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HELPING AMERICANS GET BACK TO WORK: IMPLEMENTATION OF THE WORKFORCE INNOVATION AND OPPORTUNITY ACT

HEARING

BEFORE THE

SUBCOMMITTEE ON HIGHER EDUCATION AND WORKFORCE DEVELOPMENT

COMMITTEE ON EDUCATION AND THE WORKFORCE

U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED FIFTEENTH CONGRESS

FIRST SESSION

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HELPING AMERICANS GET BACK TO WORK: IMPLEMENTATION OF THE WORKFORCE INNOVATION AND OPPORTUNITY ACT

Thursday, June 15, 2017
House of Representatives
Committee on Education and the Workforce,
Subcommittee on Higher Education and Workforce Development
Washington, D.C.

The subcommittee met, pursuant to call, at 10:07 a.m., in Room 2175, Rayburn House Office Building, Hon. Brett Guthrie [chairman of the subcommittee] presiding.

Present: Representatives Guthrie, Thompson, Barletta, Messer, Byrne, Grothman, Stefanik, Allen, Mitchell, Smucker, Davis, Courtney, DeSaulnier, Krishnamoorthi, Polis, Sablan, Takano, Blunt Rochester, and Espaillat.

Also Present: Representatives Foxx, Scott, Wilson of South Carolina, and Bonamici.

Staff Present: Caitlin Burke, Legislative Assistant; Courtney Butcher, Director of Member Services and Coalitions; Amy Raaf Jones, Director of Education and Human Resources Policy; Nancy Locke, Chief Clerk; Kelley McNabb, Communications Director; James Mullen, Director of Information Technology; Krisann Pearce, General Counsel; Lauren Reddington, Deputy Press Secretary; James Redstone, Professional Staff Member; Mandy Schaumburg, Education Deputy Director and Senior Counsel; Emily Slack, Professional Staff Member; Michael Woeste, Press Secretary; Tylease Alli, Minority Clerk/Intern and Fellow Coordinator; Austin Barbera, Minority Press Assistant; Denise Forte, Minority Staff Director; Mishawn Freeman, Minority Staff Assistant; Eunice Ikene, Minority Labor Policy Advisor; Kimberly Knackstedt, Minority Disability Policy Advisor; Kevin McDermott, Minority Senior Labor Policy Advisor; Udochi Onwubiko, Minority Labor Policy Counsel; and Veronique Pluviose, Minority General Counsel.

Chairman GUTHRIE. A quorum being present, he Subcommittee on Higher Education and Workforce Development will come to order. I will first yield to Chairman Foxx for 1 minute for an opening statement.

Ms. FOXX. Thank you very much, Mr. Guthrie. I thank all of you for being here. This hearing is incredibly important for all of us as we look to see if the improvements to our workforce development system that we intended with WIOA are actually coming to pass.

We are all here because we want to help Americans access all the resources they need to get back to work.

This morning President Trump will sign an executive order aimed at promoting apprenticeships and skill-focused education. I love that term and I think it is a great way to refer to what we are doing. And it is a kind of focus that students and workers have needed from the White House for a long time.

In just a few minutes I am going to excuse myself so I can go tell President Trump on behalf of this entire committee that we welcome his interest and his efforts to build a better workforce.

Thank you, Mr. Chairman, for yielding. I very much look forward to reviewing the findings of the hearings.

And I yield back.

Chairman GUTHRIE. Thank you, Chairman Foxx. I appreciate that. Now I yield to Ranking Member Scott for 1 minute.

Mr. SCOTT. Thank you. Thank you, Mr. Chairman. And I want to thank you and Ranking Member Davis for convening today's hearing. I think the conversation around changes that WIOA have made in our Nation's workforce development system in preparing Americans for high-skill jobs is a critical one. Today Chairwoman Foxx and I will be witnessing the President; We expect him to sign the executive order on apprenticeships. We know that registered apprenticeship programs are proven on-the-job training models. They allow workers to earn while they learn, but when we send Federal dollars to promote and expand new apprenticeships we need to have accountability. And that is why I am hoping that we will not change the registration process. Federal dollars for apprenticeship programs now go to registered apprenticeship programs. You know what you get when you graduate, they are transferrable; other employers know what you can do and what you cannot do. If it is unregistered it is going to be difficult to get some kind of accountability.

The Department of Labor and 25 State apprenticeship agencies establish a baseline for labor standards in the registered programs. So I hope today's announcement will not undercut the proven model. And while I cannot stay to hear the witnesses' testimony, I hope that part of this conversation they can tell about registered apprenticeship programs and how important they are and how they are aligned with WIOA. And I hope we can also discuss the dangers of allowing Federal funding to go to unregistered programs. But I think hopefully we can work this out because there is a strong consensus that apprenticeship programs are extremely invaluable to young people trying to get good high-skill jobs.

So, Mr. Chair, thank you very much and I look forward to working with you.

Chairman GUTHRIE. Thank you. Thank you for your comments. I now recognize myself for opening comments and welcome everyone to today's subcommittee hearing. I would like to thank our panel of witnesses and my colleagues for joining today's important discussion on the implementation of Workforce Innovation and Opportunity Act, WIOA.

It has been almost 3 years since the bipartisan Workforce Innovation and Opportunity Act was signed into law and now it is time for Congress to explore whether or not the included reforms are

being turned into action. Prior to the passage of WIOA, the Federal Government had over 47 separate but overlapping employment education programs across 9 different Federal agencies. To make matters worse, most of the programs targeted similar populations and provided similar services. Additionally, the report also found that only five of the programs had been evaluated for effectiveness and their success rate in helping unemployed and underemployed workers find employment. These programs were textbook cases of how the Federal Government can create a web of well-intentioned programs that are not serving the needs of the very Americans for whom the services are designed. As a result, congressional action was needed to fix these programs so American workers could succeed in a recovering economy.

The bipartisan passage of WIOA streamlined the confusing maze of workforce development programs, decreased administrative overhead, required better coordination for adult unemployed and youth programs, and increased accountability for the use of taxpayer funds.

I am proud to say that so many members of this committee, including Chairwoman Foxx, played an instrumental role in creating the final version of WIOA that was signed into law. Congress answered the call for workforce education and development reforms, but has faced an uphill climb in getting those reforms implemented on the State and local level. Despite the overwhelming support for the passage of WIOA it faced significant implementation delays during the previous administration. For example, the Department of Labor missed key deadlines when issuing guidance to State and local leaders. According to the Government Accountability Office these delays made it difficult to carry out many of WIOA's strategic priorities. While we have a new administration the need for congressional oversight is still essential to ensure a timely and proper implementation of WIOA.

Our conversation today could not be timelier as President Trump announces new measures to strengthen our Nation's workforce, education, and development programs. While the President's executive actions are encouraging, the implementation of WIOA and congressional action to reauthorize Federal support for career and technical education can provide a lasting improvement to how our citizens found success through workforce development education.

Our witnesses before us are some of the best stores of WIOA's success and I look forward to hearing their stories throughout today's hearing. Their testimony will only further emphasize the need for Federal entities to implement the reforms put forth in WIOA as Congress intended. Congress has provided the necessary statutory reforms to our workforce education and development programs and now, more than ever, it is important we deliver on implementation ensuring that American workers are being given the skills they need to thrive in the 21st century economy.

I will now yield to my distinguished colleague and this subcommittee's ranking member, Susan Davis, for her opening remarks.

[The statement of Chairman Guthrie follows:]

Prepared Statement of Hon. Brett Guthrie, Chairman, Subcommittee on Higher Education and Workforce Development

Good morning, and welcome to today's subcommittee hearing. I'd like to thank our panel of witnesses and my colleagues for joining today's important discussion on the implementation of the Workforce Innovation and Opportunity Act (WIOA).

It has been almost three years since the bipartisan Workforce Innovation and Opportunity Act was signed into law, and now it is time for Congress to explore whether or not the included reforms are being turned into action.

Prior to the passage of WIOA, the federal government had over 47 separate but overlapping employment education programs across nine different federal agencies. To make matters worse, most of the programs targeted similar populations and provided similar services. Additionally, the report also found that only five of the programs had been evaluated for effectiveness and their success rate in helping unemployed and underemployed workers find employment.

These programs were textbook cases of how the federal government can create a web of well-intentioned programs that are not serving the needs of the very Americans for whom the services are designed. As a result, Congressional action was needed to fix these programs so American workers could succeed in a recovery economy.

The bipartisan passage of WIOA streamlined the confusing maze of workforce development programs; decreased administrative overhead; required better coordination for adult, unemployed, and youth programs; and increased accountability for the use of taxpayer funds.

I am proud to say that so many members of this committee, including Chairwoman Virginia Foxx, played an instrumental role in creating the final version of WIOA that was signed into law.

Congress answered the call for workforce education and development reforms, but has faced an uphill climb in getting these reforms implemented on the state and local level.

Despite the overwhelming support for the passage of WIOA, it faced significant implementation delays during the Obama Administration.

For example, the Department of Labor missed key deadlines when issuing guidance to state and local leaders. According to the Government Accountability Office, these delays made it difficult to carry out many of WIOA's strategic priorities.

While we have a new administration, the need for congressional oversight is still essential to ensure a timely and proper implementation of WIOA.

Our conversation today could not be timelier as President Trump announces new measures to strengthen our nation's workforce education and development programs.

While the president's executive actions are encouraging, the implementation of WIOA and congressional action to reauthorize federal support for career and technical education can provide a lasting improvement to how our citizens find success through workforce development and education programs.

Our witnesses before us are some of the best stories of WIOA's success, and I look forward to hearing their stories throughout today's hearing.

Their testimony will only further emphasize the need for federal entities to implement the reforms put forth in WIOA as Congress intended.

Congress has provided the necessary statutory reforms to our workforce education and development programs, and now more than ever, it is important we deliver on implementation, ensuring that American workers are being given the skills they need to thrive in the Twenty-First Century economy.

Ms. DAVIS. Thank you. Thank you, Chairman Guthrie. I appreciate your convening this important hearing and want to thank all of our witnesses for being here. I also just want at the outset to express my prayers and my concerns for the victims and their families and we wish them a full recovery in the events of yesterday.

Today's hearing is focused on the implementation of the Workforce Innovation and Opportunity Act, what we know as WIOA. This landmark bipartisan bill that chairman just spoke of, whose primary author is the distinguished chairwoman of our committee, Dr. Foxx, was signed by President Obama nearly 3 years ago. I was certainly proud to be among the 400 House members who sup-

ported WIOA, and I know for those members of this committee who were here, I know that they are proud of that as well, and proud because it sought to help workers, to benefit businesses, revitalize our economy, and strengthen the middle class.

Specifically, WIOA sought to ensure working people of all ages and all abilities could get the training and the skills they need to obtain well-paying jobs. It also sought to ensure employers, that they could hire a skilled workforce so our country can compete in the global economy.

In my district the workforce system has become an incubator for developing innovative training programs for young people. Tech sector industry leaders, the workforce system, and educators are coming together to develop programs where young people emerge with life-enhancing productive skills sought in the marketplace. WIOA encourages and even demands that these groups come together to meet the needs of an ever-changing economy.

The reality is that as budgets are cut, the first programs to go are the newest and the most forward-thinking. The innovation that WIOA is fostering could be halted, preventing the expansion of these partnerships.

So, Mr. Chairman, fulfilling an innovative vision of our workforce becomes even more challenging, challenging when you consider the cuts put forth in the President's proposed budget. These cuts would undermine the progress and advancements our workforce system has made in the past few years. As you will see on the screen, and we are going to put up some numbers [laughter]—well, we always worry about the tech at the time that you need it, right?

Well, hopefully that will get up there. The President proposed funding cuts for the youth, for the adult training, dislocated workers and adult education formula funds for each of our home States by about 40 percent, cuts by about 40 percent from current funding levels for all of those programs. In all, the President's budget proposed a staggering $1 billion in cuts to these programs. And now that is on the screen, what it indicates for many of the members their home State, not their home district, but for their home State, the cuts in the four different programs.

More importantly, we have not yet had a full year of WIOA implementation data to analyze. It is unthinkable to consider cutting critical programs without giving them a chance to become established and successful in our communities. Modernizing our Nation's workforce system is critical. Researchers estimate that at our Nation's current rates of training and educating, the United States will face a shortage of 5 million skilled, educated workers by 2020. And by 2020, 65 percent of all jobs will require some form of post-secondary degree or credential.

So in this hearing I hope we can take a close look at how our workforce systems have improved since WIOA. But also, I hope to hear how we can build upon these successes and surmount any challenges, because together we must ensure that WIOA fulfills its goals of improving the quality of job training programs and aligning training to real-world labor market needs. In particular, we must be sure to empower people with disabilities, disconnected youth, and dislocated workers who have faced barriers to entering our workforce systems for far too long.

In the weeks and months ahead, I am hopeful that Congress will reject the President's proposed cuts to job training programs and make the right investments in our Nation's workforce development system. But we should not stop there. We should be working together on a bipartisan basis, just like we did with WIOA, to help workers get ahead, to make college more affordable and accessible, and restore balance to the economy so all Americans can provide a better future for their families.

Thank you very much, Chairman Guthrie, for convening today's hearing and all the witnesses, again, for taking time out to be with us today. Thank you.

[The statement of Mrs. Davis follows:]

Prepared Statement of Hon. Susan A. Davis, Ranking Member, Subcommittee on Higher Education and Workforce Development

Thank you, Chairman Guthrie. I appreciate you convening this important hearing, and I want to thank all of our witnesses for being here today.

Today's hearing is focused on the implementation of the Workforce Innovation and Opportunity Act – or WIOA. This landmark bipartisan law, whose primary author is the distinguished Chairwoman of our Committee, Dr. Foxx, was signed by President Obama nearly three years ago.

I was proud to be among the 400 House Members who supported WIOA when it passed because it sought to help workers, benefit businesses, revitalize our economy, and strengthen the middle class. Specifically, WIOA sought to ensure working people of all ages and all abilities could get the training and skills they need to obtain well-paying jobs. It also sought to ensure employers could hire a skilled workforce so our country can compete in the global economy.

In my district the workforce system has become an incubator for developing innovative training programs for young people. Tech sector industry leaders, the workforce system and educators are coming together to develop programs where young people emerge with amazing skills.

WIOA encourages and even demands that these groups come together to meet the needs of an ever changing economy. The reality is that as budgets are cut, the first programs to go are the newest and most forward-thinking. The innovation that WIOA is fostering will be halted, preventing the expansion of these partnerships.

Mr. Chairman, fulfilling an innovative vision of our workforce becomes even more challenging when you consider the cuts put forth in the President's proposed budget. These cuts would undermine the progress and advancements our workforce system has made in the past few years.

[INTERNAL NOTE: Please pause to allow for power point slide to be projected on to the Committee hearing room's screen.]

[Additional submission by Mr. Courtney follows:]

WIOA in Eastern Connecticut

The Eastern CT Manufacturing Pipeline has completed 14 classes since its April 2016 inception.

427 total employed through the program.

161 individuals completed training classes – with a **94% job placement** rate.

As you'll see on the screen, the President proposed funding cuts for the youth, adult training, dislocated workers, and adult education formula funds for each of our home states by about 40 percent from current funding levels. In all, the President's budget proposed a staggering $1 billion in cuts to these programs.

More importantly, we have not yet had a full year of WIOA implementation data to analyze. It is unthinkable to consider cutting critical programs without giving them a chance to become established and successful in our communities.

Modernizing our nation's workforce system is critical. Researchers estimate that at our nation's current rates of training and educating, the United States will face a shortage of 5 million skilled, educated workers by 2020. And by 2020, 65 percent of all jobs will require some form of post-secondary degree or credential.

In this hearing, I hope we can take a close look at how our workforce systems have improved since WIOA. But also, I hope to hear

how we can build upon these successes and surmount any challenges. Together, we must ensure that WIOA fulfills its goals of improving the quality of job training programs and aligning training to real-world labor market needs. In particular, we must be sure to empower people with disabilities, disconnected youth, and dislocated workers who have faced barriers to entering our workforce systems for far too long.

In the weeks and months ahead, I'm hopeful that Congress will reject the President's proposed cuts to job training programs and make the right investments in our nation's workforce development system. But we shouldn't stop there. We should be working together on a bipartisan basis – just like we did with WIOA –to help workers get ahead, make college more affordable and accessible, and restore balance to the economy so all Americans can provide a better future for their families.

Thank you, Chairman Guthrie, for convening today's hearing and all the witnesses for taking time out of their schedules to be with us. I yield back my time.

Chairman GUTHRIE. Thank you. I thank the ranking member for yielding back and her comments. Pursuant to committee rule 7C, all members will be permitted to submit written statements to be included in the permanent record, and without objection, the hearing record will remain open for 14 days to allow such statements and other extraneous material referenced during the hearing to be submitted for the official hearing record.

Today I welcome Mr. Wilson to the subcommittee and recognize him to introduce our first witness.

Mr. WILSON of South Carolina. Thank you, Chairman Guthrie, for inviting me to be here today. Chairman Brett Guthrie, Ranking Member Susan Davis, members of the subcommittee, I am grateful for the opportunity to introduce fellow South Carolinian Michelle Paczynski. I appreciate also being here with Chairman Virginia Foxx, who is working so closely with President Donald Trump to help American families with fulfilling lives. Ms. Paczynski serves as a deputy assistant director for workforce and economic development at the South Carolina Department of Employment and Workforce. In her role she advances a business inspired workforce system, one that develops strategic partnerships that enhances the workforce system's ability to produce a workforce pipeline for jobs.

I am grateful that she is before the subcommittee to testify today. Through the efforts of Ms. Paczynski and other members of the South Carolina Department of Employment and Workforce, South Carolina has seen a remarkable success in implementing the Workforce Innovation and Opportunity Act. Of special note is their use of innovative strategies, like career and technical education program partnerships, apprenticeships, technical colleges to develop talent pipelines, and addressing infrastructure challenges to ensure that people find meaningful jobs as we have achieved, and she has at Boeing, at MTU, at BMW. We were just discussing all

these; Michelin Tire Corporation, Bridgestone Tire Corporation, and now soon Volvo, to be located in South Carolina. Their success is clear and tangible. South Carolina's unemployment rate is at a 16-year low, and more and more businesses from around the country are realizing that our talented workforce and pro business climate make our State a great place to create or locate a business with meaningful jobs.

I look forward to hearing Ms. Paczynski outline how South Carolina's Department of Employment and Workforce has implemented the Workforce Innovation and Opportunity Act and hope her perspective can provide examples and best practices other States can use when looking to maximize their implementation of the act and to help more of their citizens find jobs.

Mr. Chairman, thank you for the opportunity to introduce Ms. Paczynski. I yield back.

[The statement of Mr. Wilson follows:]

Prepared Statement of Hon. Joe Wilson, a Representative in Congress from the State of South Carolina

Chairman Brett Guthrie, Ranking Member Susan Davis, members of the Subcommittee, I am grateful for the opportunity to introduce a fellow South Carolinian, Michelle Paczynski. I appreciate being present with Chairwoman Virginia Foxx who is working so closely with President Donald Trump to help American families with jobs, fulfilling lives.

Ms. Paczynski serves as the Deputy Assistant Director for Workforce and Economic Development at the South Carolina Department of Employment and Workforce. In her role, she advances a business-inspired workforce system—one that develops strategic partnerships that enhances the workforce system's ability to produce a workforce pipeline for jobs. I am grateful that she is participating to testify to testify before this subcommittee.

Through the efforts of Ms. Paczynski, and other members South Carolina Department of Employment and Workforce, South Carolina has seen remarkable success in implementing the Workforce Innovation and Opportunity Act. Of special note, is their use of innovative strategies, like career and technical education program partnerships, apprenticeships, technical colleges, developing talent pipelines, and addressing infrastructure challenges, to ensure that people can find meaningful jobs, as we have achieved with Boeing, MTU, BMW, Michelin, Bridgestone, and now Volvo. With the vision of former Governors Jim Edwards and Carroll Campbell, South Carolina has grown to be the nation's largest manufacturer and exporter of tires as well as America's largest exporter of cars.

Their success is clear, and tangible—South Carolina's unemployment rate is at a 16 year low, and more and more businesses from around the country are realizing that our talented workforce and pro-business climate make our state a great place to create or locate a business with meaningful jobs.

I look forward to hearing Ms. Paczynski outline how South Carolina's Department of Employment and Workforce has implemented the Workforce Innovation and Opportunity Act, and hope her perspective can provide examples and "best practices" other states can use when looking to maximize their implementation of the Act and to help more of their citizens find jobs.

Mr. Chairman, thank you for the opportunity to introduce Ms. Paczynski.

I yield back.

Chairman GUTHRIE. Thank you, Mr. Wilson. And I will continue this morning's introductions. Mr. Heath Berlin is an information insurance manager at the Naval Healthcare Clinic, Annapolis. Beat Navy. I have to say that. When I say Annapolis it is just in me. Mr. Ron Painter is the president and CEO of the National Association of Workforce Boards. And Mr. Louis Dubin is the chairman of the Governor's Workforce Development Board for the State of Maryland.

I will now ask the witnesses to raise their right hand.

[Witnesses sworn]

Chairman GUTHRIE. Let the record reflect the witnesses answered in the affirmative.

Before I recognize you to provide your testimony, let me briefly explain our lighting system. You will each have 5 minutes to present your testimony. When you begin, the light in front of you will turn green. When 1 minute is left, the light will turn yellow. When your time is expired, the light will turn red. When the light turns red I will ask you that you wrap up your remarks as best as you are able. Members will have 5 minutes each after your testimony to ask questions.

First, I will recognize for 5 minutes for opening testimony Ms. Paczynski.

TESTIMONY OF MICHELLE PACZYNSKI, DEPUTY ASSISTANT DIRECTOR FOR WORKFORCE AND ECONOMIC DEVELOPMENT, SOUTH CAROLINA DEPARTMENT OF EMPLOYMENT AND WORKFORCE

Ms. PACZYNSKI. Thank you, Representative Foxx, Representative Scott, Representative Wilson, Chairman Guthrie, Ranking Member Representative Davis, and the members of the subcommittee. It's an honor and privilege to be here today to talk about the progress we have made because of the Workforce Innovation and Opportunity Act. We are putting South Carolinians to work.

South Carolina's economy is strong and growing as businesses continue to relocate and expand in our State. We have a record number of people working and an unemployment rate at a 16 year low. Congress' efforts to pass the Workforce Innovation and Opportunity Act has provided South Carolina the ability to tackle workforce development through innovative ways, to better engage businesses, and educate and empower our workforce.

Our transformational journey began with collaboration. Under WIOA, the State Workforce Development Board is considered to be the State's architect and ambassador for workforce development. With majority representation by business leaders from the State's high-growth industries South Carolina's Board convened the Workforce Partners and executed a memorandum of understanding. This contract was the platform for stakeholders to move forward in unison towards retooling the workforce system and educating our existing and emerging workforce. WIOA fueled South Carolina's ability to deploy initiatives that address business and industry's concerns of a fractured workforce system.

The South Carolina Talent Pipeline Initiative, also known as Sector Strategies, was the incubator for regional industry-focused methods to build a skilled workforce that identify and address skill needs across key industries rather than focusing on transactional workforce needs of individual businesses.

A critical component that was identified in analysis of our workforce system was a lack of public transit for employment and education. In an effort to empower regions' strategies to build their workforce, the State Workforce Development Board is investing State-level WIOA funds into communities that have designed innovative public transit models. WIOA champions the prioritization of

services for those who face significant barriers to employment. South Carolina has experienced great success educating and employing ex-offenders into high-growth industries. Historically, ex-offenders were released into the same environment from which they came, lacking the education and skills needed to succeed outside a prison. Using Title III money South Carolina piloted a job center behind the wire, deploying a case manager and laptops onsite to provide the same services and information provided to job seekers in a one-stop center. Of the 516 people who have completed the program and have since been released, 75 percent are earning wages. Seeing the outcomes from this pilot, the State Workforce Development Board invested State-level WIOA funds to expand employment services into additional correctional facilities.

WIOA has also reinforced our emphasis on apprenticeships as the premier tool for businesses to recruit and retain workers. South Carolina provides businesses with a $1,000 tax credit per apprentice for up to 4 years. With 893 active apprentice programs in South Carolina, the State boards sought to braid apprenticeships with services provided to priority populations and awarded State-level WIOA funds into competitive grants.

WIOA emphasizes that relationships between the public and private sectors is crucial in the workforce system's ability to provide businesses with workforce solutions. Several members of our State Workforce Development Board also serve as representatives on the State Chamber of Commerce Board of Directors and as a result many of our workforce initiatives align with the State Chamber's 2025 education goals.

In conclusion, WIOA has significantly expanded South Carolina's ability to strategically align resources, programs, and policies to build a skilled workforce and more effectively serve businesses.

Thank you.

[The statement of Ms. Paczynski follows:]

Hearing Title: Helping Americans Get Back to Work: Implementation of the Workforce Innovation and Opportunity Act

Testimony of Michelle Paczynski
Deputy Assistant Executive Director for Workforce and Economic Development
South Carolina Department of Employment and Workforce
Columbia, SC

Before the
Subcommittee on Higher Education and Workforce Development
Committee on Education and the Workforce
U.S. House of Representatives

June 15, 2017

Workforce Innovation and Opportunity Act (written testimony)

Thank you Representative Wilson, Chairman Guthrie, Ranking Member Representative Davis and the members of the subcommittee. It is an honor and privilege to be here today to talk about the progress we have been able to make because of the Workforce Innovation and Opportunity Act. We are putting South Carolinians to work.

South Carolina (SC) is experiencing a period of economic growth as more businesses decide to expand in our state. We have a record number of people working and an unemployment rate at a 16-year low, at 4.3%.

The Workforce Innovation and Opportunity Act (WIOA) has given states the flexibility and tools they need to foster strategic partnerships, invest resources into innovative methodologies, and educate their workforce. South Carolina has seized the opportunity to enhance business engagement, to educate and empower job seekers, and ultimately to provide businesses with skilled workers.

In Program Year 2014, all state agencies that support and contribute towards workforce development, beyond just the required partners, came together to start a new era of true collaboration and coordination, beginning with educating each other on programs and services each can provide. These agencies included: the South Carolina Department of Employment and Workforce (DEW), the State Board for Technical and Comprehensive Education, Department of Social Services, South Carolina Department of Vocational Rehabilitation, Lieutenant Governor's Office on Aging, Department of Education, Governor's Office of Economic Opportunity, Job Corps, South Carolina Indian Development Council, Inc., Department of Juvenile Justice, Department of Corrections, and Department of Probation, Parole, and Pardon. The agencies agreed they serve the same customers (jobseekers and business), have limited resources, and must all work together at the state and local level, to drive a public workforce system that initiates employment and re-employment in a manner that is efficient and effective.

As a result, strong relationships were forged, allowing the execution of a State Partner MOU, which was signed into effect on February 11, 2015, assisting South Carolina's state and local workforce development partners with effective coordination and collaboration of programs, services, and governance structures.

With all the partners working together to achieve a skilled workforce, the workforce system embraced a new landscape of resource alignment and data validation. Listed below are examples of how the Workforce Innovation and Opportunity Act ("WIOA") accelerated workforce development in South Carolina.

Talent Pipeline- South Carolina took seriously the concept of sector strategies underpinning WIOA and created the talent pipeline initiative across programs and agencies. The State Workforce Development Board invested state-level WIOA funds to initiate regional, industry-focused methods, including the use of data to identify and address skill needs across key industries within a region, rather than focus on the workforce needs of individual businesses on a case-by-case basis.

Data consultants from each of the champion agencies analyzed and presented data to the state leadership team. As a result, South Carolina identified the following five sectors; Diversified Manufacturing, Construction, Health Care, Information Technology and Transportation and Logistics as the high-growth industries for which to build a workforce.

The next steps in the talent pipeline initiative include:

- Identifying the workforce development programs and funding we have to identify gaps
- Identifying the skill demand of jobs South Carolina has and will need, and compare that to the supply of talent we have to address the gaps.
  Create a uniform level of business service, and allow government business services representative to promote workforce solutions.

Transportation Demonstration Grants – Lack of public transit was identified during the initial phase of the talent pipeline process as a major gap in regions efforts to retool their workforce. The State Workforce Development Board (SWDB) invested state-level WIOA funds into the expansion of public transportation in an effort to remove this barrier to employment and education for jobseekers and incumbent workers. The Transportation Demonstration Grants will provide up to $100,000 to pilot innovative models that utilize existing transportation infrastructure, such as vehicles and designated transit providers to offer transportation to job seekers and incumbent workers, incorporating a 24/7 capacity if needed.

Business Engagement – Our strategies have centered on the importance of establishing relationships with businesses that move beyond just job placements to a deeper understanding of their needs and providing effective solutions. "Quality" is correlated with "solutions" that stem from understanding individual business needs. The public workforce system can provide solutions to business problems through talent development and acquisition. Meaningful engagement starts with business awareness of the workforce system, to then education on how to access it, to then utilizing the services to address their talent needs. In Program Year 2015, the State Workforce Development Board challenged the workforce system to engage 10,000 new businesses, invested state-level WIOA funds into an incentive program, and launched a Customer Relations Management Module. As a result, 11,635 new businesses were engaged, many of which were small businesses who lack the internal resources typically found in Human Resource departments in larger businesses.

In addition to increasing the quantity of businesses engaged, SC sought to strengthen the quality of business engagement. The South Carolina Department of Employment and Workforce hired an Economic Developer to forge stronger ties between the workforce and the economic development communities. She has visited with over fifty economic development entities in the state and numerous

local chambers of commerce, lending to the understanding of business services amongst all workforce stakeholders. Through this curriculum, workforce professionals, beyond the required partners, are educated on how to engage the business community, how to speak their language, and how to utilize labor market information. Those include representatives of South Carolina Department of Social Services, Goodwill, United Ministries, Upper Savannah Council on Government, GLEAMNS-HRC, South Carolina Adult Education, Palmetto Training, Inc., South Carolina Vocational Rehabilitation, The Technical College of the Lowcountry, South Carolina Commission for the Blind, South Carolina Department of Disabilities and Special Needs, and Colleton County Economic Alliance.

Alignment of the State Workforce Board with the State Chamber of Commerce's 2025 Educational Goals – Several members of the State Workforce Development Board also serve as representatives on the state Chamber of Commerce board, including DEW's Executive Director Cheryl Stanton. The intersection between the two leadership bodies significantly promoted workforce efforts that directly address business and industry's needs. The initiatives that the State Workforce Development Board invested state-level WIOA funds into tie back to the State Chamber's 2025 Education Goals, which include:

- 10 % yearly increase in the number of students completing a Career and Technology Education (CATE) Program of Study leading to a specialized stackable credential of value.
- 10 % yearly increase in Technical College issued certificates and credentials in areas that support SC's workforce sector strategies.
- SC will exceed the national average for awarding two and four college degrees in disciplines that support SC's workforce sector strategies.
- Double the number of businesses supporting Work Keys and registered as Work Ready Communities supporters.
- Apprenticeship will continue growing at a yearly rate of 10 %.
- Businesses participating in the Youth Apprenticeship Initiative will increase by 10 % each year and will be in all 46 counties.

Re-entry Employment Services - Approximately 10,000 people are released each year from South Carolina prisons. Historically, ex-offenders are released into the same environment from which they came, lacking the education or skills needed to succeed outside of prison.

Through WIOA Title III funds, SC developed a pilot program in 2014 at a state correctional facility, the Manning Pre-release Center, where a case manager from the public workforce system was placed on site with laptops and materials to assist eligible returning citizens with work-ready skills and education. Ninety days prior to release, inmates are taught employment skills through:

- workshops
- mock interviews
- resume assistance
- basic computer skills
- job search tactics
- soft skills

The initial outcomes from the pilot indicate:

- 516 returning citizens who have completed the program and have been released from prison, 389 or 75%, are earning wages.

With proven results stemming from the pilot, the State Workforce Development Board invested state-level Workforce Innovation and Opportunity Act funds into expanding the program to other correctional facilities.

Apprenticeships – South Carolina promotes apprenticeships as an effective worker recruitment and retention solution to both businesses and job seekers. We have served more than 26,000 apprentices and there are more than 893 active apprenticeship programs, and 166 youth apprenticeships (age 16 and 17). South Carolina offers business a $1,000 tax credit per apprentice for up to four years.

The South Carolina Technical College System has proven to be highly efficient with state dollars in its efforts to grow apprenticeships. Apprenticeship Carolina's operational budget of less than $500,000 is enhanced greatly because of its full backing and support of the Technical College System and its 16 sister colleges. Based on a study by EMSI it is estimated that the one year apprentice wage contribution is $185.3 million in added wages to the South Carolina economy. This is the equivalent of the creation of 2,952 new jobs.

To further increase the number of apprenticeship programs and prioritize employment and educational opportunities for individuals with barriers to employment, the State Workforce Development Board invested state-level WIOA funds into the development of apprenticeship opportunities for priority populations in both Program Year 2015 and 2016.

Integration of the Supplemental Nutrition Assistance Program into the Public Workforce System - In 2015, then Governor Nikki Haley asked the Department of Employment and Workforce (DEW) and the Department of Social Services (DSS) to collaborate on the provision of employment services provided to clients receiving Supplemental Nutrition Assistance Program (SNAP) benefits. The two agencies executed a Memorandum of Understanding to co-locate the SNAP Employment and Training staff in the comprehensive centers throughout the state.

The Department of Social Services also executed a Memoranda of Understanding (MOU) and Resource Sharing Agreements (RSAs) with each of the 12 local workforce development boards in South Carolina. This formalized the referral process of SNAP participants with all workforce partners. Efforts are also underway to transition Temporarily Assistance to Needy Families (TANF) workers into the comprehensive centers.

Partner Infrastructure/Resource Sharing - Although the Workforce Investment Act required partner resource sharing in support of the one-stop system, the reality was that only a few partners carried the financial burden. Now through WIOA and the coordination efforts of the U.S. Departments of Labor and Education, a unified message regarding resource sharing is facilitating a more comprehensive approach to financial support of the one-stop system.

In South Carolina, the state level partners met to ensure mutual understanding of the federal guidance received regarding MOUs and Infrastructure Funding Agreements (IFAs). State guidance was drafted for local boards that included MOU and IFA templates. Each of the core program partners, as well as the TANF and SNAP E&T partners, were involved in the development process. To facilitate timely execution of IFAs, state partners committed to ensuring a consistent representative attend each of the local area IFA negotiations.

In conclusion, WIOA has significantly expanded South Carolina's ability to strategically align resources, programs and policies to build a skilled workforce and more effectively serve businesses.

Thank you.

Chairman GUTHRIE. Thank you for your testimony. I will now recognize Mr. Berlin for 5 minutes for his testimony.

TESTIMONY OF HEATH BERLIN, INFORMATION INSURANCE MANAGER, NAVAL HEALTHCARE CLINIC

Mr. BERLIN. Good morning. Thank you, Mr. Chairman, and members of the subcommittee.

So I'm here as a successful candidate of the WIOA. And the program in Maryland is called the Maryland Tech Connection. So I'll just give you a little bit of how I came to be in contact with workforce development and ——

Chairman GUTHRIE. Would you pull your mic up a little closer to you? It would be easier to hear everything.

Mr. BERLIN. Sorry. On December 31, 2015, New Year's Eve, the company I worked for, Resilience Technology Corporation, was acquired by another company, Integrata Security. After about a month, Integrata laid all the employees off. Some of us were called back a few weeks later, but by May of 2016, everybody was laid off. So I started looking for jobs, lots of interviews, lots of job fairs, things like that, without getting any traction. In July, I went to the Anne Arundel Workforce Development Center in Arnold, Maryland, and registered for one of the WIOA workshops. The next available one was in August as they were filling up. So after the workshop I met with a woman named Carla Win, who accepted me into the program. I qualified because of receiving unemployment benefits. And together with her, we sort of mapped out a strategy of what I needed to get reemployed and what the obstacles I was finding to employment. And some of those were certifications, the Network Plus, Security Plus, and Certified Ethical Hacker certification, which I had trained for previously, but never had taken the exams because, you know, previous employers had said they would pay for it and, you know, by the time I really needed them, there was nobody there to pay for it, particularly me. So they were able to provide funding for the Certified Ethical Hacker education course and exam and also vouchers for the CompTIA Security Plus and Network Plus exams.

So I completed those and continued searching for a job; however, I wasn't successful. I had lots of support from the program. There was career coach Carl Cushinksi, who was very helpful in helping me focus my resume, practicing interviews before going to the actual interviews. And even though, you know, every day I would spend all day on the computer applying for jobs, phone interviews, video conference interviews, face-to-face interviews, I just wasn't getting anywhere.

So by November, I hit the 6-month mark, unemployment ran out, and I was still unemployed, at which time Carl introduced me to Alfredo Quieroga, we call him Q, who delivered—I guess he was the instructor and the guy that enrolls people in Maryland Tech Connection, which the program itself focuses on people who have been long-term unemployed, which they defined as greater than 6 months. So I met with Q in an informational seminar that he held at the Glen Burnie Workforce Development Center and made an appointment for testing. You report to the Laurel Anne Arundel Workforce Development Center for aptitude testing, sort of to see

what maybe your passion is. You know, the program itself sort of has two tracks it seems to focus on with industry partners, one being IT and IT security, the other being biomedical science and technology. So the aptitude tests sort of help you define what you know and what you're good at and what your passion is, as well as maybe what soft skills you have or need. And after taking these tests you're assigned to the program. Luck of the draw.

Anyhow, long story short, while in the program I discovered the Earn and Learn Program. While I had been looking for a job, I interviewed with this company called Phalanx, who wanted to hire me, but they were a startup so they didn't have money. So when I reached back out to them after being in the program for 2 days and explained the Earn and Learn Program, they immediately got on board and asked for more information and said if we could work it out, if there would be the funding to bring me on board with some sort of subsidy while I was getting up to speed, they would be glad to hire me right away.

So within a month of entering into the program I was employed full-time with Phalanx Security.

[The statement of Mr. Berlin follows:]

Hearing Title: Helping Americans Get Back to Work: Implementation of the Workforce Innovation and Opportunity Act

Written Testimony of Mr. Heath Berlin
Information Assurance Manager
Naval Health Clinic Annapolis

Before the Subcommittee on Higher Education and Workforce Development
U.S. House of Representatives

June 15, 2017

In March 2012, I was employed by Resilience Technology Corporation (RTC), a manufacturer of network security appliances (Firewalls). I was employed as a System Engineer to provide system administration, network security, research and development and customer support to our global client base.

On December 31, 2015, RTC was Acquired by Integrata Security. On February 1, 2016 all employees were laid off. I was recalled two weeks later, promoted to Senior System Engineer and then was again laid off May 16, 2016.

In July 2016, I registered for the August workshop at the Arnold, MD office of Anne Arundel Workforce development. At the workshop, I was accepted into the WIOA program. I qualified for the program because I was receiving unemployment benefits. I met with Karla Wynn who helped me obtain funding for additional education and exams: EC-Council Certified Ethical Hacker and exam, and vouchers for the Comp-TIA Security and Network + exams.

I further met with Carl Kushinsky who helped me focus my resume and provided me with interviewing practice. Between September and December 2016, I studied and completed the exams and interviewed regularly for as many positions as I could, via telephone, video conference and in person, all without success.

One of the companies I interviewed with during this period was Phalanx Secure Solutions, a company which provided monitored security through the use of imbedded IDS devices in their customer's networks. They also had a need to provide firewall management and implementation and forensic analysis (I am an AcessData and BlackLight Certified Examiner, as well as a DoD-DC3 certified Forensic Incident Responder).

Phalanx was a startup which had recently expanded and did not have funds to bring me on at the time.

By December, I was out of unemployment benefits and still had no job. Carl Kushinski introduced me to Alfredo Quiroga "Q", who I met at and introductory meeting at the Glen Burnie MD AAWDC, who advised me of the Maryland Technology Connection MTC. I

was advised of the testing regiment, which included aptitude, ability/education, business ethics/situational intelligence, and the random assignment of treatment.

December 5, 2016, I completed the testing as was assigned to the treatment group for the December 12th workshop.

I found the workshop very valuable in its holistic approach. The focus was not only practical in the sense that it was goal driven to finding the participants jobs, but also that it addressed the anxiety, anger and frustration of being unemployed for a long period and feeling stuck.

All of the participants were close in age (mostly over 40) and had similar job searching experience. The program helped manage the distractions of unemployment so as to allow us to focus on planning and execution to get employed.

One of the most valuable tools the program provided (at least in my case) was funding, which could be used for education or as an incentive to a prospective employer to hire a participant.

Not knowing all of the details of the "Earn and Learn" program, I reached back out to Phalanx and explained the program I was in and how there might be funding for them to help pay my salary. They immediately agreed to talk with the MTC to learn more and work out the details.

I advised Q of this possibility on Wednesday the 14th. He then put me in touch with my Industry Navigator, Aggie Nteta. I met with Aggie to discuss the prospect. I, of course, wanted to jump right in with all of the funding available and get back to work. Fortunately, Aggie's deliberateness prevented me from using all the funding as an incentive for Phalanx so that I could use half for additional education: CISSP Bootcamp and Exam, and Amazon Web Services Systems Operations and Certification Exam.

Phalanx, after consulting with Aggie (the Industry Navigator), wanted me to start right after the Holidays. However, since Aggie was only one of three Navigators statewide, the coordination took a little longer.

By January 18, 2017 I was employed full time as a Security Analyst at Phalanx Secure Solutions – less than a month after starting the program. By March, I was promoted to Director of Security Operations. (Security analysts work in the SOC-the Secure Operations Center. The DOC is the SOC lead who interfaces with the customers to provide alerts and recommend remediation.)

While looking for employment during my time at the program, I had applied on USAJobs for a position at the Naval Health Clinic Annapolis. I interviewed for the position while things were being finalized with Phalanx. I was then advised, via an email from USAJobs, that I had not been selected for the position Information Assurance Manager at NHC Annapolis.

In April, Aggie's wisdom came into play as Phalanx had run into cash flow issues – as startups sometimes do. Fortunately, I had been paid the MTC funding and was engaged in my AWS course when I received a call from the Naval Health Clinic Annapolis telling me that I had actually been selected for the IA Manger position.

My AWS and CISSP exam preparation continued through May 26, 2017 and I reported to NHC Annapolis on May 30, 2017. I am completely certain that I would not have been selected for this position had it not been for the funding provided by AAWDC and the MTC to pursue the additional education and preparations. They led me to the job at Phalanx, which in turn prepared me for the NHC Annapolis.

They have been a great help and service in getting me moving towards prosperity again! Everyone I worked with there was extremely professional and I appreciate all of their hard work, but then again I really hope to not ever need their services again.

Chairman GUTHRIE. Thank you for your testimony. I appreciate it. I enjoyed hearing your testimony.

Mr. Painter, you are recognized for 5 minutes for your testimony.

TESTIMONY OF RON PAINTER, PRESIDENT AND CEO OF THE NATIONAL ASSOCIATION OF WORKFORCE BOARDS

Mr. PAINTER. Chairman Guthrie, Ranking Member Davis, and subcommittee members, I thank you for the opportunity to testify before the subcommittee today regarding WIOA, which this committee crafted and Congress overwhelmingly approved in 2014.

My name is Ron Painter and I'm the president and CEO of the National Association of Workforce Boards, which represents the Nation's 550 workforce boards and the over 15,000 volunteers who serve on those boards, a majority of whom are from the private sector. Boards coordinate, help launch, and oversee workforce development strategies for their cities, regions, and States, partnering with local elected officials, education, economic development, our entities in WIOA, adult literacy, Wagner-Peyser, voc rehab, and a large network of stakeholders in their region. There is an astonishing amount of churn in America's labor market. The most recent year saw over 60 million separation from jobs and over 62 million hires. State and local workforce boards strive to understand the changes in labor markets that are evidence in this churn and to align the workforce development system accordingly so that people get to work quickly with the skills that are in demand.

Workforce development boards leverage State and local general revenue funds, private philanthropic funding, and fee for service revenue. But the Federal funds are key to making all of this happen. We urge the 115th Congress to renew its commitment to a world-class skilled workforce through adequate funding of education at all levels in the workforce development system by maintaining the funding levels for WIOA in fiscal year 2018.

WIOA brought numerous changes to the workforce development system, including requiring the Departments of Labor and Education to implement a common performance accountability system across the six core programs, which will provide a more consistent outcome data on which to base evaluations. While the most extensive full evaluation of workforce is still underway there are initial results from this gold standard evaluation. In the preliminary findings we conceded the availability of intensive services, people-to-people work that Heath experienced, increased earnings and employment for program participants. Evidence is also demonstrating that the most effective type of skill development is one linked directly to specific work and skills and demands within a region. Work-based training models, which are the core of WIOA, including registered apprenticeships and industry-specific training, are very impactful and alone call for increased funding to WIOA.

Let me mention quickly three examples. IT coding program in Eastern Kentucky, an initiative of the Eastern Kentucky Concentrated Employment Program, called Teleworks USA, identifies and developed legitimate remote work opportunities and helps people prepare for and land these jobs in numerous counties across the State. This effort, though, has thus far been estimated to have an economic impact of more than $13.1 million in new wages to East-

ern Kentuckians by network employees inside and outside the State.

In Connecticut, Electric Boat, which builds nuclear submarines for the U.S. Navy and its supply network in the region, have benefited from an initiative led by the Eastern Connecticut Workforce Board called the Eastern Connecticut Manufacturing Pipeline Initiative. Electric Boat's work is expected to yield over 500 additional skilled workers and employers find that the initiative's trainees are better prepared for success. Likewise the boards in Newport News, Virginia, working with Huntington Ingalls on the shipyard. In Pittsburgh, a large urban healthcare provider struggled to hire and retain environmental service workers. These workers have a direct correlation to infection control, readmission, and customer satisfaction. Partners for Work, the workforce board in Pittsburgh, partnered with the Energy Innovation Center, itself a consortium of education and business, to build a mock hospital unit and design curriculum with a clear pathway to work. Thus far 100 percent of the participants have been placed with starting wages of $12.50.

These examples demonstrate that workforce boards are core to their communities by convening industry sectors to ascertain skill needs, designing solutions with community college and others, funding some of those solutions, and successfully recruiting and placing participants. We assure you that advances in better data gathering and analytics, guided by the private sector's twin focus of effectiveness and continuous improvement further offer promise for an even more effective delivery system.

And, again, we urge Congress to reject the proposed cuts.

I thank you for the opportunity to testify and I look forward to answering questions.

[The statement of Mr. Painter follows:]

Written Testimony of

Ronald Painter
Chief Executive Officer, National Association of Workforce Boards

Before the House Education and Workforce Committee
Subcommittee on Higher Education and Workforce Training

June 15, 2017

Chairman Guthrie, Ranking Member Davis and Subcommittee Members, I thank you for the opportunity to testify before the Subcommittee today about the progress of reforms to the Workforce Innovation and Opportunity Act made by the Committee and the Congress in 2014. My name is Ronald Painter, CEO of the National Association of Workforce Boards (NAWB). The NAWB represents the nation's 550 Workforce Development Boards and their 15,000+ board members, a majority of whom are private sector representatives, who coordinate and leverage workforce strategies with education and economic development stakeholders within their States and local communities. The Board's primary goals are to ensure that state and local workforce development systems and job training programs meet the specific needs of employers in their cities, states and regions.

As members of this Committee are aware, there is an astonishing amount of "churn" in America's workforce in a single year – much more so than was common decades ago – the most recent year saw over 60 million "separations" from jobs, but also over 62 million hires (for a net gain of 2.6 million jobs). While some of those separated from jobs were able to quickly move laterally to jobs in similar industries that required the same skills, many others struggle to find both the training required for new employment opportunities as well as jobs in new sectors or industries. One role of state and local Workforce Boards is to understand these changes in industries and labor markets and align job training programs accordingly to get people retrained and back to work quickly.

Local Workforce Development Boards are partially federally funded, but also leverage State and local general revenue funds, private philanthropic funding and fee-for-service revenue. We urge the 115th Congress to renew its commitment to maintaining a world-class skilled

workforce through adequate funding of both traditional education, but also the nation's career & technical education and workforce development systems by maintaining funding levels for WIOA programs in FY18. Some in the Administration are advocating for drastically scaling back these federal job training programs, under the premise that the small number of evaluations of DOL workforce programs in recent decades have indicated inconsistent effectiveness.

However, the Workforce Innovation and Opportunity Act of 2014 brought numerous changes to existing federal employment and training programs, including eliminating and consolidating overlapping programs and requiring the Departments of Labor and Education to implement a common performance accountability system across the six WIOA-designated core programs, which will address the lack of previous consistent and regular program evaluation. While the full evaluations are still underway, we have some initial results from the Adult and Dislocated Worker programs and their short-term impacts. To understand the impacts of the availability of services on employment outcomes, the evaluators examined differences across study groups in their receipt of core, intensive, and training services.

The study of these programs used random assignment to allocate individuals to varying levels of service, following "Gold Standard" principles of program evaluation, and the job training sites were also randomly selected for inclusion in the study, so the results are nationally representative of the effectiveness of the Department of Labor's programs. The findings suggest that the availability of "intensive services" increased earnings and employment of program participants, with more modest results for "core" program services. This type of training program, that involves more hands-on and individual attention, proved most popular with participants also. The study also concluded that WIOA-provided intensive job training services were of critical importance in in local areas with high unemployment rates, as these areas are poorly served (or not at all served) by other programs. Evidence is also demonstrating that the most effective type of job training is one liked directly to specific work, rather than general workplace skills training that are not aligned with specific jobs in demand in a region. Work-based training models, especially registered apprenticeships and industry-specific training are the most impactful, and deserve additional investment as a result.

Let me briefly mention some examples of effective local programs, supported by WIOA grants, currently serving unemployed Americans:

- **Dislocated worker IT coding Program, Eastern Kentucky:** Based in Hazard County, Kentucky, is an initiative of the Eastern Kentucky Concentrated Employment Program called Teleworks USA. This group identifies and develops legitimate remote-work, distance learning opportunities, and helps people prepare for and land these jobs. Teleworks USA also operates hubs in Annville, Beattyville, Booneville, Harlan, Hazard, and Pike County that offer workspace and workshop learning opportunities for teleworkers who may not have access to suitable internet speeds or computer equipment at home. More than 650 people have gained telework employment since January 2015 through Teleworks USA's network of Teleworks Hubs. This equals an estimated economic impact of more than $13.1 million in new wages paid to Eastern Kentuckians by telework employers outside the state. The training is supported by a grant, which comes from the Appalachian Regional Commission (ARC), the U.S. Department of Commerce's Economic Development Administration (EDA), and the DOL's Employment and Training Administration, as part of efforts to help revitalize a region that has been hit hard by the downturn in the coal industry.

- **Defense Industry Workforce Needs - Eastern CT Workforce Investment Board:** Builder of nuclear submarines for the US Navy, Electric Boat has a current and ongoing need to hire thousands of skilled workers in the manufacturing fields to meet Navy procurement needs. The Eastern CT Workforce Investment Board has created The Eastern CT Manufacturing Pipeline Initiative to provide no-cost training to address these hiring needs. The pipeline recruits individuals for these skilled jobs and then provides work readiness development, classroom training and on the job training. Electric Boat and its suppliers in the region have benefitted from this program and plan to hire over 500 individuals in the current pipeline, finding that employees that have been trained through this program are better prepared for success. There is a similar program also operating in Newport News Virginia, assisting the workforce needs of the Huntingdon Ingalls shipyard.

- **Urban Healthcare Training - Three Rivers Workforce Development, Pittsburgh PA:** In Pittsburgh, a large healthcare provider has been struggling to hire and retain environmental service workers (EVS). The quality of EVS workers have a direct correlation to many issues hospitals care about – from customer satisfaction to infection control and re-admission rates. In addition, new hospital materials and new standards around cleaning supplies and techniques made EVS a complex and sophisticated occupation. There were no training programs in the marketplace. so, the provider started to look for options. They partnered with Energy Innovation Center and together they built a lab (a mock hospital unit), designed a curriculum and put together on-the-job training with a clear pathway. A grant of $400,000 for two years is expected to train and place 250 people, with starting wages of $12.50. People who are hired day 1 of the training. To date, placement has been 100%.

These examples show that often WDBs can be a core partner with local industries, businesses, local elected officials, community colleges and other regional partners by working to design and fund workforce training programs and successfully recruit participants. However, funding for the core WIOA programs has been declining in recent years. In 2012, funding for some of DOL's core grant programs was the lowest it had been in more than a decade. These funding cuts lead to the closing of some American Job Centers and a reduction in opening hours for others. Funding cuts also led to fewer career counselors, less resources for training, and reductions in supportive services – such cuts would be even more severe under the Administration's FY18 proposal.

As a candidate, President Trump supported a vision of creating 25 million jobs over the next decade. Job growth, a key to any sustained economic recovery, is deeply dependent on the workforce system engaging and re-engaging the nation's labor force to overcome the lowest labor force participation rate since the 1970s. While the President is proposing sweeping reforms in tax, trade, energy and regulatory policies that should spur investment in new business creation and existing businesses to "get off the sidelines" and expand, *these things can only be accomplished if there are educated and properly trained Americans waiting to seize these new job opportunities.* There are presently 6 million U.S. jobs vacant largely because of a shortage of qualified workers who lack the specific training or skills to be hired for these positions. This

mismatch between training and landing jobs in high-demand occupations means there is room for improvement in market efficiencies. Local workforce development boards touch millions of current and potential job seekers that can help ease the situation.

The NAWB, and its members, stand ready to help develop the new job training programs this country so desperately needs. We fought hard in WIOA to retain the business majority on workforce development boards because we believe that the private sector brings the twin laser focus on the issues of efficiencies and continuous improvement. The NAWB also urges the Congress to reject proposed cuts in FY18 to WIOA programs, as new evaluations of the programs are still underway and advances in better data gathering and analysis further offer promise for more effective delivery. The NAWB believes it is not wise to divest at this time in a system that has worked with local partners for decades to help communities and workers make the difficult transitions to new jobs and industries. Thank you again for inviting us to testify today.

Chairman GUTHRIE. Thank you for your testimony. Mr. Dubin, you are now recognized for 5 minutes for your testimony.

TESTIMONY OF LOUIS DUBIN, CHAIRMAN, GOVERNOR'S WORKFORCE DEVELOPMENT BOARD, STATE OF MARYLAND

Mr. DUBIN. Thank you very much. Good morning. Thank you, Chairman Guthrie, and members of the committee, for inviting me to testify today. It's actually quite thrilling to be here today.

I'm Louis Dubin, chairman of the Maryland Governor's Workforce Development Board, our State board, and managing partner of Redbrick LMD, a diversified real estate investment and management and development firm.

The State board is made up of 53 members representing business, workforce, education, union, and partner State agencies. As required by Workforce Innovation and Opportunity Act, WIOA, our State board has a business majority and all members of the board are appointed by the governor. The goal of the State board is to build partnerships and relationships that align the needs of business and job seekers through a purposeful approach with key stakeholders to support workforce and economic growth in the State of Maryland. Maryland is open for business, and this is part of that theme. Inclusion, diversity, and determination are really the cornerstones of our success.

We've created five business-led task force groups based on industry sectors. This is one of our real keys to I think our secret sauce. Those sectors include cybersecurity, IT, healthcare, life sciences, manufacturing, skilled trades, changing demographics, and marketing branding. We created an ambassador program where each of the board members had a responsibility to reach out to colleagues in their respective areas of expertise and invite them to join the conversation as part of the task force. We currently have over 100 workforce stakeholders—these are all volunteers—that meet to advise the governor and make recommendations on workforce development programs and strategies targeted to these specific in-demand industries and populations in the State. It's narrow, it's focused.

State board built a framework to allow for collaboration and conversation among all workforce stakeholders centered around an anchor organization that has displayed best practices in a specific industry sector. For example, we had our cybersecurity task force hosted by the National Security Agency, which was attended by over 20 stakeholders on our cybersecurity task force. NSA described their recruitment process and communication with educational institutions, assessment procedures, and career training programs. This type of purposeful engagement allows both government and private sector to collaborate with the State and local workforce system, community college, and university leaders to develop relevant curriculums and transfer best practices so they can become part of the workforce ecosystem. Inclusion, diversity, determination, these task force connections have led to employers building relationships with individual school district leaders. Together they provide K–12 school professionals professional development to teachers, counselors, principals, and parents. Now they can guide students and make them aware of potential opportunities to par-

ticipate in robotics competitions, cyber competitions, and exercises that can lead to a career in cybersecurity and IT.

One of our State's leading nonprofits, Living Classrooms, runs two charter school and afterschool programs, recently won the divisional robotics championship with a team of inner-city, at-risk youth and competed and placed in an international robotics competition recently. Out of 1,300 teams internationally we got 51, 51st. Big successes. Living Classrooms is an example of how we can look at all of our State's resources, public and private, community and faith-based, to provide our students with the skills they need to succeed in the workforce. Living Classrooms is doing wonders in Baltimore and D.C., but there are also terrific examples in rural communities. Congressman Barletta, the SHINE afterschool program in your district is an example of a rural afterschool partnership that is preparing our students for the future. Partnering with Carbon Career & Technical Institute, Lehigh Carbon Community College, SHINE provides an innovative educational model by teaming technical experts with academic teachers, and through hands-on career projects connects students to math, science, with a real-world application. Inclusion, diversity, determination.

In April, Governor Hogan announced an apprenticeship awards to local community partners through the Apprenticeship Innovation Fund, which was developed with the U.S. Department of Labor with a $2 million grant to advance apprenticeships in Maryland.

There are many possibilities for creating opportunities to assist the development of apprenticeship programs, not only in traditional industries such as construction and other skilled trades, but also by expanding into the nontraditional industries, such as information technology, healthcare, and cybersecurity. We have Apprenticeship Services, TranZed. They've received over 2 awards to provide pre-apprenticeship services to over 200 apprentices in the cyber and IT space. They'll provide outreach services to new employers, recruit and attract new apprentices through engagement with local schools, and assist job seekers with interview and technical skills. Inclusion, diversity, determination.

We also have a benchmarking program, which is a little too long for my 5 minutes today that we've outlined in our written testimony that I appreciate you all reading as well.

But thank you very much for giving me the opportunity to give our comments.

[The statement of Mr. Dubin follows:]

Testimony of Louis M. Dubin, Chairman – Maryland Governor's Workforce Board, to the Subcommittee on Higher Education and Workforce Development, US House of Representatives, June 15, 2017

Good morning, and thank you Chairman Guthrie and members of the committee for inviting me to testify today. I am Louis Dubin, Chairman of the Maryland Governor's Workforce Development Board ("State Board") and Managing partner of Redbrick LMD, a diversified real estate investment management and development firm.

The State Board is made up of 53 members representing Business, Workforce, Education, Union and partner state agencies. As required by Workforce Innovation and Opportunity Act, our state board has a business majority and all members of the board are appointed by the Governor.

The Goal of the State Board is to build partnerships and relationships that align the needs of business and job seekers through a purposeful approach with key stakeholders to support workforce and economic growth in Maryland. Inclusion, diversity, and determination are cornerstones of our success.

We have created 5 business led Taskforce Groups based on Industry Sectors to include Cybersecurity/IT, Healthcare/Life Sciences, Manufacturing/Skilled Trades, Changing Demographics and Marketing/ Branding. We created an ambassador program where each of the board members had a responsibility to reach out to colleagues in their respective areas of expertise and invite them to join the conversation as part of the Taskforce. We currently have over 100 workforce stakeholders that meet to advise the Governor and make recommendations on workforce development programs and strategies targeted to specific in demand industries and populations in the state.

The State Board built a framework to allow for collaboration and conversation among all workforce stakeholders centered around an anchor organization that has displayed best practices in a specific Industry Sector. For example, we had our Cybersecurity Taskforce hosted by National Security Agency (NSA), which was attended by over 20 stakeholders. NSA described their recruitment process and communication with educational institutions, assessment procedures and career training programs. This type of purposeful engagement allows both government

and private sector to collaborate with the state and local workforce system, community college and university leaders to develop relevant curriculums and transfer best practices so they can become part of the workforce ecosystem.

Inclusion, diversity, and determination.

These Taskforce connections have led to employers building relationships with individual school district leaders. Together they provide K-12 school professional development to teachers, counselors, principals and parents. NOW, they can guide students and make them aware of potential opportunities to participate in Robotics competitions, Cyber competitions and exercises that can lead to a career in Cybersecurity or IT. One of our State's leading non-profits, Living Classrooms, runs two charter schools and afterschool programs. recently won the divisional robotics championships with a team of inner city at risk youth, and competed and placed in an international robotics competition. Living Classrooms is an example of how we can look at all of our state's resources public and private, community and faith based to provide our students with the skills they need to succeed in the workforce.

Living Classrooms is doing wonders in Baltimore and Washington DC, but there are also terrific examples in rural communities. Congressman Barletta, the Shine afterschool program in your district is an example of a rural afterschool partnership that is preparing our students for the future. Partnering with the Carbon Career and Technical Institute and the Lehigh Carbon Community College, Shine provides an innovative educational model by teaming technical experts with academic teachers and through hands on career projects connects students to math/science with a real world application.

Inclusion, diversity, and determination.

In April, Governor Hogan announced Apprenticeship awards to local community partners through the Apprenticeship Innovation Fund which was developed with the US Department of Labor with a $2 million dollar grant to advance apprenticeship opportunities in Maryland.

There are many possibilities for creating opportunities to assist in the development of Apprenticeship programs not only in traditional industries such as construction

and other skill trades but also by expanding into the non-traditional industries such as information technology, healthcare and cyber security.

An Example:

TranZed Apprenticeship Services received 2 awards to provide pre-apprenticeship services to over 200 apprentices in the Cyber and IT space. They will provide outreach services to new employers, recruit and attract new apprentices through engagement with local schools and assist job seekers with interview and technical skills. Inclusion, diversity, and determination.

As Maryland seeks to strengthen and enhance its workforce system through implementation of the Workforce Innovation and Opportunity Act (WIOA) State Plan, success requires a commitment to innovation, collaboration, and a true systems approach among the State's many workforce partners. In order to guide the WIOA Partners in this work, the Workforce Partners have created benchmarks that set a clear vision, goals, and measureable achievements that help define success and lay the core foundation of this new system. The five benchmarks of success are:

1. Increase earning capacity of Marylanders by maximizing access to employment.
2. Increase earning capacity of Marylanders by maximizing access to, and use of, skills and credentialing.
3. Increase earning capacity of Marylanders by maximizing access to, and use of, life management skills.
4. Increase earning capacity of Marylanders by eliminating barriers to employment through the use of supportive services.
5. Strengthen and enhance the effectiveness and efficiency of the workforce system.

These goals and corresponding benchmarks are focused around a central vision -- they are not mere measures but rather provide a way of thinking systematically about how we deliver services. They reflect Maryland's dedication to focusing its efforts on people who need the system's assistance the most. The 5 strategic goals and coinciding benchmarks outlined in this document intentionally set a high bar and are meant to be used as a leadership tool, guiding strategic conversations and

defining a set of achievements for the workforce system to commit to and strive toward in our collective work to improve the lives of Marylanders.

My view is that the economic development discussion should center on how to better align the talent pipeline with business needs. We need to explore ways to engage middle and high school students in work study programs such as internships and apprenticeship programs to allow them the opportunity to experience what they want to do and are really good at.

Digital Harbor in Maryland is doing just this. In this afterschool program youth have access to advanced courses in fabrication, programming, electronics, and more. Members are also offered opportunities that reach beyond the Tech Center into the local community and active technology fields such as college credit and internships.

In Maryland, the State Board has established a Changing Demographics Taskforce that works with specific populations to engage them in specific state training and apprenticeship programs, connects them to college and university programs, and brings awareness to employers.

A recent example was when the State Board co-sponsored, in partnership with a local university, a summit focused on Neuro–Diversity in the workforce. NSA participated on the panel to explore the career path for individuals on the autism spectrum. Inclusion, diversity, and determination.

In conclusion, the Maryland Governor's Workforce Development Board continues to be at the forefront of best practices, relying on inclusion, diversity, and determination to develop Maryland's workforce and provide a better life for its citizens.

Chairman GUTHRIE. Thank you. I thank all the witnesses for their testimony. We will now move to member questions and I will recognize myself for 5 minutes for the purpose of asking questions.

So, Mr. Dubin, in your experience, you just finished your testimony, what is the most important element to making the success of your State Workforce Board? What is the secret to your secret sauce I guess is there?

Mr. DUBIN. I mean, I think a lot of it is inclusion and people that are being included in the conversation in process having a stake, whether it's an educator, whether it's a job seeker. We have representation of really all different kinds of people that are in that workforce ecosystem on the task forces and there's a lot of energy behind it. And we require you in person, you know, attending a certain number of meetings if you're going to be on the board it somewhat disciplines. I think that's part of it, is just the citizens of our State that have a stake in the workforce system, which most people do, getting involved and really making this ambassadorship program an important cornerstone to build upon. And telling our board members, we have over 50 board members that this is one of the expectations we have of you of recruiting people. You know, it's that web, it's those connections that end up ultimately getting people trained and ultimately purposeful and meaningful employment.

Chairman GUTHRIE. Thank you. I appreciate the answer to that.

Mr. Berlin, I was interested to learn that your employment program focused on job seekers of similar age. After receiving the services did this focus seem to make sense? And of the services you were providing, that uniquely benefit job seekers your age, are there any you would recommend that other workforce development agencies should consider?

Mr. BERLIN. Other age groups or?

Chairman GUTHRIE. So you were an age-particular workforce program, similar age workforce program? You thought that was beneficial to be of your age?

Mr. BERLIN. Well, of the participants in the class that I was in were of a similar age.

Chairman GUTHRIE. Right. You thought that was helpful or you thought it should have been just diverse or all ages or you are sharing similar experiences I would guess?

Mr. BERLIN. Well, I think it was helpful because we all had sort of common life experiences, common purposes, common experience in looking for jobs. I mean, it was a diverse group, you know, ethnically. You know, I think probably the youngest people were in the mid, maybe early 30s. But in general everyone was pretty close in age to me.

Chairman GUTHRIE. I guess my question, and you are answering it, is that having people in the similar situation—I mean, diverse in other—I am talking just age, it is helpful because you are having the same experience instead of having somebody looking for their first job or somebody looking for a change in career. So I appreciate your answer in that. Thank you.

So, Ms. Paczynski, in enacting the Workforce Innovation Opportunity Act, Congress envisioned a business-led workforce development system that encourages increased efficiency, program innova-

tion, and competition. What steps has South Carolina taken to increase competition and provide expanded program options to State businesses?

Ms. PACZYNSKI. We've worked very closely with our State Chamber of Commerce, who is the voice of business and industry, as well as other trade associations. And they've informed us that it's the accelerated training, the credentials, and the certificates that are essential to fill the jobs today, to address that skill mismatch, and soft skills. And the soft skill area in our State, developing a curriculum designed by the soft skill needs of our business and industry, and deploying that Statewide. Those are areas in which we've highlighted on, coupled with apprenticeships, making sure that not only that we can put in place apprenticeships for adults and youth, but incentivizing it for businesses. That $1,000 tax credit is essential.

Chairman GUTHRIE. Well, thank you. And it is all important what you are doing. Every business person that I know is saying we need access to a better skilled workforce. So we appreciate what efforts you are doing.

That concludes my questions and I will yield back and recognize Ranking Member Davis; 5 minutes for questions.

Ms. DAVIS. Thank you very much, Mr. Chairman. And I wanted to say that I was really impressed by everything that you had to say. And I think in many ways, with your very eloquent way of providing that experience that you have had, that you make the case that WIOA is progressing, is making a difference. And at the same time, we know that there is not a lot of reporting that we have been able to benefit from yet because the full program has really only been there for a year. But I wonder if, you know, given that do any of you believe that a 40 percent cut in WIOA programs, kind of across the board for all the different—particularly the four different programs, would further our country's need for high standard training and good jobs?

Anybody feel that would make a difference? Would it make us focus differently, consolidate any of those programs? No? Okay, just for the record I wanted to be sure I was hearing you correctly because I do think you were very enthusiastic.

I also wanted to perhaps very quickly, and if you could just give one example, what do you believe would be the impact of changes if we did try to, whether it is consolidation, whether it is cutting of programs, what effect would that have? Is there one particular program that you think would really be effective?

Mr. Painter, do you want to start, as you are a representative of the workforce boards?

Mr. PAINTER. Thank you, Congressman Davis. We've been asking our members, like what impact do the cuts have? And certainly you can begin to see it quickly and rapidly when you start looking at a reduction in the number of adults like Heath that are supported in training. You're going to look at an retrenchment in the amount of training resources that are given to any one individual to try. And it's always a dilemma, do you serve more with a little bit or do you serve people deeply with the resources that they may need. But I think clearly as we look at the boards we see cuts across the board in the number of individuals who would be trained. I think

it also starts to put deep pressure on the system because the kinds of things that we see in the early evaluation that are important are these intensive services. And that's where one individual talks to another individual, works with them on what kind of assessment, what kind of aptitudes they have, what kind of options and opportunities are available. So when you start impacting the training and then you start impacting the infrastructure of how people who are currently get there.

Ms. DAVIS. Thank you. I wanted to just go down and see if others have just a different thought about where you think those cuts would go. Again, because we are talking about newer programs, innovative programs that could be actually first on the chopping list.

Ms. Paczynski, do you want to respond? I think your microphone is not on.

Ms. PACZYNSKI. Thank you, Representative Davis. In South Carolina, we would likely serve fewer individuals and fewer businesses. However, the state of our economy will ultimately determine how we will move forward with workforce development.

Ms. DAVIS. Thank you. Mr. Berlin, where would you have been if perhaps those relationships were not available to you to build on for your?

Mr. BERLIN. Right. Yeah, commenting on the funding cuts and stuff like that is a bit beyond me, but I can tell you that I do not know that I would be here today talking about having been successfully employed again if those programs were not available to me. And I think it would be a shame if other people that were in my similar circumstances did not have that available.

Ms. DAVIS. Thank you. Mr. Dubin? In fact, you spoke very enthusiastically about apprenticeships, and one of the things if I could ask you this question, is that we know that the President is announcing a new direction supposedly today and I am wondering whether you think that there is a risk in not having programs that are going to have a high level of accountability as we look at apprenticeship programs or other certified programs. What risks do you see?

Mr. DUBIN. Well, I hoped there would be some corresponding additional programs that I think are going to be announced, or some of that, today. So I'm not privy to what those are, but I would hope there would some corresponding programs. I am very enthusiastic on apprenticeships and CTE. I know it's a whole other discussion, but I would hope that the dialogue includes not only apprenticeships, but CTE in our schools, that are pathways into very meaningful employment. In many cases these young people—we have a lot of CTE success stories come to our State board. They're making a lot more than their colleagues a few years before graduating from high school and they just started to save and some of them have bought their first house.

Ms. DAVIS. Thank you. I know my time is up and we have to be reminded that these are Federal dollars that are going into those programs so that there is an important element. Thank you.

Chairman GUTHRIE. Thank you. Ranking member yields back. I now recognize Mr. Mitchell for 5 minutes for questions.

Mr. MITCHELL. Thank you, Mr. Chair. I have an interesting experience in that I began in workforce development in 1978. I am dat-

ing myself. Those have been around for a while; remember SDA. And I experienced SDA, JTPA, WIA, and WIOA. Different place on WIOA. We operated those programs. When I started out I worked for the State of Michigan in the Bureau of Employment Training. What is amazing to me is it has taken this long to get an evolution that we, in fact, recognize that you have two customers: you have the employer community and you have individuals needing assistance to go to work, because it has taken that long to make this evolution. If you think about it, quite an interesting world where it is largely government-driven back at SDA and JTPA days to finally recognizing that we really have to serve the business community and the individuals seeking employment

The ROI is currently improving for both taxpayers and individuals seeking assistance, and that is a wonderful thing to see finally we can get a better handle on measuring that. I am concerned, however. A couple of things I want to address with questions. One is about the idea that two things have been said. Well, we have gotten improvements and with more money we can get more improvements. I spent 30 years in private business and we did not just throw money at it to get improvements, it was improving how we deliver the system. Help me out. Maybe Miss Paczynski can help me. What was the unemployment rate in South Carolina in 2010 to 2012? What was the unemployment rate then, roughly? Pick a number.

Ms. PACZYNSKI. I would say I don't have that number in front of me, but significantly higher than the current 4.3. Perhaps right around 8 percent, but I don't know for certain.

Mr. MITCHELL. Yeah. And in my State it was double digits. It was truly brutal in Michigan. And yet at this point in time, some members of the committee and others argue that we need to fund to WIOA at the exact same level that we funded it historically, with, of course, various cost of living increases or, you know, adjustments. But the unemployment rate is down dramatically. Your service population is reduced, especially among the dislocated workers. And I think we need to be honest about that as you talk about it in the appropriations process in Congress that what do we need to meet the needs of individuals and businesses and not just, well, we spent that last year, so we need to spend it this year. That is a government mentality, that is not realistic private sector mentality. And so as we talk forward we need to do that here in Congress and I would encourage all of you to do that. Yeah, we require adjustments.

The other fallacy, and all of you here know that, is that if this reduction—and I am not here rallying for a 40 percent reduction in workforce development funds, trust me on that—that all of it is reduced from training grants, from what trains people.

Mr. Painter, how much is allocated for the workforce board, State administration?

Mr. PAINTER. Administrative expenses under WIOA are limited to 10 percent.

Mr. MITCHELL. At the Agency?

Mr. PAINTER. At the workforce board level, yes.

Mr. MITCHELL. And then at the State it is how much? Do you know?

Mr. PAINTER. It would be the same 10 percent.

Mr. MITCHELL. That is 20. And then when I worked at the State, and it is still the case now, there is also something called the indirect cost rate, which is another 5 or 7 percent. So pretty quickly, my point is, is that we peel off money out of the system with a whole series of levels of administrative costs, and we are assuming any reduction in grants is going to simply result in this chart. It is not true, it is not accurate. And one of the things we need to do as a system, both here in Congress and I encourage you to do, is look at how much we are putting in admin and what do we need to do to in fact focus the money as much as we can and reduce those administrative costs. That is what we did as a business.

One quick question, also, if I could, and maybe, Mr. Dubin, you could help me. One of the things we have experienced in Michigan is challenges with linking the workforce development programs, private sector programs with the K–12 education system. We still have not gotten that where it is working well so we can begin the current technical ed for children, young people, when they are still in school so they transition out to an apprenticeship or something like that. What recommendations do you have that would help with that?

Mr. DUBIN. Well, our superintendent of schools sits on the board. Actually, most of our cabinet in the State sits on the Workforce Development Board, and many of them come to the meetings. And the time before last we had our superintendent of schools and most of the meeting was around CTE and education and the awareness of that. And we had many employers there, we have the union and other representatives there and on the board, and the board is somewhat of an educational opportunity and we use it as that. We usually have two or three presentations each board meeting about subject matter or some of these programs people may not really know about. And just having the superintendent of schools, that's a good first step I think.

Mr. MITCHELL. I think you are right. And one final comment, Mr. Chair, is that my robotics same says they can take your robotics team. [Laughter] Thank you. Thank you. I yield back.

Chairman GUTHRIE. I thank you, gentleman, for yielding back. I now recognize Mr. Courtney for 5 minutes for questions.

Mr. COURTNEY. Thank you, Mr. Chairman. I really appreciate you and the ranking member putting the spotlight on WIOA. I was at the Executive Office Building the day the law was signed into law on July 22, 2014. It was a beautiful sight. President Obama, Vice President Biden, Chairwoman Foxx, bipartisan group responding to an issue that I think every single member has heard loud and clear from their district. And the other thing I remember from it, there was not a single TV camera in the room and when you tried to sort of find the press coverage it was just buried. And, you know, I guess you can sort of draw a lot of conclusions from that.

But again, I appreciate Mr. Painter bringing up the EWIB Board in Eastern Connecticut, which is my district. Again, the ramping up of ship production, submarine production, has been a phenomenon that has been going on over the last 3 or 4 years. The demand for welders, electricians, machinists, is off the charts, along with engineers and designers.

And the statistics that you shared in terms of what the Eastern Connecticut Manufacturing Pipeline Program has produced, frankly, is only just a part of the story. I mean, about the 4-, 500 that have come through these programs and have been snapped up immediately. The employment rate is 100 percent for people that are going through there with great jobs, with good benefits. The fact of the matter is, is that the registrants into the program is about 10 times as large, over 3,000 people have gone into the portal to sign up. And again, we are moving forward in terms of getting people enrolled in future classes.

But two things: number one, it shows that this sort of narrative that Americans don't want to get involved with dirty manufacturing is a false narrative. I mean, the fact of the matter is that there really are takers out there who if they are given the opportunity to close the skills gap, they will do it.

And the second, obviously, is that the capacity in the system is still not enough in terms of, you know, satisfying both the demands signal, because EB will probably hire well over 1,000 people this year, and that is going to continue into the next probably 10 years at a steady clip. And so it is demand on both sides in terms of workers and employer to meet the needs.

The American Ship Building Association actually talked about, you know, the 350-ship Navy, which came out of the Obama Secretary of Navy, Secretary Mavis, but embraced by President Trump as well. We are looking at about 18-, 25,000 new workers, and these are really skilled positions, if we are going to meet the Nation's demand for this. And there really is no other sort of strategy other than WIOA in terms of really trying to take on something that large.

The other point I would just simply make in terms of the follow-up of the prior—and I am going to ask a question, but if you look at the funding levels for 2017's Omnibus that we just passed in April, it is still below what was in the authorized levels in WIOA. Again, the bipartisan WIOA, which authorized, you know, higher levels of funding than what was in the 2017 budget, and then that is the budget that Ms. Davis, you know, used as her baseline in terms of the cuts that were proposed in President Trump's budget, 40 percent. So we are talking about a level that is lower than what was authorized by a bipartisan bill and we are cutting from that another $40,000.

So the capacity in the system in my district in terms of dealing with those 3,000-plus people who have entered the portal and registered is going to be reduced under this budget. And, you know, if there are efficiencies that we need to look at, you know, in terms of overhead, let us do it. But the fact is that we are going to lose all the momentum that is happening all over the country with these types of drastic cuts.

And, again, what you are seeing is, again, not just in Eastern Connecticut, Mr. Painter, right? I mean, this is something that is aerospace, you know, other sectors that skills gap exists, is that correct?

Mr. PAINTER. Yes. You know, I don't visit a board, I don't hear from a board that says we have no issue around a skilled workforce. It's all over the place. A lot of conversation now around

where the unemployment level is and what about the folks who are still out there, outside of the labor market, what is the situation with the workforce. But you're right, Congressman. And I think it's where we fought hard for business-led boards at the State and local level because we firmly believe, as Mr. Dubin pointed out, that when business gets involved we do look at things like effectiveness and we do look at efficiencies.

When I first got into this business, 1988, job training began to have performance standards or an accountability system. We have to perform in order to maintain local designation, we have to perform as States. So I think what I hear universally from directors is that if WIOA did nothing else, it focused the workforce system on, to borrow a phrase, job 1, and that is getting talent to business. And that's what we're about.

Chairman GUTHRIE. Thank you. Thank you to the gentleman for yielding. I now recognize Mr. Smucker for 5 minutes for questions.

Mr. SMUCKER. Thank you, Mr. Chairman. First, Mr. Berlin, thank you for being here. We appreciate you sharing your story.

Question for Ms. Paczynski and Mr. Dubin. My district is home to numerous groups that serve individuals with disabilities, including groups like VisionCorps, UniqueSource, and SourceAmerica. And through recent conversations that I have had with some of these groups regarding the interpretation of WIOA, I am concerned that jobs for people with disabilities are being threatened by inconsistent implementation of portions of WIOA. I understand that in recent weeks 19 State vocational rehabilitation agencies have stopped making placements to nonprofit agencies for AbilityOne program jobs. And the guidance that they are referencing is a Department of Education FAC entitled "Integrated Location Criteria, the Definition of Competitive Integrated Employment."

Now, in my district these jobs are located in integrated settings, pay well above minimum wage. In many communities AbilityOne jobs are among the best jobs available, especially important given the fact that 80 percent of people with disabilities don't have jobs at all. These jobs take place on military installations, at GSA buildings, and at many Federal agencies where daily interaction with the general public and other government employees is a daily occurrence. And in fact, in addition, these jobs pay an average hourly rate of $13.27.

State VR agencies have been making placements to AbilityOne jobs through nonprofits for many years. So not only have thousands of individuals with disabilities found meaningful employment, but they have also reduced their reliance on public assistance programs while becoming proud taxpayers.

So my question is, are your States still making VR referrals? If not, why? What are you doing in South Carolina and Maryland to protect access to jobs for your constituents with disabilities?

Ms. Paczynski?

Ms. PACZYNSKI. Yes, thank you, Representative Smucker. In South Carolina, we are partnering very closely with our vocational rehabilitation partner. They are involved with us from creating strategies to allying priority populations with the job openings. They are with us hand and foot, elbow to elbow, as we talk about better business engagement. They are with as we move forward

and we're putting forth apprenticeships for priority populations. They are there with us, helping with some of those referrals so that the individuals are getting the same access to those apprenticeship opportunities that we know are so successful for work-based learning opportunities.

Mr. SMUCKER. Thank you. Mr. Dubin, what is your experience in this area?

Mr. DUBIN. Good example, last month we actually had a neuro diversity, I guess, seminar at Towson State University on the autism spectrum and the unique challenges. I was graced with being able to attend that and I learned an awful lot. And I also learned that some of these barriers really are not disabilities, they are unique abilities in other things. And the autism spectrum is one of those where there's a lot of Maryland companies, especially on the IT side and cyber side that with that spectrum there are some unique skill sets. So it was really interesting, and I would encourage other states to have some of these types of meetings to educate people on the unique needs and abilities of what you're describing.

Mr. SMUCKER. Thank you. And I am going to change the subject. I don't have much time, but really interested in hearing what your States are doing on apprenticeship programs. I come from a construction contracting background, so we made use of apprenticeships, but also, I mean, look at what other countries are doing and other States. I think bringing business to the table is such a fundamental part of making that successful. So I would be just interested hearing ways that you have worked to—you both have talked about effective apprenticeship programs in your States, how have you gotten the businesses engaged?

Ms. PACZYNSKI. For us the construction industry is one of our top sectors and it was the construction industry that came to us and said we would be willing and would like to have apprentices. And from the returning citizen population we can really make this work. If it were not for construction leading that way, business representatives informing us of that opportunity, I don't know that we would have made the progress that we have seen today.

Mr. SMUCKER. Thank you. Mr. Dubin, 10 seconds.

Mr. DUBIN. ABC in Maryland, Associated Builders and Contractors, and the NSA, those are two big partners of our on apprenticeships. And, yes, the NSA does have apprenticeships for high school students.

Mr. SMUCKER. Thank you.

Chairman GUTHRIE. Thank you. Good timing, Mr. Smucker. I now recognize Mr. Takano for 5 minutes for questions.

Mr. TAKANO. Thank you, Mr. Chairman. Mr. Painter, we have touched on these 40 percent cuts by the administration, proposed cuts. The administration has also discussed how having States take a larger role in Federal programming, including WIOA, could maybe compensate for this. And we all know that State budgets are incredibly strained. Would the States even be able to make this sort of financial adjustment in your opinion?

Mr. PAINTER. Thank you, Representative Takano. I'm not a scholar of the State budgets, but there are not that many States—in fact, it would be a minority of States—that are putting funding into workforce development. A number of States have customized job

training programs which blend with WIOA funding on economic development projects.

Mr. TAKANO. Great. Thanks. I want to follow up on the apprenticeship theme. The media has reported that the administration will unveil a new apprenticeship program that will allow Federal dollars to flow essentially to unregistered apprenticeship programs. This concerns me. The registration process provides a national standard for apprenticeship programs and it has, for instance, established labor standards, like wage scale and antidiscrimination provisions. And I am concerned that this administration will undercut a tried and proven model.

Now, Ms. Paczynski, South Carolina has become a model for expanding apprenticeships, going from 90 programs in 2007 to nearly 900 programs—congratulations on that—in industries that range from advanced manufacturing to healthcare to information technology. And what is impressive is that these are all registered programs.

Can you comment on why South Carolina has used the registration process to support program quality and why participating employers are willing to register their programs in your State?

Ms. PACZYNSKI. For our business community registered apprenticeships offers a solution to the skill gap. And certainly in our State we've incentivized apprenticeships to further foster the use of that as a tool. We believe firmly that the willingness of business and industry to bring in the emerging workforce when coupled with an apprenticeship makes it an ideal learning situation for both the business and the youth. So we've seen great success because of our willingness to engage businesses and it is a matter, though, of removing some of the red tape that does come with the process.

Mr. TAKANO. I want to know more about that at some, maybe offline, but businesses have not found registering their apprenticeships to be overly burdensome it doesn't seem like. From what I have here, all of the apprenticeships are registered in South Carolina. So it doesn't seem like it is necessarily for the administration to say that this money that he is proposing should flow to unregistered programs.

Ms. PACZYNSKI. Well, in South Carolina, registered apprenticeships is actually coupled with our State technical college system. So it becomes an educational tool that's used for businesses predominantly, especially with our new business and our growing business.

Mr. TAKANO. This is very interesting to me. So South Carolina runs their Apprenticeship Carolina model through State community colleges and all of your 16 community colleges are engaged in the development and implementation of these programs. Now, can you tell us why that partnership with community colleges and other stakeholders is so important to the success of your approach?

Ms. PACZYNSKI. Certainly, it has to do with the educational piece and the skills that come from understanding what the business needs are and creating that apprenticeship to meet those needs.

Mr. TAKANO. Could you have achieved the results you are getting without the support and services from these public sector partners, such as the community colleges?

Ms. PACZYNSKI. I think they have been absolutely instrumental in the success, yes.

Mr. TAKANO. Well, thank you for that. Mr. Painter, do you have anything to add to this?

Mr. PAINTER. With regard to the registration, what we're finding is I point to the West Michigan Workforce Board, which working in medical technicians actually, working with employers, help develop and file, and they are the sponsor of the registered apprenticeship. So it is a process that, you know, requires some skill. The registered apprenticeship also helps us in terms of the individual, having the credentials that are recognized more broadly across the industry.

Mr. TAKANO. So it is about recognizable credentials. So what may seem like red tape to some folks—I mean, it looks like South Carolina has been able to overcome some of that burden and all of their 900 apprenticeships are registered apprenticeships. I am impressed with that. I just question what the administration is doing in terms of allowing—I applaud that he wants to have money going to apprenticeships, but I question about whether he should allow that to flow to unregistered apprenticeships.

Thank you.

Chairman GUTHRIE. Thank you. I thank the gentleman for yielding and I recognize Mr. Allen for 5 minutes for questions.

Mr. ALLEN. Thank you, Chairman, and thank you all for participating today in this important hearing. A couple of things that I have observed talking to the business community in my district in Georgia. Well, first is workforce participation. You know, I understand the employment numbers in, of course, Georgia competes with South Carolina regularly for these businesses, but both States are enjoying a low employment number, but I was interested in South Carolina, as far as workforce participation numbers. These are people that maybe have dropped out of high school, that are either folks who have dropped out of the workforce who are not seeking employment and are able-bodied. Do you have any idea what that number is in South Carolina as far as the workforce participation rate?

Ms. PACZYNSKI. I do not have that figure with me, but we can get that to you afterwards.

Mr. ALLEN. Okay. I would be interested to know is there a way to target those folks to get them interested in not only completing their high school diploma, but also getting into career education and some type of CTE program?

Ms. PACZYNSKI. In South Carolina, certainly, you know, we recognize very much our partnership with adult education. And, of course, they are in the communities and that essentially is our outreach to those that may have disappeared for a bit, is going into the communities and engaging them there, and then bringing them further into the services that are available.

Mr. ALLEN. Well, we know that over in Ag, the other committee I serve on, that we have about 45 million people, say, participating in SNAP program. And certainly a percentage of these folks, you know, if given the opportunity for proper training, and we have had folks like that testify there, that if given the opportunity for proper skill training and then the opportunity for a job, they move

off of most of these programs. And we got about 25 million people we need to get that done, so that is why I am interested in that.

As far as the graduation rates, I called all of our county superintendents right at the end of the school year—I have 18 counties in the district—and just checked in, talking about graduation rates. I have one rural county that has a 94 percent graduation rate. And I said how do you do this? And he said career track at a very young age. We take young people into the businesses, they see that, hey, I can do this, and they get on a track. And it has been very successful.

Mr. Dubin, from your standpoint in Maryland, are you looking at your high school dropout rate and where it is and how you can take these young people that we lose and get them involved in the workforce and get them involved in a career that they would be very happy to participate in?

Mr. DUBIN. I can't give you the exact numbers and statistics, but I can give you something empirical quickly. A young lady from Frederick, Maryland, recently came in and told her story to our board. She was going to drop out of high school. She really wasn't going to go on the college track, but she loved working in the lab. And long story short, we had a CTE program that really took advantage of her skill sets in the lab. She ended up going through CTE, which was part of a community college, I think it was Frederick Community College program as well. When she graduated she was making around $15 an hour. When she got her certifications and the rest of her credentialing, she was making over $20 an hour at 20 or 21 years old and on her way to buying a house. So those are good stories. This was a young lady that came in, very tearfully, sort of not testifying, but we do these presentations at each of our board meetings, and told that story. So I don't have the exact statistics, but those are the kinds of impacts we're having.

Mr. ALLEN. How did she know about this program?

Mr. DUBIN. It was a very in-demand program. We have limited resources in CTE in Maryland. That's a whole other issue. But it was very in-demand and she was thinking of dropping out and I think her guidance counselor told her about it.

Mr. ALLEN. Okay. Okay. So your high school counselors know about the programs you offer there?

Mr. DUBIN. Oh, yes, sir.

Mr. ALLEN. Okay. All right. So that is a good source. That is great. As far as, Mr. Berlin, the new law is emphasizing the importance of providing a wraparound service ——

Chairman GUTHRIE. I believe the gentleman's time has expired.

Mr. ALLEN. Oh, excuse me. I yield back.

Chairman GUTHRIE. No problem. I now recognize Miss Blunt Rochester for 5 minutes for questions.

Ms. BLUNT ROCHESTER. Thank you, Mr. Chairman. I want to thank the panel and also congratulate Mr. Berlin on your success. I, like my colleague, Mr. Mitchell, have been around for a while through JTPA, SDA, WIN, Manpower. I was Secretary of Labor when the Workforce Investment Act was initially signed and then worked for University of Massachusetts, Boston, at the Institute for Community Inclusion when WIOA was signed. And I can say, like many of you, there has been I would say a tremendous progression.

When I think of the concepts of dual customer and the fact that we have to focus on both the employer and the job seeker; when I think about demand driven, that we are really focused on what does the business community need, using labor market information, and also looking at evidence based practices; there is a lot going on across the country.

And I would say instead of less money, I am not going to say we need more in this environment, but I would say when the unemployment rate is low it is when you get to people who are maybe harder to employ, whether it is prison to work or whether it is welfare to work, it requires intensity. And so I would really like to focus on people with disabilities and get some feedback from you.

Currently there are 56 million people with disabilities across our country and yet only about 29.2 percent are employed. And historically, our systems have not done a good job of employing people with disabilities. And what WIOA was so successful at was saying that there was a presumption of ability that people could work and should work and have the right to work. And so I was hoping you could share a little bit more about your stories and their experiences of employing people with disabilities and improving employment outcomes for people with disabilities.

And I will start with Mr. Painter.

Mr. PAINTER. Thank you, Congresswoman. I have to admit that it's not an area I'm steeped in, so I reached out to the Consortium for Citizens with Disabilities. We work a lot with respectability and ask Philip and his crew like what was going on. And I was really pleasantly surprised to hear his statement that they wanted to draw my attention and yours to the success of youth with disabilities under WIOA.

Fully 15.6 percent of WIOA youth program participants were youth with disabilities. That means that over 13,000 youth with disabilities had unprecedented access to skill training and job placement. Fully 65 percent of them with disabilities entered into employment, ultimately a savings of over $300,000 per beneficiary. So we are making, I think, substantial progress.

Ms. BLUNT ROCHESTER. Any of the other panelists have experiences and outcomes with people with disabilities?

Ms. PACZYNSKI. Representative Rochester, in South Carolina, I don't have outcomes, but we certainly have a lot of effort. And we have a coalition in our State that brings all the partners together that work with individuals with disabilities. And they engage the business community to find out what was the gap between individuals who had the skills and the hiring process, and from that really started to come to the table with some strategies on how we could move forward.

We have a marketing campaign that has moved forward and we are expecting to see results from this. Certainly our State Workforce Development Board has identified that individuals with disabilities is a focus. And we've brought it to the attention of the business community and it's been well received.

Ms. BLUNT ROCHESTER. Thank you. Thank you. Anyone else? Okay.

And, Mr. Chairman, if I could enter a letter into the record from the Council of State Administrators of Vocational Rehabilitation.

Chairman GUTHRIE. Without objection, so ordered.

Ms. BLUNT ROCHESTER. Thank you. The other question that I had was, also, we talked a little bit about some minimum wage jobs, and so, Mr. Painter, can you provide examples of steps that States have taken to reduce some minimum wage jobs?

Mr. PAINTER. I can get that information to you. We'll certainly look at it and talk to our members.

Ms. BLUNT ROCHESTER. I would just close by sharing that I will be getting information from the Institute for Community Inclusion on projects that have been happening across the country in different places, very creative and innovative ways to help people who are on Social Security Disability move into jobs. And I think as we talk about the future we need to be looking at how we can continue the positive progression that WIOA has begun.

Thank you. I yield back.

Chairman GUTHRIE. Thank you for yielding. I will now recognize Mr. Byrne for 5 minutes for questions.

Mr. BYRNE. Thank you, Mr. Chairman. Good morning, everybody. I am the former chancellor of postsecondary education for the State of Alabama Community College System, former chair of a State Workforce Planning Council, member of the State Workforce Board, and we staff the State Workforce Board. So I am really pleased to hear all the progress we are hearing around the country.

We passed WIOA my first year in Congress. So most of the hard work was already done before I got here, but I was really pleased to support it because it was in line with a lot of the things that I had learned, the lessons I had learned from my positions. And what we were really focused on to try to get more private sector leadership and try to respond to the needs of employers. So that was our intent. Sometimes we don't always hit the mark.

And so what I would like to know, particularly from you, Mr. Painter, and you, Mr. Dubin, how we do or can we do better with the law than we did with WIOA?

Mr. PAINTER. Congressman, thanks for the question. I think if there is anything that makes me more happier, I don't know what it is, as I travel the country, but to see the kind of business engagement that we have. For example, in Benton Harbor, Michigan, Whirlpool has trained three of the staff for our workforce board there, Kinexus in Six Sigma. They were the highest in their class. They are now working to look at how we do these things of increasing the effectiveness and the efficiency inside the system.

When you look at the training programs, when you look at—we just recently honored Lockheed Martin in the aviation consortium around the Tarrant County in the Dallas area because of the involvement. Businesses work hand-in-glove with the workforce boards not only to help identify what impact the aviation industry has in the Dallas region, but to develop a very unique video or a game that you can play on your smartphone called "FLYBY DFW," which was designed by young people, built by young people with the workforce board and with business, and now engages lots of young people in learning more about the aviation industry. I think there are examples across the country like that. Congressman Thompson is very involved with career in technical education. We honored Wyoming Machines, which is in Minnesota. Two sisters

started a company. They are very involved with not only the community college system, but the workforce boards in events like women in technology and reaching back. So it is happening.

Mr. BYRNE. The question is can we do better?

Mr. PAINTER. Without question I think that's—you designed and I take very seriously continuous improvement as part of one of the core tenants of WIOA. And as the National Association of Workforce Boards we constantly talk to the workforce boards about we can do better. And I think that's where business engagement likewise helps us understand how.

Mr. BYRNE. Thank you. Mr. Dubin?

Mr. DUBIN. You know, my observations are really I guess twofold. One, we've made it on our State board, you know, it's important to do service. So in the business community or in the ecosystem of workforce we've made it to be, you know, something that's very, very important in terms of public service. A lot of us serve on the boards of our churches and community groups and nonprofits. This is very, very, very important. So we've made that a focus and we put the arm on businesses in our communities. So we've been selecting well, we've been trying to get that big web, you know, out there.

I think it comes down to people being willing to give of their time and energy as a volunteer. I'm a volunteer. You know, I have a day job and this is something that's become a passion because it's a great way to serve. And that's part of the message I think we need to get out. This is a great way to serve and it's productive, because if you're smart about it you're also finding populations and groups of people that you can employ. And I think it's a really good thing. So I think service is getting that message across.

Mr. BYRNE. Well, I just wanted to close my time by saying this, I hear a lot of talk about money, and money is important. Golly, I know that having run these programs. But sometimes the most impact we have comes from when we bring in people from the private sector and the people from the private sector do things that government simply can't do. I wasn't very good at persuading a 15-year-old to be interested in career technical education, but if I brought in the local employer that would actually employ that 15-year-old when he or she finished that program, we got their attention and we got their mother and dad's attention as well.

So I really want to commend your work and the work that we hope that we have begun under WIOA to get more private sector people involved because that's where the rubber is really going to hit the road.

And I yield back.

Chairman GUTHRIE. The gentleman yields back. Mr. Polis is recognized for 5 minutes for questions.

Mr. POLIS. Thank you so much, Chairman Guthrie and Ranking Member Davis. This is a very important topic. When WIOA passed in 2014, it really made important changes to better align our workforce development system with the skills that people need to succeed in the 21st century. I am proud that our Colorado State plan really seeks to do just that. The plan focuses on engaging the business community and industry to align the workforce training pro-

grams, as well as leveraging data to support strong accountability and innovation.

We recently launched CareerWise, a program that aligns our educational workforce systems through a new public-private partnership I am very excited about with the State and industry leaders. CareerWise has a goal of placing 20,000 high school students in apprenticeship by 2027, which would give students real-world, on-the-job experience, put them on a path towards a good-paying career.

Mr. Painter, in your testimony you mentioned support from WIOA grants for coding programs in Eastern Kentucky. In our State there are several coding boot camps, like Galvanize and the Turing School, which graduate students and help place them into good-paying jobs just waiting to be filled. But because these programs don't have higher education accreditation, they are not eligible for Federal education aid, they are largely self-paid. But some are exploring potentials for receiving State workforce grants, another potential avenue to help lower income families be able to avail themselves of those opportunities.

Can you speak more about short-term accelerated programs like coding boot camps and what States can do to ensure quality, accountability, but also accessibility for the programs to receive funding?

Mr. PAINTER. Thank you, Congressman. And Colorado is one of my favorite workforce systems to visit. You have a collaborative DNA, I think, or a gene in your DNA in Colorado. What we are seeing are these kind of short-term boot camps, and they're across industries. You can look at examples in Minnesota where the workforce board put together with the healthcare sector a boot camp that has been able to reduce turnover. So that's real money to business. When individuals know that they're ——

Mr. POLIS. Did the workforce center originate that or were they just kind of a partner in the conversations?

Mr. PAINTER. They were a partner with business. Business came to them and said how do we reduce turnover in some of our entry level positions? So they designed a boot camp so the individual really does understand what the work is. There are examples in manufacturing, where workforce boards have designed boot camps around manufacturing. The robotics competition was mentioned earlier. It's an incredible program ——

Mr. POLIS. Are there any barriers to WIOA participation that we should be aware of or act to remove?

Mr. PAINTER. I think when the funding is solely based on WIOA, you know, we talked earlier about cuts, when we're picking up the bill for these boot camps and we can't find the funds to braid, then they are certainly at risk.

Mr. POLIS. Another question, Mr. Painter, and we will go to anybody else who wants to address it. As you know, entrepreneurship is absolutely critical for our future success. Today's garage company could be tomorrow's employer of thousands of people. And recent research from the Coffin Foundation found that about 20 percent of gross job creation comes from brand new businesses.

Can you talk about how WIOA supports entrepreneurship and is there more that Congress can do to support opportunities and en-

trepreneurship from self-employment to creating tomorrow's great company?

Mr. PAINTER. We've come a long way in workforce boards supporting entrepreneurial training. One of the most gratifying projects is if you look at Gainesville, Florida, the Innovation Center at the University of Florida, the workforce board works hand-in-glove with them so that companies that need the next employee can find on-the-job training contracts through the board. Incumbent worker training is provided to entrepreneurs and startups to move those companies. So when you look at the wall of companies that have graduated, if you will, from the Innovation Center, it is replete with companies that have received WIOA support.

Mr. POLIS. Would somebody else like to address the entrepreneurship within WIOA and how we can further encourage that? No?

Finally, Mr. Painter, a critical component of supporting Colorado's WIOA implementation is funding, of course. And as you mentioned, President Trump's proposed budget makes drastic cuts. Can you share more about what the effect of those budget cuts would be if they were to occur? And what would be the trickle-down effect to local workforce boards where the rubber meets the road?

Mr. PAINTER. Local workforce boards are going to experience—you know, there is a certain amount of infrastructure, there is a certain amount of fixed cost that's in the system because we must maintain one-stops in every local area across the country. It's going to have an impact on—we look at 5,000 youth, you know, an average cost of $5,000 per youth served. I talked to a board recently that has 34,000 young people 16 to 24 not in the labor force. They have money to serve 1,000. Budget cuts are going to impact even that. We can't even serve the number of individuals now who are eligible.

Mr. POLIS. Thank you. And I yield back.

Chairman GUTHRIE. The gentleman yields back. Recognized is Mr. Grothman for 5 minutes for questions.

Mr. GROTHMAN. Thank you very much. I think I will aim these at Ms. Paczynski, but if anybody else wants to talk you can feel free to chime in.

I have always been very interested in people with different abilities. Yesterday stopping by my office, a gal who I have known before, she is 35 years old working at Walmart, you know, taking care of herself, and just a tremendous story and a story I wish I could repeat it again and again and again. It seems to me that this program doesn't necessarily always offer the flexibility we would want for people in her position. It is my understanding that rehabilitation services administration has advised State vocational rehab offices not to refer people with disabilities to jobs falling under AbilityOne contracts or State set-aside programs. Is that possibly true?

Ms. PACZYNSKI. In South Carolina, vocational rehabilitation is braided within the workforce system. We are true partners in finding people employment.

Mr. GROTHMAN. Okay. If a person learns of any available job, are the States being prohibited from providing any necessary supports?

And I would like any of the rest of you to answer, too, if that applies to your State.

Ms. PACZYNSKI. We are, again, we are moving forward in a partnership for individuals going through the vocational rehabilitation system.

Mr. GROTHMAN. Okay. I will ask this one more specific. Under section 511 of the Rehabilitation Act of 1973, which is amended through this law, it bars anyone with a disability under the age of 25 to work under a section 14(c) certificate for less than minimum wage unless they have failed one or more jobs. Do you believe that is true?

Ms. PACZYNSKI. I do not have information on that.

Mr. GROTHMAN. Okay. Okay. I will emphasize to you, and I want you to get back to the committee, I sometimes feel we are not doing enough to provide flexibility for people with different types of disabilities as they transition into being self-supporting in life and would like your input to the committee in that regard.

Now, I will give you a general broader question. It is true that under President Trump's proposed budget there are some cutbacks in these programs. I would like each of you in your States to tell me percentage-wise how much of these programs right now are State funded as opposed to funded by your local businesses or State and local governments.

Ms. PACZYNSKI. I would have to get back to the committee with that information.

Mr. GROTHMAN. Do you have an approximation?

Ms. PACZYNSKI. I do not have an approximation.

Mr. GROTHMAN. Sixty percent, 15 percent?

Ms. PACZYNSKI. I would like to get back to the committee with that information.

Mr. GROTHMAN. Okay. Any of the rest of you? Yes, Mr. Dubin?

Mr. DUBIN. About 90 percent federally funded.

Mr. GROTHMAN. Okay. Mr. Painter? Mr. Berlin? In your areas?

Mr. PAINTER. It has to be the vast majority of the money is Federal money. I mean, I know when we were looking at who's paying the cost for the American job centers, that was Wagner-Peyser and then WIA, the adult dislocated worker and youth projects, that were paying well over 90 percent.

Mr. GROTHMAN. Okay. Mr. Berlin?

Mr. BERLIN. So I was a candidate ——

Mr. GROTHMAN. You really wouldn't be able to ——

Mr. BERLIN. So I wouldn't have that information.

Mr. GROTHMAN. Let us know. Okay. Do you feel that there are any Federal requirements here, and I will ask any of you that we could lift that would give you more flexibility, that would make things better? In other words, are there ever, as you administer these programs or deal with these programs, situations you say, oh geez, why do we have to fill out this form, or why can't we do that?

Mr. DUBIN. I believe that there is really a lot of prohibitions around marketing. I mean, one of the basic things I asked is why aren't we, you know, getting the message out a little bit more commercially, like we're used to? And I'd have to get back to you on the specifics, but I face some real barriers in tapping dollars to do

something any of us in business would, that's market ourselves in a commercial way.

So I'll get back to you with recommendations there that are more specific.

Mr. GROTHMAN. Okay. Ms. Paczynski, do you have any—as you deal with these programs you kind of feel like either why do I have to fill out this form or why can't I do this?

Ms. PACZYNSKI. I would say that when it comes to reporting effectiveness in serving businesses each State would have its own performance measure indicators based upon what their businesses are indicating what success looks like.

Mr. GROTHMAN. Okay. So you don't feel in any way your hands are tied by Federal rules or regulations?

Ms. PACZYNSKI. We continue to move forward with the implementation. And so at this time I do not have anything to offer.

Mr. GROTHMAN. Okay. I will yield the remainder of my time.

Chairman GUTHRIE. The gentleman's time has expired. I now recognize Mr. DeSaulnier for 5 minutes for questions.

Mr. DESAULNIER. Thank you, Mr. Chairman. And I really appreciate the work that all of you do and, Mr. Berlin, the experience you have had.

So my question is going to come from a viewpoint that having been involved in a workforce investment board as a small business owner and then been involved at the State of California as an elected official, I carried a bill that both had the Chamber of Commerce and the Labor Federation as their sponsors. And I thought I had found nirvana. And the bill just required that—and this was during the recession, so there was a real sense of urgency around the country, and it was true for California as well—about getting people to work in an environment that no one had seen before in terms of how do we get people to work? So the bill just said that 25 percent of all your funds has to go to training. Some of our boards thought I was the anti-Christ for presenting this. And I don't want to sound like—well, Ms. Foxx has accused me when I bring this up of sounding like a Republican, so Mr. Chairman and Ranking Member, accept this—I have seen really high-performing workforce investment boards and I have seen some that aren't so high-performing. So we are loathe to prescribe too much, but Mr. Dubin and then Mr. Painter, how do we get the level of I think urgency that our clients need, both the employers and the employees that you seem to have struck, Mr. Dubin, in Maryland, to get those high-performing boards to bring the lower-performing boards up to the same level? And I see too many boards in California that are checking boxes, that don't have that level of urgency, and want to do what you seem to have done in Maryland. So maybe you could address that?

Mr. DUBIN. Well, first, in Maryland, I feel like I have a real mandate from our governor. So if it starts there, if it starts at the top, you feel, you know, pretty broad-shouldered in going and putting arms on people and asking them to come and participate. So it comes with leadership.

We're also self-imposing our own benchmarking right now. We're going to be benchmarking and setting the bar higher than the Federal standards. So on some of the concerns about the Federal

standards, I'm not an expert on all the paperwork and all the rest, but I will tell you that the standards and the ways that we will be judging ourselves, the efficacy of service and delivery, is around human beings being employed and the stickiness of that employment. And we literally have a task force now that I'm participating on as well, with our Department of Labor in the State of Maryland, on that benchmarking and I think we have an opportunity to sort of be one of the national leaders in that benchmarking. And perhaps that's a way in teaching those benchmarks that are being thought through in 2017 to bring the standard and raise the bar for some of the less-performing boards.

Mr. DESAULNIER. So you have found that to be effective, just by having those performance standards? You know, I am sure there are boards that perform better than others in your State and you are seeing all of the levels come up by doing this.

Mr. DUBIN. We anticipate that will happen. That's why we're doing sort of our State higher bar than WIOA benchmarking and standards.

Mr. DESAULNIER. Mr. Painter?

Mr. PAINTER. Thanks for the question, Congressman. It certainly concerns us as well that we want high-performing workforce boards across the U.S. I think one of the victims when budgets get tight is that you start letting go of internal training. And I think when we look at a labor market that has as many transactions in the course of year as the U.S. labor market, I think to a degree, collectively, we have been remiss in not investing more money in the thousands of people who offer assistance to people like Heath across the country. I would really like to see us spend more money on internal capacity-building for workforce development professionals.

Mr. DESAULNIER. On a separate issue, but one of my colleagues from Michigan brought this up, and I have a lot of respect for him, having unemployment rates be sort of the performance mark in whether we should lower budgets. But that, I think, is just one thing we should consider.

Mr. Painter, maybe you can sort of respond to that, that we have people who are out of the workforce right now, we have people on disability, we have got people who need to be retrained. So unemployment is not the only measurement we should be looking at in terms of reinvesting in these issues.

Mr. PAINTER. No, I would agree. I think the situation we're in—I had the opportunity the other day to talk to an economist who was talking about the situation we're in, that this is really a skill development pathway that we have to pursue in order to get ourselves out of what we are hearing from employers in terms of not being able to find qualified workers. To find those individuals who are on the periphery of the labor market today takes marketing, takes more effort, takes the innovation that we're seeing out of some of the workforce boards with better websites, reliance on smartphone messaging to individuals. But, you know, again, I hate to sound like a broken record, but again, that takes resources to do that kind of change.

Mr. DESAULNIER. Thank you. Thank you, Mr. Chairman.

Chairman GUTHRIE. Thank you. The gentleman yields back. Mr. Barletta is recognized for 5 minutes for questions.

Mr. BARLETTA. Thank you, Mr. Chairman. Mr. Dubin, thank you for being here and I appreciate you recognizing the SHINE program. I have long been a champion of SHINE from the very first day that I toured the program.

And for those who don't know, it is an afterschool program operating in my district that is geared toward students from kindergarten through 8th grade. The SHINE program has been proven to help kids improve attendance, behavior, test scores. Teachers have come forward and saw a remarkable difference in these students that were not showing up to school as much, their attendance may not have been as good and they were not participating, and all of that has changed because of that program. And SHINE has showed me that when you awaken the minds of young children with hope and possibility of what their futures can be that there is no stopping them.

That is why I am happy that you chose to highlight one of SHINE's many strengths, connecting students with career and technical experts so that they are exposed to job opportunities that they otherwise might not even know exist. We all know that we must bridge the skills gap to help more of our constituents realize good-paying jobs and to help our local businesses thrive. This is good for our communities and it is good for America.

But I believe we must also work to remove the stigma that is associated with nontraditional technical careers. Studies show that educating students about their options at a younger age is central to achieving this goal. After all, even if we have job training programs in place they are nothing without dedicated and enthusiastic students to take advantage of them.

So, Mr. Dubin, through your experiences on the Maryland Workforce Board, do you have any suggestions on how we can better incentivize workforce development organizations to engage with afterschool programs like SHINE and how can communities work within the existing framework of WIOA to establish and identify these partnerships?

Mr. DUBIN. I think the first is with the educators. You know, sometimes you get some of the resistance from the educators because they are teaching, you know, different sorts of skills. You know, educators have their own idea about pedagogy, their own idea about the experiences in school. And I think that's where some of the block may be, to be candid, is having that dialogue and having the, you know, will at the State level to have those discussions with your State school superintendants or what have you. So I think it's a big one.

In Maryland, we have very successful CTE programs, we just need to find avenues for more funding. I'll be very clear about it. I'm a big proponent of, you know, funding. And where you get those dollars there's usually big waiting lists. And so, you know, funding to CTE, the educators. A lot of employers that are looking for skilled people, people that need to be trained, in our State they are very much our partners with CTE. I think that we're under capacity in what we're producing on the CTE side actually.

Mr. BARLETTA. I had a local employer approach me just a couple of weeks ago and said he had 100 good-paying jobs, but literally cannot find people to fill them. In fact, his biggest hurdle he said was getting people to pass the drug test. And I hear this more and more often and it is discouraging when there are so many people unemployed, there are so many jobs that are available, and we know what we have got to do, teach the skills, but I think somewhere we have got to get back to teach basic skills, like showing up to work on time and, you know, don't call in sick 5 minutes before you are supposed to show up.

Mr. DUBIN. And if I may, that's one of the reasons the State of Maryland also spends some considerable resources on soft skills. Soft skills are important. Soft skills are very important. Not everyone, you know, had the advantage of growing up with people around them that taught them the things you need to be successful. And so I'm also a big proponent of soft skills training. And we see it at the board all the time, those big success stories because that little extra element of soft skills gave someone the ability to go and do an interview and get a job.

Mr. BARLETTA. And I am going to close with another commercial. If anyone has not heard about the SHINE program, go online because it can be a model around the country. We have taken kids who may have lost interest and totally redirected their lives. When I went in these kids were building robots and remote-controlled cars and it was just amazing, and I think we have really got to refocus who we are helping.

Thank you.

Chairman GUTHRIE. Thank you. The gentleman yields back. I recognize Mr. Espaillat, 5 minutes for questions.

Mr. ESPAILLAT. Thank you, Mr. Chairman. I ask unanimous consent to enter into the record a letter from the Campaign for Youth, which underscores the importance of WIOA's Federal investment in youth.

Chairman GUTHRIE. Without objection, so ordered.

Mr. ESPAILLAT. Thank you, Mr. Chairman. Mr. Painter, as others have mentioned here today, WIOA prioritizes a service for those with the greatest barriers to employment, including low-income and out-of-school youth. I know this firsthand because I benefitted from a summer youth job program in New York—in fact, it was my first job opportunity as a young teenager—and can attest to how critical funding for these programs are. While WIOA focuses funding on out-of-school youth, the law still encourages services to low-income and in-school youth. This means that local workforce systems must engage and partner with school districts to serve these young people.

What does that mean for big urban areas like New York City that have a large school system and, unfortunately, a very high dropout rate?

Mr. PAINTER. I think as Congressman Barletta mentioned, workforce boards across the country, I'm very happy to say, are funded by—NAWB is funded by the Kellogg Foundation to pursue a two-generation strategy. When we got the award we put out a notice to local boards. We gave them 10 days to respond back to us. Thirteen of them came back and asked us to help fund local efforts who

are working in Montgomery County, Maryland; Maricopa, Arizona; and El Paso, Texas. What we discovered is that workforce boards, through their business partnerships, are involved with the pre-K through 12 system in all aspects, working at career days, working with career and tech centers on what kind of occupations are in demand, what are the certifications that industries in the region are looking at.

I think, again, with regard to out-of-school youth there are places like Cincinnati, Ohio, Hamilton County, where virtually 100 percent of the youth money is spent on out-of-school youth. It is one of the major changes in WIOA and I am happy to say that we are making substantial progress in trying to figure out how to reach out-of-school youth and reengage them, many times through projects like robotics and hands-on kind of work-based learning.

Mr. ESPAILLAT. In fiscal year 2016, New York City alone received more than $65 million in total from WIOA funding for employment programs serving two groups of New Yorkers: the youth and adults. New York City has utilized its funding to reconnect our disconnected youth to educational and workforce opportunities and has played an integral role in providing adults with the necessary skill sets to enter the workforce. For example, the Workforce1 Centers, one of which is located in Harlem, in my district, received WIOA funding and connected 25,000 New Yorkers to jobs. Earlier this year, the Workforce1 Healthcare Career Centers, a specialized center with industry expertise in healthcare, worked closely with the center Plans for Healthy Living and the second-largest managed long-term care provider in New York State. This employer was facing severe challenges to find the appropriately qualified registered nurses, which seems to be a great need, not just in New York State, but across the country. But the healthcare center successfully sourced, screened, and referred a number of qualified registered nurses to the employer. The result was a phenomenal increase: 21 individuals got hired over the course of the 1 month as registered nurses, earning between 74- to $86,000 per year, and the employer was thrilled to fill so many positions so quickly.

Can you explain what are the real and lasting impacts of essentially cutting in half our investment in these critical programs, specifically in New York?

Mr. PAINTER. Well, I think as you mentioned, Congressman, I mean, in many places WIOA is the foundation of these connections between out-of-school youth, and in some cases in-school youth, through the work of the boards. There is nothing else. WIOA is the foundation of making these connections.

In New York, as you mentioned, again, it is one of the key partners in the projects that are going on in New York City, as it is elsewhere. When you think about summer youth employment it is a braiding of funding at the local level between, as Mr. Dubin pointed out, business kicking in, local philanthropic, CDBG, CSBG, and WIOA funds, all braided to try and provide the work experience that we know is essential for young people to get to experience. And I'm happy to say, like you, I am a former summer youth employment participant.

Chairman GUTHRIE. Gentlemen, time has expired.

Mr. ESPAILLAT. Thank you, Mr. Chairman.

Chairman GUTHRIE. Thank you. And I now recognize Mr. Thompson for 5 minutes for questions.

Mr. THOMPSON. Thank you, Chairman. Thanks to the members of the panel for being here today. I am very proud of the work that we have done over the past number of years here on this Education and Workforce Committee, starting with a strong bipartisan piece of legislation that we are doing oversight on today, WIOA. And, Chairman, thank you for doing the oversight.

I have found it is not good enough to pass effective and righteous pieces of legislation, but, unfortunately, we are at the mercies of unelected bureaucrats on how it gets implemented. And in providing that oversight, make sure that things stay true to the intent of Congress.

This WIOA was written with, you know, I am sure there are a number of principles you could reflect on, but the whole Learn to Earn and skills-based education principles, and those are principles we brought forward with the Every Student Succeeds Act, which is being implemented now. And next week I am hopeful on the floor we will have the Career and Technical Education Bill, which obviously was authored following those same two principles. And sometime in the future we will do the Higher Education Act, which, quite frankly, those two principles work for the Higher Education Act as well, Learn to Earn and skills-based education.

My first question is, knowing the basic elements of WIOA that we really felt were so important, how well have we achieved at bringing business and industry a/k/a job creators into a majority level on our web boards?

Mr. PAINTER. Congressman, I'll take that first. I think I'm happy to observe you, sir, have done a very active board that ——

Mr. THOMPSON. I am a recovering web board member.

Mr. PAINTER. You are. The first time I ever heard of the term "mechatronics" as an industry I heard from your workforce board as you worked closely with business. That's what we're seeing across the country, that there are initiatives at community colleges, there are initiatives elsewhere that have been brought about because of the workforce board's role in convening businesses, in working with sector partnerships in their local area that have brought to the attention of the whole workforce development system the need to sometimes change curriculum, focus more on a particular certification than they have in the past. I think we are making progress.

Mr. THOMPSON. Good. But the essential question, the basic point, the starting point, is are we at 100 percent compliance with all of our web boards having a majority stakeholder interest being job creators today? That was an essential element of WIOA.

Mr. PAINTER. Let me say, many times people don't call me to tell me wonderful success stories. They call me to tell me—whether it's a State director or a local—it's a problem. I'm not aware ——

Mr. THOMPSON. Welcome to our world.

Mr. PAINTER.—that we have compliance problems. Yes. I'm not aware we have those compliance—I'm not aware of boards that are not in compliance.

Mr. THOMPSON. Okay. No, I just was interested because my assumption is we are in compliance, we are moving ahead with im-

plementation. So, you know, at one time when I was on a workforce board there was a bit of a conflict of interest. It was the training and education facilities that had the stronger representation. Not that they are not great people, they are great partners, but our vision with WIOA was the people who knew where the jobs were going to be today and tomorrow were the ones we want governing our workforce investment boards.

So assuming that we are in compliance, have we seen better employment success as a result of implementation of in-demand skills-based education?

Mr. PAINTER. I am going to say I can provide you examples, but I'm going to say yes, yes, we have. We have seen the example that I cited in Pittsburgh, 100 percent placement.

Mr. THOMPSON. Great.

Mr. PAINTER. It was not too long ago a guy was in West Virginia where the workforce board and the community college put together some basic training for advanced manufacturing. The placement rate was 100 percent. So I think we are seeing the industry move to a very targeted approach.

Mr. THOMPSON. That is great. That is better than my experience under the old rules where we were training some arbitrary list at the State capital that had nothing to do with the economic job opportunities in our region.

Mr. PAINTER. That's why we appreciated, Congressman, local control and local direction for the program.

Mr. THOMPSON. There you go. Absolutely. Very quickly, I was interested to follow up on the young lady from Delaware. WIOA, which obviously I am a big fan of, but, you know, you don't get everything quite right and I do have some concerns. Have you seen any impacts on individuals with significant physical and intellectual needs?

I love being—I at one time, and, unfortunately, a lot of that has gone away—being in shelter workshops on payday. Now, I worked with people facing life-changing disease and disability for 28 years, so I am committed to lifting people, empowering people, moving people to, you know, good gainful employment. But some folks have such complex disabilities that they just don't reach that level and there was nothing more—it was a celebration on payday when those checks were handed out, even though they were a couple of dollars maybe. And I am finding that one of the impacts of WIOA perhaps, I am not quite sure, is that the opportunities for people who just have such significant physical and intellectual disabilities they cannot get to that minimum wage plus employment.

And so I have run out of time, but if you have any insight into the impacts in your areas, your States, on those individuals, I would love to get that in writing.

Chairman GUTHRIE. Thanks. The gentleman yields. I recognize Ms. Bonamici for 5 minutes for questions.

Ms. BONAMICI. Thank you very much, Mr. Chairman and Ranking Member, and thank you for allowing me to join these two subcommittees. Even though I do not serve on the subcommittees this is such an important issue and I look at it also from my K–12 Committee experience and background. There are so many overlapping issues I think as we have seen from the discussion today. We all

hear about the skills gap when we are back at home and this has been true regardless of how unemployment is. Of course, there are different challenges, as my colleague from Delaware pointed out, when there is low unemployment. The need is different, maybe more intense because there are people with disabilities or the long-term unemployed and still have significant challenges.

One of the things I wanted to note is that the level of expertise, and I appreciate all of your expertise as people who work in the field and, Mr. Berlin, your success story. Thank you for sharing that. The level of expertise on this committee I think is really impressive of people who have real world experience. I am someone who hears about the skills gap and is working hard to address it in a couple of ways. And we talked about the CTE legislation, which I am very excited about. I hope this time we can get it through the Senate as well as through the House.

Mr. Dubin, you spoke in your testimony about work study and working with Mr. Byrne on a bipartisan proposal to help with work study funding, but also to help align work study jobs with the students' career interests and career path; afterschool programs, which was noted in testimony how important afterschool programs are. I am extremely concerned about the proposed cuts to, for example, 21st century learning. We need to make sure that all of those programs are there so that we minimize the need to fix the skills gap, that we have more people ready for the workforce. Soft skills was addressed.

The funding challenges are significant and I would like to introduce, Mr. Chairman, into the record a letter from the Campaign to Invest in America's Workforce. This is addressed to the House and Senate Appropriations Committees in support of funding workforce programs. These are such a good investment. So I would like to introduce that into the record.

Chairman GUTHRIE. Without objection, so ordered.

Ms. BONAMICI. Thank you.

Like Representative Courtney and Chairwoman Foxx, many of us, I was at the bill signing for WIOA. It was my first bill signing as a member of Congress. It was pretty exciting. It was so bipartisan. And I was very proud of that bill and now we are seeing it being implemented. One of the things that I appreciated and, you know, listening to a lot of the hearings when we were working on it, is the coordination and the emphasis on coordination between employers, Federal agencies, workforce training programs, educational systems, nonprofits, and I note, Mr. Dubin, you talked about collaboration that is happening in your State.

One of the things I wanted to talk about, in my district in Northwest Oregon, Easter Seals facilitates the Washington County Senior Community Service Employment Program, which is an Older Americans Act program, but they work together. And I also oppose the budget cuts—well, actually the budget that seeks to completely eliminate this program—Easter Seals colocates the Senior Community Service Employment Program in Oregon's WorkSource Centers, which is part of America's Job Center network. So as a result of this colocation, the participants get to serve optimal access to the training, resources, and opportunities they need to develop new skills and reenter the workforce. And I tell you, there is age dis-

crimination out there. Older Americans have a much more challenging time.

So, Mr. Painter, can you discuss a little bit the benefits of coordinated colocation and how these types of programs benefitted from this integration?

Mr. PAINTER. Thank you, Congresswoman. In a previous life, as a local director, I got to administer senior community service employment. So firsthand we got to see the impact that it has in providing older Americans with an opportunity to reenter the workforce, to acquire different sets of skills. You're right, the coordination is critical. It's critical that we have an approach to business, that it's a strategic approach to business, that it's not necessarily pitting one group at another, but it's looking at the business strategy and then coming back and as a collective team, which is happening more and more, how can we solve this problem and what talent resources do we collectively have. And then working, as Heath's example, using on-the-job training, using internships. Platform to Employment out of Connecticut is a remarkable example of how you can take work, on-the-job training, internships, work experience, and craft that. But it takes that coordination among the providers.

Ms. BONAMICI. Terrific. And as I yield back I just want to align myself with Mr. Takano's concerns about the possibility of eliminating the registration process for apprenticeships. I would be more than interested in hearing examples of how the registration process for apprenticeships, if it is not working well, if we need to streamline it or fix it. I would be very concerned about eliminating it.

Thank you, Mr. Chairman, and I yield back.

Chairman GUTHRIE. I thank the gentlelady for yielding back. And that concludes members' questions. I would like to thank our witnesses for taking the time to testify before our subcommittee today.

And before I recognize our ranking member for any closing comments I just want to say what she said in the beginning, when we send letters to each other here we call them "Dear Colleagues," but we actually have a dear colleague that is recovering and we have four other people who served this House and, therefore, served this country that are recovering today. But we also, as the day went on yesterday, talked to so many other of our dear colleagues who were part of a traumatic experience, one that was—I guess the guy started outside of third base, shooting, going in, and he was in left field, right next to him, but the guy shot into the infield. And so we have a lot of people that are going through that. So be mindful as we go throughout the day that we have a lot of people hurting and we have had a lot of prayers answered as well.

So I recognize Ranking Member Davis for any closing comments.

Ms. DAVIS. Thank you, Chairman, Mr. Chairman. And I appreciate those comments as well. I wanted to thank you all so much. I think it has been a very thoughtful discussion. We really appreciate your experiences and your expertise as well.

And I just wanted to mention so quickly, because I think we have a sense of the breadth and the depth of so many, you know, fabulous examples throughout our country where people are really centered on trying to find the very, very best way to help both employ-

ees and employers and make the marketplace one that works for everyone.

And one of the issues that we have touched on a little bit, but not fully is that one of apprenticeships. And I think that what we now have a proposal out there is to be again very thoughtful as how we approach that. You know, it is always in the details, that it is very, very important, and we want to be sure that we don't cut off opportunities in some areas in order to do something different that in many cases may not have the same kind of accountability. We are talking about American taxpayer dollars and we want to be sure that those taxpayer dollars go to those programs that we have the ability to really be able to understand whether they are helpful or not, whether they are doing what we say they are going to do.

So you have touched on some of that. We are certainly going to be having far more discussions in the future, Mr. Chairman.

And I thank you all very much for being here.

Chairman GUTHRIE. Thank you very much. And they've been very informative and really appreciate your testimony.

And without being objection, there being no further business, the subcommittee stands adjourned.

[Additional submission by Ms. Blunt Rochester follows:]

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June 12, 2017

The Honorable Virginia Foxx, Chairwoman
Committee on Education and the Workforce
U.S. House of Representatives
Washington, DC 20515

The Honorable Robert "Bobby" Scott, Ranking Member
Committee on Education and the Workforce
U.S. House of Representatives
Washington, DC 20515

Dear Chairwoman Foxx and Ranking Member Scott:

The Council of State Administrators of Vocational Rehabilitation (CSAVR) wishes to thank you for holding a hearing to review the implementation of the Workforce Innovation and Opportunity Act (WIOA) with a focus on what is working well in WIOA.

The CSAVR is composed of the chief administrators of the public rehabilitation agencies serving individuals with disabilities in the States, District of Columbia, and the territories. These agencies constitute the state partners in the State-Federal program of rehabilitation services provided under the Rehabilitation Act of 1973, as amended. The Council's members supervise the rehabilitation of some 1.2 million persons with disabilities.

As with the implementation of any new law, there are challenges that State VR Agencies are working to overcome, related to the implementation of WIOA. Despite the challenges however, there are very many positive things that are occurring as a result of WIOA.

For example, in Nebraska, WIOA has led to greater collaboration between Vocational Rehabilitation (VR) and the Division of Developmental Disabilities (DDD).

Nebraska VR in the Department of Education and the Division of Developmental Disabilities (DDD) in the Department of Health and Human Services have entered into a Memorandum of Understanding to coordinate employment services. DDD state funds earmarked for sheltered workshops in the past fiscal year ($1.7 million) will be transferred to Nebraska VR. This collaboration will maximize the amount of federal funding available to provide employment services to individuals with developmental disabilities (DD). The agreement was developed

to ensure Nebraska VR and DDD comply with requirements of the federal Workforce Innovation and Opportunity Act and the Home and Community Based Services (HCBS) Setting Final Rules with a focus on competitive integrated employment for individuals with intellectual/developmental disabilities. Their agreement will provide for coordinated services between DDD and Nebraska VR to avoid duplication and focus services on employment, integration, and inclusion for individuals with disabilities.

Nebraska VR implemented supported employment services through a new milestone payment structure on May 15, 2017. The priority during the first year is to work with students who graduate from high school and individuals who are in sheltered workshops (sub-minimum wage jobs).

Nebraska VR staff members are reaching out to providers of sheltered workshop employment. This process allows them to identify individuals who wish to seek competitive integrated employment so they may begin working with them immediately. Service providers have been trained on the new process and the types of employment services available. These customized employment options will improve the ability of individuals with intellectual/developmental disabilities to obtain a job that matches their abilities and interests. They are also identifying employers who are looking for employees and helping them to understand the support Nebraska VR can provide to help someone be successfully employed by their business.

WIOA has also led to a collaborative information exchange initiative in Nebraska:

In order to implement WIOA requirements, a Common Intake Portal will be developed as a web-based software application that will serve as a common platform for workforce agencies and WIOA partners to exchange information. The system will provide a single point of access to all Nebraska WIOA partners for exchanging participant information. The system will maintain updated information about participants and their real time progress in services provided by the partners. As a result, the system will allow for a collaborative approach to help workers and job seekers develop a single career goal across partner programs, eliminate duplication of efforts and funding, and enhance the ability of participants to achieve economic independence. Phase 1 and Phase II are planned to go live as a package by July 1, 2018. Initially, phase I will allow a Common Intake Portal to integrate with the following state agencies; VR, Adult Education, NCBVI, TANF, Wagner Peyser, TRADE, JVSG, WIOA Title 1. Eventually other agencies such as MSFW, Job Corps, Probation, Native American Program, CTE, SCSEP, UI, Community Services Block Grant, and Other Workforce Partners, as appropriate, will join the portal. Phase 2 will be a Common Case Management application built into the Common Intake Portal.

WIOA has also led to a collaborative information exchange initiative in Minnesota:

In Minnesota, more than 16,000 individuals with disabilities are working in subminimum wage employment – more than in any other state. Vocational Rehabilitation Services, in.

Partnership with Minnesota's eight Centers for Independent Living (CILs), last year began to provide career counseling and information and referral to all 16,000-plus subminimum wage workers.

Thus far in the first year of Section 511 implementation, about 21 percent of those individuals have expressed an interest in seeking competitive, integrated employment. They expect that percentage to increase in the second year.

Section 511 requirements are proving to be a significant catalyst for community rehabilitation providers to make changes in service delivery models. For example, some service providers have already discontinued using the 14(c) special wage certificate and others plan to discontinue its use. Additionally, largely due to changes in Section 511, the number of students with intellectual and developmental disabilities who are in plan development has increased significantly, from 16.2 percent in federal fiscal year 2016 to 25.8 percent in federal fiscal year 2017.

Minnesota's Medicaid agency and counties are working closely with VR to sequence funding to support competitive, integrated employment outcomes. VRS has received state legislative support to prioritize the use of waiver funds for competitive, integrated employment. The Medicaid agency and community providers are partnering with VR to build system capacity to deliver customized employment services.

We are providing examples of positive changes in service delivery that are occurring in two States as a result of WIOA implementation but there are a significant number of other states that are achieving positive results based on WIOA.

As we continue to move forward with implementation of WIOA, it is our hope that our federal partners will work with us to resolve the remaining issues and challenges that states face in fully implementing WIOA in line with Congressional intent. Thank you for the opportunity to comment.

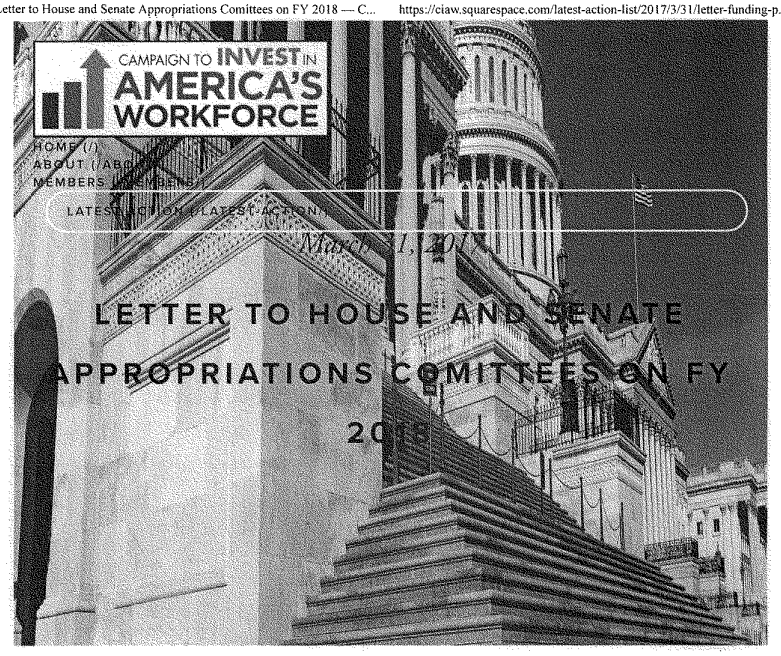
Sincerely,

Steve Wooderson, CEO, CSAVR

cc. The Honorable Brett Guthrie, Chairman
Subcommittee on Higher Education and Workforce Development
U.S. House of Representatives
Washington, DC 20515

cc. The Honorable Susan Davis, Ranking Member
Subcommittee on Higher Education and Workforce Development
U.S. House of Representatives
Washington, DC 20515

[Additional submission by Ms. Bonamici follows:]



Dear Chairman Cochran, Ranking Member Leahy, Chairman Frelinghuysen, and Ranking Member Lowey:

The Campaign to Invest in America's Workforce (CIAW) is a diverse coalition of national organizations that offer direct services, advocacy, research, and policy development to help people of all ages and conditions develop their skills, enter gainful employment, and enroll and succeed in postsecondary education. CIAW urges you to include adequate investments in job training and adult education as you work to complete the Fiscal Year (FY) 2018 appropriations process so these

programs have the capacity to meet the Administration's job creation goals.

Funding critical investments in workforce and education strategies is essential to ensure businesses have access to workers with appropriate skills. CIAW urges you to invest in the upskilling of American workers and reject proposed cuts to training and education in President Trump's budget proposal.

Middle skill jobs—those requiring more than a high school diploma, but not a four-year degree—make up 53 percent of today's labor market, but only 43 percent of U.S. workers are trained at this level. This skills gap leaves rural and urban businesses struggling to find workers with appropriate skills, and it leaves workers without meaningful pathways to better-paying jobs.

Congress has acknowledged the need to address this issue and to reform our nation's workforce development strategy. In 2014, the Workforce Innovation and Opportunity Act (WIOA) was signed into law after being passed by wide bipartisan majorities in the House and Senate. WIOA contains significant changes that will help better match employers with the skilled employees they need to grow. These include fewer and better-aligned performance metrics (including a measure of effectiveness in serving employers), a simpler structure for workforce development boards, and integration of best practices such as industry partnerships and career pathways.

Final regulations to implement WIOA were completed last year. As a result, states are now finalizing their plans to align their employment and training programs with regional economic development strategies that benefit businesses and workers alike. Maintaining funding for WIOA implementation is needed for states to fully carry out congressional reforms. Doing so will improve our nation's economic competitiveness and ensure comprehensive workforce strategies are in place to support national priorities, such as rebuilding our infrastructure.

President Trump's budget contains significant cuts that threaten to undermine this progress. The proposal includes approximately $9 billion in cuts to the Department of Education, or 13 percent below current funding levels. It also cuts $2.5 billion from the Department of Labor, or about 21 percent below current funding levels. The proposal does not provide clear guidance on where the bulk of the cuts would be made, but it indicates that there are likely to be major cuts to workforce and Wagner-Peyser Employment Service formula grants under WIOA.

WIOA, as well as the upcoming reauthorizations of the Carl D. Perkins Career and Technical Education Act and the Higher Education Act, provide unprecedented potential to develop America's workers through access to effective workforce education and training. For this potential to be

realized, sustained funding is required.

However, we are deeply concerned by Administration proposals that would make draconian cuts to essential programs – even cutting programs that provide businesses with the skilled workers they need. These cuts would come on top of historic disinvestments in critical workforce and education programs and the already low caps on non-defense discretionary spending under the 2011 Budget Control Act. Funding for state workforce grants, which WIOA reformed to be more responsive to industry needs, have been cut by 38 percent since 2001.

Despite strong bipartisan support, career and technical education programs that prepare workers for the jobs of tomorrow have been cut by 32 percent since 2001. Investments in adult education have been cut by 21 percent since 2001. AmeriCorps is authorized to provide opportunity for 250,000 youth and veterans to serve their country and gain in-demand skills but is only funded to meet the needs of 80,000 participants.

We simply cannot compete in the global economy if we keep cutting and eliminating effective programs.

CIAW urges you to maintain parity between defense and non-defense spending levels, and recommend adequate funding for critical programs under WIOA, the Perkins Act, the Higher Education Act, Homeless Veterans Reintegration Program, Title V under the Older Americans Act (OAA), the Corporation for National and Community Service's programs like AmeriCorps, and related activities, as part of the Administration's FY 2018 budget request. You can find further details regarding specific funding recommendations in the attached, "Funding Challenges: Adult and Youth Education and Training for FY2018." All related programs should be funded at least at the authorized levels set by Congress.

If you have questions about this letter or its attachments, please contact Paul Seifert, CIAW Convener, at paul.seifert@goodwill.org or 240-333-5478. Thank you for your leadership, your commitment, and your attention to these matters that are so important to unlocking our nation's true job creating potential.

Sincerely,

AdvanceCTE
AFL-CIO
American Association of Community Colleges

American Federation of Teachers, AFL-CIO
Association for Career and Technical Education (ACTE)
Association of Community College Trustees
Association of Farmworker Opportunity Programs
Center for Law and Social Policy (CLASP)
Coalition on Adult Basic Education
Council on Adult and Experiential Learning
Easterseals
Goodwill Industries International
Heartland Alliance
International Association of Jewish Vocational Services
Jobs for the Future
National Alliance for Partnerships in Equity (NAPE)
National Association of Development Organizations
National Association of Regional Councils
National Association of Workforce Boards
National Association of Workforce Development Professionals
National Coalition for Literacy
National College Transition Network, World Education, Inc
National Council for Adult Learning
National Council for Workforce Education
National Council of State Directors of Adult Education
National Council on Aging
National Fund for Workforce Solutions
National League of Cities
National Skills Coalition
National Youth Employment Coalition
ProLiteracy
ResCare Workforce Services
Sargent Shriver National Center on Poverty Law
The Corps Network
The Insight Center for Community Economic Development
Third Way
United Way Worldwide
Workforce Data Quality Campaign

Young Invincibles

YouthBuild USA

FUNDING CHALLENGES: EDUCATION AND TRAINING FOR FISCAL YEAR 2018

Reinvest in the skills of America's workforce, including fully funding the Workforce Innovation and Opportunity Act (WIOA) and the Older Americans Act -- Despite declining unemployment over the past few years, 7.6 million people remained unemployed as of January 2017; 1.9 million of those have been jobless for 27 weeks or more. While our economy is headed in the right direction, further investment in job training and education is necessary to ensure workers have the skills employers rely upon to compete in the global economy. To reach this goal, the Administration's request should fund both formula and national grant programs at or above authorized levels. The Administration's budget request should:

- Fund WIOA Title I employment and training programs at least at statutorily authorized levels so states, local areas, and other partners in the public workforce system can fully realize the bipartisan vision outlined by WIOA. This includes state adult, dislocated worker, and youth formula grants under Title I-B, the Job Corps program under Title I-C, and national grants under Title I-D. The nation's workforce system plays a critical role in meeting the skill needs of high demand employers and of regional economies. In PY 2015, the system served over 6.8 million participants, two-thirds of whom (over 4 million people) were placed into employment, many of whom were provided with the skills needed by employers through workforce training programs.
- Fund adult education and literacy programs under Title II of WIOA at least at authorized levels to ensure that Americans with low basic skills are able to strengthen their educational levels in order to take advantage of emerging economic opportunities. OECD research shows 36 million adults in the U.S. have low basic skills, yet current funding only supports serving about 1.7 million eligible participants a year.
- Fund Wagner/Peyser Employment Services (ES) activities under Title III of WIOA at current levels to give states the necessary resources to provide WIOA's intensive reemployment services while implementing the new law.
- Fund the vocational rehabilitation program and other employment services authorized under

WIOA Title IV for adults and students with disabilities. Substantial updates to Title IV require important updates to our workforce development system's service delivery to individuals with disabilities. These updates reflect the bipartisan understanding that significant barriers to employment exist for many with disabilities. Investment in these individuals would boost their access to the training and education necessary to develop skills employers value.

- Fund job training and employment services for older workers and veterans authorized through the Older Americans Act and other laws at no less than level funding. Title V of the Older Americans Act authorizes the Senior Community Service Employment Program (SCSEP), the only federal workforce development program targeted to serve older Americans. Last year, more than 65,000 low-income jobseekers ages 55 years and older updated their skills through on-the-job SCSEP training and provided nearly 35 million hours of support to libraries, senior centers, schools and other community- and faith-based organizations across the country. The Homeless Veterans' Reintegration Program is the only federal nationwide program focused exclusively on the employment of veterans who are homeless or at risk of homelessness. Last year, 17,000 veterans received job training and employment supports through HVRP. Funding at the authorized level of $50 million would mean an additional 5,000 homeless veterans could be served through HVRP.
- Maintain or increase the $90 million investment in apprenticeship programs. This investment ensures that apprenticeship programs across the country continue to grow and better serve workers seeking training and employers that need to hire them to support the expansion and growth of their businesses. Attention should also be paid to engaging pre-apprenticeship programs to increase opportunity for new partnerships and new types of apprenticeship programs.

Support necessary funding to support Career and Technical Education (CTE) – The Carl D. Perkins Career and Technical Education Act (Perkins Act), which supports our nation's high schools, technical centers and community colleges in providing the education necessary to develop the highly skilled workforce demanded by employers, has been cut more than 30 percent since 2001. These cuts are incompatible with our nation's increased need for skills obtained in CTE education and training programs. Federal workforce and education investments must be targeted so jobseekers can access high-quality education and training that results in market-ready skills and credentials, and to support employers' engagement in aligning training with their skill requirements. The Administration's request should reflect additional funding necessary to restore and strengthen the investment in the basic state grant and implement the programmatic changes of the impending reauthorization of Perkins, including additional discretionary funds to support the development and

implementation of innovative CTE strategies, including partnerships between CTE providers, employers, and other key stakeholders. The Administration should request at least FY 2010 levels, or approximately $1.3 billion.

Modernize and reinvest in the Pell Grant Program – As Congress prepares to reauthorize the Higher Education Act, the Administration's budget request should include investments in implementation and reflect the necessity to update HEA to reflect realities of today's students. The Administration should retain the current Pell Grant surplus and reinvest in the program. Surplus funds exist in part due to prior cuts to the Pell Grant program. Those cuts resulted in a loss or reduction of financial assistance for thousands of students. Surplus funds generated from reductions in student aid should now be reinvested back into the program, and not diverted away from postsecondary student aid. The Administration's budget request should include investments to protect and modernize the Pell Grant program, including:

- Reinstate year-round Pell Grants. Providing Pell Grants beyond the current two semesters or three quarters could increase persistence and graduation rates by forestalling summer learning loss and giving students the opportunity to complete their degrees more rapidly. Students need more flexibility in accessing financial aid. In particular, low-income students should be able to enroll continuously. We urge the reinstatement of the year-round Pell Grant in order to support student persistence and on-time completion.
- Expand access to Pell funds for students enrolled in short term training programs leading to industry-recognized credentials and employment in local in-demand industries. Current restrictions on access to Pell funding limits credential attainment by students who cannot afford to access longer term training programs and stifles job growth as businesses can't access trained workers.
- Fully reinstate Pell Grant eligibility for "ability-to-benefit" (ATB) students. In 2012, Congress eliminated Pell Grant eligibility for all new ATB student in order to close a funding shortfall. ATB students lack a high school diploma or GED, yet have proven their abilities to benefit from college-level coursework either through the successful completion of classes (six credits) or by passing a test. Over the past two fiscal years, Congress has begun to incrementally reinstate Pell Grant eligibility for ATB students. Moving forward, the program should be reinstated back to its original, pre-FY 2012 structure. This would allow more students to access this essential aid.
- Maintain the current Pell Grant discretionary baseline funding of $22.475 billion in order to preserve fiscal stability for the program.
- Maintain mandatory funding for the Pell Grant program. Cutting or eliminating mandatory

funding for the Pell Grant program would potentially result in a multi-billion shortfall in future fiscal years.

Support AmeriCorps and the Corporation for National and Community Service (CNCS) – The CNCS is structured to promote public-private partnerships with local organizations and governors), particularly through the bi-partisan AmeriCorps program, in order to address critical community needs by engaging disconnected youth and veterans in high-quality, locally-driven, work-based service programs. Through those programs, students and veterans gain certifications and credentials and further education; receive education awards that can be used for training or school; and complete priority projects that are important to the community and states where they serve. Projects include disaster response, wildfire remediation, invasive species removal, infrastructure repair and development, education, construction, and community/economic development. We urge your support for funding CNCS and its critical programs like AmeriCorps State and National, AmeriCorps VISTA, AmeriCorps NCCC, and the State Service Commissions.

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Testimony Submitted to the Senate Subcommittee on Labor, HHS, and Education, and Related Agencies on Funding For Federal Education and Training Programs at Labor, Education, and HHS (/latest-action-list/2017/6/9/testimony-submitted-to-the-senate-subcommittee-on-labor-hhs-and-education-and-related-agencies-on-funding-for-federal-education-and-training-programs-at-labor-education-and-hhs)

Older Post
Letter to House and Senate Appropriations Committees on FY 2017 (/latest-action-list/2017/5/2/letter-house-and-senate-appropriations-committees-on-fy-2017-22717)

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[Additional submission by Mr. Espaillat follows:]

The Honorable Virginia Foxx
Chairman
House Education and the Workforce Committee
2262 Rayburn House Office Building
Washington, DC 20515

The Honorable Robert C. "Bobby" Scott
Ranking Member
House Education and the Workforce Committee
2101 Rayburn House Office Building
Washington, DC 20515

The Honorable Brett Guthrie
Chairman
Subcommittee on Higher Education and Workforce Development
2434 Rayburn House Office Building
Washington, DC 20515

The Honorable Susan A. Davis
Ranking Member
Subcommittee on Higher Education and Workforce Development
1214 Longworth House Office Building
Washington, DC 20515

Dear Chairman Foxx, Ranking Member Scott, Chairman Guthrie, and Ranking Member Davis:

The Campaign for Youth is pleased to provide this letter for the record regarding the hearing "Helping Americans Get Back to Work: Implementation of the Workforce Innovation and Opportunity Act." The Campaign for Youth brings together national and local youth policy leaders to create a strong collective voice focused on the needs of young people who are out of work, out of school, and out of the mainstream.

Despite significant economic growth since the height of the Great Recession, America's youth confront an employment crisis. Approximately 4.9 million[i] young people are not in either school or the workforce which compromises the economic growth of our communities and jeopardizes the economic security of America's families. We know what needs to be done. Helping out-of-school youth access education and the workforce is the best solution to persistent poverty and income inequality. The longer youth are separated from education and work, the less likely they are to ever reconnect. The good news is that we have decades of research on what programs worked to reconnect young people to education and the workforce. [ii] It's now crucial to make comprehensive investments in these solutions.

Long-term benefits. Youth employment offers a host of benefits to young people and their communities. Employed teens are more likely to graduate high school, and recent research studies suggest that employment during the summer months can prevent involvement in the juvenile and criminal justice systems.[iii] Moreover, employment in the teen years is a significant predictor of successful attachment to the labor market into adulthood. It is also linked to increased earnings in the short-term and later in life. [iv]

WIOA Youth formula funding, along with YouthBuild and Job Corps, which are also authorized by WIOA, is one of the very few federal investments which has the potential to reach and re-engage these young people. As such, it represents an essential part of nation's efforts to build a skilled and talented pipeline of employees, entrepreneurs, and leaders for the future.

Evidence of Success. WIOA Youth formula funding supports comprehensive efforts in local communities and it typically leveraged to create systemic solutions for youth. Each year nearly 200,000 young people, most of whom are out of school and out of work, now receive services through nationwide WIOA Youth Program formula funding – and over 65 percent of these young people attain a degree or certificate or enter employment. Of the 95,000 opportunity youth who were served in fiscal year 2014, 71.5 percent of program exiters entered employment after leaving the program and 69.2 percent of program exiters had attained credentials of some kind. Program models, such as Jobs Corps and YouthBuild also yield effective outcomes for the youth they serve. For example, compared to highly motivated individuals receiving alternative services, YouthBuild participants are – 78% more likely to attain a GED; 51% more likely to enroll in vocational school; 33% more likely to enroll in college; 23% more likely to earn more than $10 per hour.

Federal youth employment and training programs only serve a fraction of the young people who could benefit from them.[v] Investing in strategies and program models that work and redirecting savings from costlier interventions back to communities is the only way to reach opportunity youth at scale. Private sector partnerships and employers are stepping up to develop demand-driven solutions and meet the needs of its talent pipeline. But they also need strong investments from the public sector, including federal investments that are leveraged at the state and local level.

Young people, even those growing up in disinvested communities, have immense assets: they are resilient in the face of enormous challenges, navigate complex interpersonal and economic relationships, and find ways to contribute to their families and communities even when resources are limited.

We stand in support of the broader community of youth policymakers and advocates who believe that all young people should have access to career and educational pathways that promote economic security and opportunity. Together, through strong investments and sustained commitment, we can ensure that every young person realizes their full potential.

Please contact us with any questions. For more information, contact: Kisha Bird, Director, Youth Policy, CLASP, at kbird@clasp.org.

Sincerely,

The Campaign for Youth

The Campaign for Youth Steering Committee

American Youth Policy Forum
Center for Law and Social Policy (CLASP)
Forum for Youth Investment
Gateway to College National Network
Institute for Educational Leadership
Jobs for the Future
National Council of La Raza
National Youth Employment Coalition
The Corps Network
The Susquehanna Group
Young Invincibles
YouthBuild USA

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[1] Rupsha Basu, Rebecca Gluskin, Larua Laderman et al.: *Promising Gains, Persistant Gaps: Youth Disconnection in America;* Measure of America, 2017, https://ssrc-static.s3.amazonaws.com/moa/Promising%20Gains%20Final.pdf

[ii] See, for example, "What Works for Disconnected Young People: A Scan of the Evidence" (http://www.mdrc.org/sites/default/files/What_works_fordisconnected_young_people_WP.pdf) for a summary of recent research

[iii] Jan Ingmire, "Chicago summer jobs program for high school students dramatically reduces youth violence," *UChicago News*, December 4, 2014 https://news.uchicago.edu/article/2014/12/04/chicago-summer-jobs-program-students-dramatically-reduces-youth-violence

[iv] Andrew sum, Ishwar Khatiwada, Joseph McLaughlin, *The Consequences of Dropping Out of High School*, Center for Labor Market Studies at Northeastern University, 2009, https://www.ibm.com/connect/ibm/attachments/Y012593Q38406K31/The_Consequences_of_Dropping_Out_of_High_School.pdf

[v] Kisha Bird, *Our Youth, Our Economy, Our Future: A Road Map for A Stronger Talent Pipeline*, CLASP, 2016, http://www.clasp.org/resources-and-publications/publication-1/Campaign-for-Youth-Road-Map-2016.pdf

[Additional submission by Ms. Paczynski follows:]

With dropping unemployment, SC workforce agency elevates focus on people with barriers to work

FEBRUARY 13, 2017 BY JARED ROGERS-MARTIN

With the unemployment rate in South Carolina approaching low levels not seen in more than 15 years, the state Department of Employment and Workforce (DEW) can focus more on helping those workers with specific barriers to finding jobs, like ex-offenders.

Image: SCDOT

DEW's Deputy Director of Workplace Operations Grey Parks said his agency partnered with the Department of Corrections to create the "Second Chance" program nearly two years ago. Second Chance trains prison inmates 90 days before their release in resume building, interview coaching and job searching to help them land careers upon their release. Once they leave prison, the hope is that interested companies can immediately hire those inmates to contribute to South Carolina's workforce.

"The idea being that when you go into suitable employment once you release, it decreases the recidivism rate for those folks," said Park.

According to the Corrections Department, the recidivism rate of offenders is around 24 percent. But that drops to around 14 percent for those with a job. Around 900 people are released from prisons in South Carolina every month.

Grey says that the Second Chance Program has been easy to sell to businesses across the state because several companies have already had success with program.

"We are getting other businesses in contact with businesses that have had success with the program and the talk amongst themselves," he said. "Because when they hear the success from other business, it means a lot more to them."

Employers who hire people in the Second Chance program can lower the risk of employing ex-offenders by securing a federal Work Opportunity Tax Credit through DEW. The federal tax incentive allows employers to claim a federal income tax credit equal to 40 percent of an individual's first-year wages but capped at $2,400.

Park says The Second Chance program battles the stigma that inmates do not want to work after their release.

"There is a real demand right now because inmates want to go to work," said Park. "They want to know that when they leave they can go into a job and have gainful employment."

Mark Pitto, left, and Don Williams work for JumpStart, a prison rehabilitation ministry that helps inmates prepare for reentry into society. Williams said finding meaningful employment for ex-inmates is crucial to keep them from reoffending. **Alex Hicks Jr.** - Spartanburg Herald-Journal

CRIME & COURTS

APRIL 30, 2017 12:16 PM

Ex-offenders struggle with barriers to employment

BY DANIEL GROSS
The Spartanburg Herald-Journal

SPARTANBURG, SC — Wayne Bryant was introduced to drugs at an early age and it wasn't long before he was spending his days in and out of prison.

But during his last eight-year sentence, surrounded by inmates who were in for life, he decided he was ready to make a change.

Bryant took part in the prison ministry JumpStart to prepare himself for life on the outside and was able to find a job within four weeks of his release.

But Bryant's success is rare.

"I'm family-driven right now. I want to show people, but I got to do it for myself first," he said. "It's about being able to support yourself and being able to provide. ... The offenders have a stigma already, you know? We're trying to change the way people look" at us.

Most former inmates struggle to find work once they're released, increasing the likelihood they'll slip back into a life of crime. While rehabilitation advocates say the situation is improving, they also see more that could be done to help inmates overcome employment challenges.

At-risk group

More than 9,000 people are released each year from South Carolina prisons. Nearly a quarter of them — 23.1 percent in 2013, the most recent year for which data is available — will commit new crimes and return to jail within three years, according to the S.C. Department of Corrections.

Studies show a major reason ex-convicts reoffend is a lack of job opportunities and a steady income. One study conducted by the National Institute of Justice suggests that up to 75 percent of those released from prison are still jobless a year after their release.

"Getting people connected to work and to living wage employment is critical and can help reduce recidivism and future contact with the prison system," said Nicole Porter, director of advocacy at The Sentencing Project, a Washington, D.C.-based organization dedicated to improving the U.S. criminal justice system.

In South Carolina, having a job even while still behind bars can reduce recidivism rates after release, state corrections data shows.

Inmates who work in prison industry jobs have a 13.5 percent recidivism rate, almost 10 percent lower than the state average.

"When you look at the breakdown of people that went through jobs and worked, (the recidivism rate) is a lot less for folks that participated in jobs than for those that sat around," said Bryan Stirling, director of the S.C. Department of Corrections.

Help on the outside

Some Spartanburg County groups are working to make sure former inmates have employment opportunities once they're released and to reduce the stigma that prevents them from being hired.

Don Williams, JumpStart's employment director, knows the challenges firsthand.

Williams, who served time in prison, started a janitorial business after his release in 2004. But he has also dedicated his life to helping other former inmates find work.

"I can't let the next man fall through the cracks," he said. "These guys are hungry. They're looking for opportunities."

Williams co-founded JumpStart, a prison rehabilitation ministry, in 2008 to help inmates prepare for life outside before they're released. Once out of jail, program participants are provided with a year of transitional housing and employment assistance.

Williams said he's built relationships with about 25 employers, mainly manufacturers. Those employers are more willing to hire JumpStart participants because they've already been vetted by the ministry, Williams said. He also acts as a liaison between JumpStart transportation coordinators and employers to make sure employees can be at work at the times they're needed.

He said ex-offenders — called "returning citizens" at JumpStart — are looking for permanent jobs with opportunities for advancement so they can earn enough to not only support themselves, but to cover such expenses as home detention payments to the state and restitution payments to their victims.

"Being an ex-offender, I know that you start out somewhere, and once you plateau out there, if you don't see the potential to make more money and you're giving it your all, eventually you're going to have to do something to get extra money. And if a criminal lifestyle is what you know, then, you know," Williams said.

Another program that helps former inmates find job opportunities is the S.C. Reentry Center in Spartanburg, which works with inmates who are on probation or parole. The center is one of only two in the state; the other is in Columbia. Both are run through the S.C. Department of Probation, Parole and Pardon Services, which keeps track of more than 29,000 ex-offenders who are on supervised release.

The Reentry Center held a job fair Friday with about 20 different employers who had expressed interest in hiring ex-offenders. Employment Coordinator Bryan Deas said that list is encouraging, but he would like to see more.

Marna Windle, director of the reentry center, said about 155 ex-offenders have found work after going through the center's job readiness program, which began in 2013.

Many of those who enter the program are identified before their release so they can become familiar with the program in advance, Windle said.

Help on the inside

Like local efforts, the state's programs have recognized the importance of equipping inmates for life outside prison before they're released.

In 2015, the state Department of Corrections partnered with the Department of Employment and Workforce (DEW) to offer inmates help as their release dates near.

Staff from DEW visit every prison facility in the state once a month to talk to inmates. A program also is underway at Manning Correctional Institution in Columbia to assist inmates with computer training, interviewing skills and resume writing 90 days before their release. Inmates in the program then apply for jobs 30 days before their release.

The effort recently expanded to the Graham Correctional Institution in Columbia to help female inmates.

"Mainly, it's about getting the proper certifications that employers are really looking for," Stirling said.

Stirling said he expects the new job readiness efforts will have an impact on the number of inmates who find work.

Bryant, the former inmate who went through JumpStart, said that preparing to re-enter society while still in prison makes a difference, especially if an inmate wants to lead a better life.

"It starts off in prison. They've got to be able to change their mindset in there. If they're not willing to do it in prison, they're not willing to do it out here, or if they finally get out it's too late to make that change," Bryant said.

Barriers to overcome

Still, the obstacles to employment are significant.

Simply reintegrating into society is a big challenge for many former inmates. Bryant said he's grateful for the help he got from JumpStart, and for his job at Huntington Foam, an automotive supplier in Greer, but he admits he still feels "culture shock."

"I'm basically 12 years behind my generation," Bryant said. "The mindset I have now and the maturity level I'm at now, I should have been at when I was 18, and I just turned 30."

Former inmates also have a number of new complications to deal with, including transportation, education and health care.

"Just getting a basic ID is a challenge," said Deas, at the Reentry Center. "It's difficult, and everyone is on different levels."

But the biggest problem former inmates face is the stigma of having a record. Deas said ex-offenders often don't make it past the initial application process.

"Employers see that (question about criminal history) and toss it. Well, that could have been one of your best employees," he said.

Stirling, the state corrections director, agreed.

"I understand that stigma. You want to be safe in your hiring practices," Stirling said. "That's a challenge, and we're trying to overcome that challenge and help these people come on with their lives."

One effort to address that problem is a "Ban the Box" measure introduced by Democratic state Rep. Todd Rutherford of Columbia. The bill would prohibit employers from asking about criminal histories unless they're directly relevant to the job being sought.

Rutherford said the bill is still in committee, and it isn't likely to advance this session. But he hopes it can gain enough momentum to pass in the future.

Another measure introduced by Rutherford calls for making more former inmates eligible to have their records expunged, so they have an easier time applying for jobs.

Rutherford called a person's criminal conviction "a life sentence" no matter the time behind bars since their records continue to hold them back after release.

"If we don't look at a holistic approach to it, we're wasting our time," Rutherford said. "From a Ban the Box standpoint, employers want the best candidate, but you can't get them with antiquated notions of who makes up those candidates."

Proponents of such measures say they can help those trying to gain stability after prison. Nine states already have removed questions about criminal convictions from job applications of private employers, according to the National Employment Law Project.

"(Ban the box) is a good first step, in addition to stakeholders participating in public conversations around connecting people with criminal histories to work structures. The issue is that there is a lack of good jobs available for people with low skill levels," said Porter, with The Sentencing Project.

Jimmy Cheeks, a senior recruiter at the Spartanburg-based temp agency Personnel Solutions, said he committed to hiring ex-offenders based on their desire to work.

"I've found them to be a more reliable employee than someone that hasn't been incarcerated. They're looking to get back into society. They're trying to prove that to themselves, but a lot of companies won't give them that chance because of their background," Cheeks said. "But I've seen from my experience that they are dependable. They will work. They aren't afraid of getting dirty."

Some employers have also taken advantage of the federal bonding program, which provides them with liability insurance when they hire an ex-offender.

"The economy is picking up a bit and more people are willing to look at people with challenges in their background," said Peter O'Boyle, a spokesman for the S.C. Department of Parole, Probation and Pardon Services.

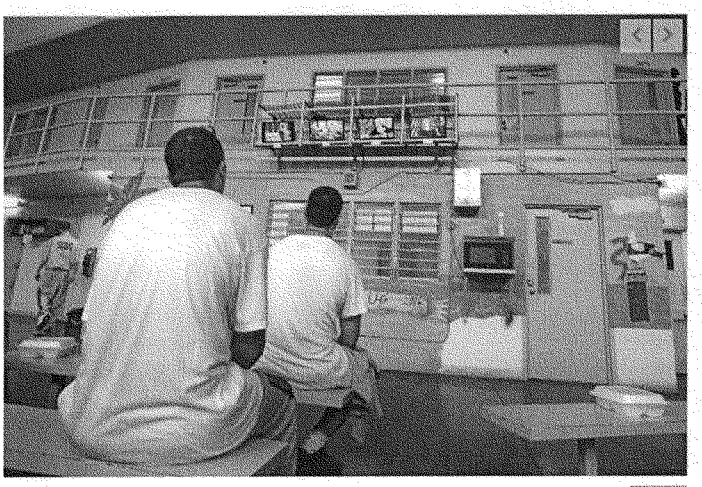
Mark Pitto, an ex-offender who began working at JumpStart two years after his release, admits it's not easy trying to start over after serving time. Pitto, who also does some IT work with Sun Surveillance Inc., said some of those first days can be almost unbearable.

But it gets better, he said.

"There were some days I didn't know if I'd ever come out from it ... You can overcome it, but you've got to be strong and well-grounded," he said. "Just stay the course. It'll pass, but you've got to stay the course."

Report shows double-digit drop in South Carolina inmates who return to prison after release

By Gregory Yee gyee@postandcourier.com Jun 8, 2017 Updated Jun 8, 2017 (0)



Brad Nettles

Buy Now

A few inmates at the Lee Correctional Institution Step Down Unit watch TV in their free time on July 19, 2018. File/Brad Nettles/Staff

A seven-year effort to overhaul South Carolina's criminal justice system is yielding promising results.

A Council of State Governments justice Center report released Thursday highlighted reform efforts to reduce recidivism — defined as when a criminal re-offends — in seven states: Arizona, Colorado, Georgia, Michigan, North Carolina, South Carolina and Texas.

The nonprofit, nonpartisan group works with states to help shape public policy in areas ranging from elections to public safety.

In South Carolina, the most dramatic change was a 46 percent drop in parole or probation revocations for technical violations. They include areas such as missing a scheduled appointment with an officer or failing a drug test, recorded between 2010 and 2015, according to the report.

S.C. Department of Corrections Director Bryan Stirling said initiatives like the Second Chance Program, a collaboration between prison officials and the state's Department of Employment and Workforce, are helping to drive positive changes.

"I think from a public safety standpoint, we're seeing the crime rate go down," Stirling said. "We're seeing less people come to prison and less people return to prison. If they're working, we think they're less likely to go out and commit crime."

The program was launched at Manning Correctional Institution. A similar operation has started at Graham Correctional Institution, which houses women. Both facilities house lower-level prisoners. Officials hope to expand to higher-security facilities like Lee Correctional.

Between 80 and 85 percent of inmates will eventually re-enter society, Stirling said. Equipping them with the tools they needs to land a job is a key to reducing the revolving door. Of the 783 people that went through Second Chance at Manning, 75 percent got jobs.

"We're trying to focus on the needs of the business community to focus on the needs of the workforce," he said. "It teaches these folks that they can go out and get jobs. I hope we continue with the programs to prepare people to go back into society. I don't think anybody in the state would say we shouldn't be doing this. We want them to have a future and have hope ... so they don't return to a life of crime."

This progress was jump-started after state legislators passed the Omnibus Crime Reduction and Sentencing Reform Act in 2010.

State officials have closed six prisons since that time and in May, the prison population as a whole fell below 20,000 from its average of 20,500, Stirling said.

The promising statistics did not end with parole and probation revocations.

The Council of State Governments report highlighted a 21 percent drop in the three-year reincarceration rate between 2004 and 2013 for South Carolina. Researchers noted a 25 percent drop in reincarceration within three years for a person starting parole or probation.

In addition, the study cited FBI statistics showing a 16 percent drop in violent crime for South Carolina as a whole between 2010 and 2015.

Marshall Clement, director of state initiatives for the nonprofit's Justice Center, called the progress "incredibly impressive."

"Ten years ago, we were talking about specific programs that reduced recidivism," Clement said. "Today, we're talking about entire states."

Although data past 2015 was not available for the study, he expects the reform efforts in South Carolina are continuing to drive reductions.

For Charleston Police Chief Greg Mullen, the report's findings are promising but only form one part of the overall crime picture.

The public needs to think about how to address crime and public safety from all angles, Mullen said.

There's been an uptick in violent crime in Charleston over the past couple of years and although a multitude of factors could be contributing to the increase, he's concerned that a new generation is being swept up into the criminal justice system.

If communities and public officials work to improve areas like access to education, employment, and to bolster health and wellness, that could keep many people from feeling like they have to get involved with criminal activity in the first place, he said.

"I think that if you can keep people from committing crimes and you help them to learn how it impacts their communities, families ... then maybe we can stop what seems like this revolving cycle," Mullen said.

Upstate Workforce awarded grant to help inmates return to workforce

PRINT STORY

Staff Report

MAY 05, 2017

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The Upstate Workforce Investment Board received a $159,170 grant from the State Workforce Development Board to help inmates return to the workforce.

Thirty-two inmates at the Spartanburg County Detention Center will get job training for the construction industry, according to a news release.

Trident Technical College received a $250,000 grant to implement its Veterans' Education and Transition Support re-entry project.

"We are pleased to partner with these two organizations. Helping returning citizens find a job as they leave prison has a tremendous positive impact on their lives by giving them purpose and reducing the possibility that they will be incarcerated again. This reduces the burden on the system and on the taxpayer," said Cheryl Stanton, executive director of the S.C. Department of Employment and Workforce, in the release.

In partnership with Spartanburg Community College, the Operation Educate project will help the inmates learn things like soft skills, work-life balance, economic stability, work readiness training and WorkKeys instruction.

The program with Trident Technical College will help 48 veteran inmates at the MacDougall Correctional Institutional at Ridgeville. MacDougall has created a unit specifically for veteran inmates along with "a pre- and post-release program in partnership with federal, state and nonprofit organizations" to help those inmates prepare for release.

State board awards $400,000 in grants to train inmates

PRINT STORY

Staff Report

MAY 08, 2017

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The State Workforce Development Board has awarded more than $400,000 in grants to Trident Technical College and the Upstate Workforce Investment Board.

The grants are intended to help the organizations provide employment skills training to inmates, enhancing their chances of finding work upon release and reducing the likelihood of returning to prison, according to a news release from the S.C. Department of Employment and Workforce.

"Providing inmates with job training gives them self-confidence, direction and a skill set for their betterment, now and upon release," Gov. Henry McMaster said in a statement. "This will help reduce the recidivism rate, which is lower for people who have jobs, and provide a labor force for key industries across the state."

Trident Tech received $250,000 to implement a Veterans' Education and Transition Support re-entry project. The college will serve 48 veteran inmates incarcerated at the MacDougall Correctional Institution in Ridgeville. The grant will provide job training for the construction industry, according to the news release.

Other partners will provide supportive services, professional development seminars, soft-skills and work-readiness training, housing support, health and wellness activities, and connections to community supports for basic needs assistance and further training opportunities.

The Upstate board received a $159,170 grant to serve 32 inmates at the Spartanburg County Detention Center. The board's Operation Educate project will provide inmates with job training for the construction industry, working in partnership with Spartanburg Community College. Project partners will provide training and instruction in soft skills, work-life balance, economic stability, work readiness and WorkKeys, according to the news release.

"We are pleased to partner with these two organizations," Cheryl Stanton, executive director of the state workforce agency, said in the news release. "Helping returning citizens find a job as they leave prison has a tremendous positive impact on their lives by giving them purpose and reducing the possibility that they will be incarcerated again. This reduces the burden on the system and on the taxpayer."

Transportation grants to help people get to work, training

PRINT STORY

Staff Report

MAR 30, 2017

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The S.C. Department of Employment and Workforce and the State Workforce Development Board are making $600,000 in grants available to implement or expand existing public transportation to give people more direct access to work and job training sites.

According to state agencies, reliable transportation is a major barrier to employment and training opportunities for job seekers and current workers.

"Finding people a job is only half the battle; we also need to make sure that reliable transportation is available to take them to their job and training sites," Cheryl Stanton, executive director of the workforce agency, said in a news release. "That's why we are thrilled to provide these grants, because providing transportation is key to ensuring workers can make it to their jobs and to helping businesses retain and grow their workforce."

The workforce development board will award six Transportation Demo Grants in amounts up to $100,000 each. According to the news release, the funds can be used to:

- Pilot an innovative program that works with existing public transit operations to specifically address transportation barriers.
- Use existing transportation infrastructure, such as vehicles and transit providers, to offer transportation to job seekers and workers.
- Incorporate evening and weekend transportation to allow for 24/7 access to transportation.

"We are excited to be able to provide these funds to enhance our transportation systems," said Mikee Johnson, chairman of the workforce development board and CEO of Cox Industries. "There are good workers out there, that businesses need, who are unable to work because they lack reliable transportation. We need to remove this barrier to employment so those who seek employment and job training can access it."

Eligible applicants are Local Workforce Development areas, which must partner with a designated public transit provider; a technical college or other approved training provider; an adult education center; and a business, depending on the project scope. Applicants are also encouraged to partner with community-based and faith-based organizations, and other workforce partners when designing transit models.

Applications are due May 15. To learn about how to apply for the grant, email Nina Staggers.

Grant program looks to make it easier to take the bus to work in South Carolina

By Thad Moore tmoore@postandcourier.com Apr 12, 2017 (1)

A bus drops off passengers at CARTA's Rivers Avenue hub. Only a tiny fraction of South Carolinians takes the bus to work, so the state Department of Employment and Workforce is pushing to make transit a more viable option. File/Staff

Buy Now

South Carolina is looking for a few ideas on how to make public transit a better commuting option for workers.

The state Department of Employment and Workforce says it will award grants later this year for projects that make it easier for people to get to their jobs or classes.

The $600,000 program seeks to attack a problem that has long tripped up poor workers and job seekers. In a state where almost everyone drives to work, not having a car can be an almost insurmountable barrier to employment.

The agency says it will give out six grants to workforce development groups across the state. They'll underwrite transit expansion projects specifically targeting workers, like adding service on evenings and weekends or offering rides to job training classes.

"Finding people a job is only half the battle," agency director Cheryl Stanton said in a statement. "We also need to make sure that reliable transportation is available to take them to their job and training sites."

The Berkeley-Charleston-Dorchester Council of Governments, which runs the tri-county area's workforce board, plans to apply for funding under the program, spokesman Sebastian Hale said. But the group hasn't yet decided what project it will submit.

The push comes at a moment when South Carolina employers say they're having trouble finding workers and the state's jobless rate is hovering close to its lowest point in 16 years.

The problem of limited transit access is hardly a new problem in the state. A 2004 study of South Carolinians receiving benefits from the Temporary Assistance for Needy Families welfare program, for instance, found that nearly a third had had trouble finding a job or getting to work because of transportation.

And the state isn't much less car-centric now than it was then.

More than 90 percent of workers take a car to work, census data show, and most of them drive alone. Only a tiny fraction — 0.6 percent — take the bus: That's only about 12,000 commuters out of more than 2 million.

That's the product of the sort of urban sprawl that's common across the South, according to the Brookings Institution, which studied transit systems in 2011. Younger cities out West tend to have been more meticulous in their planning, the think tank says, and in the Northeast and Midwest, big cities were built up before cars were commonplace.

That means jobs are often scattered far from where workers live and hard to reach by transit, if they can be reached at all.

In all three of the state's biggest metro areas — Charleston, Columbia and Greenville — Brookings found that if the typical worker took a 90-minute bus ride, they could reach less than a third of the jobs in their area.

"There are good workers out there, that businesses need, who are unable to work because they lack reliable transportation," Mikee Johnson, the chairman of the state Workforce Development Board, said in a statement. "We need to remove this barrier to employment so those who seek employment and job training can access it."

State expands Second Chance jobs program to women's prison

PRINT STORY

Staff Report

MAR 06, 2017

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The Second Chance job training program of the S.C. Department of Employment and Workforce and the state Department of Corrections has been expanded into the Camille Griffin Graham Correctional Institution for women.

The program, which was started in November 2014 at the Manning Reentry/Work Release Center in Columbia, is designed to help inmates learn a skill and understand how to successfully search for a job when they're released. In more than two years, 765 people have completed the program, according to a press release.

"Helping returning citizens find a job as they leave prison has a tremendous positive impact on their lives by giving them purpose and reducing the possibility that they will be incarcerated again," said Cheryl Stanton, executive director of DEW.

DEW has hired a full-time employee to work at the Graham facility, located in Columbia, to coach and assist inmates on track to be released soon develop work-skills needed to find employment. Six months prior to release, inmates are taught employment and soft skills in class for one hour each day.

During the last 30 days, participants work with a DEW counselor to become registered in the SC Works system, craft a resume and apply for jobs online once released. The skills they learn through the Second Chance initiative help leverage the skills they've acquired through the work programs.

Participants in the program must meet specific requirements including a disciplinary-free record and non-violent offenses for incarceration. Upon release, they receive a folder that includes a federal bonding letter as well as information for businesses about potential tax credits available when hiring a returning citizen for which the employer could be eligible.

"Providing job training to offenders gives them self-confidence, direction and a skillset for their betterment now and upon release," said Bryan Stirling, director of the Department of Corrections. "This job training also increases public safety by decreasing the recidivism rate, which is lower for people who have jobs, reducing the burden on the system and the taxpayer."

Businesses interested in being a Second Chance employer, contact Grey Parks at bparks@dew.sc.gov.

HUMAN RESOURCES

New program looks to increase skilled labor

PRINT STORY

By Travis Boland tboland@scbiznews.com

APR 26, 2017

SHARE

Members of the Associated Industries of South Carolina Foundation gathered in front of the Statehouse Tuesday to tour what may be the newest workforce recruiting tool to roll through the state.

An inside view of the tractor trailer featuring workstations for different professions. (Photo/Provided)

A tractor trailer features a mobile command unit that students tour in order to see the benefits of becoming a professional at a number of different workforce employments. The initiative, which began in Arkansas, is called "Be Pro Be Proud," and its goal is to bring pride, progress and professionals to a skilled workforce.

According to Cheryl Stanton, executive director of Department of Employment and Workforce, South Carolina is dealing with a skills gap.

"Fifty percent of our jobs require more than a high school education, but less than a four-year degree, yet only 29.5% of the state's population fits that category," Stanton said. "We're working with businesses, agencies and educators to identify where the gap is, and find out what skills and training need to be done."

Stanton said her group wants to create a talent pipeline for businesses, and this new initiative will be an recruitment tool.

Gov. Henry McMaster said the program said a good strong workforce is central to great prosperity in South Carolina.

"This program will take the message to the people, and we will be inundated with workers young and old wanting to fulfill their dreams of being a professional," McMaster said.

The program is estimated at costing $950,000 which the Senate has put into next year's budget. The House will also have to agree to put up the money before the program can take effect.

McMaster said often students are not aware of the jobs that are available to them, and he hopes this program will shine a light on the possible opportunities around the state.

"The good news is, the jobs are there, we just don't have the skilled workers to fill them," McMaster said.

James Garman, president of Home Builders Association of South Carolina, and Clifton Parker with South Carolina Trucking Association both spoke of the needs for skilled workers in the state.

"Since 2006, South Carolina has lost 26.8% of all residential construction jobs, that totals close to 17,000 jobs, predominantly self-employed," Garman said. "The need is great and is growing. DEW estimates 24,000 new construction workers are needed to meet the state's current construction needs."

Parker said his group's biggest need is drivers with commercial licenses (CDL) and skilled maintenance workers.

"The American Trucking Research Institute estimated that we need 48,000 CDL drivers just to make us whole," Parker said. "It's projected to be 175,000 by 2024, that's critical. There is no part of our economy that doesn't get touched by our workforce."

Employers Learn the Value of Hiring Veterans

(Photo: WLTX)

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Columbia, SC (WLTX) - The veteran population here in the Palmetto state is higher than the national average. Unfortunately, when our heroes come back it's often with a stigma that makes it hard to enter the job market.

"When someone comes into my office and they're telling me they're transitioning out of active duty or they're retiring from the guard, there's a lot of hesitation," Tashera Hutcheson, a civilian worker in the South Carolina National Guard, "because they still worry about how people are going to perceive them, whether or not their disabilities will be an issue, their PTSD will be an issue."

That's why Operation Palmetto Employment, a statewide military employment initiative, hosted a summit teaching employers the value of a veteran.

"We are definitely a good ol' boy state, but there weren't solid initiatives to be able to hire veterans, so there were so many of them slipping through the cracks," Hutcheson said.

Slipping with them were skills that James Bost, a recruiting officer with the Columbia Fire Department, says civilian applicants may not have.

"Discipline, structure," Bost said, "about 30% of our employees are military employed."

"They present so many transferable skills as far as leadership, emotional intelligence, [and] stress tolerance," said Vincent Ingold, a talent recruiter with Verizon.

Ingold says, it's more than just about using their skill set.

"They've paid the ultimate price, they've served our country and we owe them that gratitude," Ingold said, "and not just in the form of a thank you, in hiring them. In giving them careers."

Hutcheson says veteran unemployment has been declining in the past few years and that her goal is to eventually see a seamless transition from service to civilian life.

Employers learn the value of hiring veterans (mentions OPE but not DEW):

http://www.wltx.com/news/local/employers-learn-the-value-of-hiring-veterans/431129509

State unveils program to help vets find jobs

PRINT STORY

Staff Report

MAR 03, 2014

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Staff Report
colanews@scbiznews.com
Published March 3, 2014

State officials have launched Operation Palmetto Employment — a statewide military employment initiative aimed at reducing the unemployment rate among South Carolina's military community.

The program is designed to streamline the job-seeking process for military men and women as well as inform the S.C. business community on the value of military hires.

Gov. Nikki Haley, flanked by officials from the S.C. National Guard and S.C. Department of Employment and Workforce, announces new program aimed at helping veterans get jobs. (Photo provided)

Gov. Nikki Haley, flanked by officials from the S.C. National Guard and S.C. Department of Employment and Workforce, announces new program aimed at helping veterans get jobs. (Photo provided)

"I want us to be the most military-friendly state in this country and Operation Palmetto Employment is the type of program that shows our military men and women and their families how much we appreciate the sacrifices they make," Gov. Nikki Haley said. "This program benefits everybody involved — hard-working South Carolinians will find jobs, and the businesses hiring them are getting the best employees around."

Haley was joined in making the announcement by representatives from the S.C. National Guard and the S.C. Department of Employment and Workforce.

"Our unemployment rate for veterans is already well below the national average, but every time I see Gov. Haley, she wants to know how we're going to get it down to zero," said the employment department's director, Cheryl Stanton.

The overall jobless rate for veterans in South Carolina is 6.9%, but the rate climbs to 8% for younger veterans who have served since the 9/11 terrorist attacks, officials said. The state's jobless rate is 6.6%.

Teams composed of representatives from organizations such as the employment and workforce department, the S.C. National Guard, S.C. Department of Social Services and Veteran Affairs will be organized by regions and assigned to connect military job seekers with resources and employers looking to hire.

"Making Operation Palmetto Employment happen has been a great team effort involving Gov. Haley, the Department of Employment and Workforce and the National Guard, and it proves that South Carolina is dedicated to helping our military members from all branches and services," said Maj. Gen. Les Eisner, deputy adjutant general.

Boeing Co. employs 24,000 veterans, which makes up about 15% of the company's total workforce, said Mark Fava, chief counsel of Boeing South Carolina.

"We greatly value programs like Operation Palmetto Employment and find it to be closely aligned with our workforce strategy," said Fava, whose company employs about 7,000 workers at its North Charleston facility.

State unveils program to help vets find jobs (OPE, 3/3/14)

http://gsabusiness.com/news/government/47348/

Development alliance gets workforce grant

Feb 5, 2017 0

COLUMBIA -- The State Workforce Development Board has granted nearly $400,000 to four organizations that will provide training and apprenticeship opportunities.

The SouthernCarolina Alliance is receiving $99,838. The organization will serve approximately 13 participants, including out-of-school youth, individuals with disabilities, long-term unemployed and ex-offenders. The program consists of technical skills training in Manufacturing, on the job training and an apprenticeship with a local business.

This SWDB initiative aims to increase training and employment opportunities for priority populations such as individuals with disabilities, ex-offenders, youth and others. Applicants are required to partner with a community-based organization, a local workforce development board and a business, as well as serve one or more priority populations.

"The board believes that the development of a highly skilled workforce begins with training, of which apprenticeships are a key element. Apprenticeships produces skilled workers, increases productivity and improves retention, while offering workers the opportunity to earn higher wages, national credentials and career advancement," said Mikee Johnson, SWDB chairman and president of Cox Industries. "All of this makes South Carolina an exceptional place to do business."

"By thinking beyond traditional apprenticeships, SWDB is encouraging smart ways to bridge the gap between education and employment and helping industries attract people that can benefit from the combination of classroom and on-the-job experiences," said Cheryl Stanton, executive director of the S.C. Department of Employment and Workforce and SWDB member.

Other receiving grants are:

- Aiken Technical College, $100,000, to serve 60 participants.
- Piedmont Technical College, $98,727, to serve 40 participants.
- Lexington/Richland 5 Adult Education, $100,000, to serve 18 participants through their construction employment training and apprenticeship program.

COMMENTARY: Developing a world-class talent pipeline

Cheryl M. Stanton, Guest Columnist 3:22 p.m. ET Feb. 8, 2017

(Photo: Provided)

South Carolina is blessed with a robust economy. Existing companies are expanding their footprints in the state, while new companies are deciding South Carolina is the place to establish roots.

This is great news for our state. Our unemployment rate is at a 16-year low, at 4.3 percent, and more than 2.2 million people are employed – a historic high. People are also showing confidence in the job market and are returning to the workforce.

But even during these robust economic times, we still find gaps in our workforce. Particularly, in the middle-skill positions where individuals need certifications, licensing or some education beyond high school, but not necessarily a four-year college degree.

A survey of South Carolina's labor force shows that while 33 percent of people age 25 and older have a bachelor's degree or above, only 17 percent of jobs require that level of education; and 37 percent of the labor force has a high school degree or less, but only 29 percent of all jobs require that level of education. The vast majority of jobs, 54 percent, require an education level from a high school diploma to just below a bachelor's degree, but only 28 percent of the labor force falls within that category, creating the skills gap.

In order to continue to support economic development efforts, we must provide businesses with skilled workers to fill that gap. Much like how companies develop supply chains, we are developing a supply chain for talent, not just for today's needs but for future needs too.

In 2015 under the direction of former Gov. Nikki Haley and supported by legislation, our team at the S.C. Department of Employment and Workforce partnered with the S.C. Department of Commerce, S.C. Department of Education and the S.C. Technical College System to build skilled workforces regionally. The approach is based on data that is specific to each region and addresses the actual talent needs rather than the perceived ones.

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A team, consisting of people from the four agencies, regional workforce boards and other organizations, examined statewide data and identified the high-growth, high-demand industries for South Carolina – diversified manufacturing, construction, health care, information technology and transportation and logistics.

The team then aligned the state into four regions – the Upstate, Central, Pee Dee and South Coast – and identified the top key industries in those regions. Now we are delving deeper by working with businesses to determine what skills, education and certifications might be needed for their current and future jobs. This gets us away from matching one candidate with one job.

By working with the business we can tailor training and education for their industry's talent needs and deliver to a qualified and skilled workforce. By providing individuals with training and education, they will find opportunities to fill the jobs at hand.

We want the state to continue its robust growth and that will happen as businesses find South Carolina's business environment is right for business.

Cheryl M. Stanton is the executive director for the S.C. Department of Employment and Workforce, which matches people to jobs and provides a bridge for individuals who find themselves out of work for no fault of their own.

Coming Home: SC Vets Return

By JEFF WILKINSON - jwilkinson@thestate.com

Sgt Maj. Chris Fletcher was a teenager the last time he had a civilian job.

The Peachtree City, Ga., native, now 40, flipped burgers at McDonald's. He worked as a busboy at a convention center. And he was a clerk at a convenience store.

In 1993, Fletcher joined the U.S. Army. Since then he has been deployed to Bosnia and Macedonia, twice to Afghanistan and numerous times to Kuwait, rising to the highest non-commissioned rank. Now, 20 years later, with a wife and 18- and 15-year-old daughters, he is retiring from U.S. Army Central in Sumter. He's entering the civilian job market with a little trepidation.

"It's stepping out into the unknown," said Fletcher. "The Army is all I know."

He is not alone.

With the military set to be radically reduced after the end of the wars in Iraq and Afghanistan, thousands of soldiers, airmen, sailors and Marines will have to step out of a uniform and into a business suit during a tough, post-recession job climate. They face challenges translating their military skills to civilian jobs - from writing a civilian resume, to just speaking English instead of using prolific military acronyms.

In South Carolina, an estimated 300 to 400 active duty service members from the state's bases are expected to look for civilian jobs here annually over the next few years. In addition, 200 to 300 service members a year are expected to come here from posts outside the Palmetto State.

Also, with all U.S. combat troops expected to come home from Afghanistan by the end of this year, hundreds of S.C. Guard and reserve troops will have to find civilian employment while still serving part time.

"A lot of these folks shouldered a heavy load in Iraq and Afghanistan," said Brig Gen. Bradley Becker, commanding general of Columbia's Fort Jackson, the nation's largest military training base. "They have a lot of experience and are tested in battle. But while they are experienced and tested, they haven't been in the job market."

Numerous programs are available to help veterans find jobs, such as the Defense Department's active duty Transition Assistance Program, the U.S. Chamber of Commerce's Hiring Our Heroes job fairs and Employer Support of the Guard and Reserve.

Now, Gov. Nikki Haley has expanded to active duty military an initiative launched by the S.C. National Guard that has cut unemployment among Guard members to 3.9 percent from 16 percent in 2011.

Called Operation Palmetto Employment, the program coordinates all public and private efforts in the state to match veterans with employers.

"It was the best way to create a one-stop service for veterans," Haley said. "But it also allows companies that appreciate veterans (a way) to employ them."

How deep will cuts be?

The U.S. military has about 1.4 million active duty soldiers, sailors, airmen and Marines. There are another 850,000 troops in the National Guard and reserves.

About 170,000 troops leave the military each year due to normal attrition, such as retirements. But as the war in Afghanistan winds down - all combat troops are expected to be out of the Southwest Asian country by the end of this year - more troops will be forced to leave the military as the different branches of the service contract.

The Army will see the deepest cuts; but, how deep is still uncertain.

U.S. Defense Secretary Chuck Hagel earlier this month announced that the Obama administration wants to reduce the size of the Army to 440,000 or 450,000 soldiers. That's down from a war-time high of 570,000.

But those drawdowns are less than the automatic, across-the-board cuts called for as a result of the debt ceiling standoff three years ago - a fight driven by deficit-conscious House Republicans. The sequester, as the cuts are called, would reduce the size of the Army to 420,000 soldiers if it isn't repealed by Congress before 2017.

Under the Hagel plan, 36,700 additional troops would leave the military next year. That number will be higher under the sequester, although how many more is uncertain.

Either way, the cuts are sure to affect the $16 billion the military pumps into South Carolina's economy each year through payroll and supplies for its eight military installations, defense contracts and large National Guard and reserve contingents.

"We're faced with a very unsavory situation," said Bill Bethea, a Bluffton attorney who is chairman of the S.C. Military Base Task Force, which Haley appointed to protect the state's installations and attempt to expand their missions. "The sequester is the most colossal Trojan horse in the history of the U.S. government."

Building on experience

South Carolina is positioning itself to absorb those additional departing troops.

The state's unemployment rate in February was 5.7 percent. In 2013, the jobless rate among all S.C. veterans was 4.1 percent, down from 6.9 percent in 2012, according to the S.C. Department of Employment and Workforce.

That ranks sixth in the nation.

The national unemployment rate among all veterans is about 7 percent, according to the U.S Chamber of Commerce. But the unemployment rate among post-9/11 veterans is 9.9 percent. And the rate for post-9/11 veterans under 25 years old is 20 percent.

Some younger veterans without families want to take some time off after difficult deployments, said Elisa Edwards, the civilian director of the S.C. Guard's Service Member and Family Care Program, which staffs Operation Palmetto Employment. "They just want to stay with mom and dad for awhile and play video games."

But most veterans, she said, not only want to find jobs, but build on the experience they gained in the military. "We want to put them on a career path," she said.

Ernie Lombardi, the Jacksonville, Fla.-based associate for the U.S. Chamber's Hiring our Heroes program, has organized 67 job fairs in the Southeast in the past 18 months, including one at Fort Jackson in February.

Much of the problem with younger veterans and often older service members, he said, is that they don't know how to explain their military job skills to civilian human resource directors. "They can't translate them into language that civilians can understand."

Also, human resource directors don't understand military jobs and jargon and how the veterans' skills can be applied to their businesses. "They just turn the resumes over and set them aside."

"Veterans need to be able to explain their skill sets, and civilian HR directors need to rethink their language skills, too," Lombardi said.

'A different language'

Operation Palmetto Employment does just that.

With the help of a $750,000 U.S. Department of Defense grant, it pairs unemployed post-9/11 veterans with S.C. Guard advisers at S.C. Department of Employment and Workforce offices in each of the state's seven Congressional districts. The advisers work one-on-one with the service members to translate the skills they learned in the military with businesses that want to hire veterans.

One of those veterans is 1st Lt. Gregory Harris of Florence.

The 24-year-old Army officer returned March 1 from nine months at Forward Operating Base Spin Boldak, located southeast of Kandahar, Afghanistan. There, his Signal Unit Bravo provided and maintained internet service for the entire base.

Harris wants to embark on a career in information technology, but getting used to civilian methods and speech has been challenging.

"It's been awkward," said Harris, who holds a political science degree from Coastal Carolina University. "It's like speaking in a different language."

For instance, MOS means Military Occupational Specialty. BDU means Battle Dress Uniform. BCT can mean either Brigade Combat Team of Basic Combat Training. DFAC is a dining facility.

Harris said he has forced himself to drop Army acronyms while talking to potential employers.

"I have to get in the habit of saying the full phrase," he said. "But sometimes we don't even know what (the acronym) means."

The Guard program was created by Guard members for Guard members. It offers newly returned troops a variety of support to help them transition into the civilian workforce. That includes resume writing classes, tips on how to dress for success, mock interviews and realistic salary expectations.

Col. Ronald Taylor, who developed the program and now commands the office's Service Member and Family Care Programs, said it presently is placing about 80 soldiers a month, most of them returning Guard members who will remain part-time soldiers or airmen until called back into active duty again. Those numbers will swell as more active duty troops leave the service and join the program.

"You aren't going to see people in the service 28 or 35 years anymore," Taylor said. "That's going to be a rarity."

Sgt. William Foster, 29, of Spartanburg, returned from Afghanistan earlier this month. He said he would like to stay in the Army, "but it's tough now because of the downsizing. The only jobs open are for Special Forces (commandos). And Special Forces isn't for everyone."

Skills in demand

Despite the hurdles, many companies favor veterans as employees and make special efforts to hire them. Post-9/11 veterans tend to be on time, drug-free, mission-oriented and accept criticism and instruction well.

"By definition they are the top one-third of the population," said Col. Brian Hilferty of U.S. Army Central, a former U.S. Military Academy instructor who is leaving the service this year.

He noted that to get into the military, one must have a high school diploma, pass a drug test, pass a physical fitness test, pass mental health screenings and have avoided any serious brushes with the law.

The most popular occupations for those coming out of the military are manufacturing, distribution, security, construction, medical, information technologies and transportation.

Among the largest companies that work with the program to hire S.C. veterans are the Amazon.com distribution center in Lexington County and the Boeing manufacturing plant in North Charleston.

Amazon set a goal to hire 1,200 veterans last year systemwide. It hired 1,900.

"They are skilled at working as a team and accomplishing their missions as a group," spokeswoman Kelly Cheesenan said from Amazon's Seattle headquarters. "We have a bias for action, and they are leaders who take action."

Boeing presently employs 24,000 veterans throughout the company – about 15 percent of its workers.

"Boeing hires veterans because they bring values, skills and perspective uniquely cultivated through their experience in the military," spokeswoman Candy Eslinger wrote. "They create value in our company by demonstrating leadership, excellence and a collaborative approach."

For Jamin McCallum, founder of Columbia firearms sales and manufacturing firm Palmetto State Armory, hiring veterans is more than a corporate strategy. A member of the S.C. Guard who was deployed to Iraq in 2006 clearing roadside bombs, McCallum started the company from his garage in 2008 and it now has grown to 250 employees, 100 of them veterans and many of them Guard friends.

"This is a very precise business," said McCallum, whose firm each year manufactures about a 250,000 parts for AR-5 rifles and M4 carbines for sale to the public. "Firearms are easy to figure out; you just pull the trigger. But you need a level of professionalism for firearms to be safe. I feel better with veterans around me. We were a family in the Guard, so I reached out to the people we knew."

Benefits for S.C.

Haley said she supports S.C. companies hiring as many veterans as possible because it's the right thing to do.

"South Carolina is trying to help those who have sacrificed and put their lives on the line for the good people of this country," she said.

But retaining veterans in the state after they leave the military has benefits other than patriotism.

The estimated 56,000 military retirees in South Carolina received $1.3 billion in fiscal year 2011, according to a study commissioned by the S.C. Department of Commerce.

That money is spent in local grocery stores and gas stations, movie theaters and restaurants. And those retirees pay taxes, support schools and churches and often continue their service to their country by volunteering for worthy causes.

Hilferty, the colonel who is retiring from U.S. Army Central, said he, his wife and three children will stay in Sumter rather than moving back to his home town of Arlington, Mass.

"The cost of living is low," he said. "There's no traffic. The climate is great. Great people. There's lots to do. And my kids like it."

Retaining veterans also helps Haley and Commerce Secretary Bobby Hitt in their efforts to recruit companies, because they help bolster the state's workforce.

"They are a workforce I don't want to lose," said Haley, whose husband, Michael, is an S.C. Guard soldier who recently returned from Afghanistan. "They are a selling point when I recruit companies to this state. And they are also a workforce that deserves to have the attention."

McGowan "Max" Anderson Jr., 46, served in the Air Force for 24 years. He was deployed seven times to the Middle East and served two tours of duty in Iraq training Iraqi police to handle police dogs and bomb sniffing dogs.

He now is a dog handler for the Richland County Sheriff's Office, which last year won a national Department of Defense Award for hiring veterans. He said young veterans should see their transition to civilian life as a blessing.

"Have an open mind," he said. "Be confident and be willing to change and improve yourself for the better. If you don't do that, you'll never grow. It's a great opportunity."

[Additional submission by Mr. Smucker follows:]

OPPORTUNITY VILLAGE

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June 29, 2017

Chairman Brett Guthrie
2434 Rayburn H.O.B.
Washington, D.C. 20515

Re: Referrals to AbilityOne Employment

Dear Chairman Guthrie,

AbilityOne jobs provide employment to thousands of Americans with disabilities around the country. We are writing to ask for your help to protect those jobs and the people they employ. Opportunity Village is a Nevada based non-profit organization that provides services and employment to more than 1,000 people with intellectual and developmental disabilities. Forty-eight people are employed through AbilityOne. Those employees provide needed services to our troops at Nellis AFB, and other Federal sites around our city.

Forty-eight people doesn't sound like much. So, why should we be concerned? Well, there are vacant positions and people with disabilities are no longer being referred to employment opportunities through the Division of Vocational Rehabilitation. Employment has been a long-standing issue in the disability community. The goal has always been to find more jobs, improve employment outcomes, and increase wages. AbilityOne does all those things and more people could be employed, earning wages, and retirement benefits. The lack of referrals is hurting real people. People who are capable, willing, and able to fill positions under AbilityOne are not being referred.

The Workforce Innovation and Opportunity Act and misinterpretation of the law is the catalyst for this lack of referrals. WIOA is intended to improve employment for people with intellectual and developmental disabilities, not eliminate good paying jobs. We believe that many of the jobs offered under the AbilityOne program in Nevada meet the requirements of WIOA and we need your help to bring referrals from Vocational Rehabilitation back. Jobs need to be looked at individually and a determination made regarding compliance. Unfortunately, we are not experiencing that level of scrutiny.

Nevada is not alone in this plight. We are hearing reports from around the country that other states are seeing a decrease in referrals to AbilityOne jobs because of the language interpretation in WIOA. Clarification is needed if we are to protect the jobs of thousands of Americans.

Sincerely,

Bob Brown
President and CEO

6300 W. Oakey Blvd., Las Vegas, Nevada 89146
ph: 702.259.3700 • fax: 702.259.3753 • www.opportunityvillage.org

[Whereupon, at 12:10 p.m., the subcommittee was adjourned.]

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