandated principles that individuals with disabilities hold dear, including consumer driven planning; consumer empowerment; informed choice; individualized services and supports; due process protections; and the availability of advocacy services. When the Rehab Act was reauthorized in 1992 and 1998, the VR Program saw increased consumer control, more emphasis on serving individuals with the most significant disabilities, and a focus on long-term, competitive employment outcomes.

Under VR, a majority of individuals with disabilities, including those with the most significant disabilities, are presumed capable of benefiting from the VR services in terms of securing employment. Qualified VR counselors assist eligible individuals explore their abilities, potentials, and interests, and provide them with information on and access to specialized assessments, services and supports that are not available through generic employment and training programs. Qualified VR counselors provide guidance and counseling as eligible individuals use existing information and information from assessments and evaluations provided by VR to make informed choices about vocational goals, the services needed to pursue those goals, and the providers of those services. VR provides eligible individuals with disabilities a wide variety of services and supports to assist them in accomplishing specific employment outcomes consistent with their abilities, capabilities, interests, resources, and informed choices.

Federally appropriated VR funds require a State match at a set ratio (78.7 percent Federal to 21.3 percent State). This funding mechanism creates a State/Federal partnership that has worked for over 89 years. The Designated State Unit (DSU) responsible for implementing the State Plan for VR Services must make specific assurances and be responsible for the expenditure of VR funds.

The services, supports and assistance available through VR may be provided directly or purchased from other qualified service providers. State VR agencies work cooperatively and in collaboration with significant numbers of community partners (State/Federal, public/private, non-profit/for-profit) to provide the full range of services and supports that individuals with disabilities need to prepare for, enter, retain or advance in employment.

The Rehab Act requires Congress to appropriate an annual increase for VR that is at least equal to the increase in the Consumer Price Index (CPI) over the previous fiscal year. While this mandate was intended to create a floor for the VR appropriation, Congress has not appropriated funds above the mandated CPI increase for a number of years. This is particularly problematic because the formula used to distribute these funds, which is based on a State's per capita income and population, results in significant variations in the increases in individual State allotments. When the increase is limited to the CPI increase and the formula is applied, not all States receive increases that equal the annual rate of inflation. Unfortunately, this has had a cumulative effect on a number of States, significantly reducing VR's ability in those States to meet the needs of unemployed Americans with disabilities.

EXTERNAL FACTORS DRIVING INCREASED DEMAND FOR VR SERVICES

A number of external factors are driving an increase in demand for VR services. Because of minimal increases in Federal funding, State VR agencies are struggling to meet these demands. These external factors include:

Iraq & Afghanistan: VR agencies are providing services to veterans with disabilities and in recent survey of State agencies we identified over 16,000 joint cases between the VR program and the VA's—Vocational Rehabilitation & Employment Program (VR&E). VR also serves a number of veterans who are not eligible for the VA's VR&E program.

America's Working Seniors: VR agencies are also seeing increasing demand from the aging workforce. More people are working longer for a number of reasons, including the loss of retirement funds and the increased cost of living. As we age, there are a number of disability related issues that surface. There is an increased need for helping the aging population retain work and/or reenter the workforce. Business has also been asking for assistance to keep individuals working and seeking the support of VR agencies in identifying the appropriate assistive technology and accommodations.

Assistive Technology: Over the years, assistive technology (AT) has become a fundamental tool, making it possible for individuals with disabilities, including individuals with the most significant disabilities, to participate in training and employment programs and seek employment opportunities in the competitive labor market. While the cost of some AT has fallen, specialized products remain costly. Additional costs are incurred to maintain, repair and update AT and to provide training on the use of AT. VR agencies report that the number of customers benefiting from AT has doubled in 5 years and that VR's overall expenditure on AT increases each year.

Special Education: The Federal appropriation for special education has increased significantly while VR has seen only the required CPI increase. Increases in special education funding have increased the demand for VR services as more students with disabilities exit special education and seek adult services and employment. This constitutes a movement from a system of entitlement to services to a system based on eligibility. VR does not have the resources to meet all the needs of students exiting special education, of youth with disabilities who have dropped out of school, or are in the juvenile justice system, or the growing demand from transition services while students with disabilities are still in school.

TANF: Over 40 percent of the individuals left on our welfare rolls are individuals with disabilities or family members of individuals with disabilities. As a result, Welfare-to-Work programs for TANF recipients are increasingly turning to VR for assistance in serving this population.

Ticket to Work: The work incentives provisions, the Ticket-to-Work Program, and particularly the extended access to health care authorized under the Ticket to Work and Work Incentives Improvement Act of 1999 are intended to encourage millions of Americans who receive Social Security disability benefits to seek assistance in entering or re-entering the workforce. To date, over 93 percent of the individuals participating in the Ticket Program have assigned their tickets to VR, placing an enormous burden on VR without providing any additional funding. Recent changes to the Ticket to Work regulations may provide some relief but the changes are too recent to have had much effect.

Olmstead: As Federal and State efforts to implement the Supreme Court's Olmstead decision expand, more and more individuals with disabilities are being moved from institutions to community settings. As they establish themselves in the community and obtain the services and supports they need to live more independently, many will turn to VR for assistance in entering employment.

Order of Selection: VR is severely under-funded to meet the mandates in the Rehab Act and the external challenges facing the Program. As a result, cost containment associated with administrative efficiencies cannot sustain the current level of service being delivered by the VR Program. Under the current appropriation, VR can assist only a small percentage of eligible individuals (i.e., an estimated one in twenty who could potentially benefit from services). At the end of fiscal year 2008, 36 State VR Agencies were on an Order of Selection, 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.

Nonetheless, VR is one of the most cost effective programs ever created by Congress. Even with inadequate funding and in the face of many external challenges, VR is a program with a proven track record. In 2007 the Public VR program and its partners helped over 200,000 people with disabilities find, return to, or retain employment. 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 VR helps find or retain employment will "pay back" the cost of their rehabilitation services, through taxes, in just 2 to 4 years.

In addition, data from the Social Security Administration reveals that for every dollar SSA reimburses VR, means SSA has saved $7 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.

The Department of Education's Longitudinal Study of the Public VR Program, released in 2002 and the last of study of its kind, tracked 8,500 randomly selected applicants and consumers of the VR Program, from 37 State VR Agencies over a

5 year period. The findings of that study are impressive and include, among other things:

Sixty-nine percent of the individuals who completed their VR service plans secured employment.

Eighty-three percent of VR consumers who secured employment during the Study were still employed after 1 year;

Seventy-six percent of those placed in employment were still employed after 3 years.

• The average hourly earnings for these VR consumers increased from $7.33 per hour in year 1 to $9.62 per hour after 3 years.

• At exit from the VR program, 32 percent of these VR consumers were in competitive jobs and had earnings about 200 percent above poverty level.

Seventy-five percent of the employment outcomes were competitive jobs in professional, managerial, technical, service or clerical/sales positions.

Thirty-nine percent of consumers who participated in the Longitudinal Study had received some form of public assistance at entry to the Public VR Program. After case closure, 3 years later, this percentage declined to 26 percent.

The quality of the relationship between the qualified VR counselor and the consumer was significant related to employment and earning levels.

Even with this impressive record, the Public VR Program has been severely under-funded to provide assistance to Americans with disabilities, the segment of the American population with the highest unemployment record.

When Congress passed the Workforce Investment Act in 1998, it set in motion significant changes in the workforce investment system, including governance, accountability and increased coordination and collaboration among federally funded partner programs. Among the organizing principles of WIA is universal access where a set of core services are intended to be available to any individual who needs them. A second principle is the concept of a One-Stop service delivery system whereby Federal assistance and services can be made available through partnership organizations which, in many cases, are located under one roof to facilitate ease of access and enhanced customer service. The One-Stop service delivery system, through statewide and local workforce development systems, was intended to increase the employment, retention, earnings, and skills attainment of participants, including individuals with disabilities.

CSAVR recognizes the importance of VR's participation in the One-Stop system created under WIA. Individuals with disabilities experience the highest unemployment rate of any segment of the American population. The One-Stop delivery system should be an additional vehicle for increased resources and employment opportunities for persons with disabilities. Nevertheless, significant barriers and challenges exist for individuals with disabilities who are seeking assistance through the One-Stop system.

With regard to the pending reauthorization of WIA and the Rehab Act, CSAVR raises the following issues and makes the following recommendations.

Issue 1: Do No Harm

CSAVR strongly supports ensuring the integrity of the funding authorized under the Rehab Act to meet the needs of individuals with disabilities. These programs, projects and services create a complementary, coordinated, and comprehensive service delivery system for individuals with disabilities who want to increase their independence and self-sufficiency. The system, which includes services (e.g., independent living services, evaluations and assessments, education and training, employment services, etc.), supports (assistive technology services and devices, interpreters, readers, personal assistance services, etc.), and a supporting infrastructure (monitoring and enforcement, technical assistance and training, research and demonstration projects, etc.), has been working well for individuals with disabilities for over 89 years.

Consequently, one of CSAVR's primary policy priorities for reauthorization of WIA/Rehab Act is to maintain and expand the funding available to meet the diverse needs of individuals with disabilities, particularly those with significant disabilities, who are seeking to enter, re-enter or remain in the workforce. Many of these individuals must have access to specialized services and supports to participate in training and engage in employment. CSAVR supports eliminating the sequence of services that exists in the WIA program. Job seekers need to be able to access the services they need find employment without delays.

CSAVR will also oppose any efforts to redirect funds currently authorized and appropriated for programs under the Rehabilitation Act to other purposes. CSAVR does not support the consolidation of funds currently appropriated for Supported Employment State Grants (SE), Projects with Industry (PWI), Recreation Projects,

and Migrant and Seasonal Farm Worker Projects into VR's appropriation, particularly if these consolidated funds are used to provide VR's required CPI increase. Programs such as SE and PWI are important because they enhance VR's ability to meet specific needs of certain segments of the population of unemployed individuals with disabilities. SE funds enhance VR's ability to provide on-going, intensive services to individuals with the most significant disabilities, particularly those who need long-term supports to engage in employment. PWI's linkage with the business community and ability to providing job opportunities for individuals who are "job-ready" are particularly important for individuals whose disabilities may not be significant enough to receive VR services.

Issue 2: Secure a Dedicated Line-Item to Fund the Infrastructure Costs of One-Stop Career Centers

The Public VR Program is a mandatory partner in the WIA and, as such, is required to contribute significant resources to support the infrastructure and other costs associated with the operation of One-Stop Centers. While VR's partnership in State workforce investment systems is critically important, WIA has placed yet another financial burden on an already strained program; further reducing the percentage of VR funds that are available to provide services and supports to eligible individuals with disabilities who want to work. Rather than taking funds from mandatory partners, who are already under funded to serve specific populations, CSAVR supports the authorization of a dedicated line-item to fund the infrastructure costs of One-Stop Centers.

Issue 3: Adequacy of Resources Available to the VR Program

Real and significant increased funding is required to maintain and enhance the quality of services provided by State VR Agencies and to facilitate employment outcomes for individuals with disabilities. CSAVR believes that the VR Program must have substantially increased resources to meet the unique and specialized rehabilitation needs of individuals with disabilities. A substantial increase in the Federal investment in this proven program must become a national priority. The mandated Consumer Price Index (CPI) increase in funding for the Public VR Program is an important provision in current law that should be maintained in the upcoming reauthorization. However, Congress must understand that this mandated CPI increase represents the minimum annual increase in Federal funding for the VR Program, and that increases in the overall Federal appropriation must be adequate to hold all States and territories harmless with regard to the previous year's appropriation while ensuring that each State allotment gets at least an increase equal to the CPI increase for the previous year. CSAVR believes that such increases are necessary to ensure the VR Program's ability to meet the letter and intent of the Rehab Act and keep up with the external challenges facing the Program.

Issue 4: Ensuring the Physical and Programmatic Accessibility of One-Stops, Job Training Programs, Educational Programs and Other Service Programs

The vision of the WIA legislation was to create a collaborative service delivery system that serves all Americans who encounter barriers to employment, including dislocated workers, the long-term unemployed, at-risk youth, and individuals with significant disabilities. Collaboration between VR and DOL-funded workforce investment services is intended to produce better information, more comprehensive services, easier access to services, and improved long-term employment outcomes for individuals with disabilities.

Under the Americans With Disabilities Act (ADA) and Section 504 of the Rehab Act, the One-Stop Career Centers created under WIA are required to be both physically and programmatically accessible. One-Stop Centers and other service providers that receive Federal funding are responsible for serving individuals with disabilities under the same terms and conditions as they serve non-disabled individuals.

While many, if not most, One-Stop Centers have achieved some level of physical accessibility, many challenges remain with regard to programmatic accessibility. If individuals with communicative, cognitive and sensory disabilities are to be able to access services in a One-Stop Center, information must be available in a range of alternate formats (large print, Braille, and disk). In addition, auxiliary aids and services (e.g., interpreters and readers) and assistive technology such as accessible software and related-communicative equipment must be readily available to ensure the individuals with physical, mental, sensory and cognitive disabilities can access information and have meaningful participation in educational programs, vocational training, and other types of employment services provided through the One-Stop service delivery system. The provision of such accommodations is the responsibility the One-Stop Centers or the service providers used by the One-Stop Centers.

As a required partner in the One-Stop system created under WIA, VR Programs may provide technical assistance on identifying and providing needed accommodations, and information on how to make physical facilities accessible to individuals with different types of disabilities. However, State VR Agencies should not be covering expenses associated with making One-Stop facilities and programs accessible to individuals with disabilities. That responsibility must remain with the One-Stop Centers and the entities they use to provide educational, employment and training services. In addition, State VR Agencies should not be asked to assume the expenses associated with the provision of core services in a One-Stop Center merely because some individuals with disabilities will be benefiting from those services.

Issue 5: Dedicated Funding to Provide Transition Services for Youth With Disabilities

A number of research findings have clearly demonstrated the need to improve transition outcomes for students with disabilities. Youth with disabilities, especially those with significant disabilities, often have a difficult time completing high school. For those youth with disabilities who do complete high school, it is well documented that they have a difficult time enrolling in and completing post-secondary education and finding and keeping employment. In addition, students with disabilities have higher drop out rates than non-disabled students. One out of five adults with disabilities has not graduated from high school, compared to less than one out of ten adults without disabilities. Drop out rates for students with disabilities vary with the nature and significance of the disability. Youth with severe emotional disturbances (57.6 percent) and youth with learning disabilities (36 percent) have the highest drop out rates of all disability groups.

Students with disabilities have higher rates of incarceration. More than one in three youths who enter correctional facilities have previously received special education services. Over the past several years, the number of students with disabilities in correctional facilities has risen at over twice the rate of the overall special education population. More than half of all young people with emotional disturbance are arrested at least once within 3 to 5 years of exiting school.

Students with disabilities have low rates of college enrollment. Only 14 percent of youth with disabilities attend post-secondary school versus 53 percent in the general population. This is particularly troubling given that post-secondary credentials bring economic gains in the labor market. Nationally, 70 percent of youth with disabilities are unemployed 2 years after exiting from high school. Only 26 percent of working-age adults with disabilities have a job or own their own business. People with disabilities are nearly three times more likely than people without disabilities to be living in households with total incomes of $15,000 or less.

In recent reauthorizations of the Individuals with Disabilities Education Act (IDEA) and the Rehab Act, the natural linkages between special education, transition services, and VR services have received some attention. However, without dedicated funding, transition services compete with the other mandates, priorities and external challenges of the VR Program. Currently, the transition provisions in these two laws are not always implemented in a carefully coordinated manner. In addition, the lack of specificity regarding shared funding responsibilities often results in conflicts that can delay or deny needed assistance.

CSAVR believes the return on America's investment in special education is closely linked to VR's ability to assist transitioning youth with disabilities in exploring vocational options, and accessing post-secondary education, training and employment services. A July 2002 report from The Longitudinal Study of VR Services, the last such study conducted, found that transitioning youth represent 13.5 percent of the consumers of VR services (i.e., approximately 135,000 youth with disabilities). It also found that 63 percent of young adults (below age 25) who received VR services successfully went to work, with most entering competitive employment. When young adults with disabilities enter competitive employment immediately upon or shortly after exiting the educational system, their need for long-term public assistance (such as SSI, welfare benefits, food stamps, etc.) can be significantly reduced.

The gaps in services provided under the entitlement of IDEA versus the eligibility of adult service systems often seem vast and insurmountable to youth with disabilities and their families. As a result, students with disabilities continue to struggle to attain success and independence in employment, post-secondary education, independent living, and healthy and active relationships in their communities.

This Nation cannot afford to invest substantial resources in this segment of its youth population while providing few, if any, options after the school experience is completed. Transition programs must be strengthened and enhanced if we are to assist students in reaching their potential to become productive and active members of their communities. Transition planning must become a long-term educational

process beginning in middle school. Transition goals and objectives should be the foundation of a student's educational program and guide the development of a student's IEP throughout the high school years.

With the number of students in special education who need transition services increasing every year, the pressure on personnel in both the special education system and the VR system to provide transition services is growing. Currently there are no designated resources for transition services, either in IDEA or the Rehab Act. Transition services are listed among the services that may be funded under IDEA, Part B, and under Title I of the Rehab Act for those students who have been determined eligible for VR services and who have had an individualized plan for employment (IPE) developed in partnership with a qualified VR Counselor. The lack of dedicated resources often results in students not having access to needed transition services.

CSAVR believes that in addition to strengthening linkages between special education and the VR Program, **NEW** targeted monies must be provided in both IDEA **and** the Rehabilitation Act for transition planning and the provision of transition services. These monies should **supplement** resources currently used for transition services under IDEA, Part B, and Title I of the VR Program and the COLA.

Having a dedicated funding stream for transition services would allow both special education and VR to collaborate substantively, and provide quality, relevant transition services to students with disabilities in a timely manner.

Further, a dedicated funding for VR will facilitate the creation of a cadre of Transition Counselors who specialize in working with schools and adult service systems to improve employment and educational outcomes for youth with disabilities. These specialists could provide career counseling, employment, job placement, and case management services to youth with disabilities.

Dedicated funding would enhance the capacity of VR to support the efforts of local high schools to provide school-based employment services to youth with disabilities (e.g., running job clubs, providing technical support for school-based employment services, identifying trial work experiences, etc.). Dedicated VR funding would allow VR counselors to become highly visible in school settings and actively involved in working with teachers, parents, and employers to assist youth with disabilities in accessing post-secondary education, to connect youth with significant disabilities to adult services programs (including VR), and to place youth with disabilities in employment.

Issue 6: Retain the Rehabilitation Services Administration (RSA) Within the Department of Education (DOE)

CSAVR strongly opposes any attempt to move the Rehabilitation Services Administration from the Department of Education to the Department of Labor. The VR program provides a wide array of services to a broad population, from teens to seniors. VR provides the services and supports that are necessary for an eligible individual to go to work which may include, but is not limited to, such things as medical assistance, assistive technology, and transportation.

In particular, students with disabilities who are leaving the education system represent the single largest source of potential customers for VR services. CSAVR believes it is critical for all State VR Agencies to strengthen the continuum of services provided to these students to facilitate a smooth and beneficial transition from secondary education to post-secondary education and employment. The close relationship between VR and Special Education is critical to the planning and implementation of services that will ensure the success of transition students; and this relationship can best be maintained by retaining the RSA within the DOE.

Issue 7: Maintain the Status of the RSA Commissioner's Position in Current Law

CSAVR will not support downgrading of the RSA Commissioner's position. CSAVR believes that downgrading the Office of the Commissioner of RSA would diminish the importance of the VR Program and devalue the employment of individuals with disabilities.

Issue 8: Ensuring the Integrity of the Designated State Unit (DSU)

CSAVR believes that the VR Program must continue to be administered and implemented by a Designated State Unit (DSU) in each State to ensure that individuals with disabilities continue to have access to the highest quality job training and employment services and supports tailored to their unique and individualized needs. The Rehab Act must continue to require each State to designate in its State Plan a State Unit that has the sole responsibility for administering the State Plan for VR Services, while giving States the option of designating a separate State Unit to serve individuals who are blind or visually impaired.

Each DSU must be an agency or a division within a State agency that is primarily concerned with the provision of VR services to individuals with disabilities; has a

director that is solely responsible for the administration of that State Plan; employs staff who are engaged 90 percent of the time on implementing the VR Program; and have organizational responsibilities equal to other major organizational units within State government. Services through the DSU must continue to be available statewide. CSAVR believes that development of the budget, management of finances, supervision of staff, determinations of eligibility, approval of individualized plans for employment, and decisions about case closures should be the sole responsibility of qualified professionals employed by the DSU, as should the overall management of the VR program. State-level oversight and accountability are necessary to ensure a consumer responsive, effective and efficient VR Program. Having a DSU with responsibility for the administration, management and implementation of the Program will help to ensure a viable, accountable, and effectively managed program of VR services.

The DSU in each State is held accountable for the expenditure of Federal and State funds dedicated for the employment, training and support needs of individuals with significant disabilities. Accountability is a fundamental and critical element of the VR Program. DSUs make annual reports on how they have expended VR funds, providing extensive information on the individuals receiving services. Standards and indicators appropriate for VR were developed in response to the 1992 amendments to the Rehab Act. They are used to evaluate the effectiveness of the VR program and to provide methods for measuring improvement. In addition, The Longitudinal Study of Vocational Rehabilitation Services mentioned earlier has provided extensive information that demonstrates the long-term results of the VR Program.

To clarify lines of responsibility, CSAVR recommends that the act refer only to a Designated State Unit (permitting a free-standing State Agency to function as such a unit) and that specific language be added to the definition of the DSU to clarify exactly what functions are the responsibility of the DSU and, therefore, may not be delegated. CSAVR has developed suggested language to clarify the lines of authority for the administration and implementation of the VR Program and to ensure accountability for the expenditure of VR funds. This language (which would completely rewrite of Section 101(a)(2) DESIGNATED STATE AGENCY; DESIGNATED STATE UNIT) can be found in appendix I.

Issue 9: Representation of Disability Interest on Workforce Investment Boards

Recognizing the expertise of individuals staffing the VR Program and the importance of considering the views of individuals with disabilities, CSAVR believes each State Workforce Investment Board (SWIB) must include in its membership at least one individual with a disability and the Director of the DSU administering the State Plan for VR Services (Directors in States that have a separate DSU that serves individuals who are blind or visually impaired). The representative of the DSU must be a person who has day-to-day responsibility for administering the VR Program or an individual designated by the VR Director. Nearly 4 years after implementation of the Workforce Investment Act (WIA), there are still States that are meeting the SWIB composition requirements by having the head of the umbrella agency housing the VR Program serve as the VR representative on the SWIB.

To address this issue, CSAVR recommends amending Sec. 111(b)(1)(C)(vi)(I) of WIA, which sets out the composition of the SWIB, by adding a new subsection 111(b)(1)(C)(vi)(II); and redesignating current (vi)(II) as (vi)(III). The amended section might read as follows:

Sec. 111(b)(1)(C)(vi)(I) the lead State agency officials with responsibility for the programs and activities that are described in section 121(b) and carried out by One-Stop partners; and

[New] (vi)(II) in the case of the Public Vocational Rehabilitation Program authorized under Title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 ET seq.), the Vocational Rehabilitation Director employed by the Designated State Unit or the Vocational Rehabilitation Directors in States that have a separate State entity that is responsible for the rehabilitation of individuals who are blind and visually impaired; and

[Redesignated] (vi)(III) "in any case in which no lead State agency official has responsibility for such a program, service or activity, a representative in the State with expertise relating to such program, service, or activity; and . . ."

Issue 10: Representation on Local Workforce Investment Boards

Currently, WIA requires representatives of local community-based organizations (including organizations representing individuals with disabilities and veterans) to be included in the membership of Local Workforce Investment Boards (Local WIBs). As a result of this requirement, many Local WIBs include representatives of community rehabilitation programs (CRPs), the Public VR program, and individuals

with disabilities. If Local WIBs are to be effective in meeting the needs of individuals with disabilities who are not eligible for VR services, individuals with disabilities and representatives of organizations serving individuals with disabilities must be included on these local boards. Consequently, CSAVR supports the continuation of the current requirement regarding organizations representing individuals with disabilities and veterans serving on Local WIBs and the addition of language requiring individuals with disabilities to serve on Local WIBs.

Issue 11: VR—Dual Customers—Employer Partnerships

Over the years State VR agencies have also worked hard to develop stronger relationships with the business community. Recently CSAVR 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 2008 over 680 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.

The Act, Title I, Section 109, references VR's responsibility in educating employers about the Americans with Disabilities Act. This limited reference does not fully describe the role or relationship that VR must develop to support business in the recruitment, hiring, promotion, training and retention of qualified individuals with disabilities and to support the individual's success in the workplace. CSAVR supports language that would strengthen the dual customer model and the establishment of a grant funded program that would be targeted at promoting the ongoing development of relationships between State VR agencies and businesses as part of the dual customer model.

Issue 12: Inadequate Resources Available for VR to Meet the CSPD Requirements

The role of the VR counselor is the cornerstone of the VR Program. As the key professional in the system, the counselor is responsible for interacting with individuals with disabilities who are seeking or receiving VR services to assist them in entering the workforce and becoming economically independent. VR counselors are uniquely qualified to assist individuals with disabilities in assessing their needs for individualized services and supports to achieve high quality employment outcomes.

In 1998, Congress mandated that VR employ qualified counselors, i.e., counselors that meet the national standard or the highest State standard for persons in that profession (in most cases, requiring a master's degree). With minimal increases in funding and expanding external pressures, VR is finding it more and more difficult to attract and retain qualified individuals. With over one third of the incumbent counselors in some States not meeting the State standard for VR Counselors, VR must provide additional education and training to incumbent counselors to upgrade

their qualifications. While special training grant funds have been made available for this purpose, they are not adequate to cover the cost of necessary education and training. State VR agencies have had to make up the shortfall in these training funds with case service funds.

State VR agencies are facing a dwindling pool of potential qualified applicants for counselor positions. The situation is likely to become critical over the next 5 to 10 years because a significant percentage of individuals currently working for VR will be retiring. This situation calls for a serious focus on succession planning.

As a result of all these factors, CSAVR will seek increased resources for Section 302 of the Rehab Act so that additional funding will be available for training rehabilitation professionals, particularly for in-services training for staff of DSU that are having problems meeting requirements for a Comprehensive System of Personnel Development found in Title I of the Rehab Act.

CSAVR stands ready to provide any information about the VR program and what is happening in individual States, and we look forward to working with members of the Subcommittee and the full HELP Committee on reauthorization of the Workforce Investment Act. Please feel free to contact Paul J. Seifert, CSAVR Director of Government Relations at 301–219–4719 if you have any questions or need any additional information.

APPENDIX I

CSAVR proposes the following rewrite of Section 101(a)(2) DESIGNATED STATE AGENCY; DESIGNATED STATE UNIT:

Section 101(a)(2) Designated state unit.—

(A) The State plan shall designate a State unit as the sole State entity to administer the plan. The Designated State unit must be either a State agency with the primary function of implementing the State Plan for VR services or a division or unit within a larger State agency that is located at an organizational level and has an organizational status comparable to that of other major organizational units within other State Agencies. Under State law, a separate State Unit may be designated to provide vocational rehabilitation services to individuals who are blind and to be the sole State unit authorized to administer the part of the plan under which vocational rehabilitation services are provided for individuals who are blind. In the case of American Samoa, the appropriate State unit shall be the governor of American Samoa.

(B) The State unit designated under subparagraph (A) shall—

(i) be primarily concerned with vocational rehabilitation, or vocational and other rehabilitation, of individuals with disabilities, and be responsible for the administration of the State Plan for VR services;

(ii) have a full-time director who shall be responsible for:

(I) Policy formulation and implementation;

(II) all decisions regarding the development, implementation and approval of the annual budget for the Public VR Program and all decisions regarding the development, implementation and approval of the allocation, administration, and expenditure of vocational rehabilitation funds authorized under Sec. 100(b);

(III) supervision of professional staff and decisions about the Comprehensive System of Personnel Development implemented in accordance with Sec. 101(a)(7); and

(IV) representing the Public VR Program on the State Workforce Investment Board created under Title I of the Workforce Investment Act;

(iii) have staff employed on the rehabilitation work of the designated State unit all or substantially all of who are employed full time on such work and at such levels and in such capacities as the State Director determines to be adequate.

(I) all decisions affecting eligibility for vocational rehabilitation services, for the nature and scope of available services, and the provision of these services; and

(II) all decisions about the approval of individualized plans for employment and determinations to close the record of services of an individual who has achieved an employment outcome, in accordance with Sec. 361.56.

(iv) The responsibilities assigned to the full-time VR Director in section 100 (a)(2)(B)(ii) are solely the responsibilities of the Director and may not be delegated to any other State official not subordinate to the Director.

(v) The functions of the staff of the Designated State Unit outlined in subsection 101(a)(2)(B)(iii) are solely the responsibility of the Designated Sate Unit and may not be delegated to any other State unit or any other subdivision of the State Agency within which the Designated State Unit is housed.

(C) Responsibility for Services for the Blind

If the State has designated only one State Unit pursuant to subparagraph (A), the State may assign responsibility for the part of the State Plan under which vocational rehabilitation services are provided for individuals who are blind to another organizational unit, with the provisions of subparagraph (B) applying separately to each of the designated State units.

NATIONAL ORGANIZATION FOR COMPETENCY ASSURANCE (NOCA),
WASHINGTON, DC 20036,
July 16, 2009.

Subcommittee on Employment and Workplace Safety,
Committee on Health, Education, Labor, and Pensions,
U.S. Senate,
Washington, DC 20510.

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 over 400 organizations[1] that grant occupational certifications, I am pleased to provide the subcommittee with our views on the reauthorization of the Workforce Investment Act (WIA).

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. The Department of Labor (DOL) launched its CareerOneStop[2] web site several years ago. This user-friendly web site allows job seekers to easily search for certification options in a number of different fields and professions. NOCA recommends that Congress encourage the expansion of this valuable tool by authorizing 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 directing One-Stop Centers to make available information about occupational certification and licensure opportunities to those seeking re-employment or new career directions. The Senate bill also called 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.[3] S. 1021 also authorized grants for the development of new certification programs for emerging competencies. Competencies relative to new technologies and emerging sectors will provide new job opportunities, and certifications based on the known regimes for certification programs, will provide the competency assurances to employers and the general public. We recommend that any WIA reauthorization undertaken by this committee include similar provisions.

HELP DISLOCATED WORKERS PAY FOR CERTIFICATION

Spiraling costs are putting the dream of a higher education out of reach for many Americans. Many workers will not be able to achieve a valid occupational certification—which will serve many as the key to a new career—without receiving some

---

[1] A full list of NOCA's organizational members may be viewed at *http://www.noca.org*. NOCA members represent more than 10 million individuals worldwide and include certification programs of some 150 professions and occupations. NOCA members certify individual skills in fields as diverse as construction, healthcare, automotive, and finance.

[2] *http://www.careeronestop.org/*.

[3] Sen. Feingold introduced S. 175, the Skills Standards Certification Evaluation Act of 2009, earlier this year which also calls for a national study to evaluate certifications and provide confirmation of their value to employers. S. 175 would only evaluate "skill certifications" that receive Federal funding. It should be noted that occupational certifications are overwhelmingly regulated at the State level, hence there are only a small number of certifications that are codified into Federal law or recognized in Federal regulations.

form of financial assistance. At the same time, Federal dollars should not be put towards academically questionable programs.

NOCA suggests allowing displaced workers to be eligible for financial aid to pay for the costs of taking an occupational certification exam. The Montgomery G.I. program was expanded a decade ago to allow veterans to use their education benefits towards this purpose and this could serve as a model for the committee when retooling of WIA begins. As with the Montgomery G.I. system, NOCA recommends that only those certifications that have been accredited by a nationally recognized accreditation body be eligible for any type of Federal financial aid or reimbursement.

OCCUPATIONAL 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.[4]

Certification offers a meaningful and a direct pathway to re-employment for 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 certification programs and opportunities 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.

The value of acquiring an occupational certification is underscored in 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, noncertified nurses and nurse managers that certification is greatly valued among nurses."[5] Respondents to the ABNS survey revealed that among the incentives their employers offer to promote and recognize nursing certifications are reimbursement of exam fees, a listing of their certifications on nametags and/or business cards, and receiving reimbursement for continuing education.[6] Other surveys indicate that certification results in higher wages for credentialed employees, as well as bonuses.[7]

Certification programs whose prerequisites and requirements displaced workers may quickly access—like those in the nascent "green" jobs 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 4-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 rewarding careers in fields such as automotive mechanic, construction trades, and medical assisting, among many others. Examples of occupations not requiring a baccalaureate degree include:

- *Court reporters*. This profession remains in high demand. According to the National Court Reporters Association, 81 percent of those holding the Registered Professional Reporter (RPR) certification say their professional designation is important to them.[8] Court reporters earn close to $64,000 annually on average.[9]
- *Crane operator*. The Bureau of Labor Statistics lists the annual mean salary for crane operators as $42,940.[10] 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 Automotive Service Excellent (ASE) certification can earn $60,000 or more per year.

---

[4] 4 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*.

[5] *Value of Certification Executive Summary*. American Board of Nursing Specialties (May 2006), 4. Available at *http://www.nursingcertification.org/pdf/executive_summary.pdf*.

[6] Ibid.

[7] *Poll Indicates Certified Workers Earn More*, press release, Sept. 5, 2003. Available at:*http://www.noca.org/portals/0/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*. See also *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*.

[8] See *http://ncraonline.org/certification/Certification/rpr/default.htm*.

[9] See *http://ncraonline.org/NCRA/pressroom/AboutCourtRep/*.

[10] *http://www.bls.gov/oes/2007/may/oes537021.htm*.

• *X-ray technician*. There continues to be a demand for trained professionals in the healthcare field. X-ray technicians can expect to earn a mean annual wage of over $51,000 according to BLS statistics.[11]

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 2004 survey conducted by NOCA indicatedthe average cost of certification tests is $350.[12]

The certification sector 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.[13] 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 inorder 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. Certification examinations for numerous occupations are now administered on a global scale. A 2006 survey of NOCA member organizations revealed that over 50 percent of respondents administer their exams in countries other than the United States and that 37 percent of respondents translate their exams into languages other than English.[14]

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.

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 measureable 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."[15]

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 certification.

ABOUT THE NATIONAL ORGANIZATION FOR COMPETENCY ASSURANCE (NOCA)

NOCA, the oldest and largest international organization representing over 400 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

[11] *http://www.bls.gov/oes/2007/may/oes292034.htm*.

[12] *Average Certification Exam Fee Tops $350*, press release, May 20, 2004. Available at: *http://www.noca.org/portals/0/exam%20fee—header.pdf*.

[13] 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*.

[14] *NOCA International Staff Summary Report*. National Organization for Competency Assurance (Oct. 20, 2006). Not available online.

[15] John E. Kasper, Ph.D., CAE, *To Certify or . . . Not to Certify*?, Forum Magazine (January 2009), 28.

healthcare sector is equally essential for other sectors. With this vision, NCHCA evolved into the National Organization for Competency Assurance.

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 accredited programs certify individuals in a wide range of professions and occupations including nurses, automotive professionals, respiratory therapists, counselors, emergency technicians, and more. To date, NCCA has accredited over 200 programs representing 98 organizations.[16] NCCA is the largest accreditation program in the United States and recognition of NCCA accreditation is incorporated into many Federal and State statutes and regulations pertaining to the regulation of various occupations.

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.

NOCA urges inclusion of those provisions that will confirm the role of certification in our economy and the workplace and make investments to ensure that occupational certification and licensure opportunities are made a solid part of the Workforce Investment system, confirm the value of occupational certification by an objective study, and help launch occupational certifications in emerging sectors.

Respectfully Submitted,

JAMES KENDZEL, MPH,
Executive Director,
National Organization for Competency Assurance (NOCA).

[Whereupon, at 11:57 a.m., the hearing was adjourned.]

○

[16] A full list of programs achieving NCCA accreditation may be viewed at: *http://www.noca.org/NCCAAccreditation/AccreditedCertificationPrograms/tabid/120/Default.aspx*.