

**COVID-19 RECOVERY: SUPPORTING WORKERS
AND MODERNIZING THE WORKFORCE
THROUGH QUALITY EDUCATION, TRAINING,
AND EMPLOYMENT OPPORTUNITIES**

HEARING
OF THE
**COMMITTEE ON HEALTH, EDUCATION,
LABOR, AND PENSIONS**
UNITED STATES SENATE
ONE HUNDRED SEVENTEENTH CONGRESS

FIRST SESSION

ON

EXAMINING COVID-19 RECOVERY, FOCUSING ON SUPPORTING WORKERS
AND MODERNIZING THE WORKFORCE THROUGH QUALITY EDU-
CATION, TRAINING, AND EMPLOYMENT OPPORTUNITIES

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Tuesday, April 20, 2021

U.S. SENATE,
COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS,
Washington, DC.

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

Present: Senators Murray [presiding], Casey, Kaine, Hassan, Smith, Rosen, Hickenlooper, Burr, Cassidy, Murkowski, Braun, and Tuberville.

OPENING STATEMENT OF SENATOR MURRAY

The CHAIR. Good morning. The Senate Health, Education, Labor, and Pensions Committee will please come to order.

Today, we are holding a hearing on how we can strengthen our Nation's workforce programs in light of the jobs crisis caused by the COVID-19 pandemic. Ranking Member Burr and I will each have an opening statement, and then Senator Burr and I will introduce today's witnesses. After the witnesses give their testimony, Senators will each have five minutes for a round of questions.

Before we begin, I do want to walk through the COVID-19 safety protocols in place today. We will follow the advice of the Attending Physician and Sergeant at Arms in conducting this hearing. We are all very grateful to our Clerks and everyone who has worked hard to get this set up and to help everyone stay safe and healthy.

Committee Members are seated at least six feet apart, and some Senators are participating by videoconference. And while we are unable to have the hearing fully open to the public or media for in-person attendance, live video is available on our Committee website at *help.senate.gov*. And, if you are in need of accommodations, including closed captioning, you can reach out to the Committee or the Office of Congressional Accessibility Services.

We are here today because our Nation is in the middle of the most unequal jobs crisis in modern history. Millions of people have lost jobs they relied on to put food on the table, keep a roof over their heads, pay their bills, and afford a post-secondary education, and some estimates suggest at least a third of COVID-related job loss will be permanent.

Millions of people have also been forced out of the workforce, including by issues like our Nation's shortage of quality, affordable childcare, and millions of workers are struggling. We know a disproportionately high number have been women, people of color, people with disabilities, and people in rural communities.

This is not a problem that is going to fix itself. Not in Washington State, not in North Carolina, not anywhere. Because, while the people facing the worst rates of unemployment and underemployment are those who are paid the lowest wages, a recent study suggests future job growth will be mainly in higher-wage occupations, meaning workers will need access to greater competencies and skills to have more opportunities for employment.

For example, with so many businesses adapting their operations and service models as a result of the pandemic, the demand for digital skills has accelerated. Yet, according to the National Skills Coalition, at least 48 million Americans lack foundational digital skills.

But, the problem is not simply about helping employers find skilled workers. It is about providing workers new opportunities, tearing down barriers, helping people find quality jobs that lead to economic self-sufficiency.

While it is important the workforce system adapts to the needs of employers, this cannot be the only focus. We must provide workers with pathways to good jobs and support lifelong learning opportunities. That is why our Nation's workforce programs are so important. Apprenticeship and other job training programs can help people stay competitive and grow in the careers they have, or develop new skills, start new careers.

But, we have to make sure these programs are truly working for working families. That means providing services and support people need to get into training programs and stay in them, like childcare to help them manage a busy family schedule, or financial support to help cover costs associated with an education or training program.

It means tearing down barriers that can make these programs hardest to reach for those who most need them, like formerly incarcerated people, people who have been unemployed for a long time, youth who are neither in school nor participating in the labor market.

It means making sure we are really reaching the people who are struggling the most by accounting for longstanding inequities in the workforce.

We also have to keep in mind the ultimate goal here is economic security for workers and families, which is not just about how quickly people can get trained and get jobs, but how good that training is and the quality of jobs associated with that training.

It is about making sure workers are getting good wages and benefits, making sure they have the data and guidance they need to make informed decisions, helping workers get credentials that are portable and relevant if they decide to look for another job, and preparing them for fields where there is high demand, like STEM, clean energy, manufacturing, and infrastructure—fields where President Biden is also proposing significant investments—and

healthcare and public health sectors in which the pandemic has worsened longstanding shortages.

I know in my home state, tribal hospitals are understaffed, and some rural counties lack an adequate number of healthcare providers, underscoring the need for far more primary care physicians, nurses, and specialists in fields like behavioral health, oral health, women's health, and pediatrics.

To tackle all of these challenges and strengthen our workforce the way we need to, we also have to make fundamental investments, like the \$15 billion to support workforce training programs I called for in my Relaunching America's Workforce Act, and the \$100 billion for workforce development and programs President Biden called for in his American Jobs Plan.

We have a lot of work ahead of us to respond to this pandemic and the current job crisis, and a lot at stake for families in my home State of Washington and across the Country, who are counting on us to make sure workers, who have been set back by this pandemic, have the opportunity to get new skills, new jobs, and economic security.

I will also say for me—this is really personal—one of the reasons my family was able to make it through hard times was because my mom was able to go back to school, get training, and ultimately a higher-paying job, and it made a huge difference for us. So many families today have had the rug completely pulled out from under them, and I want to make sure people in Washington State and across the Country have that same opportunity.

I am optimistic about what this Committee can accomplish together. We have got a bipartisan track record on workforce issues, like when we passed the Workforce Innovation and Opportunity Act in 2014; and when we reauthorized the Perkins Career and Technical Education Act in 2018.

I know my colleagues on the Committee on both sides of the aisle are focused on this important issue, so I really feel we have got an opportunity to come together, get this done, and help workers across the Country. So, I look forward to working with my colleagues, to listen to the stakeholders, look at commonsense solutions, and build on our bipartisan track record here in the months ahead.

With that, I will recognize Ranking Member Burr for his opening remarks.

OPENING STATEMENT OF SENATOR BURR

Senator BURR. Good morning, Madam Chair, and I want to thank you for working with me to schedule this hearing. I am glad we are working together in a bipartisan effort to modernize our workforce programs, and I hope the Democrat leadership will stop their threats to use partisan reconciliation bills and commit to listening to Republican ideas, working together as we are doing on this Committee.

I want to thank our witnesses, both those that are here in person and those that are here virtually. Today, we are here to discuss the state of the American workforce.

COVID-19 has changed a lot about the way we live, including the way we learn and the way we work. Before the pandemic, our

economy was booming. Jobs were available, and unemployment was at a fifty-year low. Today, a year later, nearly 10 million people are out of work. Unemployment is at 6 percent, and some suggest 9 percent.

At the same time, as of today, more than 84.3 million Americans have been fully vaccinated. By May, every American who wants a vaccine should be able to get one. And I suspect very soon, our bigger problem is going to be convincing people to get a vaccine rather than a concern about the supply.

If we want to return to a booming economy, we need to plan to get there. As part of that plan, we need to make sure we have better systems in place that are equipped to connect job seekers, employers, and education opportunities. Last month, Chair Murray and I asked the public to send in ideas for this Committee to consider to strengthen workforce development and job training. I thank the Chair for joining me in this call to action and for her commitment to address these issues in a bipartisan way.

As we begin these discussions on how best to help America's workers get the skills they need, we have to look at what we have already done and what new ideas we need to include. We can start with the Workforce Innovation and Opportunity Act. This is our Country's primary law focused on workforce development, and it is due to be reauthorized. We need to take this opportunity to see how this important law can be updated to meet the needs of workers and employers.

What does that look like? We need to be innovative. More bureaucracy and paperwork is not the answer. We have to look at the system as a whole and make sure it is equipped to meet the demands of 2021 and beyond. If we just add another layer of requirements to an already-complex system and call it a day, we have not done our job.

If we want these programs to prepare people for good jobs, employers need to have a seat at the table. If training programs do not teach anyone the skills employers are actually looking for, then we have not really helped anyone.

We need to make sure that this law fosters strong collaboration between the public and private sector. Job seekers should know that if they go to a one-stop center, they will get the assistance they need to find a good job. Employers should know that if they need skilled workers, the workforce system can help.

Last year, state and local workforce boards had to respond to the pandemic and quickly adapt to a world where virtual services became the norm. These systems should be able to rapidly respond to meet the needs of their community, and we need to make sure that the law supports that responsiveness.

Many Members of this Committee are also interested in expanding apprenticeship programs. The apprenticeship model is a great way for individuals to earn a wage while learning an in-demand skill.

Unfortunately, many employers are unable to access the Federal system because of red tape and rules that favor labor unions. We saw a glimpse of the type of innovation we need through the Department of Labor's rule on industry-recognized apprenticeship programs that was issued by the previous administration. This policy

can expand these apprenticeship models to include more industries and provide new opportunities for training.

To build on this idea, a bipartisan apprenticeship bill, we will need to find a way to support both traditional, registered apprenticeship programs and programs that are developed and recognized by industry. I understand that there are important conversations to be had about accountability and quality for industry-recognized apprenticeship programs, and, quite frankly, I welcome that.

For example, we should look to work done with our military veterans and how we have successfully helped veterans leave the military with training from the military, and then test out state-based occupational licensing standards and be certified for occupational licensure in that state.

In 2018, the program defense bill, we create a pathway for military-trained medics to ease into civilian life more efficiently without having to jump through a lot of unnecessary hoops.

We need all the tools in our toolbox to get people back to work, and an above-all approach is appropriate. But, that does not mean we need to create a variety of new programs. The Federal Government already has dozens of training programs across multiple Federal agencies. We need to take a look at how we could improve and better align these programs, not just add a new layer of programs and mandates so that state and local leaders, employers, and job seekers can reap the maximum benefits.

Workforce development has been and should continue to be a space with bipartisan solutions. In 2014, Congress achieved a bipartisan victory when the Workforce Innovation and Opportunity Act was signed into law. We saw the same effort in 2018 with the reauthorization of Perkins Career and Technical Education Act.

I know this Committee in this chamber can achieve the same success this year. Bipartisan solutions exist to all of these problems. Today's hearing is the first step to finding them. This is just the beginning of the conversation. We all have a big task ahead of us.

I look forward to working with our witnesses, the Chair, our colleagues to get our workforce programs up to speed and our Country back to work. I thank the Chair for her indulgence.

The CHAIR. Thank you, Ranking Member Burr.

We will now introduce today's witnesses. I am very pleased to start by welcoming Maria Flynn. Ms. Flynn is the President and CEO of Jobs for the Future, a national non-profit that is focused on the American workforce and education systems; a former member of the Senior Executive Service in the U.S. Department of Labor; and a national authority on the future of labor, the role of technology in the labor market, career pathways for underserved individuals, and employer engagement.

Ms. Flynn, thank you for joining us today. Welcome.

Next, I would like to introduce Deniece Thomas. Ms. Thomas is the Deputy Commissioner of Workforce Learning and Development for the Tennessee Department of Labor and Workforce Development; the state workforce liaison for the National Governors Association; and serves as vice chair of the Employment and Training Committee for the National Association of State Workforce Agencies.

Welcome, Ms. Thomas. We are glad to have you with us today. Next, I will turn it over to Ranking Member Burr, who will introduce Dr. Scott Ralls.

Senator BURR. Thank you, Madam Chair.

I am pleased to welcome Dr. Scott Ralls to our hearing today. Dr. Ralls serves as President of Wake Technical Community College in Raleigh, North Carolina.

Wake Tech is North Carolina's largest community college with 70,000 students, six campuses, and a variety of online learning options. Wake Tech offers over 200 degrees, diplomas, and certificates, as well as other short-term programs to prepare students for in-demand careers.

As president, Dr. Ralls has led efforts to support student success and further Wake Tech's impact on economic development in the region by increasing employer engagement, developing stackable credentials and degree pathways, and creating the WakeWorks Apprenticeship Program.

Previous, Dr. Ralls served as President of Northern Virginia Community College and, I might say, Madam Chair, as President of the North Carolina Community College System.

Scott, I look forward to your testimony today. I thank you for being here.

The CHAIR. Thank you.

Dr. Ralls, welcome. Thank you for joining us.

Finally, I would like to introduce Alejandro Mendoza. Mr. Mendoza is the Human Resources Manager for Optimax Systems Inc. of Rochester, New York, and was recently appointed to serve on a national manufacturing panel that will advise the Biden Administration on its Made in All of America initiative.

Mr. Mendoza, thank you for joining us today.

With that, we will begin our testimony. And, Ms. Flynn, we will begin with you if you would like to give your opening statement.

STATEMENT OF MARIA FLYNN, PRESIDENT AND CEO, JOBS FOR THE FUTURE, BOSTON, MA

Ms. FLYNN. Good morning, Chair Murray, Ranking Member Burr, and Members of the Committee. My name is Maria Flynn. I am President and CEO of Jobs for the Future. We are a national, non-profit organization that has worked for nearly 40 years to drive change in America's workforce and education systems to promote economic advancement for all, especially underrepresented individuals.

This past year has been devastating for America's workers, with over 40 million U.S. workers losing their jobs and financial ground since the start of the pandemic. While last month's unemployment numbers are trending down, we still have 9.7 million workers who remain unemployed, four million more Americans who are out of work now than in February 2020. And these numbers do not reflect those who have dropped out of the labor market completely or who are working part time or in low-wage jobs.

Probably most devastating is the fact that the workers who are suffering the greatest economic hardships as a result of the crisis are low-wage earners and individuals with no post-secondary credentials, many of whom are Black, Latino, indigenous, or from

other underrepresented populations. Women have also been disproportionately hurt by the crisis, losing jobs at far higher rates than men.

When COVID hit last March, our education and workforce systems were caught flat footed, unprepared for the sudden, dramatic economic downturn. While we may hope that this is a once-in-a-lifetime crisis, the pandemic has exposed how critical it is to be prepared for the worst, while keeping up with the rapid pace of change in our economy. Even in times of low unemployment, we must build and scale solutions that prepare workers today for the demands of tomorrow.

The U.S. needs a workforce ecosystem that is modern, agile, equitable, resilient, and innovative enough to keep up with the skill needs of individuals and in-demand employers alike. It is what all of our people deserve. To make that a reality, Congress should take a holistic approach to looking at the existing array of programs and how they can be modernized and streamlined.

The U.S. has an array of post-secondary education, skills training, and workforce development programs that provide vital education and employment services for America's workers. These programs and institutions have worked hard to adapt throughout the pandemic, but these systems were built in large part for a different era, are not adequately funded, nor agile enough to fully meet the needs of America's workforce, especially in today's turbulent economy.

The Federal Government last made significant changes to the Nation's primary workforce development system in 2014 through the Workforce Innovation and Opportunity Act, or WIOA. However, the system has not been adequately funded, nor is it currently designed to meet the extensive needs of the Nation's workforce.

The WIOA system is responsible for a wide range of functions, from the direct provision of services to job seekers and employers, to our Nation's one-stop career centers, to arranging for skills training to the extent resources are available. Workforce boards are also responsible for convening system partners in support of comprehensive service delivery in communities and for engaging with employers and system stakeholders in support of strategic initiatives, including career pathways and sector strategies.

Successful WIOA programs are doing this well. However, the system's limited resources are spread very thin. Performance across the more than 500 local workforce areas varies, and the entire workforce system needs significant modernization.

We need a workforce system that is adequately funded. In Fiscal Year 2021, funding for WIOA's Dislocated Worker Program was just \$1.3 billion for the entire Country. The total for WIOA adults, youth, and dislocated workers combined was just \$3.6 billion. In comparison, funding for Pell Grants is close to \$30 billion, but cannot fund many short-term, workforce-oriented programs.

To address the Nation's training needs, we would like to see significant increase in funding for skills training through WIOA, an expansion of Pell to include high-quality, short-term credentialing programs, and exploration of other funding mechanisms, such as income-share agreements.

Of equal importance to increased investments are critical changes to the ecosystem, such as a robust and expansive career navigation system for students, job seekers, and workers that is offered through an in-person and virtual service options.

A lifelong learning system that is easily accessible, where the structure and delivery of education and skills training is transformed so that training is accelerated.

Adoption of evidence-based strategies, including sector focus and career pathways systems.

The creation of grants to community college systems for the scaling of models, such as those tested under the TAACCCT Program.

Modernization of the system using full use of the latest digital technologies to expand and improve service delivery for participants.

Strong ability to meet the needs of diverse populations, including opportunity youth who are dislocated from school and employment, as well as people of color who have been exceptionally hard hit by the pandemic.

We must find authentic ways to incorporate worker voice in the design of systems and programs.

Finally, deep partnership with employers and other key stakeholders to leverage resources, extend capacity, and provide an expanded array of service.

Thank you for the opportunity to testify before the Committee. The American workforce development system is a crucial piece of our Country's economic mobility puzzle. However, at present, it is undervalued, underfunded, and in need of modernization. We urge you to invest in and consider changes holistically so the Nation's workforce system can meet the complex needs of today and the future.

[The prepared statement of Ms. Flynn follows:]

PREPARED STATEMENT OF MARIA FLYNN

Good morning Chair Murray, Ranking Member Burr, and Members of the Senate HELP Committee. My name is Maria Flynn. I am President and CEO of Jobs for the Future, a national nonprofit organization that has worked for nearly 40 years to drive change in America's workforce and education systems to promote economic advancement for all—especially for people who earn low incomes, have been underserved by our current systems, and are underrepresented in high-wage, high-growth jobs.

Even before the COVID-19 crisis, the United States workforce development ecosystem was overdue for increased investments and transformation to meet the vast skill and employment requirements of today's workers and employers and prepare our labor force for the jobs of tomorrow. The pandemic has exponentially increased this need for change. Millions of Americans have lost jobs that won't return and they require new skills to get back to work in our ever-evolving economy. We must learn from this crisis and use this moment of urgency as an opportunity to make the kinds of changes that are necessary if our economy is to rebound, our employers are to remain competitive, and our workers are to thrive.

The Devastation of the Pandemic Creates an Opportunity We Must Seize

It's indisputable that the pandemic has been devastating for many American workers and the children, parents, and spouses who rely on them to help provide life's necessities. More than 40 million U.S. workers have lost jobs and substantial financial ground since the start of the pandemic.¹ While unemployment trended

¹ Nelson D. Schwartz, Ben Casselman, and Ella Koeze, "How Bad Is Unemployment? 'Literally Off the Charts' " *The New York Times*, May 8, 2020, <https://nytimes.com/interactive/2020/05/08/business/economy/april-jobs-report.html>.

down in March 2021, our Nation still faces 9.7 million people who remain unemployed—4 million more than in February 2020.² And we must remember the millions of additional people who have given up on finding work and dropped out of the labor market completely—and the many people who are trying to get by on part-time and low-wage jobs.

Most devastating is the fact that the workers who are suffering the greatest economic hardship as a result of the crisis are the people our society has repeatedly left behind: low-wage earners and individuals with no postsecondary credentials—many of whom are Black, Latino, or from other underrepresented populations. Frontline workers, who missed out on the decade of growth that followed the Great Recession, were on shaky economic ground even before COVID-19. Women have been disproportionately hurt by the crisis, losing jobs at far higher rates than men, and squeezed by the closing of schools and the decimation of the U.S. child care sector. Nearly 3 million American women have left the labor force over the past year.³ Black workers and Hispanic and Asian women face significantly higher unemployment than other racial and ethnic groups. At the end of the fourth quarter of last year, the gap between white and Black unemployment grew to more than 4 percentage points.⁴

To help people return to the workforce and find better jobs than they had before, we must enable them to overcome the multiple barriers that impede their economic advancement. Since opportunities for education and economic advancement have not been shared equitably in the United States, it is critical that we close gaps in skills, credentials, employment attainment, and career progression associated with gender, race, ethnicity, and income status.

In the 21st-century economy, most in-demand jobs have required at least some postsecondary education and training. Before the pandemic, the United States faced severe shortages of workers with associate’s degrees and certain technical credentials. The current crisis has exacerbated this trend. Economists have characterized the pandemic as an “automation forcing event” and increased demand for new ways of working require new kinds of knowledge, skills, and abilities.⁵ According to a recent study by The McKinsey Global Institute, more than half of the low-wage workers currently in declining occupations will need to shift to new occupations that require different skills. The study found that demand for workers in health care and STEM fields could grow now more than before the pandemic—and that “workers will need to learn more social and emotional skills, as well as technological skills, in order to move into occupations in higher-wage brackets.”⁶

It is clear that reskilling is more important than ever. Millions of workers will be challenged to retool themselves for new roles and industries. Already we are seeing changes in the kinds of postsecondary programs that people are seeking. A growing body of evidence has identified an uptick in demand for shorter-term credentialing programs designed to help people learn the skills necessary to get back to work quickly.⁷ However, our financial aid systems rarely cover short-term workforce-oriented programs—even those with strong outcomes. These are some of the most important, yet still only some, of the challenges we face.

In order to create an inclusive economic recovery, ensure lasting economic growth, and maintain our Nation’s economic competitiveness, we need to meet the needs of individual workers, employers, and broader societal forces simultaneously. Looking at our current workforce ecosystem, it’s clear that it cannot keep up with current demands. It’s time to invest in transforming our array of workforce development

² Bureau of Labor Statistics, “The Employment Situation—March 2021,” news release no. USDL-21-0582, U.S. Department of Labor, April 2, 2021, <https://www.bls.gov/news.release/pdf/empst.pdf>.

³ Megan Cerullo, “Nearly 3 Million U.S. Women Have Dropped Out of the Labor Force in the Past Year,” CBS News Moneywatch, February 5, 2021, <https://www.cbsnews.com/news/covid-crisis-3-million-women-labor-force/>.

⁴ “Table E-16. Unemployment Rates by Age, Sex, Race, and Hispanic or Latino Ethnicity,” Labor Force Statistics from the Current Population Survey, U.S. Bureau of Labor Statistics, last modified January 8, 2021, <https://www.bls.gov/web/empst/cpsee-e16.htm>.

⁵ Allison Dulin Salisbury, “COVID-19 May Become ‘An Automation Forcing Event’: Already Vulnerable Workers Look to Reskilling For Path Forward,” Forbes, May 7, 2020, <https://www.forbes.com/sites/allisondulinsalisbury/2020/05/07/covid-19-may-become-an-automation-forcing-event-already-vulnerable-workers-look-to-reskilling-for-path-forward>.

⁶ Susan Lund et al., *The Future of Work After COVID-19* (New York, NY: McKinsey Global Institute, February 2021), <https://www.mckinsey.com/featured-insights/future-of-work/the-future-of-work-after-covid-19>.

⁷ Paul Fain, “Alternative Credentials on the Rise,” Inside Higher Ed, August 27, 2020, <https://www.insidehighered.com/news/2020/08/27/interest-spikes-short-term-online-credentials-will-it-be-sustained>.

and postsecondary programs into a truly modern *system* that is agile, well-resourced, equitable, and resilient, capable of innovating to take on whatever the future brings.

Our Current Workforce Development System

Our Nation’s current workforce development system is an array of postsecondary education, skills training, and workforce programs that provide vital education and employment services for America’s workers. Many of these programs and institutions have worked hard to adapt to the new landscape the pandemic created—switching from in-person services to remote delivery and adjusting programming to meet the changing needs of the labor market. But the system, much of which was designed in previous eras, is not adequately funded nor agile enough to fully meet the skill needs of America’s workers or employers in today’s turbulent economy.

The Workforce Innovation and Opportunity Act (WIOA)

The Federal Government’s primary workforce development system is authorized under the Workforce Innovation and Opportunity Act (WIOA), which was enacted in 2014. WIOA’s goal was to update the system and make a number of changes to programs under its jurisdiction in order to do the following:

- Better align workforce programs with the skill needs of in-demand industries and occupations
- Adopt evidence-based strategies, such as career pathways, sector strategies, and connections to apprenticeship programs, to help jobseekers and workers attain industry-recognized postsecondary credentials needed for in-demand careers
- Improve services provided through the “one-stop” delivery system for jobseekers and employers
- Strengthen the strategic functions of workforce boards
- Encourage regional approaches to workforce development
- Better align WIOA initiatives with partner programs to leverage resources, system reach, and participant outcomes

Even with these changes, the WIOA system has not received adequate funding, nor is it currently designed to meet the Nation’s extensive career navigation, skills development, and worker transition needs as a stand-alone program.

The WIOA system performs many functions in our broader workforce ecosystem. It serves as a connector of programs, a convener of partners and stakeholders, and a translator of labor market information. It’s also the access point through which learners, jobseekers, and workers gather the labor market and career information they need to make informed employment decisions, and where skills training can be arranged when resources are available. WIOA is responsible for the nationwide system of one-stop centers, which provide an array of employment services and connect customers to work-related training and education.

WIOA programs are also places where employers can go to search for skilled workers and to receive services in support of their human capital needs. Whether through services provided by business representatives or directly provided through American Job Centers, workforce systems arrange for on-the-job and customized training, work with employers to identify skill and employment needs, provide layoff aversion services, and work to identify quality jobs. Workforce development boards are intended to play pivotal strategic roles in the design of comprehensive workforce development systems; engage with regional employers; lead innovative initiatives, including career pathways and sector strategies; and leverage additional resources to support workforce programming.

Successful *WIOA programs* are carrying out these and other high-quality evidence-based *strategies* to address the employment needs of their regional economies. However, the system’s limited resources are spread too thin, performance across the more than 500 local workforce areas varies, and the entire workforce ecosystem needs significant modernization. The workforce system has also been forced to turn to virtual service delivery over the past year, with limited exceptions, due to the pandemic—a significant challenge for a system that was initially designed around brick-and-mortar structures.

**The Workforce System We Need: Modern, Agile, Equitable, Resilient,
Innovative, and Well Resourced**

We know that calls for reform are not new. Before joining JFF, I served as a member of the Senior Executive Service at the U.S. Department of Labor's Employment and Training Administration. In that capacity, I worked closely with Congress on the design and implementation of the Workforce Investment Act, the legislation that served as the foundation for WIOA. All told, I have focused my 30-year career on these issues, following in my father's footsteps. In fact, back in 1986, he testified before the House Ways and Means Committee calling for reforms to the Unemployment Insurance system so that it would be ready to meet the demand caused by future unemployment.

Yes, there have been calls for reform before. But this time truly is different. When COVID hit last March, our education and workforce systems were caught flat-footed, unprepared for the sudden, dramatic economic downturn. While we can hope that this has been a crisis of a generation or even a century, we have seen how critical it is to be fully prepared, which means developing the agility we need to meet rapidly changing demand in major sectors of our economy. And even in times of low unemployment, which we're all hoping to see again soon, we know that the jobs of tomorrow will look very different from the jobs of today.

Workforce development has become a lifelong mandate for every worker. Upskilling, reskilling, transition assistance, and career navigation services, are essential to help every individual create and sustain a career that will enable them to support themselves and their loved ones. Employers must also be able to readily access the talent they need to compete. The nation's workforce development ecosystem—programs authorized under WIOA and its related partner programs—must work collaboratively to meet these needs.

The United States needs a workforce ecosystem that is modern, agile, equitable, resilient, and innovative enough to keep up with the skill needs of individuals and in-demand employers alike. It is what all of our people deserve. To make that a reality, Congress should take a holistic look at how these programs can be modernized and streamlined to meet the needs of our economy and workers today and in the future. Specifically, we'd like to call attention to the following essential changes in the system's design.

We need a robust career navigation system. Few people have access to effective career navigation services today. We need to develop a comprehensive approach to helping students, jobseekers, and incumbent workers navigate the increasingly complex labor market and make well-informed education, career pathway, and employment decisions that will make or break their ability to support themselves and their families. These services should be offered in a variety of ways, at a variety of times, with in-person and remote options, so they are equally accessible to all.

We need a flexible, lifelong learning system. We need a skills development system that is adequately financed and easily accessible, where the structure and delivery of education and skills training are transformed. We need training options that allow learners to progress at an accelerated pace, award credit for prior learning, and offer stackable credentials that learners can accumulate as they move along pathways to further learning and degrees. And we need to find ways to capture skills and credentials in skills "passports" that are recognized across the education and workforce systems, and by employers. Equally critical is providing support services, ranging from academic tutoring to food assistance, transportation vouchers, and more, to ensure people can focus on their futures.

We need a system that makes full use of the latest in digital technologies to expand and improve service delivery for participants. We have learned through this pandemic that we must significantly bolster our ability to provide technology-enabled career navigation and training to meet the changing skill needs of in-demand employers and deliver customer experiences that meet the needs and expectations of today's jobseekers.

We need a system that supports the scaling of evidence-based models and strategies, including sector-focused, career pathways, and apprenticeship programs, and a wide array of work-based learning programs which provide essential experiences for adults and young people on pathways to family supporting careers.

We need a system that partners in meaningful ways with employers, both on the design of education and skills training programs, and to *encourage employers* to provide training for their own frontline workers, set goals for diverse and inclusive hiring, identify ways to improve job quality for workers, and to adopt skills-based hiring practices for making employment decisions. Both the public and pri-

vate sector have important roles to play in talent development and in designing an approach that maximizes the impact of each.

We need a system that can successfully meet the needs of diverse populations, including Black, Latino, and Indigenous people, and others who have been hit hard by the pandemic. These are populations that have not shared equitably in earlier recoveries, and have not benefited equitably in America’s education and workforce systems. We must be intentional in our efforts to ensure equity in workforce programs and their outcomes; and we must find authentic ways to incorporate worker voice in the design of systems and programs.

We need a system that values and invests in opportunity youth—one that builds bridges that link disconnected youth and young adults to postsecondary education and employment. This system would embrace evidence-based strategies that work for this population and expand opportunities for work-based learning and employment that lead to in-demand careers.

Achieving these goals will require reforms across the entire workforce development ecosystem. Siloed policy development for U.S. workforce, higher education, career and technical education, poverty alleviation, and economic development systems can no longer be accepted. These systems must all be considered—and transformed—so they can work together to form the critical workforce preparation ecosystem needed today and in the future.

We Can’t Skimp on Workforce Investments

Federal funding for postsecondary education and workforce development programs amounts to about \$58 billion per year. That total includes education and training assistance for U.S. veterans and Pell Grants which help low-income students pay for college.⁸ Pell Grants make postsecondary education possible for millions of Americans who couldn’t otherwise afford it. But the program is not flexible enough to meet the needs of a growing number of workers and learners who want to pursue short-term credentials or accelerated training. And while the GI Bill and related veterans employment assistance programs provide critical aid to former members of the military as they prepare for new jobs in civilian life, there are fewer options for nonveterans.

When Pell Grants and veterans programs are taken out of the equation, the United States invests only about \$16 billion annually in programs that provide workforce-focused education, employment, and training assistance for the rest of America’s students, jobseekers, and workers. This funding is divided among 17 different education and workforce development programs, including career and technical education, adult education, and vocational rehabilitation programs, and initiatives authorized under the Workforce Innovation and Opportunity Act (WIOA). In Fiscal Year 2020, funding for WIOA state formula grants—the primary employment and training assistance resource for low-income adults, youth, and dislocated workers—was a scant \$3.6 billion for all 50 states.⁹ Only \$1.3 billion of that went to employment and training assistance for dislocated workers.

It is no surprise that the Nation’s workforce development system cannot keep up with the immense needs of workers who have been devastated by the COVID–19 crisis, despite the efforts of many high-quality and innovative state and local systems. A June 2020 report by the previous administration’s White House Council of Economic Advisors noted that the United States would have to spend an additional \$80.4 billion on employment and training per year to match the average expenditures of other Organization for Economic Cooperation and Development (OECD) member countries (based on percentage of GDP). With millions of Americans out of work and millions of others underemployed, the United States must do better.

Recommendations for Transforming the Nation’s Workforce Development System

I. Increase Investments in America’s Workforce.

JFF supports funding for workforce programs at levels consistent with those proposed for workforce development in the Biden Administration’s *The American Jobs Plan* (\$100 billion). That level of funding would support the employment and skill

⁸ JFF, *America’s Untapped Workforce: Federal Programs to Help Develop a Critical Talent Pipeline* (Boston, MA: JFF, March 2019), <https://jfforg-prod-new.s3.amazonaws.com/media/documents/BRF-DC-Untapped-Workforce-Federal-Programs-030719-FINAL.pdf>.

⁹ JFF, *America’s Untapped Workforce*, <https://jfforg-prod-new.s3.amazonaws.com/media/documents/BRF-DC-Untapped-Workforce-Federal-Programs-030719-FINAL.pdf>.

needs of U.S. workers and employers, allow for needed transformation of workforce programs, and bring workforce investments into parity with those of other OECD countries. We urge Congress to do the following:

- Dedicate \$10 billion in funding for comprehensive career navigation services, including a graduated public-private matching requirement for states and regions
- Significantly increase investments in skills development in the following ways:
 - Provide \$50 billion for WIOA skills accounts, adult education, apprenticeships, and other forms of high-quality skills-based training for adults and youth
 - Expand Pell Grant eligibility to include high-quality short-term credentialing programs
 - Examine the potential of alternative financing mechanisms, such as income share agreements (ISA) and tax incentives for training, with adequate guardrails to protect consumers
 - Provide incentives for employers to engage in workforce efforts and invest in frontline worker training
- Invest \$10 billion in the alignment and modernization of the workforce development ecosystem by funding:
 - Systems change research, with an advanced research projects agency for the Department of Labor (modeled after DARPA), where rich new data sources, advances in data analysis, and experiments in training and technology can be turned into practical solutions for workers and employers
 - A Federal technology fund to expand states' and regions' use of digital technologies
 - Cross-system investments in adult education, community colleges, and workforce development systems focused on increased collaboration, effective programming, professional development, and system innovation
 - Scaling of reforms in the delivery of education and training through Federal-state partnership grants, similar to reforms funded through TAACCCT
- Invest \$10 billion in comprehensive programs for opportunity youth to serve an additional 1 million to 2 million young people annually
- Invest in job creation, subsidized employment, and training opportunities in upcoming infrastructure, green energy, and health workforce initiatives

II. Make Systemic Changes in the Workforce Development Infrastructure

To get ahead of the challenges workers face in today's economy, we need a new era of research, innovation, and modernization of the Nation's workforce development ecosystem. To help achieve this, Congress should take the following steps:

At the Federal level:

- Fund research and development, providing assistance to states and regions on the use of technology and the latest innovative tools and strategies
- Fund the departments of Labor and Education to provide capacity-building and technical assistance to state and local staff—a downside of having a decentralized system is the lack of standardization in the delivery and quality of services
- Ensure that the departments of Labor and Education disseminate the findings from prior evaluations and products developed under prior Federal investments, in actionable ways, to provide lessons for future actions and avoid the need to reinvent the wheel
- Fully align disconnected Federal employment and training activities and funding at the Federal, state, and regional levels through a streamlined workforce development fund

At the state and regional levels:

- Require systemic regional approaches in workforce development that are tied to regional economic development efforts (strengthening provisions already in WIOA)

- Dedicate funding for regional career pathways and sector strategies in the delivery of education and training, with expectations established for all partner programs
- Elevate the role of regional workforce boards with decision-making authority over comprehensive workforce programming with explicit funding for such activities
- Expand the vision of workforce development systems, accompanied by robust professional development supports for new modes of service delivery, tech-enabled services, data analysis, and interoperability with high-quality private offerings
- Implement changes in the structure and delivery of education and training that significantly expand opportunities for accelerated skills and credential attainment

III. Develop a Robust, Modernized Career Navigation System

The WIOA workforce system provides career navigation assistance to youth and adults who are enrolled to receive services under its programs, but these services are in need of modernization and are not accessible to non-WIOA participants. JFF urges Congress to do the following:

- Establish a robust career navigation system throughout the United States that:
 - Is comprehensive, offering real-time labor market information, career counseling, skills assessments, skill matching, and referral to training strategies; access to career pathways and accelerated reskilling services; and access to support and reemployment services
 - Provides all services virtually and through in-person networks via American Job Centers and affiliated sites (community colleges, secondary schools, libraries, community-based organizations) to increase access for all individuals, especially members of underserved and underrepresented populations and people in rural areas
 - Connects to existing national education and career counseling platforms offered through multiple access points (in person and virtually) and in multiple languages
 - Augments traditional labor market information made available through the Bureau of Labor Statistics with publicly available real-time labor market information currently available only through proprietary platforms
 - Increases the emphasis on and funding of professional development, including approaches that use new technologies and those that support racial equity
- Establish a new entity called the Career Advising Corps through the Corporation for National and Community Service that works with the workforce system's career navigation system and leverages *emerging technology platforms*.

IV. Create a Lifelong Learning System

The United States must invest in the education and training of its workforce and make changes in the ways education and training are provided to meet the needs of today's students, jobseekers, and workers and to ensure equitable employment outcomes. JFF urges Congress to do the following:

- Expand skills financing to increase funding for skills development in the following ways:
 - Establish skill grants under WIOA to pay for high-quality training programs on WIOA's Employment Training Provider Lists (ETPL) for training not covered by Pell
 - Expand tax advantaged skills training to encourage individual and employer investments in education and training, including Section 127 plans, lifelong learning accounts, and Earned Income Tax Credits
 - Transform the structure and delivery of education and skills training provided through workforce systems, community colleges, and other high-quality providers to ensure that skills training is more innovative and agile; responsive to the skill needs of in-demand employers; available in person and online; open to an expanded array of high-quality training providers and delivery structures with strong participant outcomes; aug-

- mented with expanded earn-and-learn opportunities; and scaling evidence-based strategies, including career pathways and sector strategies
- Create incentive grants for state community college systems and for consortia of institutions to scale evidence-based practices and innovations, including those tested through TAACCCT, that transform the Nation's community college systems.

V. Ensure That U.S. Workers Are Protected in Times of Transition

The Nation's response in helping workers who have lost jobs as a result of the COVID-19 crisis has been mixed at best. While certain shortcomings in unemployment insurance (UI) eligibility have been addressed through COVID-19 relief legislation, too many workers remain unemployed without adequate retraining and re-employment assistance, and without access to essential benefits. To address the transition needs of displaced workers, Congress should do the following:

- Enact systemic UI reforms that retain the CARES Act's expanded eligibility provisions, provide incentives for shared work and part-time UI, and adopt other system innovations that expand the flexibility and depth of coverage
- Ensure that Federal infrastructure and job creation initiatives provide employment opportunities for individuals who have experienced long-term unemployment, and for opportunity youth
- Ensure greater connectivity and collaboration across the UI and workforce development systems and expand reemployment assistance that builds upon services provided under the Reemployment Services and Eligibility Assessment program

VI. Ensure the Quality of Education and Training Programs

In today's economy, there is a significant increase in demand for short-term occupational skills training. Individuals who are looking to quickly reenter the labor market are increasingly pursuing education that is tied to in-demand employment, and secondary and postsecondary students are doing the same. This makes our ability to determine the quality of short-term and other postsecondary education programs more important than ever, especially as we consider public funding for such programs. To address this need, Congress should take the following steps:

- Implement a universally accepted quality control mechanism to ensure that programs and providers that receive Federal workforce funding meet accepted levels of performance based on participant outcomes.
- Champion an interagency data connectivity and transparency initiative to improve data availability and promote its use by consumers making education, training, and employment decisions. This initiative should promote effective data privacy while building upon current efforts, such as the College Scorecard and the WIOA Employment and Training Provider List (ETPL).
- Establish a national reporting process whereby all federally funded education and workforce training programs must provide data on the labor market outcomes of students and participants, based on standards established by the departments of Labor and Education.
- Require that participant data related to the services provided and program outcomes be disaggregated for each subpopulation by race, ethnicity, sex, age, and socioeconomic status. Policies should build in performance incentives for providers based on outcomes for subpopulations served.
- Require states to update their Eligible Training Provider Lists quarterly. Such updates should consider access to services and ongoing economic shifts in the labor market to ensure that training options are relevant to current and emerging in-demand industries and occupations. Consideration should also be given to the establishment of a national-level ETPL for high-quality training providers that operate nationwide.
- Extend WIOA measures to other education and training programs included in system alignment efforts.

VII. Encourage Employer Engagement

Employer engagement is key to the success of workforce development efforts. Employers must help inform the development and implementation of workforce development programs to ensure that the skills and credentials offered are of value to regional economies. Employers can also implement new practices that better serve

jobseekers and workers, such as adopting skills-based hiring practices. To encourage these behaviors, as well as increased employer investments in their own frontline workers, Congress can take these actions:

- Enhance business services provided through the workforce system that reflect regional economic priorities and are relevant to the needs of in-demand industries. Examples include the following:
 - Investments in workforce intermediaries and industry partnerships
 - Funding for the expansion of apprenticeships
 - Funding of professional development and other human resources activities for midsize and small employers that can focus on issues ranging from job quality and diversity and inclusion to the use of workforce tools and technologies
- Provide economic incentives to employers for investing in their current and future workers.
- Support efforts, such as those being led by the *Open Skills Network*, to accelerate the shift to skills-based hiring through the development and implementation of a common skills language used by employers, learners, jobseekers, and education providers, including development of skills “passports.” Federal support for these efforts may include pilots that use innovative technologies, such as blockchain, to ensure portability and verification; convening key stakeholders; and supporting research and development.

VIII. Target Programming to Individuals Facing Barriers to Education and Employment

To address the needs of people who face the greatest barriers to employment and who have been disproportionately impacted by COVID–19, Congress can focus on providing supports like these:

- Access to high-quality skills development opportunities as well as on-ramps to career pathways. Federal policy needs to promote skills development as an economic mobility strategy by providing funding and expanding evidence-based strategies, such as sector-focused career pathways.
- Services that address the unique needs of members of specific populations by helping them persist in education and work.
- Expanded opportunities to gain employment through strategies that may include transitional jobs, subsidized employment, earn-and-learn arrangements, and other models that result in skills and credential attainment and lead to family supporting careers.

IX. Increase Investments in and Programming for Opportunity Youth

Even before COVID–19, young people, especially young people of color and those who come from low-income backgrounds, were facing *declining economic prospects*.¹⁰ Youth unemployment rates were, and continue to be, twice as high as the national average: 4.6 million young adults ages 16 to 24 were out of school and unemployed before the pandemic struck, and more than one-third of those young people were living in poverty. This population, known as opportunity youth, has grown significantly during the pandemic. Now *roughly 10 million young people* are out of school (at both the high school and college levels) and out of work.¹¹ For these individuals, building skills and gaining work experience are key to upward mobility, however the pandemic has all but shut off opportunities for employment.

To address the needs of vulnerable youth, Congress should take the following steps:

- Increase investments in programs that serve this population, as described earlier.
- Continue to prioritize services for out-of-school youth in WIOA youth programs, while also ensuring that the Nation’s K–12 education system devotes adequate funding and attention to young people who are at risk of disengaging from high school. We urge the expansion of policies that sup-

¹⁰ JFF, *Investments in Opportunity Youth Fuel Prosperity* (Boston, MA: JFF, December 4, 2018), <https://www.jff.org/resources/investments-opportunity-youth-fuel-prosperity>.

¹¹ Richard Fry and Amanda Barroso, “Amid Coronavirus Outbreak, Nearly 3 in 10 Young People Are ‘Disconnected,’” *State Legislature Magazine* (Washington, DC: National Conference of State Legislatures, August 6, 2020), <https://www.ncsl.org/bookstore/state-legislatures-magazine/covid-19-nearly-3-in-10-young-people-are-disconnected-magazine2020.aspx>.

port reengagement of these young people through evidence-based strategies such as pathways approaches (such as *Back on Track*) and other models with proven success.

- Establish a new competitive grant program to serve local areas with high concentrations of opportunity youth. This program should align multiple initiatives and partners through collective impact strategies for serving in-school and out-of-school youth who are at risk of disconnection; expand evidence-based strategies for helping opportunity youth succeed; and focus on solutions that address the education and employment needs of underrepresented youth, including members of Black, Latino, and Indigenous populations, who have been historically underserved, with special attention to racial equity.

Ensure that youth programs build upon evidence-based models and service delivery strategies that have proved to be successful in serving opportunity youth. These approaches include career navigation services that use technology, such as *MyBestBets*; career pathways models, such as JFF's *Back on Track initiative*, that provide on-ramps to postsecondary education and employment opportunities that end with the attainment of valued credentials and in-demand careers; expanded opportunities to participate in work-based learning programs, including pre-apprenticeships and apprenticeships; and mentoring, mental health services, trauma-informed counseling, and other critical wraparound supports.

Conclusion

Before the onset of COVID-19, the United States was already facing labor market disruption that was pushing policymakers, systems leaders, and practitioners to rethink the status quo and design modern approaches to address the skill needs of today's jobseekers, workers, and employers. The pandemic exacerbated these shifts, causing a devastating economic downturn that has left people, businesses, and local economies struggling to survive.

Now is the time to transform our Nation's workforce development system. We must devote more resources for skills development, modernize career navigation services, offer more assistance to people who are planning their career pathways, provide necessary transition assistance to displaced workers, and ensure that our Nation's most underserved populations are able to succeed. If we do these things, we will meet the needs of today's workers and our evolving economy, while building a strong foundation for the future.

JFF urges the Members of the HELP Committee and Congress to take action and create a workforce system that works.

Thank you for this opportunity to testify before the Senate HELP Committee. I look forward to continuing to work with you on these critical issues.

[SUMMARY STATEMENT OF MARIA FLYNN]

This past year has been devastating for many American workers, especially those who have been disproportionately impacted by the pandemic: low-wage earners and individuals with no postsecondary credentials, many of whom are Black, Latino, or from other underrepresented populations. More than 40 million U.S. workers have lost jobs and substantial financial ground since March 2020. While unemployment trended down last month, our Nation still faces 9.7 million people who remain unemployed. And the latest figures do not reflect the millions more who have dropped out of the labor market completely or the many who are trying to get by on part-time and low-wage jobs.

The majority of in-demand jobs today require at least some postsecondary education and training, and this trend is expected to continue as new ways of working, sparked by technological advancements, demand higher-level knowledge, skills, and abilities.

For a full and equitable recovery, the United States must invest in the skills of its workers—and those investments must benefit all Americans. We must close longstanding gaps in skills, credentials, and career progression associated with gender, race, ethnicity, and income status.

The United States has an array of postsecondary education, skills training, and workforce development programs that provide vital education and employment services for America's workers. These programs and institutions have worked hard to adapt throughout the pandemic—moving from in-person to virtual service delivery

and adjusting to meet the needs of a changing labor market. But they are not adequately funded, nor are they agile enough to fully meet the skill needs of the U.S. workforce, especially in today's turbulent economy.

To meet the needs of workers, employers, and the economy, Congress must do the following:

- Significantly increase investments in our collective workforce development efforts, especially in skills development programs, to meet the needs of America's workers and employers and the U.S. economy.
- Make needed changes in America's workforce development ecosystem to:
 - Transform services for jobseekers and workers by modernizing and expanding career navigation and skills training systems, as well as the workforce system infrastructure
 - Strengthen employer engagement to ensure system relevance and increase the value that employers place on skills attainment and quality jobs
 - Improve the effectiveness of systems serving workers in transition, especially those with barriers to employment—including Black, Latino, and Indigenous people and opportunity youth—and ensure equity in the provision and outcomes of services

The CHAIR. Thank you very much.
Ms. Thomas, we will turn to you.

**STATEMENT OF DENIECE THOMAS, DEPUTY COMMISSIONER
OF WORKFORCE LEARNING AND DEVELOPMENT, TENNESSEE
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT,
NASHVILLE, TN**

Ms. THOMAS. Good morning. Thank you, Chair Murray, Ranking Member Burr, and Members of the Committee for inviting me to speak today. My name is Deniece Thomas, and I serve as Deputy Commissioner of Workforce and Learning for the Tennessee Department of Labor and Workforce Development.

Tennessee, like most states across the Country, has experienced disruption in the workforce as a result of the pandemic. Whereas our most recent unemployment rate of 5 percent looks promising, we recognize there are challenges that exist outside of the official numbers.

Also, unlike the Great Recession when jobs were more scarce in our state, we have a significant amount of jobs available to Tennesseans. Currently, over 250,000 jobs remain unfilled in our jobs data base. However, as vaccination rates increase and hopefully overall conditions improve, we are seeing a real push to reengage sidelined workers.

In order to breach the divide between those needing and wanting quality jobs and employers who desire skilled workers, we must collaborate with other workforce agencies and partners to provide comprehensive services, both in the American Job Centers and Community Access Points across the state, to include mobile units.

We officially launched a Tennessee Virtual American Job Center in December of last year in order to maintain connectivity to our citizens, even when our physical doors could not be open due to the pandemic. This service model is key in advancing opportunities for all.

We must continue to work with human services agencies to create, collect, and share common intake information in order to best identify and coordinate eligibility for appropriate programs and

services that meet the overall needs of the individual and their family.

The availability of these services outside the traditional walls of the American one-stop system has helped to expand access for many Tennesseans, as have many pandemic era programs that rely on a more remote service delivery.

Given the workforce vulnerability of minority workers across certain industry sectors, individualized and equitable access must continue to be broadened to ensure workers most at risk for job loss or disruption can participate in training programs that offer the best path to connect to high-demand and high-wage employment opportunities. This includes an expansion of worker supports, such as access to high-quality childcare, transportation, and broadband.

This work will be strengthened by partners at the Federal level by further aligning policies, eligibility and benefit structures, regulation, state plan requirements, and performance metrics across systems. Employee-integrated approaches will bolster and support evidence-based outcomes for several workforce, human services, and education programs.

We continue to forge ahead with ways to provide access to quality workforce and education training to those incarcerated. In partnership with our Tennessee Board of Regents and Department of Corrections, we are offering a unique virtual technology platform that offers instruction, career exploration, and skills assessment prior to release.

Whereas Tennessee has had some success with education partners, namely adult education, career and technical education, and those at the post-secondary level, we recommend policymakers ensure all future investments in infrastructure around education, public health, and transportation are inclusive of the public workforce system to ensure holistic and overall outcomes for those we serve.

One such example is our soon-to-be-released Summer Work Experience. This is a project modeled for in-school and out-of-school youth that will support work-based education, as well as the expansion of pre-apprenticeship and apprenticeship opportunities. Our Apprenticeship Tennessee initiative has experienced nearly 30 percent growth in the number of registered apprenticeships over the last year, despite the pandemic.

Another highlight is our Reconnect the Workforce project that was launched last year. This is a cooperative effort between the Tennessee Higher Education Commission and the Tennessee Department of Labor and Workforce Development to design a data-sharing initiative in order to facilitate access to post-secondary education for unemployment claimants and adult education students in targeted sectors.

By leveraging the tuition-free Tennessee Reconnect program for adult learners, our organizations could utilize resources to create a suite of services to address barriers to post-secondary credential attainment. During initial rollout of the program, we reached over 500,000 individuals.

These examples of state-level coordination can lead to sustainable and scalable models throughout our entire system, and it is a spirit we all need as we emerge from the pandemic. However,

public workforce here in Tennessee and at large will need sustainable and flexible funding options to continue to support both emergent and incumbent workers. Investments must be consistent over time to allow for maneuverability to address needs as they arise as opposed to reactive and restricted funding that hinders states' ability to plan and execute as needed.

The public workforce system will continue to play a vital role in economic and workforce recovery by providing access to training opportunities to individuals desiring reskilling or upskilling opportunities through traditional and work-based education. When positioned well, programs and services within the Workforce Innovation and Opportunity Act can provide foundational economic stability and drive the labor market incomes for all.

Thank you for the opportunity to share.

[The prepared statement of Ms. Thomas follows:]

PREPARED STATEMENT OF DENIECE THOMAS

Good Morning. Thank you, Chair Murray, Ranking Member Burr, and Members of the Committee, for inviting me to speak today.

Overview

Tennessee, like most states across the country, has experienced disruption in the workforce as a result of the pandemic. Whereas our most recent unemployment rate of 5 percent looks promising, we recognize there are workforce challenges that exist outside of the official numbers.

Also, unlike during the Great Recession when jobs were more scarce in our state, we have a significant amount of jobs available to Tennesseans. Currently, we have over 250K available positions posted in our jobs data base. The state experienced its most substantial job growth in the trade/transportation/utilities sector.

The leisure/hospitality sector experienced the biggest loss of jobs over the last year. However, as vaccination rates increase and overall conditions improve, we are seeing a real push to reengage sidelined workers.

Equity and Access

In order to bridge the divide between those needing and wanting quality jobs and employers who desire skilled workers, we collaborate with other workforce agencies and partners to provide comprehensive services, both in American Job Centers and community access points across the state, including mobile units. We officially launched the Tennessee Virtual American Job Center in December of last year in order to maintain connectivity to our citizens even when our physical doors could not be opened due to the pandemic. This service model is key in advancing opportunities for all. We also coordinate with our Human Services agency to create, collect and share common intake information in order to best identify and coordinate eligibility for appropriate programs and services that meet the overall needs of the individual and their family. The availability of these services outside the traditional walls of the American One Stop System has helped to expand access for many Tennesseans, as have pandemic era programs that rely more on remote service delivery.

Given the workforce vulnerability of minority workers across certain industry sectors, individualized and equitable access must continue to be broadened to ensure workers most at risk for job loss or disruption can participate in training programs that offer the best path to connect to high demand and high wage employment opportunities. This includes an expansion of worker supports such as access to high-quality childcare, transportation, and broadband. This work will be strengthened by our partners at the Federal level further aligning policies, eligibility and benefit structures, regulations, state plan requirements and performance metrics across systems. Employing integrated approaches will bolster and support evidence-based outcomes for several workforce, human services, and education programs. We continue to forge ahead with ways to provide access to quality workforce education and training to those incarcerated. In partnership with the Tennessee Board of Regents and Department of Corrections we are offering a unique virtual technology platform that provides instruction, career exploration and skill assessments prior to release.

Integration and Service Modeling

Whereas Tennessee has successful coordination with several education partners such as Adult Education, Career and Technical Education, and technical and community colleges at the post-secondary level, we recommend policymakers ensure all future investments in infrastructure around education, public health, and transportation are inclusive of the public workforce system to ensure holistic and overall outcomes for those we serve. One such example of that coordination in our state is the soon-to be summer work experience project for in-school and out-of-school youth that will support work-based education as well as the expansion of pre-apprenticeship and apprenticeship opportunities. Our *ApprenticeshipTN* initiative has experienced nearly 30 percent growth in the number of registered apprentices over the last year despite the pandemic.

Another highlight is our Reconnect the Workforce project that was launched early. This was a cooperative effort between the Tennessee Higher Education Commission and the Tennessee Department of Labor and Workforce Development to design a data sharing initiative in order to facilitate access to post-secondary education for unemployment claimants and adult education students in targeted sectors. By leveraging the tuition free TN Reconnect program for adult learners, our organizations could utilize resources to create a suite of services to address barriers to post-secondary credential attainment. During initial rollout of the program we reached over 500k individuals.

These examples of state-level coordination can lead to sustainable and scalable models throughout our entire system and it is the spirit we all need coming out of this recession. However, the public workforce here in Tennessee and at large will need sustainable and flexible funding options to continue to support both emergent and incumbent workers. Investments must be consistent over time to allow for maneuverability to address needs as they arise as opposed to reactive and restrictive funding that hinders states' ability to plan and execute as needed.

Conclusion

The public workforce system at large will continue to play a vital role in economic and workforce recovery by providing access to training opportunities to individuals desiring reskilling or upskilling opportunities through both traditional and work-based education. When positioned well, programs and services within the Workforce Innovation and Opportunity Act can provide foundational economic stability and drive good labor market outcomes for all.

[SUMMARY STATEMENT OF DENIECE THOMAS]

Tennessee, like most states, has experienced workforce challenges as a result of the COVID 19 Pandemic. In order to strengthen workforce participation and recovery we must rely on partnerships not only within the public workforce system but also the private sector community. Although challenged, there remains optimism that the workforce community can rally together with innovative approaches and renewed vigor to support workers most impacted by the pandemic. To experience both short-and long-term success access must be expanded to ensure equity in workforce funded programs and services. Funding for these programs must be sustainable and flexible to allow states the ability to plan and execute at the onset of need rather than rely on competitive funding where there is oftentimes a lag. Agility and expediency of the public workforce system response is vital to help mitigate the effects of potential long-term unemployment.

The expansion of work-based training and education is also necessary to facilitate a robust workforce pipeline of existing and emerging workers. Programs such as apprenticeships, on the job training and incumbent worker training remain vitally important and will be needed as we continue to move more of our citizens back to work.

Last, the gears of innovation and creativity must continue to turn to improve career pathway progression for youth and adults. The buildout of these programs will yield greater versatility and viability for our state's workforce.

The CHAIR. Thank you.
Dr. Ralls.

**STATEMENT OF DR. SCOTT RALLS, PRESIDENT, WAKE
TECHNICAL COMMUNITY COLLEGE, RALEIGH, NC**

Dr. RALLS. Good morning, Chair Murray, Ranking Member Burr, and Members of the Committee. I am very honored to be with you today. Our college, Wake Technical Community College, takes particular pride in the community part of our name, and this challenging past year has sharpened even more our community emphasis.

A year ago this month, we quickly moved every course and service we provide online. And, since that time, we have been safely nudging back to normalcy. A majority of our students work. You could say colleges like ours are the colleges of essential workers, and our role in that regard has been clear, beginning with the physical reopening of our Public Safety and Health Sciences campuses last June. Since that time, 136 nursing graduates have moved directly to the healthcare frontlines, and our pharmacy tech students have been trained for vaccine delivery.

Like all community colleges, our students are more than likely to come from working and lower-income families, and also to be classified as non-traditional. This year has been particularly non-traditional for them—the working student, who is also the essential clerk in the grocery checkout line; the student parent, who is also serving as a teacher at home.

To address these greater challenges, we have amplified our communications, accelerated and expanded our student supports, and tried to serve where we can as a lifeline for our community.

In the fall, we waived all our student fees to give our students a financial break. And, as of this week, we will have distributed emergency financial aid to over 12,000 students in an average award amount of \$700, provided \$125 grocery gift cards to over 4,300 students, and distributed over 1,200 free laptops.

At the outset of the pandemic, we scooped up all our existing PPE, donating 74,000 gloves, 3,000 masks, our only ventilator, and other supplies to our hospitals.

We raised \$194,000 in private funds for grants to local small businesses started through our Launch Entrepreneurship programs.

Today, one of our campuses serves as a site where 1,800 people per week are receiving vaccinations.

We are providing free job training to individuals in our community economically impacted by COVID in 21 in-demand job areas.

As we have reached the one-year COVID anniversary, we are extremely grateful for the Federal, the state, the county resources, the private donations that enabled us to earn our stripes this year as our community's college.

While we are keeping our eye on the ball with respect to safety, we are excited to be reaching this transition as I believe the road to economic recovery and workforce opportunity is running right through the middle of America's community colleges.

In no way is this a new role for our college. And in the year leading up to the pandemic, we were already framing our role as our region's largest ladder college and furthering the practice of what we will sometimes refer to as ladder economics. Here is what we briefly mean by that.

The region we serve, the Research Triangle, is a high-tech hub that is blessed by economic opportunity and significant population growth and job growth, and our region's strong universities serve as a talent magnet for individuals from around our state, our Country, and the world.

However, we have not been as strong a talent ladder. Economic analyses indicate that despite the richness of the opportunities, we lag in economic mobility, meaning if you grow up poor in our region, the chances of remaining poor as an adult are greater, higher, than in some other metropolitan areas. That significant challenge has only been exacerbated this year by the pandemic, and at Wake Tech, we are taking that on as a unique mission to change that.

One way we attempt to do that is by not forcing upon our students a choice between skills and degrees. While training too often leads to the necessary skills that are required to get a job, too often they do not connect to the degree pathways that are necessary for career promotion—like a ladder with only the bottom rungs. And many higher education degree pathways are like a ladder with only the top rungs—unreachable for many people who need to work so they can continue higher education to prepare for a lifelong career.

At Wake Tech, we are sharpening our focus on the development and alignment of each rung—the ladders leading to career opportunity, as well as the vital partnerships, employer partnerships, educational partnerships, workforce system partnerships that form the vital planks that connect the rungs of the ladder together. In my written testimony, I gave examples of that in terms of our information and biotechnology pathways.

Some of the rungs of the ladder there are important. Frequent and meaningful employer engagement; data-infused career development; training opportunities providing both a foothold to a job with industry certifications, recognized industry certifications, and footholds to degrees with prior learning credit; coordinated high school pathways; CTE; dual enrollment; early colleges; stackable community college degrees; second-chance recovery efforts; strategic university partnerships; plus-up training for degree holders for lifetime learning; and well-developed apprenticeship and work-based learning opportunities.

There are several opportunities for the Federal Government to further development of meaningful career ladders at America's community colleges, which I believe are the backbone of workforce development and at the heart of creating career ladders:

Extending Federal financial aid eligibility to students and workers enrolled in short-term programs; authorizing a community college-led training program that provides meaningful funding for the development and initiation of career ladders in high-demand job areas; establishing education and training innovation funds through the Departments of Labor and Education; and strengthening the Federal apprenticeship policies.

Thank you again for this opportunity to participate in today's hearing, and I look forward to the discussion generated by your questions.

[The prepared statement of Dr. Ralls follows:]

PREPARED STATEMENT OF DR. SCOTT RALLS

Good morning Chair Murray, Ranking Member Burr and Members of the Health, Education, Labor, and Pensions Committee. I am honored to be with you today. My name is Scott Ralls and I am President of Wake Technical Community College. Serving approximately 70,000 individuals per year with six campuses and three training sites in the Greater Raleigh metropolitan region, our college is not only the largest community college in our state but also one of the largest higher education institutions in North Carolina.

As a community college, we take particular pride in the “community” part of our name, and this challenging past year has sharpened even more our community emphasis. We have been privileged and honored to help provide a bridge to recovery for the students and community we serve.

A year ago this month, we quickly moved every course and service we provide on-line, and since that time we have been safely nudging back to normalcy. A majority of our students work—you could say that colleges like ours are the colleges of “essential workers”—and our role in that regard was clear, with the physical reopening of both our Public Safety and Health Sciences Campuses last June. Since that time, 136 Wake Tech nursing graduates moved to the healthcare frontlines with the aid of a new “graduate nurse status” designation by the North Carolina Board of Nursing, and our pharmacy tech students and faculty have received special training for vaccine administration. In August, we began bringing back our skilled trades and technical programs into socially distanced, in-person courses in our shops and labs, and we hustled to ensure that all our faculty had a completed a unique on-line instruction certification program called EPIC that we created a few years ago, not knowing how vital it would be to us this year.

Like all community colleges, our students are more likely to come from working and lower income families, and also to be classified as non-traditional. This year was a particularly non-traditional year for them—the working student who also is the essential clerk in the grocery checkout line, the student parent who is also serving as a teacher at home. To address their greater challenges, we have attempted to amplify all of our communications, accelerate and expand our student supports, and serve where we can as a lifeline for our community under a college mantra we have called “Reach and Rally.”

At the onset of the pandemic, we reached out with an outbound calling campaign to check in on each of our students and revamped delivery of our vital tutoring services. In the Fall, we waived all of our student fees to give our students a financial break, and as of this week, we will have distributed emergency financial aid to over 12,000 students at an average award amount of \$700, provided \$125 grocery gift cards to over 4,300 students, and distributed over 1,200 free student laptops.

While reaching out to our students, we rallied around our community as well. At the onset of the pandemic, we collected all of our existing PPE, donating 74,000 gloves, 3,000 masks, hundreds of bottles of sanitizer and our only ventilator to our local hospitals. We also raised \$192,000 in private funds to be distributed as “rally grants” to 85 local small businesses that had started in recent years with the assistance of our Wake Tech small business programs. Today, one of our campus gyms is a site where 1,800 people a week are receiving COVID vaccinations.

As we have reached the one-year COVID-19 anniversary, we are extremely grateful for the Federal, state and county resources, as well as the private donations during a record setting fundraising year, that enabled us to earn our stripes this year as our community’s college. While we are keeping our eye on the ball with respect to all safety protocols, we are excited to be reaching a transition point where our support becomes focused on economic and workforce recovery.

In no way is this a new role for our college. Workforce development that enables broadly shared economic prosperity has always been at the heart of our mission, and in the year leading up to the pandemic, we were already framing our role as our region’s largest “ladder college” and furthering the practice of what we sometimes refer to as “ladder economics.” Here’s briefly what we mean by that and what it looks like.

First a glimpse into the region we serve, the Research Triangle. Our region is a high-tech hub, blessed by economic opportunity, population growth, and trailing only Austin, Texas in STEM job growth over the past decade. Our region can be found at the top of most positive economic indicators, and higher education has been at the core of our region’s economic development, with strong universities serving as a talent magnet for individuals from around the country.

However, we have not been as strong a talent ladder. Economic analyses indicate that despite the richness of opportunities, we lag as an economic ladder, meaning if you grow up poor as a child in our region, the chances of remaining poor as an adult are higher than in many other metropolitan areas. We know that significant challenge has only been exacerbated by the pandemic. Defining ourselves as our region's largest ladder college, Wake Tech has taken it on as our unique mission to change that, and thus a focus on "ladder economics."

Here's what we mean. Prior to the pandemic, you could hear the debate in many places about skills vs. degrees. I've personally had several corporate executives tell me they don't care about degrees anymore, only skills, and then later learn that the memo never reached the H.R. department where degrees were very much a criteria for potential promotions. Why should an individual have to choose? Training often leads to the necessary skills required to land a job, but too often does not connect to the degree pathways necessary for career promotion—like a ladder with only the bottom rungs. On the flip side, many higher education degree pathways are like a ladder with only the top rungs, unreachable to many people who need to work so they can continue higher education to prepare for a career.

Skills vs. degrees, the workforce system vs. the education system, short-term vs. long-term—our workforce development deliberations have too often been focused around the debates of "or," while so many people need us to be focused around "and." Our conversations and plans should be more about connective ladders to opportunity, less about disconnected siloed programs, and that's where "ladder economics" comes in.

Ladder economics means fostering a focus on each important rung of the career ladder and the partnerships that create the vital connectivity. In my opinion, the important rungs of ladder economics include:

- frequent and meaningful employer engagement,
- data-infused career development,
- training opportunities providing both a *foothold* to a job with recognized industry certifications and *foothold* to degrees with prior learning credit,
- coordinated high school pathways through CTE and dual enrollment,
- well-developed apprenticeship and work-based learning opportunities,
- stackable community college degrees,
- second chance recovery efforts,
- strategic university articulations, and
- *plus-up* training for degree holders that fosters meaningful career-based, lifetime learning.

These ladder rungs are not unique to most community college programs, and at Wake Tech, we are sharpening our focus on each rung and the partnerships—employer partnerships, educational partnerships, workforce system partnerships—that form the vital planks that connect the rungs of the ladder together.

Three of the vital rungs fall within the realm of outreach and information. Perhaps the most vital outreach is active employer engagement which we continuously cultivate so as to hit employer skills targets and give our students a hiring advantage. Like most community colleges, each of our applied degree programs have active employer advisory committees and it is a rare day when I am not personally engaged with at least one local employer regarding workforce development.

Data science is opening the development of two new ladder rungs related to career development and stop-out recovery. With the data science company, Burning Glass, we have initiated career mapping for each of our degree pathways which will provide up-to-date regional wage and employment data for students and potential students regarding what is possible with each credential step. We also innovated our own data science tool, Finish First, which allows us to identify at the course level, the degree award proximity of all our recent stop-outs, which we also hope to connect back to the career maps. By coordinating that information this past spring with a targeted student outreach effort with the company Inside Track, we were able to foster a stop-out recovery effort that was 50 percent more effective than our normal outreach and had a 343 percent return on investment. The model is now being piloted statewide in North Carolina with the assistance of the North Carolina Community College System, the UNC System, Lumina Foundation and the John M. Belk Endowment.

Much of the work of what we call ladder economics revolves around programmatic alignment—alignment of high school dual enrollment opportunities, short-term training and prior learning credit, applied degrees, and strategic university transfer

options—and the notion of credential “stackability.” In North Carolina we have an advantage, as our North Carolina Community College System revamped the statewide applied degree structure almost a decade ago with a major goal to foster opportunity through credential stackability.

Through our laddering goals at Wake Tech, we are attempting to take the concepts of program alignment and stackability to new levels. Here are a couple of examples in job areas that have continued to boom in growth in our region even during the height of the pandemic: Biotech and IT.

The pandemic has spurred the exponential growth of biotech jobs in our region with major jobs and investment announcements becoming a common occurrence as exemplified by the recent company announcements from Fujifilm Diosynth Biotechnologies, Biogen, and Eli Lilly to name just a few. A gateway to the entry jobs for many of those companies is our short-term, non-degree BioWork program, a statewide community college program developed years ago in close partnership with our biotech companies. BioWork is now offered as one of 21 programs provided free of charge at our college to individuals facing employment impacts of COVID, thanks to Federal GEER funding made available by the CARES Act. Students in that program get a strong foothold to a first job in biotech, and also a foothold through prior learning credit into our two-year Biopharmaceutical Technology degree. For high school students at our Vernon Malone College and Career Academy, one of our three Early College partnerships we share with Wake County Public Schools, students there have an accelerated dual enrollment jump start, with several finishing our biopharmaceutical technology degree and other programs at the same time they graduate from high school.

Students who complete our biopharmaceutical technology degree can seamlessly transfer that degree and the credits into the Bachelor of Science in Industrial Technology degree at East Carolina University, and the UNC System recently approved the onsite delivery of that program by ECU on our Wake Tech campuses. Finally, once the entry level skills and degrees are attained, further skills-focused lifetime learning is needed, what we sometimes call “plus-up training.” That is where our BioNetwork Capstone Center comes in, a unique training center Wake Tech operates for the North Carolina Community College System. Located within the Biomanufacturing Training and Education Center on the Centennial Campus of our close partner, NC State University, it offers a “biotech teaching factory” where we offer “plus-up” training in areas like clean room operations, Good Manufacturing Practices, validation and instrumentation.

Let me switch to another high demand opportunity in our region, information technology, where job openings have grown 20 percent year over year since January 2020. We now call our short-term IT offerings, “Power Packs,” because like BioWork, they provide the ultimate in foothold short-term training programs—accelerated training like a boot camp that results in in-demand industry certifications, but also the power of prior learning credit for our multiple information technology degrees. And like BioWork, our PowerPack IT programs are currently offered to many individuals free of charge thanks to the Federal GEER funding.

Here’s a practical example of the power of the ladder model in IT—a student at Wake Tech can take a non-degree, accelerated short-term program in software development using Python. That short-term program opens the door to immediate potential employment opportunities in our region, as well as prior learning credit to our computer programming, cybersecurity and cloud infrastructure degrees. Those degrees are stackable, leading to additional industry recognized credentials, such as the IBM Blockchain Badge which was the first IBM badge offered outside of the IBM system. We have also fostered strategic university articulations for each of our IT degrees and over the past two years established seamless 2+2 pathways in computer programming and cybersecurity degrees with North Carolina A&T, UNC Charlotte, ECU, NC Central and Northeastern University out of Boston, where our students have been able to participate in virtual coop experiences this year. Through our very affordable non-degree programs, funded by our state at the same level as our degree programs, and our stackable certificate models, students with degrees have a valuable resource for IT plus-up training. A great example is our Business Analytics Certificate which we have specially aligned to employer defined knowledge skills and abilities through our participation in the Business Roundtable Workforce Partnership Initiative (WPI). Recently, half of our students enrolled in that certificate program had bachelor’s degrees and 15 percent had master’s degrees or higher.

Finally, one of the most important rungs we believe in ladder economics is work-based learning and apprenticeship. Thanks to funding from Wake County, we are doubling down on these opportunities as our county is funding a Wake Tech program we call WakeWorks to facilitate employers in becoming registered, and provide

the tuition and other expense needs of apprentices gaining their related training through Wake Tech. The recent story of one of our computer programming students demonstrates the great power of work-based learning as a vital rung in the economic ladder model. Tiffany Harrell grew up as a foster youth in Eastern North Carolina and came to Wake Tech for the first time many years ago when she earned her GED. Lacking additional money for college at the time, she left school and was married. One day, her husband suddenly died of a heart attack leaving Tiffany a widow with five kids and no job. However, with natural computing instincts and a ton of desire, Tiffany made her way back to Wake Tech and into our computer programming degree program. Not long afterwards came an opportunity through our work-based learning partnership with Lenovo, where she thrived and was eventually awarded a full-time job. Today, Tiffany works as a Team Lead with the North American ThinkAgile Premier Support Team at Lenovo. Should she want to further ladder into an IT bachelor's degree with one of our strategic university partners, while continuing to work, those further opportunities now also await her, and I have no doubt she will be successful.

To conclude, for non-traditional students like Tiffany, traditional college degree pathways are too often inaccessible while isolated skills training programs and boot camps are insufficient. America's community colleges are the at the heart of the potential for ladder economics because they are the natural places where employer and educational partnerships abound, career ladders are constructed, and students like Tiffany Harrell thrive.

There are several opportunities for Congress and the Federal Government to further the development of meaningful career ladders at America's community colleges by among other things:

- Extending Federal Financial Aid eligibility to students and workers enrolled in short-term programs, particularly when those programs are third-party assessed, lead to meaningful industry certifications, and articulate into academic degree credit;
- Authorizing a community college-led job training program that provides meaningful funding for the development and initiation of career ladders in high demand job areas where the instructional expenses are also more costly;
- Establishing education and training innovation funds at the Departments of Labor and Education, and incentivizing creative laddering partnerships between the WIOA system, high school CTE programs, and community colleges; and
- Strengthening Federal Apprenticeship policies that foster alignment with educational ladders including competency-based programs.

Thank you again for the opportunity to participate in today's hearing and I look forward to the discussion generated by your questions.

[SUMMARY STATEMENT OF DR. SCOTT RALLS]

Wake Tech, North Carolina's largest community college, takes great pride in the "community" part of its name. This year the college served as a bridge to recovery for its students and its community by accelerating and expanding its student and community supports. At the onset of the pandemic, the college collected all of its existing PPE, donating 74,000 gloves, 3,000 masks, hundreds of bottles of sanitizer and the college's only ventilator to local hospitals. It has distributed emergency financial aid to over 12,000 students at an average award amount of \$700, provided \$125 grocery gift cards to over 4,300 students, and distributed over 1,200 free student laptops. It also raised \$192,000 in private funds to be distributed as "rally grants" to 85 local small businesses and is providing free short-term training leading to in-demand certifications and licensures in 21 program areas for individuals facing employment impacts from COVID. The college is also a vaccination site where 1,800 people a week are receiving COVID vaccinations.

Now Wake Tech's support is turning to economic and workforce recovery, framing itself as the region's largest "ladder college" and furthering the practice of what it sometimes refers to as "ladder economics." The college sees this role as important to its region which although an economic dynamo, is also an area where economic mobility is relatively challenging.

From the Wake Tech perspective, "ladder economics" means fostering a focus on each critical rung of the career ladder and the partnerships that create the vital connectivity. Important rungs of economic laddering include:

- frequent and meaningful employer engagement,
- data-infused career development,
- training opportunities providing both a *foothold* to a job with recognized industry certifications and a *foothold* to degrees with prior learning credit,
- coordinated high school pathways through CTE and dual enrollment,
- well-developed apprenticeship and work-based learning opportunities,
- stackable community college degrees,
- second chance recovery efforts,
- strategic university articulations, and
- *plus-up* training for degree holders that fosters meaningful career-based, lifetime learning.

Detailed examples of these connected workforce development ladder rungs at Wake Tech are presented as related to programs in biotechnology and information technology. Policy can further the development of meaningful career ladders at America's community colleges by extending Federal Financial Aid eligibility to students and workers enrolled in short-term programs; authorizing a community college-led job training program; establishing education and training innovation funds at the U.S. Departments of Labor and Education; and, strengthening Federal Apprenticeship policies.

The CHAIR. Thank you very much.
We will now turn to Mr. Mendoza.

**STATEMENT OF ALEJANDRO MENDOZA, HUMAN RESOURCES
DIRECTOR, OPTIMAX SYSTEMS INC., ONTARIO, NY**

Mr. MENDOZA. Good morning, Chair Murray, Ranking Member Burr, and distinguished Members of the Committee. Thank you for convening today's hearing. My name is Alejandro Mendoza, and it is an honor for me to be here today to testify and to share my experience as a private sector employee.

Optimax Systems is a precision optics manufacturer located in Upstate Western New York. We were founded in 1991 and have grown to become America's largest precision optics manufacturer. We manufacture high-end lenses to customer-supplied specifications for research and industry. So, organizations such as NASA use our lenses for high-quality imaging systems that can be found on the Mars Rovers and the International Space Station.

We have approximately 400 employees, including hundreds of skilled technicians, each of whom are artisans that have had to learn the skills required to produce a precision lens from start to finish. Fundamentally, our technicians need to have basic math and computer skills to manufacture the lenses by using computer-controlled machinery and metrology instruments, and they must be able to work within teams. Once we bring on a technician, they begin our formal on-the-job learning process that includes both hands-on and classroom training.

In the end, our goal is to create a profitable company that provides good jobs and career opportunities for our employees and prosperity for our region, and we do this by investing in emerging technology, by investing in workers to ensure that they have the needed skills, and by sharing our wealth with our employees.

However, one of the greatest challenges is that we struggle to find workers necessary to grow the business and to fulfill our customer orders, and we know we are not alone. In New York, 49 percent of jobs require skills training beyond high school, but not a

four-year degree. But, too few of New York's workers, just 37 percent, have had access to the skills training necessary to fill these in-demand careers, and the current crisis has only exacerbated this challenge.

Over the past year at Optimax, our business demand has continued to grow, but we have only been able to hire 13 employees compared to our needs of 30 to 40, so our workforce strategies around recruiting, training, and retaining our workforce has been heavily stressed.

The strategies in which we invest the most amount of time and energy fit into two key categories: One is collaboration through industry or sector partnerships, as well as extensive in-house training and development.

Engagement in industry partnerships within our community to scale best practices has been vital. With our partners, we have shared best practices to recruiting and training skilled workers.

We have worked a direct curriculum development at community colleges.

We have engaged hundreds of students and re-careering adults by providing facility tours, internships, and job shadow opportunities.

We have conducted outreach in the community.

We have sponsored and hosted network events and created educational tools and information to support the advanced manufacturing sector.

But, in addition to industry partnerships, we have incorporated continuous on-the-job and classroom learning for our existing workers. We prioritize opportunities for employees to learn on the job through several structured worker training programs, including a registered apprenticeship program, tuition-supported upskilling, and customized tutoring for technical skills development, corporate culture, and leadership fundamentals.

At Optimax, we provide our workforce with, on average, about 1,000 hours of training each month. And additionally, during any given semester, we have between 20 and 25 employees enrolled in courses at our local community and technical colleges.

Optimax is committed to investing in our workers and community, but we also need Congress to be our partner in this. Congress can do this by ensuring public support for partnerships that bring together small and midsize companies, community and technical colleges, and the public workforce systems.

The Workforce Innovation and Opportunity Act currently supports these industry or sector partnerships, but provides no dedicated resources to empower states and local areas to invest in this strategy. Dedicated resource to support industry partnerships through WIOA reauthorization, the National Apprenticeship Act reauthorization, and any response or recovery to the current crisis allows Optimax to better support our training programs.

Advanced manufacturing businesses like Optimax need you to invest aggressively and effectively in the skills that industries demand, and workers need to be competitive in a global marketplace, an idea over 80 percent of voters do support.

To be the most effective to Optimax, these investments would also support costs of providing incumbent worker training and of

helping our workers enhance their digital skills. Investing in incumbent worker training like the type Optimax supports would help us and our workers meet different skill needs, like the technological changes we saw during COVID.

Finally, better aligning post-secondary policy with industrial demand and worker need would revolutionize our capacity to upskill and reskill our workers. If Congress expanded financial aid to anyone seeking skills training, students in high-quality, short-term training programs and not just those seeking traditional college degrees, Optimax could offer career progression for even more workers than we do today.

Thank you kindly for your time and dedication to ensuring the strength of America's workforce.

[The prepared statement of Mr. Mendoza follows:]

PREPARED STATEMENT OF ALEJANDRO MENDOZA

Madam Chair Murray, Ranking Member Burr, and distinguished Members of the Committee, thank you for convening today's hearing on "COVID-19 Recovery: Supporting Workers and Modernizing the Workforce Through Quality Education, Training, and Employment Opportunities."

My name is Alejandro Mendoza and I am the Director of Human Resources of Optimax Systems Inc,¹ a precision optics manufacturer, located in Ontario, New York. It is an honor for me to be here today to testify before the Committee and to share my experience as a private sector employer, committed to expanding opportunities for workers to access good jobs at Optimax and in Rochester, NY. I have over 14 years of day-to-day experience with staffing and workforce development in an advanced manufacturing environment. In addition to my role at Optimax, I serve the local community as a member of the Finger Lakes Advanced Manufacturing Enterprise (FAME), the Finger Lakes Community College foundation board and the Greater Rochester Chamber of Commerce H.R. Executive forum while regionally, I'm a member of the NY state workforce strategy group—Invest in skills NY1F² coalition and nationally, I serve as a board member of the National Fund for Workforce Solutions³ and partner with the National Skills Coalition⁴ and Business Leaders United,⁵ including a member of their Manufacturing Industry Recovery Panel.

Optimax was founded in 1991 and has grown to become America's largest precision optics manufacturer. That means we manufacture lenses to customer-supplied specifications for research and industry. For example, we have supplied NASA with high-quality imaging lenses designed for position sensing, mapping landforms and optical analysis including lenses for the Mars Rovers and the International Space Station.

We have approximately 400 employees, including hundreds of skilled technicians. Each of these technicians is really an artisan, who will eventually learn all the skills required to produce a precision lens—each lens is unique, as is the process to create it, from start to finish. Workers need to have basic math and computer skills—to manufacture the lenses using computer-controlled machinery and metrology instruments however, they also must be able to work within teams. Once we bring on a technician, they'll generally access our formal on-the-job learning process that requires both on-the-job and class room training which focuses on both technical and interpersonal development.

We have a three-pillar strategy for growing our company and enhancing the skills of our workers—we invest in emerging technology to meet production needs, we invest in workers to ensure they're well prepared with the needed skills and we share our wealth with our employees. Our goal is to create a profitable company that provides good jobs and career opportunities for our employees and prosperity for our region.

Across our workforce, employees have access to tuition assistance, 401(k) retirement savings, company matched HSA, medical/dental insurance, significant per-

¹ <https://www.optimaxsi.com/>.

² <https://www.investinskillsny.org/>.

³ <https://nationalfund.org/>.

⁴ <https://www.nationalskillscoalition.org/>.

⁵ <https://www.businessleadersunited.org/>.

sonal time-off and short and long-term disability insurance. We also share, monthly, \$0.25 of each profit dollar with employees which over the last year averaged out to \$7000 annually per employee. Since the COVID-19 crisis, we have enhanced our communication efforts to ensure we stay connected with both onsite and remote employees. This has included video messaging, online discussion platforms, a comprehensive wellness effort to address Emotional, Financial, Physical and Social well-being and multiple employee taskforces that included custom CDC compliant facemask sewing for each employee and rapid response disinfection teams across all shifts of our operations.

On average, Our Technicians earn a base pay of \$21.00/hr and receive an additional pay increase of 10 percent when they work B-shift and 15 percent when they work the C-shift (Overnights). Optimax's operates on a 24/7 basis.

Optimax Commitment to Workforce Development

Even with this commitment to investing in employees, we struggle to find workers necessary to run the business and to fulfill customer orders, and we know we're not alone. According to analysis from 2019, in New York, a plurality of jobs (49 percent) require skills training beyond a high school, but not a four-year degree. But too few of New York's workers—just 37 percent—have had access to the skills training necessary to fill these in-demand careers⁶ And the current crisis has only exacerbated this challenge.

Over the past year, our business demand has continued to grow, but we have only been able to hire 13 employees, compared to our need of 30–40. Some of the challenges we are facing are because workers lack access to developing necessary skills and some are challenges outside of skillsets. Just this week, one of our technicians came to me frustrated that he did not see a path forward in his role due to low computer literacy. Last month, we tried to hire two candidates from downtown Rochester, about a thirty-minute drive away, and neither of them had a way to get out to our plant due to the lack of a bus route.

At Optimax, our mission is focused on enabling customer success and employee prosperity. Part of how we achieve both of these—and address the challenges I described above—is by engaging in workforce strategies to recruit, train and retain our workers.

The two strategies in which we invest the most time and energy fit into two key categories: collaboration with other companies, community and technical colleges, the public workforce system and K-12 system through industry or sector partnerships and extensive in-house and classroom training for incumbent workers.

Engagement in Industry Partnerships—working with partners to scale best practices across our community

Optimax President, Mike Mandina, founded the Finger Lakes Advanced Manufacturing Enterprise,⁷ or FAME, a partnership of 54 business, community and technical college and workforce partners. FAME has three key priorities: to collaborate with local colleges and workforce development programs, to build a regional pipeline of qualified advanced manufacturing technicians, and to create awareness of employment opportunities among people in the community.

FAME—and our participation in it—has been critical to our success as a company and our success as a community. With our partners, we have shared best practices to recruiting and training skilled workers, worked to direct curriculum development at community colleges, engaged students in facility tours and established internship and job shadow opportunities. We have conducted outreach in the community, sponsored and hosted network events and created educational tools and information to support the advanced manufacturing sector.

We also have leveraged relationships with FAME partners to grow a high school recruiting strategy that provides career exploration to interested students. We make presentations at area high schools and offer a path to an extensive job shadow, and potential paid internship. This began with three schools, yielding six interns, and grew to presentations in 21 schools prior to the pandemic. In 2019, we hosted 20 students for three-day job shadows, and had 13 paid interns, several of whom are now full-time employees. In 2018 and 2019 we also began to include other like-minded employers in our school presentations, and they have offered similar programs at their companies. To deal with the pandemic, we created a virtual tour

⁶ <https://www.nationalskillscoalition.org/wp-content/uploads/2020/12/NY-Skills-Mismatch-Fact-Sheet-2020.pdf>.

⁷ <https://www.nyfame.org/>.

presentation and have been sharing with a wider range of school districts to continue our momentum and efforts. We are beginning to have job shadows again and hope to offer 10 or 12 internships this summer.

Even with Mike's dedication and the dedication of other business leaders in the area, we could not have started or sustained FAME without public investment. No one company can do it alone. FAME was founded with funding from the state's Workforce Innovation and Opportunity Act dollars and has been sustained through both contributions from member businesses and continued public investment by several other Federal and state grant opportunities.

Fostering upskilling through continuous on-the-job and classroom learning for existing workers

To support a worker's healthy career, we prioritize opportunities for workers to learn on the job through several, structured, incumbent worker training programs including a registered apprenticeship program, tuition supported upskilling, internal training programs and customized tutoring for technical skills development, corporate culture and leadership fundamentals.

Our registered Precision Optics Manufacturing apprenticeship program is designed to help our existing technicians meet the demands of our customers as well as advance into more senior positions. Once accepted into the program, apprentices spend three years rotating through all departments at Optimax, with a focus on the full manufacturing process, as well as materials selection, sales and quality. Each apprentice goes through a series of rotations while taking a minimum of two formal education courses a year at our local community college, Monroe Community College.

In addition to the apprenticeship program, Optimax provides our workforce with, on average, 1,000 hours of training each month. Workers are also eligible for tuition reimbursement for courses at our local community and technical colleges. During any semester, we generally have 15–20 employees enrolled in courses in our region.

One of our apprentices, Genny Kingsley, joined Optimax in 2019, after trying a variety of jobs after high school. She worked in food service, retail, and then loaded packages for a railroad. From word of mouth, she heard about Optimax and started on B-shift, polishing and manufacturing lenses. In the past year, she enrolled in our apprenticeship program and has evolved technically and financially as an outcome. She has said in the past that one of the best things about her career at Optimax is that you don't need a degree to get started as you can access all the skills in on-the-job learning. And we agree—ensuring workers like Genny have access to on-the-job learning, like apprenticeship, is one of our key retention strategies.

How Congress can Support Companies Like Optimax

Optimax Systems is committed to investing in our workers and our community and passionate about workforce development. Even with that commitment, we rely on public policy and public investments to meet our needs and the needs of our community. There are a few key things Congress could do to better support the needs of businesses like ours.

First, ensuring public support for partnerships that bring together small and mid-size companies, like Optimax and our partners at FAME, and community and technical college and the public workforce system would make a huge impact in our community. The Workforce Innovation and Opportunity Act (WIOA) currently supports these industry or sector partnerships but provides no dedicated resources to empower states and local areas to invest in this strategy. For Optimax, dedicated resources to support industry partnerships—through WIOA reauthorization, National Apprenticeship Act reauthorization and any response or recovery to the current crisis is critical to our ability to support the infrastructure we already have established.

Next, advanced manufacturing businesses like Optimax need you to invest aggressively and effectively in the skills that industries demand and workers need to be competitive in a global marketplace. According to polling in spring of 2020,⁸ 82 percent of voters wanted to see public investments in skills training in response to the crisis and 81 percent wanted to see investments over the long-term. Right now, the U.S. invests less in workforce and active labor market policies than every other industrialized nation except for Mexico and we would need to invest \$80 billion more

⁸ <https://www.nationalskillscoalition.org/wp-content/uploads/2020/09/09-2020-NSC-Skills-for-an-Inclusive-Economic-Recovery.pdf>.

annually just to reach the median of other industrialized countries.⁹ Companies like Optimax are making the investment in our workers, and we can best leverage and scale investments like ours when matched with robust public investment. To be the most effective to Optimax, these investments would also support costs of providing incumbent worker training and of helping our workers develop digital skills.

Optimax supports extensive training for our incumbent workers, and with public investments in these strategies we could better support shifts—like those we saw during the Covid pandemic or those required to address technological changes in our workplace—that means our workers need different skills.

Finally, better aligning postsecondary policy with industry demand and worker need would revolutionize our capacity to upskill and reskill our workers. If Congress expanded financial aid to anyone seeking skills training, students in high-quality, short-term training programs, not just those seeking traditional college degrees, Optimax could offer career progression for even more workers than we do today.

Thank you for your time and dedication to ensuring the strength of America's workforce.

[SUMMARY STATEMENT OF ALEJANDRO MENDOZA]

Optimax is America's largest precision optics manufacturer, with 400 employees, including hundreds of skilled technicians. Optimax manufactures lenses to customer-supplied specifications for research and industry. For example, supplying NASA with high-quality imaging lenses. As Director of Human Resources, I have over 14 years of day-to-day experience with staffing and workforce development.

On average, our technicians earn a base pay of \$21.00/hr with strong benefits. Even with a commitment to investing in employees, we struggle to find workers necessary to run the business and to fulfill customer orders. Too few of New York's workers—just 37 percent—have had access to the skills training necessary to fill these in-demand careers. And the current crisis has only exacerbated this challenge.

Over the past year, our business demand has continued to grow, but we have only been able to hire 13 employees, compared to our need of 30–40. The challenges we face are because workers lack access to developing necessary skills, such as digital literacy skills, and others lack access to necessary tools to complete on-the-job training, like transportation.

We employ two strategies to meet these challenges. The first is through industry or sector partnerships. Finger Lakes Advanced Manufacturing Enterprise, or FAME, is a partnership of 54 business, community and technical college, and workforce partners. FAME collaborates with local colleges and workforce development programs, builds a regional pipeline of qualified advanced manufacturing technicians, and creates awareness of employment opportunities among people in the community. We also have leveraged relationships with FAME partners to grow a high school recruiting strategy that provides career exploration to interested students.

Our other strategy is fostering upskilling through continuous on-the-job and classroom learning for existing workers. To support a worker's healthy career, we prioritize opportunities for workers to learn on the job through several, structured, incumbent worker training programs including a registered apprenticeship program, tuition supported upskilling, internal training programs and customized tutoring for technical skills development, corporate culture and leadership fundamentals.

Congress can support companies like Optimax by:

- **Providing dedicated resources through WIOA to empower states and local areas to invest in industry partnerships.** For Optimax, dedicated resources to support industry partnerships—through WIOA reauthorization, National Apprenticeship Act reauthorization, and any response or recovery to the current crisis is critical to our ability to support the infrastructure we already have established.
- **Investing aggressively and effectively in the skills** that industries demand and workers need to be competitive in a global marketplace.
- **Aligning postsecondary policy with industry demand** and worker need would revolutionize our capacity to upskill and reskill our workers.

⁹ <https://www.americasworkforce.org/latest-action-list/2019/9/19/investing-in-americas-workforce-a-national-imperative-for-the-21st-century>.

The CHAIR. Thank you very much.

Thank you to all of our witnesses for your excellent testimony.

I would also like to note that we received a letter from the National Urban League regarding the topic of today's hearing, and I ask unanimous consent this letter is entered into the record.

So ordered.

[The following information can be found on page 56 in Additional Material]

The CHAIR. With that, we will now begin a round of five-minute questions. I ask all of our colleagues to keep track of your clock and stay within those five minutes.

Again, thank you to all of you for your testimony.

Ms. Flynn, I will start with you. Thank you.

Workers who are paid low wages have felt the worst of this impact from the pandemic, and we are seeing disproportionately high levels of unemployment and underemployment among women and communities of color. Additionally, people with disabilities have experienced significant rates of job loss associated with this economic downturn. So, as we build back our economy, we have to make sure that our most vulnerable populations are part of the economic recovery and no one is left behind.

I wanted to ask you, how can we ensure that all workers have a pathway to long-term economic self-sufficiency?

Ms. FLYNN. Absolutely, Senator, and I completely agree. It is low-wage workers, people of color, women, individuals with disabilities who have been hit the hardest. And I think in response to that, we need to consider how we would truly put equity at the center of our recovery efforts and how we really do that in a proactive manner.

First, I would say an investment in skills training is critical. So, more investment, I would say, across the board, including, expansion of Pell for short-term credentials.

I would say it is really enhancing outreach efforts and making it easier for individuals who have been adversely affected by the pandemic to access the services that they need. So, really looking to see how to enhance kind of the digital transformation of the public workforce system; looking at how to enhance career navigation so that individuals, as well as the staff at the American Job Centers, can provide better information.

Then, I would also say, looking at the reporting requirements of the statute to ensure that we are collecting the type of disaggregated data that is necessary to be able to track the outcomes of these individuals over time.

The CHAIR. Thank you very much. I appreciate that.

Ms. Thomas, you mentioned the importance of additional support for people in training programs, like childcare, transportation, broadband accessibility. Those are challenges I hear a lot about in my home State of Washington. And, in the coming weeks, Congress is going to consider additional ways to help people who have lost their jobs as a result of this pandemic, and that may include additional supports for workforce training programs. And we need to make sure people are not only able to access these training opportunities, but are able to complete them, as well.

Can you elaborate for us on why supportive services, like childcare and career navigation, are important for participants in workforce training programs?

Ms. THOMAS. Yes, and thank you, Senator, for your question. Absolutely. Oftentimes, with access to skills training or post-secondary education comes with the consideration for most of those seeking it on how will my children be taken care of, or how will I afford some of the additional supports that come along. So, by expanding worker supports to ensure that there is no question that there is childcare available to individuals who are looking to not just begin their matriculation toward a degree and/or credential, but also completion is vital.

This could be done, particularly under the Workforce Innovation and Opportunity Act, by expanding funding to allow us to really create a suite of services. So, when someone is interested in going to school or reskilling, we can talk about how all of these supports come together to really mitigate barriers to completion.

We found this works very well for those who are looking, particularly first-generation students or those who have been out of the education space for some time. If we can address the challenges before entering, it helps that person in completing.

Additionally, with the expansion of the fiscal investments into worker support, it allows us to help individuals during the career exploration and navigation phase to really dream of opportunities that are not always available to them when they are considering what is my next path, particularly for those who have been sidelined during the pandemic and those who are currently in entry-level positions. So, worker supports are vital as we continue to have these conversations.

The CHAIR. I could not agree more. Thank you very much for that.

Senator Burr, I will turn it to you.

Senator BURR. Scott, what does employer engagement look like on your campus? And how do you design programs that meet the specific needs of the employer?

Dr. RALLS. Well, it means many things, but it means that every one of our applied workforce degrees has a very active advisory committee made up of the employers of our community, telling us what the skills should be.

It means for me, personally, I rarely have a day when I am not engaging with at least one employer or more about career ladders.

For all of us, it is a full-engagement sport in terms of employer engagement, primarily because we want for our students to have those job opportunities that exist in our community.

It also means for us working very closely with our employers to find those ladders as I was talking about, starting from skills training, how those build into our degree programs, how our degree programs stack, and where we partner, such as our university partners. So, it is all the way around, and it is all of us involved.

Senator BURR. How much counsel of a future student of Wake Community College goes into trying to direct them on a path that you have got employer pools that are anxious to hire?

Dr. RALLS. Yes. Frankly, not enough. That is why we are working on it right now, and we have to look at new models. For in-

stance, as I mentioned, infusing data into our career development. So, students are very—are becoming more and more. They do not need to always sit in front of a counselor, but they need direction in terms of where some of that information is, what some of the job opportunities are, how many postings, what the wage levels are, and what are the steps getting to from one place to the next. And that is what we are working, striving at Wake Tech, to accomplish.

Senator BURR. I want to ask you a little tougher question. You can dance around it if you want to.

Should the faculty at today's community colleges be mandated to be vaccinated?

Dr. RALLS. Well, we do not believe in mandates, but we certainly encourage everyone to. I do not think we are going to get to normalcy unless we are all vaccinated, so I would like to think we would not have to mandate.

But, if we had to mandate, I would, because I think we are, at community colleges, the ultimate essential workers for getting the workforce back on track. So, if that is what it would take, then I would say yes, but I do not think with most of our faculty that will be required.

Senator BURR. I think just as a general statement, your response is probably the response of faculty. It is probably the response of teachers in K through 12.

I find it somewhat odd that we mandate that students, before they attend K through 12, are required to have vaccinations for certain things, but all the sudden mandatory vaccinations as it relates to COVID is something that does not seem achievable.

Mr. Mendoza, can you speak more about your engagement with community colleges, specifically how you have worked with them and worked to develop programs to meet the needs of that employer?

Mr. MENDOZA. Yes. Good morning. Thank you.

We have engaged with the community college systems on a lot of different levels. A lot of our technicians are non-traditional students. I am talking about gamers, artists, musicians, chefs, fine arts. And we have partnered with the community college to not just focus on their technical programs, but also their non-technical programs. And the community college has embraced us going in to continue to communicate and educate their students, and also recruit and provide opportunities for those students to see different career paths that they did not necessarily think would be an opportunity when they started.

What we found has very good direct correlation to the type of work that we do. So, the willingness for the community colleges to understand that there may be non-traditional pathways that local industry can utilize their students from has been very well received.

We partner very regularly on numerous advisory boards, but we also work within the corporate college system within our community college to do a couple of things. A, the facilitation of grants, workforce development grants, upskilling grants, has been really important to us, as well as the creation of customized grants spe-

cifically for both our business, as well as other partners, as part of our industry partnerships.

Senator BURR. Thank you for that.

Ms. Flynn, just real quickly.

Ms. FLYNN. Sure.

Senator BURR. Because you raised the question of Pell Grants, and I think we all share the need to fund better.

Does it concern you at all that valuable Pell dollars currently are being given to student athletes in higher education who are on full scholarship? Their education, their room and board, everything is paid for, their books, their laundry, and that they are pocketing Pell money because they technically qualify for it, and it is not going for the students that actually could benefit from? Does that burn you up a bit?

Ms. FLYNN. I am not familiar with the issue, but that does concern me, yes.

Senator BURR. Good. Thank you.

Thank you, Madam Chair.

The CHAIR. Senator Casey.

Senator CASEY. Thanks very much, Chair Murray.

I want to start with Ms. Thomas on a question relating to community health workers. We know that, Ms. Thomas, in your testimony, you emphasized the need for training programs that offer a path to high-demand, high-wage employment opportunities. The healthcare sector offers many such opportunities, and within it, community health workers are critical, but often under-resourced, an under-resourced part of the workforce.

These workers, as you know better than I, live in and represent communities they serve. They build trusted relationships with community members over time. And we all know that during the pandemic, we have seen the importance of culturally appropriate health education and outreach by trusted community members to address health inequities.

I am told by my staff that randomized, controlled trials that were conducted at the University of Pennsylvania has shown that community health workers serving individuals with chronic illnesses save our healthcare system both money and improve outcomes, and those results are important to emphasize.

As we move into this what we hope will be a full recovery from the pandemic, we should continue to build our community health workforce to achieve more inclusive, high-value healthcare.

Here is my question. How are states and community colleges helping to train this workforce and build this workforce a promising career path?

Ms. THOMAS. Senator, thank you for your question, and I could not agree more around the value of our community health workers. And, in our state in particular, I think this is where apprenticeship is really at its best. It is where they look at where those needs exist and how we can really explore what in some means would be non-traditional means to help community health workers by engaging in pre-apprenticeship and apprenticeship opportunities.

This not only gives individuals an opportunity to really step forward and do work that is vital to the recovery of our Country from the pandemic, but also in a meaningful career that will give them

the in-demand experience, that will give them the high wages, and obviously could really change the trajectory of that person's individual career and their family.

I would argue that apprenticeships is a viable option for that, and we are exploring that in our state, and I am certain other states are doing that, as well.

Senator CASEY. Thanks very much.

I wanted to move to a question for Ms. Flynn and Dr. Ralls on community colleges. We know that in 2019, a report by the Jain Institute found that more than 10 million Americans live in public education deserts and that these deserts tend to include low-income communities.

In my home State of Pennsylvania, we currently have 14 community colleges, but that means that 29 counties in our state have zero facilities. They are not—they do not have access to a community college, at least not by way of something being proximate. Folks who live in those areas have to travel great distances, obviously.

I have prepared legislation that would help close these—reduce a number of these education deserts by providing resources to help community colleges or state and local governments establish community colleges or expand an existing community college into an underserved area.

Ms. Flynn, can you discuss how expanding community colleges into underserved communities could impact students who live in those communities and also promote equity?

Ms. FLYNN. Absolutely, Senator. So, I would say definitely looking at how to expand coverage of community colleges into those areas is critical, and also seeing if there are opportunities for community colleges to partner with other high-quality providers, whether those be online providers or some of the kind of newer, non-traditional providers that we see coming into the market.

I think kind of a combination of expansion of coverage combined with new strategic partnerships could be really interesting to pursue.

Senator CASEY. Thanks very much.

Dr. Ralls, I know that in your testimony, you talk about the role that your institution plays for both students, as well as the community. How do you think creating community college presence in these underserved areas would help spur economic development?

Dr. RALLS. Well, I think physical presence is vital. Within every part of North Carolina, you are within 30 miles of a community college campus. But, what is even more important is being present in these communities, and that is why within our particular college, we are targeting that as part of our strategic plan. Identifying with our county the vulnerable economic regions health—in terms of economic health, and then going into those regions for more proactive outreach to help bring students into our college and support them when they are with us at our college.

Senator CASEY. Thanks very much.

The CHAIR. Thank you.

Senator CASSIDY.

[Brief silence.]

The CHAIR. I think you are on mute.

Senator CASSIDY. Oh, I am sorry. No, I am not. I am not on mute. You cannot hear me?

The CHAIR. You were muted. You are now good. Go for it.

Senator CASSIDY. You were muting me.

[Laughter.]

The CHAIR. Not me.

Senator CASSIDY. Like my family. They always attempt to mute me.

Anyway, I have a—to Ms. Thomas and Dr. Ralls, I have a real interest in dyslexia. Twenty percent of the population is dyslexic, and if you are dyslexic, you are dyslexic for life. It is seldom screened for and seldom effectively addressed in most schools.

Now, if you cannot read, you learn to read grades one to three, and you read to learn after grade four, and our current system of screening does not start screening until grade three or four, so we have somewhat predetermined a whole class of children to be poor readers. You and I both know that reading well is a prerequisite for most jobs that pay well.

My wife has done screening for dyslexia within a prison system and found a very high incidence of those who are inmates read way below high school graduating level.

Now, many of those whom you are attempting to reach, I gather—and thank you for doing so—have poor educational kind of background. They have not graduated from high school. Intuitively, since there is a high incidence of dyslexia among those who drop out—they cannot read, they get frustrated, they quit—then I would suspect that you may have a higher percent of dyslexics, particularly severe dyslexics, in your service population, more than the 20 percent, which is in the general population.

With all of that to say, do either of your workforce centers screen for dyslexia upon entrance into your training program? Ms. Thomas? Dr. Ralls?

Ms. THOMAS. Sir, I will address that first. So, currently, in our American Job Centers, that screening does not occur. We do work—and there is a physical presence of our partners in vocational rehabilitation. And, so, once that referral is made, they can then start to consider if there are some extenuating circumstances to help an individual prior to enrollment or prior to assessment. That is not a common skill set that a lot of the folks in our American Job Centers have, but we do rely on our partners to help us in that work prior to sending someone on to any post-secondary or upskilling opportunities.

Senator CASSIDY. Do you have a sense of the average read—average grade level of reading ability of someone who is in your job center? You know, do they read on a college level? A high school? An eighth grade? A sixth grade?

Ms. THOMAS. It varies. It varies widely. I will tell you, it is not unusual for individuals that come in and take part in assessments before we apply our Title 1 funding to credential or skill training to have to retake those assessments or need services from our partners in adult education in the literacy space for measurable skill gains prior to moving on. That is not uncommon. And again, we see this particularly with individuals who may have been out of the

educational space for some time, and particularly for those who do not have a high school diploma or equivalency.

Senator CASSIDY. Dr. Ralls, could you answer those two questions? Do you screen and what is kind of the mean level of educational achievement among those who you serve?

Dr. RALLS. No, sir, we do not screen for dyslexia. But, what we do strive to do is provide and be very proactive in any types of accommodations for students who are coming into our degree programs.

I think something else that is very important for us is being so comprehensive that, it is not just degree college programs, but it is also we provide the adult basic education programs, which provide the opportunity for students to start wherever, and essentially, in many cases, learn to read while they are at college but keep going further.

We certainly probably could do a better job in screening and other forms of services, but we—our comprehensiveness allows for recovery, and I think that is part of the beauty of community colleges.

Senator CASSIDY. Do you have a sense of the percent of your incoming students who are very poor readers?

Dr. RALLS. In terms of the definition of very poor readers, one of the things we have worked on is what we define as college-ready, which then does look at the readiness skills of individuals that come in through various testing. Our state has been kind of a model in terms of testing around that, which certainly does get at reading skills. But, it is one of the most difficult challenges we face in making those determinations.

Senator CASSIDY. Yes, but no percent—can you give me a percent of how many read below a high school senior level?

Dr. RALLS. Well, if you did our college readiness, years ago, when I was assistant president, about two-thirds fell below that. The truth is, though, our testing was not very strong and we were over-testing students. And I cannot tell you specifically how many were falling below a third-grade level.

Still, too many students come in not reading at the level they need to at college level, and that is why many students, but a smaller percentage, go into than used to years ago, our developmental education. And we focus very much on that aspect of our college to make sure that they can catch up in a reasonable amount of time, if possible.

Senator CASSIDY. Madam Chair, I will—I am over, so I will concede after this or yield back my time.

That if dyslexia is the No. 1 reason for poor reading, or even illiteracy—and no fault of these folks—but we are not, on a Federal level, encouraging the screening of dyslexia at every point along the way in which we are trying to capture these folks, I feel like we have program failure. And nothing criticizing these folks. They are doing God's work. Oh, my gosh. It is just the children themselves who are being failed by a system which fails to—which itself fails to go after this particular issue.

With that, I yield back and I thank you all for your good work to our folks.

The CHAIR. Thank you.

Senator Kaine.

Senator Kaine. Thank you, Chair Murray and Ranking Member Burr. And another thank you, Madam Chair. Today is thank-you day for me at all my Committee hearings. I am thanking the staffs who have been working so hard to make these hybrid hearings, where witnesses appear both in person and virtually, and somewhat technically unsavvy Senators, who appear both virtually and in person. The staffs have done a really good job of making these work, and I just wanted to open off with—

The CHAIR. Thank you.

Senator Kaine [continuing]. Thanking them, the HELP Committee staff.

The CHAIR. I totally agree. Thank you.

Senator Kaine. Dr. Ralls, really good to see you again. We are so sorry you left Virginia to go to North Carolina. But, you are like Johnny Appleseed. You are—

[Laughter.]

Senator Kaine [continuing]. Spreading good CTE wherever you go, and I am really happy to be with you today.

According to some of the DOL data that I have looked at in the sort of, a year into this pandemic, we have just got significant, sizable workforce challenges, and that is what we are trying to address today. I think the DOL suggests that about four million people are still classified as long-term unemployed. They have been out of work more than 6 months, and that total is likely an undercount.

We have got the opportunity and the imperative to help unemployed individuals access job training to re-enter the workforce, but many of these workers need access to short-term programs that will help them earn credentials and re-enter the workforce quickly, particularly older workers, who need short-term intents because of the demands that their families and other obligations they have.

Community and technical colleges in Virginia and all across the Country are really at the forefront of this, working to provide these high-quality, short-term programs. And these programs provide post-secondary pathways, but also immediate job skills.

In Virginia, Dr. Ralls, as you are very familiar, we have a program called FastForward that is offered at community colleges, and it has had very encouraging results leading to employment for adult learners, and traditionally maybe—traditionally, in this program, kind of non-traditional students—more likely to be older; more likely to be people of color; more likely to be first in the family to be at a college; more likely to be receiving TANF benefits.

In each testimony today, folks mentioned the need for Federal financial aid to extend to these short-term programs if they are high quality. My colleague, Rob Portman, and I, together with more than 30 Democrats and Republicans, have a bipartisan bill called the JOBS Act that would extend Pell Grant eligibility to students who attend high-quality programs at community colleges and public institutions.

Dr. Ralls, how do you think expanding Pell Grant eligibility to students for enrollment in high-quality, short-term programs might open doors both for first time college students, but also for adult

students with families who have faced hardships in this most challenging time?

Dr. RALLS. I very much endorse that proposal, which prevent—making Pell eligible for quality, short-term credentials because so many students, non-traditional workers, and people in the workforce, they need those short-term credentials to get the skills to get a job. And a lot of times, they need those jobs to get the further higher education they need to further their career.

To me, it is not as much an either-or as it is made out to be. It is really an ‘and,’ and we need to work more diligently to make it an ‘and.’ And I think you can make it more ‘and’ by providing Pell for short-term credentials.

We have been having a skills-versus-degree debate, and I have frequently heard corporate execs say they do not care about degrees anymore; they only care about skills, only to find out that memo never really reached the H.R. department.

If we do it the right way, we can do it well and benefit our students. You mentioned Virginia. Cloud computing, where you can start with short-term credentials, and FastForward at Northern Virginia Community College, you can start an apprenticeship program and short-term credentials and then move that into the cloud degree, which then moves over through the advanced partnership at George Mason.

Same thing in North Carolina. Our BioWorks short-term credential is an entryway into our fast-growing biotech ecosystem in the Research Triangle. It gets folks the skills they need for that job, but then they can bring that into our degree and then onto the university.

Senator KAINE. Let me just interrupt you for a second and say I have been a supporter of this JOBS Act for a while before the pandemic. The pandemic, with this chronic, now long-term unemployment, makes it seem even more imperative. But, with President Biden now committed to an infrastructure plan, where we will have to train and upskill a significant workforce to do an infrastructure plan of the size we are contemplating, it would seem even more likely that the skills needed to do the infrastructure work are likely to be found in these high-quality, short-term programs. We should not wall off those necessary careers from Pell Grant eligibility if we want to get infrastructure done, in my opinion.

Dr. RALLS. I agree. And our degrees need to stack with those high-quality programs so our students do not have to start over. You can start in those workforce skill training programs, third-party assessment, high-quality, short-term certification. And then we have to do a stronger job to make sure that they walk into our degrees so that our students are not stunted, if you will.

Senator KAINE. Yes.

Dr. RALLS. That they have a ladder, that they can keep moving forward, and they always have opportunities for career advancement.

Senator KAINE. Great. Thank you. Thanks, Chair Murray.

The CHAIR. Thank you.

I will turn to Senator Hassan.

Senator HASSAN. Well, thank you, Madam Chair, and our Ranking Member, Senator Burr. I want to thank all of the witnesses,

as well, for joining us today for a really important conversation on how we can best support workers who are unemployed, underemployed, or who have fallen out of the labor force.

Before I start with questions, Madam Chair, I would like to ask for unanimous consent to enter into the record this statement from the Society of Human Resource Managers about the importance of employer-provided education assistance.

The CHAIR. Without objection.

[The following information can be found on page 57 in Additional Material]

Senator HASSAN. Thank you.

Ms. Flynn, I would like to start with a question to you. Good morning. A workforce strategy I have long supported, first as Governor of New Hampshire and now in the Senate, are career pathways programs, and we have certainly talked about those a bit this morning. These programs engage workers, who have fallen out of the labor force, to make progress in their career through industry partnerships with higher education so participants can receive educational credentials while also earning an income.

I recently re-introduced the Gateway to Careers Act with Senators Young, Kaine, and Collins. That is a bipartisan bill to expand career pathways, as well as provide wrap-around supports for learners who face barriers to completion—supports like help in accessing affordable housing or covering transportation costs.

Do you agree that supporting career pathways is an important investment to help our most vulnerable workers re-enter or advance in the workforce?

Ms. FLYNN. Thank you, Senator. I wholeheartedly agree with that. At Jobs for the Future, we have been supporters of career pathways now for several decades, and we are proud to support the bill that you mentioned. I think that particularly now, as we recover from the pandemic, really ensuring that the individuals, the workers, who have been left behind, really have that comprehensive set of supports to help them move back into the labor market and along a career pathway to economic self-sufficiency. So, I think it is really critical.

We have been involved over the years in helping to replicate the I-BEST program in Senator Murray's home State of Washington, really looking at how to help low-wage, low-skilled workers get on that path to economic advancements. Very much so.

Senator HASSAN. Well, thank you for that.

I now have a question to all four of our witnesses, and I am just going to read it and then go in order here.

I often hear from employers that they struggle to find the workers that they need to hire for openings, and certainly Mr. Mendoza has spoken to that this morning. Some of these employers have successfully engaged with community colleges and our state workforce system in New Hampshire to build workforce pipelines to actively recruit and train workers, including through career pathway programs like the ones we just discussed.

To each of you, how important is it for employers to be involved with the development of workforce and education programs to ensure that individuals who complete a program have local job opportunities? And, can you speak to how best to do this? And I will

start with Ms. Flynn and then go to Dr. Ralls, and then we will go to our two witnesses who are with us remotely.

Ms. FLYNN. I would say it is absolutely critical to have employers deeply involved in the system and to help really co-design the solutions that are being put in place. A lot of that activity obviously needs to happen kind of at the regional labor market level.

But, I feel that, as we look at future policy change and legislation, finding ways to make that engagement easier for employers, I think, is really key, particularly large-scale employers who are trying to engage, community after community. How can we help to streamline that process for them. How can we also be looking at feedback loops where employers can more easily provide their feedback to community colleges and other training providers on, kind of the quality of the skills that they are seeing in the graduates.

Senator HASSAN. Well, thank you.

Dr. Ralls.

Dr. RALLS. It is absolutely vital because they, the employers, have to set our targets and we have to hit those targets. And if we do not, then it means that our students do not have the opportunity for the economic prosperity, which they come to us for. So, it is absolutely vital.

Senator HASSAN. Thank you. Mr. Mendoza, would you like to address this?

Mr. MENDOZA. Yes. Thank you very much, Senator.

Employers have to be flexible, also, and willing to think outside of the box, and that means being willing to accommodate different pathways and different interests that people have. And that is something that has been really important to Optimax as far as taking the non-traditional pathway. There is not a one-size-fits-all approach. So, as an organization, we have to be willing to incorporate multiple different types of people and disciplines within this type of infrastructure.

Senator HASSAN. Thank you very much.

Ms. Thomas.

Ms. THOMAS. Thank you, Senator. Yes, I absolutely agree that employer input is vital. After all, with any of the training, whether it is career pathways or other structured programs, employers are really the validators of the rigor of those programs because this will be their workforce. And, so, it is critical for us to position ourselves to be flexible so when employers provide that input, we can co-design and co-architect programs that are meaningful to employers for a full workforce, not just for today, but for the future, as well.

Senator HASSAN. Well, thank you very much, and thank you, Madam Chair.

The CHAIR. Thank you.

Senator Smith.

Senator SMITH. Thank you, Madam Chair, and I am glad to be with you. We have a bunch of Committee hearings going on today, so I appreciate this chance to join you. I have a question that I would like to ask Ms. Thomas.

The COVID-19 pandemic has highlighted so clearly the crucial role of the public health workforce. Julie Whitcomb, who is a community health services manager from Watonwan County Public

Health Department, said this to me, and I think it makes so much sense. She said, I often say public health is doing good jobs when we are not in the news. But, when you hear about outbreaks, such as lice in schools, and tuberculosis—when you don't hear about outbreaks in schools of tuberculosis, for example.

The reality is that a strong public health system depends on a strong, talented workforce to make it all work. Nearly half, I understand, of the public health workforce is considering leaving in the next 5 years. Twenty-two percent will retire. Twenty-five percent are leaving for other reasons, including lower wages and competition of the private sector, or even, geographic challenges.

I have also heard from a lot of public health departments in Minnesota that the loan forgiveness programs are really critical for making public health a more viable career choice.

Ms. Thomas, could you talk a little bit about the challenges that you have seen when it comes to retaining a public health workforce and how the loan forgiveness programs can help recruit and retain this workforce?

Ms. THOMAS. Thank you, Senator. And yes, certainly our public healthcare workers are essential to our Nation for so many reasons, and yes, we have seen challenges. And, oftentimes, the time it takes for someone to be an R.N., for example, and the pathway progression toward that occupation, loan forgiveness would be huge. Because often, when we see individuals who have an interest, even starting in the secondary level, if they have an interest, you think about the runway that it takes to become skilled, trained, degreed in this profession.

For those particularly who are facing barriers as it is now, it is more than sometimes they can often imagine. And, so, really breaking it out in these career pathways and in these start/stops, it allows individuals to experience, take part in public education and healthcare without being committed to a longer progression.

In other words, it may start as just sort of a frontline, personal care attendant or something of those sorts, and they learn and gain experience, and then the hope for a more robust experience in public health begins to emerge. And, so, loan forgiveness takes away that barrier.

Someone who has always wanted to be a nurse, for example, or a doctor, but did not think that it was possible because of where they are, it now provides an opportunity and an open pathway for individuals to begin to embark and seek on a career in public health. And, so, it is a challenge. We obviously need more workers.

I spoke earlier about apprenticeship. These programs, again, work-based education in public health is critical, and we need more apprenticeship programs that allow for a faster progression to be able to create workers that we know hospitals and other organization so vitally need.

Senator SMITH. Yes. So, this is a strategy not only for recruiting and retaining workforce, but also for recruiting and retaining a diverse workforce, which is such a great need as we—because we know so clearly that a public health workforce that is connected to community is going to be more trusted, more—just able to do a better job in so many ways. I really—I appreciate that very much.

I want to just mention that I have a bill with Senator Booker that would provide education loan repayment assistance to people who work at the state, local, or tribal public health departments, and this bill would provide the tools that we need to build this kind of sustainable workforce, a diverse workforce, that is really ready to address any public health crisis. And I think this past year, 14 months, has really demonstrated what a crucial need this is right now. Thank you.

Madam Chair, I will take back the rest of my time. Thank you so much.

The CHAIR. Thank you.

Can I just say to any of our Senators who would like to be at the Committee hearing, can you let us know if you are going to be here? I know there is a number of hearings this morning, and everybody is trying to turn schedules around. We just want to make sure we do not exclude anybody. So, if you are there, please get on-board.

Senator Burr.

Senator BURR. Madam Chair, if we do not have anybody cued up—I know some are on their way—could I ask one additional question—

The CHAIR. Absolutely.

Senator BURR [continuing]. If nobody is cued?

The CHAIR. Great.

Senator BURR. Dr. Ralls, our Committee is working on expanding apprenticeships, and I am sort of proud of the work that North Carolina's community colleges have done on this space, including the industry-recognized apprenticeship programs.

Can you share more about apprenticeship programs in North Carolina?

Dr. RALLS. Apprenticeship in North Carolina is growing and growing rapidly. About 3 years ago, the system moved into the community college system that allowed the connection between the workforce training and apprenticeship for the related training in North Carolina. And you can see it both in the numbers of students—or the numbers of apprentices, which have grown significantly, and the broadening to beyond the traditional apprenticeship areas of construction and manufacturing to many other sectors.

In our county, we are proud—our county commissioners saw this as a vital opportunity to connect more students to prosperity through apprenticeship. They have provided special funding to our college so that we can go and help facilitate companies to become registered apprenticeship companies, as well as provide the related training free of charge, tuition-free, at Wake Tech.

We are seeing very large number growth. We just had a signing ceremony just a couple weeks ago with 50 new apprentices. And what is so important about it, I think, is the opportunities it provides for students who may not have those opportunities otherwise to get experience, to get into a hiring scenario they would not be in.

We have an amazing story of a student who grew up as a foster youth, and through work-based learning—it was not a formal apprenticeship, but through work-based learning with Lenovo, and in our computer training, computer programming degree. She was a

widow with five kids, and now she is a team lead at Lenovo. And those are the kinds of programs, work-based learning and apprenticeship, that give students, like this student, Tiffany Harrell, that opportunity that they would not have otherwise.

Senator BURR. Great. Thank you, Madam Chair.

The CHAIR. Thank you. I will go to Senator Rosen and then to Senator Tuberville.

Senator Rosen.

Senator ROSEN. Thank you, Chair Murray and Ranking Member Burr, for holding this hearing today, for your commitment to a bipartisan collaboration on a workforce package. We certainly need it because, as Nevada and the Nation begin to recover from the worst unemployment crisis in living memory, I am glad this Committee is focused on creating jobs and training workers to fill all the positions so we can get all Americans back to work. But, I would like to speak a little bit about advanced manufacturing and cyber jobs.

Mr. Mendoza, before the onset of the COVID-19 pandemic, Nevada was among the leading states in advanced manufacturing with 16 percent annual growth. Despite this growth, many training gaps remained. That is why I introduced the American—I mean the Advanced Manufacturing Jobs in America Act, bipartisan legislation that would create a pilot program, connecting colleges, workforce boards, and manufacturers to facilitate advanced manufacturing training programs.

In light of the pandemic, I am pleased that Western Nevada College has helped fill some of these gaps by offering the Manufacturing Technician Certificate, which includes skills training in advanced manufacturing. It is free to any Nevadan who has been laid off due to COVID-19, and I am glad that the Biden Administration has called for additional investment in this field. So, Mr. Mendoza, as someone appointed to advise President Biden on manufacturing policies, I look forward to working with you on these issues.

Could you speak to the importance of training both unemployed and existing workers so that they have the skills necessary to compete for those good-paying advanced manufacturing jobs?

Mr. MENDOZA. Thank you, Senator Rosen. It sounds like an awesome program. And our responsibility to grow and develop our existing workforces, those that find these types of environments exciting, is what fuels our growth.

Technology is changing so fast that we have to be extremely proactive on this. And employees and potential employees also want the opportunity to continue to grow and evolve in their roles. So, having well-structured career pathways, but also opportunities to learn from no experience whatsoever is super important and part of our commitment. And, especially, industry has to be willing to step up and support this and encourage this.

We have talked about a lot of things in here, and that is including understanding the diversity of learning within your existing workforce, to being able to onboard and incorporate the entire learning spectrum of potential employees moving forward.

That has been extremely vital to us, and we are looking forward to continuing to partner on specific programs.

Senator ROSEN. Well, I am glad you mention that because I want to talk a little bit about the role of minority-serving institutions because we know all too well, again, COVID-19 has exposed disparities in our society across the board in healthcare, education, job opportunities, and access to services.

Ms. Flynn, I was pleased to see that the Jobs for the Future is thinking about the American workforce recovery with emphasis on closing these gaps. So, in Nevada, five of our colleges and universities are designated as minority-serving institutions, so we are very proud of that.

But, how can Congress and the Administration better support MSIs as a provider of workforce training, and how do we connect? To Mr. Mendoza's point, how do we connect them with the job creators to be sure that we are filling the needs? We need to create that partnership between training and jobs.

Ms. FLYNN. Absolutely, Senator, and I agree that minority-serving institutions are a key piece of the recovery puzzle. And I think providing them with the resources and the kind of capacity building that they need to help really build those strong employer partnerships in their communities is critical.

Helping them engage more broadly with the public workforce system to most effectively kind of utilize those resources that the system can provide.

Really building in strong career navigation for their students and for the leaders of those institutions to really help enable students to make great, informed decisions about their career paths.

But, I think really being intentional about the resources and building those strong connection points is critically important.

Senator ROSEN. Thank you. And I do agree with your word intentional. We must be intentional about this. We have an opportunity to see who we want to be, who we need to be coming out of this pandemic, and I look forward to creating as many partnerships between the private sector, our universities, and our workforce training as possible.

Thank you, Madam Chair. I yield back.

The CHAIR. Thank you.

Senator Tuberville.

Senator TUBERVILLE. Thank you very much, Madam Chair.

Thank you for being here today and testifying.

Workforce development has been huge on my agenda for years. I have been in education for 40 years, traveled the world, traveled the Country, trying to help kids get jobs.

I will say this. I have noticed, our four-year universities have become businesses instead of education institutions where we get them prepared for a job. It is a shame that has happened, but it—again, a business, people have to make a living, but we need to recognize that.

I think our—to be honest and blunt with you, I think our education system is outdated. I think we need to make some major changes. But, that being said, the big feel is we need to train kids for future workforce, and we need to get them to the point where they know how to use their hands, know how to use their brains, and understand work and work ethic.

The one thing that I have noticed in two-year schools is we have got to get them involved in some kind of situation where they learn how to use their hands, not in a two-year school, but in high school.

I have gone through thousands of transcripts the last years and our twelve-year system, to me, is outdated. We do not push kids. We get to the last eleventh and twelfth grade of the years and they are taking activity courses, study halls, and we are not preparing them. And I truly believe that we need to teach them something in the last two years of their high school. Get them involved in something where they can get interested in—whether it is wood shop, welding, nursing, cooking, and teach that and teach them how to do things like that.

Am I on the right track there? Just get your, both of your opinions.

Ms. FLYNN. I think you are on absolutely the right track. I think that really we need to be thinking about pathways that really span from, ninth grade up through sort of grade 14. So, four years of high school and two years of post-secondary training. Really embedding that high-quality, work-based learning in high school is key. How you kind of think intentionally about those kind of career pathways and career progression across those grades. At JFF, we lead an initiative called the Pathways to Prosperity Network, where we are working with states and regions to build those types of systems.

I also think we need to be looking at how to continue to address the, I think, outdated and somewhat unfair stigma around career and technical education. So, how can we help educate students and parents and school leaders about these great opportunities that are in the skilled trades and other opportunities. And just that, CTE is not what it was when my mother worked in that system back in the 1970's. It is a very different system now, and we need to keep pushing for modernization and improvement and agility.

Senator TUBERVILLE. Well, this is my concern. We are coming out of a pandemic, hopefully, and we hear we have six, 7 percent unemployment. That is wrong. We have got millions of jobs out there right now.

No. 1, people are not looking for jobs. People are sitting at home.

But, that being said, I am not worried about those people out there now that are out of school. I am worried about the kids coming up and being motivated to say, listen, I want to go make a great living. I want to start a business. I want to do something. I want to use my hands. And we have to start encouraging them.

But, we are coming out of this pandemic where a lot of people have been virtual, and you cannot learn to use your hands virtual, just watch it on TV and all that.

But, how are we going to get kids back motivated after this pandemic, actively? I think we are overlooking that. We are saying, oh, we are just going to open back up and we are going to go back out and put this to a test. Education is the most important thing in this Country. That is our future, and we better start getting a handle on that.

How do you think we do that?

Dr. RALLS. I think you are on the right track. I think we have to look for those places where students can apply, not just, learn

the theoretical. And I think that is something of what you are talking about.

I think, also, you noted the notion between making the connections between high schools and college and community colleges. You know, when we talk about career pathways, or we talk about ladders at my institution, it is not just our career pathways. It is their career pathways, and that really starts in high school.

Programs like dual enrollment, youth apprenticeship, early college high schools. We have career and college academies, and that also sparks the opportunities for apprenticeship.

In North Carolina now, if you start in a youth apprenticeship program, like our manufacturing programs, and you are employed as an apprentice within 6 months of graduating, then you get free tuition. It incentivizes that.

I think those kind of connections are important, and thinking about our pathways and our ladders are not just about within our institutions. They have to cross our institutions, and that is the way I think we have to think about it.

Senator TUBERVILLE. The only thing I worry about, free tuition for junior colleges, and really for four-year schools, is the part of learning how to go out on your own. How to learn how to, be responsible for yourself. If something is free, you do not work as hard. We have all found that out. And I think if you have got skin in the game, then it is pretty hard to quit. It is pretty hard to kick the can down the road. And I think you will both agree, we need kids to learn how to work. That is the No. 1 thing, I think, that we need to do.

Thank you very much, Madam Chair.

The CHAIR. Thank you.

Senator Hickenlooper.

Senator HICKENLOOPER. Yes. Thank you very much, Chair Murray, and thank you for pulling this really astounding meeting together. I cannot remember the last time I have heard so many things that, just make me want to accelerate in terms of how we address the gaps that we see all around us, in terms of the skills that not just kids, but kids of all ages need.

I wanted to ask a question first of Ms. Flynn. Thank you all for your testimony today. Really, a wonderful hearing.

Ms. FLYNN, many small-or medium-size businesses do not really have the resources or the relevant experience on being able to create their own apprenticeship-type training programs. And that is why several of us on HELP are working to try and create the PARTNERS Act, which will provide grants to businesses to allow them to get together and build industry-specific apprenticeship programs.

How can we do a better job of helping those small businesses be able to access apprenticeships? And I think you are aware, we have a wonderful program in Colorado called CareerWise. We have a waiting list of businesses, but not as many small businesses as I think we should have.

Ms. FLYNN. Yes, Senator Hickenlooper. I think it is a wonderful question. I think there is a lot more that we can and should be doing for small and medium employers, both in terms of registered

apprenticeship and, more broadly, around engaging in workforce programs.

I think the CareerWise program that Noel Ginsburg runs in Colorado is a terrific example of that intermediary work. And I know they are also expanding their efforts into New York City. So, I think seeing how we can continue to provide and provide additional support for those intermediary organizations, whether that be at a state or a regional level, I think can really help to alleviate some of the administrative burden from small and medium employers.

But, as you said, I think there is also, if you are not seeing a number of those kind of engaging now, really helping to continue to dispel some of the myths around registered apprenticeship I think is key. I think that there is still a—kind of a thought in this Country that it is kind of only around the skilled trades, only involved, with organized labor, et cetera.

I think continuing to dispel those myths and really talking to employers about how we are building on those long-term traditions, but expanding into new sectors, new occupations, and how the role the intermediary can really help make that engagement more streamlined and efficient for employers.

Senator HICKENLOOPER. Let me just plead back on that. As we get better integration and coordination between various intermediaries in these types of skills training, and maybe even take apprenticeships and expand them so it is not just for kids who would otherwise just be in high school, we also get to that notion of learning all—lifetime learning and people being able to get individual credentials, what they call stackable credentials, as you know well.

How do we take this moment, where we really are focusing on workforce in I think a new and fresh way, and make sure that we can partner with, corporate America and large and small businesses to make sure we get best of practices and create a national system of stackable credentials? Does that seem something that used to be so far-fetched and now seems somewhat more accessible? How do you feel on that?

Ms. FLYNN. I agree. I think that this past year has made that seem more accessible, for sure. I think that trends that, 15 months ago, we would have been saying were 5, 10, 20 years off are now currently, in front of us in the near term.

I do think that really thinking, again, intentionally about creating that type of system to ensure that the stackability is real, that these stacks are actually providing, paths to degrees for students and workers who are seeking those opportunities can actually happen.

As we saw in a recent report from a credential engine, there are over a million credentials now in the U.S., and so it is quite a maze of opportunities. And I think the more we could invest in a career navigation system that can help workers and learners navigate that and really determine which paths are high quality will really be important.

Senator HICKENLOOPER. Absolutely. I could not agree more.

Again, I thank all of the people providing testimony today. Thank you so much, and I look forward—I am going to read all of

your written testimony to make sure that I do not miss anything. Thank you all.

I yield back my time. Thank you, Madam Chair.

The CHAIR. Thank you very much, Senator.

I have one additional question, and then I will turn to Senator Burr. Do you have any other questions?

Okay. I believe Senator Braun is going to be here. I will notify him he has about one minute.

Ms. Thomas, while we are waiting, the healthcare system has experienced a shortage of homecare workers and trained caregivers for some time, and this shortage is expected to get worse as the population ages and more people require these services. Can you share some examples of your agency's work to address the supports that we need to recruit and retain service providers, like homecare workers for older adults and people with disabilities?

Ms. THOMAS. Yes. Thank you, Senator. And certainly this is, one entry-level occupation that we tend to see a great need starting to arise and has arisen over the last several years. And I will go back to an earlier comment that I made regarding those who have interest in the healthcare industry but maybe are not ready to take the full leap into some of the nursing degrees.

Through career navigation, we are able to help individuals really take the first step, the first rung on the ladder, to really explore opportunities as home health aides and personal care aides. What we find is particularly a barrier for this group is because of the salary structure, childcare and other supports are often needed to do that. But, we do find an interest for those who are wanting to really start this as a first phase in the healthcare industry.

We work a lot, particularly with those who are looking for part-time work, who maybe are in school during the day or have small children and need options for someone to watch their children and maybe work at night or overnight.

This is an ideal population that we can work with, instruct, at least get them familiar and gain work experience, and then look for opportunities to build out that pathway. But, that is something that we find there is absolutely a rising need, and we certainly see this as an opportunity to leverage, to really expand opportunities in public health workers across our state.

The CHAIR. Thank you very much.

Senator Burr, you had one additional question?

Senator BURR. Just one quick question, Madam Chair. I will direct it to our two witnesses that are here, and if those that are virtually with us have anything to add that is not covered, please do.

I am curious. You have mentioned Pell as policies that Congress should consider to better support access to quality, short-term training programs. What other things would you like to highlight other than Pell for these short-term programs that would help?

Ms. Flynn.

Ms. FLYNN. In addition to expanding Pell, I think we would look at skill accounts, or kind of an expansion of the current individual training accounts, under WIOA since we know that a lot of dislocated workers or working poor would not be eligible for the Pell dollars. So, I think looking to how to build upon that current authority within WIOA, but build that out with additional funding.

Also, continuing to really enhance the quality of the eligible training provider list. I think that provider quality is not just, a key question in the short-term Pell debate, but more broadly around how do we ensure that workers and learners are pursuing high-quality programs.

We would also look at how to really open up some access to Federal dollars for some of the kind of newer, non-traditional providers that are out there. Some of the for-profit models who have a very strong evidence base behind them. So, I think being careful not to kind of put all of, for-profit providers in a box that they are bad actors. Really looking at the issue of quality and how to direct Federal funds accordingly.

Senator BURR. Dr. Ralls.

Dr. RALLS. Other than Pell, the other primary way in which individuals receive training is through WIOA. I think what we have seen in some of the testimony, the written testimonies identified that, there has been pretty significant decreases in funding. And oftentimes, the training available through WIOA, it becomes rather sparse.

It is a challenge. I think you have to push more connections as much as possible, particularly between the workforce system and the education system.

When we look at short-term credentials, I think third-party industry credential certifications are important.

I think it is very important for those degree—or credentials also to stack into our degrees, because too often, job training alone can be siloed and not lead to the opportunities for career advancement.

Again, as I said in my testimony, our traditional higher ed degrees are too often inaccessible for students. And we need both. We do not need the either/or. We need the ‘and.’

I think, also, community colleges are key in that. Too often, we are treated just as another provider, and I think we are also a very unique backbone to the workforce and the training system in the United States.

I think some of the funding supports, like the TAC Grants we had before, and others, are going to be vital to standing up what I believe is the training backbone and the educational backbone for many of these individuals throughout the United States, through America’s community colleges.

Senator BURR. Have they missed anything that our virtual witnesses would like to add? Hearing no—

Ms. THOMAS. Sir, I would just like to add just one thing. We talked about sort of the nature of the individual training accounts and the funding being somewhat limited. But, also, not just the availability of the skilled training itself, but the worker supports that come along with that. We look at things like transportation, for example, particularly in rural communities where it may not be immediately accessible to get to a training site.

Worker support expansion would be critical in the context of when we are looking at skill training to make sure that it is actually a package that we can offer to individuals looking to undertake those options.

Senator BURR. Thank you, Madam Chair.

The CHAIR. I think Mr. Mendoza wanted to add something.

Senator BURR. Okay.

Mr. MENDOZA. Thank you very much, Senator.

It is critical for us that we continue to have the opportunity to upskill our workforce. And using our industry partnership models to continue to partner, to continue to provide opportunities for potential employees and our existing employees is really important to our continued growth, and not having that is going to be an issue.

As I indicated, we provide a thousand hours of training a month because we have to, and we need continued support so that we can continue making sure that we can meet the expectations, both of our existing workforce, but also our customers.

Thank you very much for your time.

The CHAIR. Thank you very much.

Senator Braun, you have arrived in the nick of time. You get the last word. Go.

Senator BRAUN. Thank you, Madam Chair.

Something I really am going to enjoy having the last word on. I cannot tell you how much I wrestled with this subject prior to becoming a U.S. Senator. I started a little business that was so small I never had to worry about it because I didn't have enough employees. But, when it became a national company over many, many years, after serving on a school board for 10 years, trying to wrestle with how we better the feeder system of proper training to get into the pipeline.

I come from a city and county, the lowest unemployment county in town, generally, month after month in normal times. Go home, travel the state, I cannot get away from workforce development, CTE, education in general.

I want to give you a little example of how I wrestled with it as a state legislator. For one of the 3 years I was on the Education Committee, and my brother was head of our workforce development within the state, biggest manufacturing state per capita. Always a low unemployment level.

I simply said that I do not need more four-year degrees. We export twice as many as we use in Indiana. The whole system was being stigmatized, was being guided toward more of what we do not need. And I made such a point of it—my brother was even there that day—I was off the Education Committee the next year. I think this might have been the reason.

We need, in my opinion, better guidance, with parents involved, when kids are eighth graders so that they do not get into the system being pushed into a misguided future without knowing the options. Nothing against four-year degrees, but we just do not need them in many businesses. We need better skills coming out of high school.

Is there enough of that happening currently in your mind? And is higher ed, just like in my state, actually saying one thing, actually guiding otherwise at the secondary level, and still getting results, to me, that are not as good as they should be with as much money as we are spending on it?

Any of the witnesses could weigh in on that mouthful.

Ms. FLYNN. I am happy to start, Senator, and I could not agree more.

To me, one of the top priorities in looking at workforce reform in our Country is investing in designing a true, high-quality national career navigation system. I think that whether it is students in eighth grade, their families, whether it is high school students who are looking at their post-secondary options, whether it is a long-term unemployed individual who is looking to get back in the labor market.

As it stands right now in our Country, we do a terrible job of providing those individuals with the information that they need on what is the best bet for them. You know, what—how do they think about their future.

I am here with my daughter today, who is an eleventh grader. But, I remember when she came home in about eighth grade, knowing what I do for a living, and she said, Mom, no one talks to us about jobs.

I think that is too true, right? I think that too often the issue of careers is left behind. It is secondary, and it is not where I think it should be at the center of these education conversations throughout a student's pathway.

Dr. RALLS. Senator, I think something you are talking about that resonates with me is something we always struggle with, and we call it the interest gap. You know, knowing the job opportunities that are there and sometimes the lack of student interest or parent interest in the pathways to those jobs.

I think we have to take different approaches. I think we have to—we have to step back and realize that we still think about college and higher ed being traditional when most students are non-traditional. I think we have to be non-traditional in our thinking about what we mean by career and technical education.

Too often, the rhetoric is greater than the resources in that regard. We have to step up in that regard. Our college is trying to do that. You can see that in our facilities, not making our career technical facilities at the back part of the college. They are putting them right up front and using them as attraction for students.

Being able to, I think, ladder students, again, not just thinking about our career pathways that are just at our college or just in this program because you can receive tremendous opportunities by non-traditional pathways. We talked earlier about the manufacturing pathways, where you can start in high school as a youth apprentice. Come to us, get a two-year degree, but you can transfer that degree to ECU and have tremendous opportunities at East Carolina, coming out in management in those regards.

Same thing with automotive. We just worked out an articulation for our automotive students in technical programs, but to go to Northwood University and actually go into management.

We have got to step back and think differently about what we have too often thought about too traditionally.

Senator BURR. Madam Chair, could I just offer an example of what I think Senator Braun just talked about?

In one county in North Carolina, the school system offers for tenth, eleventh, and twelfth graders an automotive option, as well as some other career options. Over 200 students constantly are enrolled in that automotive piece. And upon graduation from high school, every student is offered a job somewhere close to that home

county with a starting salary in excess of \$35,000 for an automobile dealership. To the student who wants to go further than that, with an additional year somewhere, they will be hired by the Mercedes, BMW dealerships somewhere in the southeast, making over \$100,000 a year starting salary.

This—since the expertise are only out of our head versus out of our hands, they prove to be wrong. It is just a very difficult thing to export from where it is to every community across the state, Scott, and across the Country.

But, I think community colleges, as they recognize that, become a little more traditional in the offerings that they have and they begin to offer those programs that provide a job on the other end, like we saw out of high school. But, I think it is right at the heart of your thought.

The CHAIR. Thank you very much.

That will end our hearing today. And I do want to thank all of our colleagues and witnesses—Ms. Flynn, Ms. Thomas, Dr. Ralls, Mr. Mendoza. Very productive hearing. We appreciate it.

We do have an urgent challenge ahead of us when it comes to tackling the jobs crisis that is caused by this pandemic, in rebuilding our economy stronger and fairer. As this discussion today showed, strengthening our workforce programs to better support workers can play a key role in that effort.

I know my colleagues on both sides of the aisle are interested in getting this done. I am hopeful that working together, we can turn this bipartisan support into bipartisan solutions.

For any Senators who wish to ask additional questions, questions for the record will be due in 10 business days, Tuesday, May 4, at 5 p.m. The hearing record will remain open until then for Members who wish to submit additional material for the record.

This Committee will next meet tomorrow, Wednesday, April 21, to mark up the nominations of Julie Su to be Deputy Secretary of Labor, Cindy Marten to be Deputy Secretary of Education, and James Kvaal to be Undersecretary of Education.

This Committee will meet on Thursday, April 22 at 10 a.m. in Dirksen 430 for a hearing on Protecting U.S. Biomedical Research.

With that, the Committee stands adjourned.

ADDITIONAL MATERIAL

NATIONAL URBAN LEAGUE,
April 20, 2021.

Hon. PATTY MURRAY, *Chair,*
U.S. Senate Committee on Health, Education, Labor, and Pensions,
Russell Senate Office Building Room 154,
Washington, DC.

DEAR CHAIR MURRAY:

On behalf of the National Urban League and our 90 affiliates across 36 states and the District of Columbia, I write to thank you for holding this important hearing on “COVID–19 Recovery: Supporting Workers and Modernizing the Workforce Through Quality Education, Training, and Employment Opportunities.” We welcome this opportunity to provide our perspective on the importance of ensuring equity in our national workforce system and COVID–19 recovery.

As you know, the COVID–19 pandemic has wreaked havoc on the lives of millions of Americans, with our communities of color faring the worst. Due in large part to the socio-economic and health disparities that pre-dated this pandemic, Black,

Latino, and Native American families have been hit particularly hard by illness, unemployment, and economic instability.

As our Nation begins to recover from the multitude of challenges brought on by this unprecedented public health and economic crisis, our Nation's leaders must use all Federal levers available to help eliminate the many inequities in our society, including in our workforce system, that continue to contribute to our Nation's widening racial wealth gap.

Black Americans were among the hardest hit by coronavirus layoffs, and are now recovering at the slowest rate. Many of the industries in which Black workers are heavily represented are not recovering as quickly as others as the economy reopens—or are even continuing to backslide. This threatens to worsen stark wealth and income disparities long after the pandemic is over. Currently, the unemployment rate for Black Americans is 9.6 percent, while this number is 5.4 percent for White Americans. This difference isn't surprising—since the U.S. Bureau of Labor Statistics started collecting data on the African American unemployment rate in January 1972, this rate has consistently been twice as high as the White unemployment rate. In urban areas, this disparity can be even greater (up to 6 times as high in Washington DC, for example).

As we look to improve our workforce system and leverage it for economic recovery by ensuring people can gain necessary skills to secure a good job, we must make sure this access extends to people of color and other underserved people, who have faced historical and systemic barriers to employment and have been hardest hit by COVID-19-related economic downturns.

The National Urban League and our affiliates have launched several successful programs, increasing opportunities for populations with barriers to employment, including those who are long-term unemployed, seniors, and people transitioning out of the criminal justice system.

Our Urban Tech Jobs Program began in 2016 as an intervention addressing long term unemployment, and has since expanded to help address the digital divide. The program operates in seven cities, and has served over 600 long term unemployed individuals to prepare them for jobs that were in the tech sector or technology interfacing jobs. Our Urban Seniors Program provides job training to mature workers who, due to the economic downturn, are finding the need to return to work. Since 2007, this program has served over 1,300 adults. Our Urban Pathway Home program is designed to break the cycle of recidivism with pre-release and post-release support and job training for returning citizens.

With our experience serving these populations, we recognize the need for updates to our Nation's workforce system and look forward to working with you to ensure we make the changes needed to ensure equity and provide for economic recovery.

Thank you for your consideration. Should you have any questions, please contact Susie Feliz or Morgan Polk at the National Urban League.

Sincerely,

MARC H. MORIAL,
PRESIDENT & CEO,
NATIONAL URBAN LEAGUE.

THE SOCIETY FOR HUMAN RESOURCE MANAGEMENT STATEMENT FOR THE
CONGRESSIONAL RECORD

As Congress considers legislative proposals to spur the Nation's post-pandemic economic recovery, it is critical any final solution encourage bold investments in the American workforce. Investments, including employer-provided education assistance, will support efforts to build a talent pipeline that meets the needs of a post-pandemic landscape and contribute to future U.S. economic growth.

Providing education assistance is an important tool American employers have long used to build, attract and retain a skilled workforce, and one that will be a critical component of recovery moving forward. The Society for Human Resource Management (SHRM) has been a longtime advocate in support of efforts to strengthen and expand employer-provided education assistance as a workplace benefit.

First enacted in 1978, this employer-provided education assistance benefit has had a widespread, positive impact on employers and employees alike. However, the \$5,250 exclusion has not been increased in over 40 years and must be updated to respond to current workplace and workforce needs. Section 127 of the Internal Revenue Code allows employees to exclude up to \$5,250 from income per year for

courses at the associate, undergraduate and graduate levels with education assistance provided by their employer.

According to a *SHRM Employee Benefits* survey conducted in 2019, 56 percent of employers provided education assistance to their employees. As learning continues to evolve, so must education benefits. It is critical that employers have the flexibility to offer support throughout a variety of stages in the education lifecycle to give employees choices when making education-related decisions.

In the 116th Congress, Senators Maggie Hassan (D-NH), and Todd Young (R-IN) introduced S. 4408, the Upskilling and Retraining Assistance Act, a proposal to provide the updates necessary to modernize employer-provided education assistance. S. 4408 proposed to temporarily increase the dollar amount of education assistance employees can receive from employers to \$12,000 and to permit expenses for the tools and technology required to complete their educational programs to be covered. Solutions like these are imperative in America's economic recovery as they promote training and upskilling, a key element of supporting U.S. workers and modernizing the American workforce.

Employer-provided education assistance benefits are not only necessary to meet current needs; used to invest in training and development of the workforce they will have a lasting impact on work, workers and the workplace and the U.S. economy for years to come. These benefits are used to reskill and upskill existing employees to fill open positions and address the U.S. skills shortage. By investing in their existing talent pool, employers have seen a return on investment of more than 100 percent. Employees who take advantage of employer-provided education assistance improve their opportunities for upward mobility and wage growth. Entry-level and mid-management education assistance recipients received, on average, a 43 percent incremental wage increase over a three-year period as compared to non-recipients.

Furthermore, investment in workforce development through education, training and employment opportunities will encourage financial stability and savings. The pandemic has created financial hardships, forcing some to remain in the workforce longer than anticipated, delaying life milestones like starting a family, purchasing a home, saving for retirement and the ability to pay for critical services like health care. Investments like employer-provided education assistance is not the answer to all of the above, but can be a valuable resource for employees to pursue professional goals and better livelihoods for themselves, their families and for future generations.

SHRM and the National Association of Independent Colleges and Universities co-chair the *Section 127 Coalition*, which brings together a broad cross-section of nearly 100 organizations representing employers, labor and higher education, all of which are committed to preserving and strengthening employer-provided education assistance.

As the voice of all things work, workers, and the workplace, SHRM and our 300,000+ members impact the lives of more than 115 million workers and their families. As congressional lawmakers address the needs of a dynamic workforce and changing economic landscape, SHRM stands ready to serve as a resource and partner in those efforts.

[Whereupon, the hearing was adjourned at 11:49 a.m.]

