

Lifelong Education Opportunities

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Witness:

The Honorable Kathleen Sebelius

Governor of Kansas

Testimony

Chairman Enzi, Senator Kennedy and members of the Committee, I am Kathleen Sebelius, Governor of the State of Kansas, and Chair of the National Governors Association Education, Early Childhood and Workforce Committee. I appreciate the opportunity to appear before you today on behalf of the nation's governors on lifelong learning.

New NGA Education and Workforce Policies

In February, the nation's governors approved three new policies that offer bipartisan recommendations to align federal education laws, accelerate state high school redesign, and promote lifelong learning through the Workforce Investment Act (WIA). The full text of the new policies is attached. I'm very proud of our work on the NGA to reach a bipartisan agreement on these issues.

Today, I'll limit my comments to governors' new vision to align federal education laws and to streamline workforce programs. Governor Fletcher will discuss how Congress can help accelerate state high school redesign action plans.

Education and the Economy

Our economy is changing, and we must change with it. Technology and trade have revolutionized the way companies do business. Manufacturers in Kansas must compete with manufacturers in Europe, Asia and South America. What took 20 workers a full day to produce just a generation ago can now be handled by a single worker with the right machinery and a computer. A small shop owner in Frankfort can fill an order from Tokyo just as easily as a college student in Topeka can order from a store in Paris.

What all of these scenarios require however is skilled and educated labor. The Bureau of Labor Statistics projects that by 2020, there will be a 22 percent increase in the number of jobs requiring some postsecondary education. Yet during the next 20 years, we will lose 46 million skilled workers as baby boomers retire. Even with more people getting some form of secondary education, as many as 12 million jobs are likely to go unfilled; a loss that will disproportionately affect industries that are critical to our economic growth, including education, health care, technology, and manufacturing. This shortage constrains the productive capacity of key industries and jeopardizes the quality of services in others.

But developing an educated and skilled workforce is not just good for business, it is good for people. Census data shows the median earnings of a high school graduate (\$30,800) are 43 percent higher than those of a non-graduate (\$21,600). Those of a college graduate

are 62 percent higher than those of a high school graduate. States stand to benefit too. Economist Anthony Carnevale estimates that if states expand college access among African Americans, Hispanics, and non-Hispanic whites, “the resultant earnings improvements would certainly narrow income differences and could add as much as \$230 billion in national wealth and \$80 billion in new tax revenues every year.”

NGA Principles of Preschool-College (P-16) Alignment

In the 21st century, the economic strength of the United States will depend on the ability of each state and our nation to develop a coordinated and aligned education and workforce system that supports, trains, and prepares a skilled set of workers. Now is the time to take action to create a seamless American education system, by aligning federal education laws to promote lifelong learning. The pending reauthorizations of the of the Workforce Investment Act, Higher Education Act, Head Start, and the Carl D. Perkins Vocational and Technical Education Act present an unprecedented opportunity to align federal education laws and promote lifelong learning.

The pathway to progress is clear. Federal education laws from pre-school through college, commonly referred to as P-16, must be aligned to foster state innovation, eliminate costly duplication, and ultimately improve education outcomes for all students.

NGA recently commissioned a study by Holland and Knight that examined the relationship between key provisions of these major laws: Head Start, the Individuals with Disabilities Education Act (IDEA), the No Child Left Behind Act (NCLB), the Carl D. Perkins Vocational-Technical Education Act, the Higher Education Act (HEA), and the Workforce Investment Act (WIA). The initial analysis will inform congressional debates and will help the larger education and workforce community to begin a dialogue on education alignment and coordination.

The NGA’s study of relevant laws revealed several important initial points. Some laws, such as NCLB and IDEA provisions related to improving student performance, “read together” and can be implemented in an integrated fashion. However in too many cases, federal education laws:

- Do not reinforce each other’s substantive requirements;
- Establish duplicative requirements that may result in unnecessary burden on states (most notably the duplication in reporting requirements and data collection);
- Create no clear, coherent system to effective and efficient reporting of information to the (1) public, (2) federal agencies, or (3) Congress; and
- Provide funding in ways that discourage the integration and strategic use of all available federal dollars for a common purpose.

Too often, federal education laws are isolated, one from another. But education begins in the early years and continues for a lifetime. The federal-state-local education system must be coordinated to serve the needs of all students, young and old. Limits and restrictions on state innovation generate costs that our nation cannot afford.

Governors believe that the federal education laws should be aligned to:

- Embrace state coordinated P-16 efforts;
- Provide greater flexibility to states;
- Streamline federal data reporting requirements;
- Expand gubernatorial authority to coordinate federal funds;
- Recognize and reinforce constitutional gubernatorial authority over education in their states; and
- Support lifelong learning.

From California to Georgia to Delaware, governors are leading P-16 reform efforts to oversee the integration of early, elementary, secondary and postsecondary education. Governors urge this Committee to carefully consider how federal education laws to each other. We need to break down the isolation, eliminate the duplication, and provide new flexibility, so that governors can build more seamless education systems.

Transition to and Preparing for the Workforce

Education is ultimate form of economic development. Education can not end at the classroom door. Rather its continuation is the cornerstone of developing and maintaining a competitive workforce. As governors, we are continually working to ensure that our institutions of higher education and our workforce systems are ready to develop and sustain a skilled workforce for today's modern, global economy.

Our workforce's increasing diversity and growing needs for skills offer new challenges in how we educate and train workers. We must accommodate ethnic and cultural differences; we must provide for the needs of working and individuals with disabilities; and we must address the literacy gaps of low-skilled workers and the language needs of immigrant workers.

Exacerbating these challenges is the global economy that continually creates and eliminates jobs. Every year, up to a third of all jobs are either added or eliminated from the economy. This churning has contributed to the breakdown of the social contract between workers and employers and reduced the incentives for employers to invest in their workers. For many employees, the traditional concepts of job security, career ladders, and job progression simply do not exist. Increasingly, workers experience periods of dislocation and must have the tools to manage their own careers through first-rate labor exchange services. Lifelong education is a key part of moving through a career that consists of multiple jobs.

To address these issues, our public workforce programs must have enough flexibility to meet the demands of an unpredictable economy and a changing worker population. These programs cannot be a one-size fits all systems with rigid regulations and service delivery structures. Rather, the programs must recognize the differences among states and communities, and thus provide governors, working with local government, business, and labor to design flexible ways to meet distinct needs. At the same time, programs must remain accountable, given their reliance on public investments.

Reauthorizing the Workforce Investment Act

WIA authorized Governors to initiate broad structural reforms in their workforce development systems. With this authority, the nation's governors have made significant progress in restructuring these systems and strengthening the essential partnerships between federal, state, and local governments and the private sector. Yet state-by-state experiences reveal that many challenges remain, such as providing a comprehensive, highly integrated education, training, and employment services for workers. In addition, states need help in meeting reporting requirements, coping with resource constraints and fully engaging the business community as partners.

On March 24th, the nation's governors sent a letter to the members of this Committee enumerating our bipartisan recommendations for the reauthorization of the Workforce Investment Act. The full text of our policy is attached.

Governors believe that WIA reauthorization presents a great opportunity to enhance the federal-state workforce system, support state innovation, and provide greater authority to governors in overseeing the implementation and coordination of workforce programs. Combining a comprehensive, integrated, and flexible workforce system with nimble state economic development strategies, the nation will have the tools for speedy, effective responses to the changing needs of workers and businesses alike, as they compete in the global economy.

To address those challenges and strengthen the nation's workforce development system, governors offer the following recommendations for any legislation to reauthorize WIA:

- Provide flexibility to coordinate funds: As noted by Secretary Chao, the Administration's proposal would consolidate four WIA programs: Adult Training, Dislocated Worker Training, Youth Training, and Employment Services. It also creates various options for consolidation with five other programs. Instead of consolidating federal WIA programs, however, the Senate WIA bill should offer governors the option and authority to coordinate WIA program funding to meet the unique needs of their states; and it should also include a hold harmless provision to protect against any diminished federal investment in workforce and related programs. Congress should provide governors with the option, at their discretion, to pool WIA, higher education, Temporary Assistance for Needy Families (TANF), and other sources of federal training money to respond to the state-level needs of workers, businesses and other interests.
- Eliminate youth spending mandate: WIA should not mandate the amount of youth funding that must be spent on out-of-school or in-school youth. Governors should be able to direct youth funds according to the needs of their respective states.
- Improve access and participation: Congress should ensure that individuals can easily enter and reenter the system at any point and access services as needed, not in a prescribed sequence. Congress should also work to fully engage businesses in the workforce system and eliminate barriers that prevent workers and businesses from receiving assistance in a timely and efficient manner.
- Serve the business community and foster economic development: WIA needs to better serve the business community and to connect with the economic development needs of the state. WIA reauthorization should also recognize the important partnerships among federal, state, public, and private workforce programs and the governors' authority to

press for innovations. For these reasons, Congress should support strong state public-private partnerships to ensure an adequate supply of workers for high-growth occupations as determined by individual states. To facilitate the relationships between governors and their business community, Congress should also encourage coordination by the U.S. Department of Labor.

- Encourage innovation: Congress should remove barriers to state innovation; these include, but not limited to, overly burdensome reporting requirements, inconsistent terms and definitions, and limitations on transferring funds.
- Align related workforce and education programs: Partnerships within one-stop centers have proven difficult to foster; given myriad agencies, organizations, financing, and responsibilities involved in delivering the array of services in one location. Governors recommend that the federal partner agencies develop a joint initiative to align federal regulations and encourage support for and participation in one-stop centers. Alignment efforts should encompass WIA, higher education, TANF, vocational rehabilitation, vocational and technical education, trade adjustment, veterans' employment, and other distinct programs. In particular, governors strongly support efforts to coordinate WIA and TANF to give welfare recipients and other low-income workers easier, more effective access to education and training.
- Coordinate management and performance information: The initiative should address common management and performance information, including cost sharing, resource allocation, and joint case management, it should also facilitate the sharing, processing, and providing of services to participants. Establishing cross-system measures could support consistent information systems that span state and federal workforce programs.
- Streamline the Workforce Boards: The Senate WIA bill should give governors the authority to design and re-designate the local workforce areas without federal interference.
- Eliminate Section 191: Section 191(A) of WIA has led to problems within some states by requiring that all WIA funds are subject to appropriation by the state legislature. This unnecessary provision should be eliminated to ensure that gubernatorial authority to allocate federal funds.

Conclusion

We must never stop learning. Congress should view today's workforce and education programs as part of a continuum of lifelong learning. Current and future workers should have the opportunity to equip and reequip themselves for productive work through training, education and professional development. Governors stand ready to work with Congress and the Administration to ensure that our workers and economy continue to lead the world in the 21st century. Lifelong Education Opportunities

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Mr. Steve Gunderson
The Greystone Group
Managing Director

Testimony

Mr. Chairman and Members of the Committee:

I am Steve Gunderson, a senior consultant with The Greystone Group, a strategic planning and research consulting firm based in Chicago, Grand Rapids, Michigan, and here in Washington, D.C. (Arlington, Virginia). I joined Greystone in 1996 after the 16-year privilege of representing Western Wisconsin in the United States Congress. During my congressional years I became, and have remained, passionately involved with national issues of education and job training. Many of your colleagues on both sides of the aisle, and many of the staff for this Committee, are long-time friends and associates. So it is not only a high honor but also a real joy to be with you again.

The jobs revolution now occurring in America is almost certain to have more impact on the economic, social, and cultural future of this nation than any other single factor. Even so, it is to date a silent revolution. The media do not cover it, our citizens do not recognize it, the business community is only sporadically concerned about it, thus policy makers have not made it a national priority. It is my hope that, with your leadership, Mr. Chairman, we might begin a national conversation leading to a national commitment to prepare our workforce and our workplace for the future.

As the President, the Congress and the nation consider proposals to reform and save Social Security, I'd like to recall two key facts that have been missing in this discussion.

First, we talk of the Social Security Fund spending more money than it takes in starting in 2017 or 2018. But a full ten years before that, in 2008, the baby-boom generation begins retiring. This is a far more immediate crisis because 2008 is – in terms of budgets, proposals and action – upon us.

Second, while we seek consensus on keeping Social Security solvent, consider the impact educational attainment, workforce skills, good jobs and good wages will have on extending the solvency of this fund. We could keep the system solvent much longer by lifting the incoming generation of workers' skills and incomes. Americans without a high school diploma generally earn about \$30,000 per year. If we can extend their educational attainment and skills, we can reward them with incomes in the range of \$55,000 with two-years of post-secondary education, and \$75,000 or more on average with a college degree. They will then be contributing two to three times as much into Social Security, offsetting losses that will begin very soon.

The Jobs Revolution. Three factors – demographics, workplace skill demands, and the global economy – are combining to create a jobs revolution. Any one of these factors represents a dramatic transition in our economy. Combined, they create nothing less than a revolution.

Look briefly at demographics. The primary reason we fear Social Security insolvency is the changing demographics of our population. In 2008 the Baby Boomers begin retiring. In 2011 they begin qualifying for Medicare. But as Baby Boomers leave, no one is ready

to replace them. By 2030, some 76 million Baby Boomers will have retired while only 46 million people in Generation X and Y enter the workplace. Our labor force will decline in real numbers. Meanwhile, we're changing the face of America's workers. Tomorrow's workers are much more likely to be people of color – Hispanic, Black, and Asian. By 2010, Blacks in the workforce will increase by 21% and Hispanics will increase by 43%. The good news is that due to changing populations, minorities will be given a greater chance at success in the American economy than ever before. But the bad news is that, until we provide them with equal educational attainments, this is just another false promise.

Second, the workplace itself is changing. Former Secretary of Education Richard Riley has said the top ten occupations in 2010 have not even been created yet. The Bureau of Labor Statistics tells us the average worker entering the workplace today is expected to have 10-14 careers in their lifetime. Flexibility rooted in the ability to learn and relearn, with in-demand skills – these are the keys to success in such a workplace.

Third, the global economy is often misunderstood. “Outsourcing” is just one element of today's global economy. Deloitte Research projects that, over the next 15 years, 80% of workforce growth in North America, Europe, and Asia will occur among people over 50 years of age. On the other side of the globe we see India graduating twice as many students from college as America, while China is expected to graduate three times as many. And that's only part of the story. Forty-two percent of students in China earn undergraduate degrees in science and engineering compared to 5% in the United States.

Combine these dynamics with the emerging global, knowledge-based economy and one soon realizes the magnitude of change before us. What else could this be called but a “revolution”?

The Need for Life-long Learning is Already Present. During 2004 we all rejoiced in the growth of 1.7 million jobs. Leading the way was professional and business services with 546,000 new jobs followed by 342,000 new health care jobs. We ended the year with a 5.4% unemployment rate.

But the reality is that, in today's workplace, unemployment rates are no longer a reliable guide for the nation's economic health. It's a legacy of the Great Depression and offers little insight into either current or coming trends. We need, today, to reckon with a workplace requiring higher and higher skills and an increasing number of individuals unwilling to even seek employment knowing they will face rejection. For the past three consecutive months the civilian labor force participation rate in America has been 65.8% -- the lowest since 1988. These numbers suggest that 34% of the American citizens have chosen not to seek private sector employment, many – perhaps most – because they're convinced they lack skills needed to be hired.

The Washington Post recently published a series on the vanishing middle class. The articles described the experiences of workers who thought they had done everything right: high school graduation, marriage, suburban life and a steady job at a local manufacturing plant. But when this plant was closed, they lost their future. Since 1967

we have lost 25 million factory workers in America. No wonder the category of “temporary workers” has increased five-fold over the past two decades, leaving millions of families without insurance, without pensions and without hope of a permanent job.

Putting This in Historical Perspective. To understand the magnitude of change, we must recognize that in 1990 there was one web site; today there are 50 million. We now expect as much change in the next 25 years as we’ve experienced in the last 100.

A “revolution” is a complete change, a re-organization, a transformation, an upheaval. During America’s history we’ve had four experiences when economics and politics combined to change the way we live and work. They were:

- The American Revolution – when patriots originally sought less economic interference from Britain rather than a political revolution.
- The Agricultural Revolution – when America decided to move west and feed a global constituency.
- The Industrial Revolution – when America’s children left the farms and moved into the cities to work, and
- The Information Revolution, based upon the creation of the microchip shortly after World War II.

We are now living through a “Jobs Revolution” yielding seismic shifts in who works, when they work, where they work, how they work – even whether they work. History will record the first years of the 21st century as a jobs revolution. It will also recall what we did in response to these changes.

The Workforce of the Future. Mr. Chairman, as you and your colleagues consider appropriate policies for tomorrow’s workforce, I encourage you to keep some data at your fingertips.

- Of the 30 industrialized nations, the U.S ranks first on the percentage of 45-64 year olds with high school diplomas. But we fell to 5th place for those in the 35-44 age group with high school diplomas, and are down to 10th place for those between 25 to 34 age bracket with high school diplomas. We could wish the opposite were true.
- Seventy-five percent of all “new jobs” will require some level of post-secondary education. The trend is against us.
- The average job will last 3 to 5 years. After that, workers are dependent on flexibility and skills to find their next new job.
- The Urban Institute reported that only 68% of those entering high school four years ago have graduated; for communities of color the graduation rate is 50%.
- Last fall, ACT released data showing that of those graduating from high school and planning for Technical College studies,
 - only 10.8% have achieved Science Readiness
 - only 10.8% have achieved Math Readiness, and
 - only 36.4% have achieved English readiness.
- Anthony Carnevale has suggested we are facing a skill shortage of 5.7 million by 2010 and 14 million ten years later.

Looking at the decade of employment change from 1992 to 2002, we see an actual decrease of 400,000 jobs requiring less than a high school education. Those with a high school diploma maintained their level of jobs (a 1% increase). But the demand for skills reflected in at least two years of post-secondary education became very evident. We witnessed a 2.4 million increase in jobs for workers with some college education, a 2.2 million increase for those with two years of academic preparation beyond high school, and a 2.6 million increase in technical degree jobs. Combined, those with some level of post-high school education and training exceeded the 6.4 million increase in jobs for those with a four-year college degree. The message is clear. Not everyone needs a college degree to succeed in the future. But everyone does require some level of post-high school education. We are moving to a P-14 concept in educational preparation for our citizens; this is reality.

And here is one point at which unemployment statistics are instructive: Take any recent month. Those with less than a high school education had an unemployment rate almost one-and-a-half times the national average. On the other side of the equation, those with a college degree experienced an unemployment rate half the national average.

Policy Considerations. I realize, Mr. Chairman and Members, that there are many important issues on your Congressional agenda and your personal schedules. But it is my fervent hope that you will help our nation avoid the deadly collision of workforce demographics and workplace skills already putting our economic future at risk – both within our own economy and in the knowledge-based global economy of the 21st century.

In our book, *The Jobs Revolution*, my colleagues Bob Jones, Kathryn Scanland and I make three key points challenging both political parties.

1. We agree with the Republicans that one can't stop the emerging global economy. And we shouldn't try.
2. We agree with the Democrats that one cannot transition to a knowledge-based global economy on the cheap. It will take a major commitment of public and private dollars, at all levels, to support this transition in the workforce and the workplace.
3. Thus, while post-high school education used to be an opportunity, it is increasingly becoming a necessity. We must change our public educational commitment from K-12 to P-14. As the purpose of this hearing suggests, we must move toward a full understanding of and support for life-long learning.

We don't suggest this is exclusively a federal responsibility. But we do ask for your leadership in communicating the crisis, in developing the strategies for a holistic response, and in designing federal programs that encourage value-added participation from all sectors.

As you move through the many important legislative re-authorizations and the difficult decisions over budget and appropriations I hope you will consider the following suggestions:

1. Prepare America's workforce for the 21st century. This begins with the basic skills. It moves towards a direct relationship between academics and career skills. It continues with programs promoting flexibility and mobility in the workforce. It creates a nation of life-long learners.
2. Connect the programs! I encourage one of you to consider introducing legislation that re-authorizes the Workforce Investment Act (WIA), the Higher Education Act, and the Perkins Vocational Education Act in one unified piece of legislation. Today, we are faced with disjointed programs and turf battles over money and responsibility. Yet the mission of these programs is totally connected within a strategy appropriate to the 21st century workforce.

As you re-authorize these programs, find ways to bridge the gaps. Today, the Higher Education Act is the single most important tool in workforce training because of the student financial aid. Our problems in building cooperation between WIA and our Community Colleges is the disconnect that exists between the programs. WIA delivery must meet performance standards set by the Department of Labor while Community Colleges are financed by credit hours. No one's to blame, but in this situation it's very difficult to achieve the cooperation we – and the local providers – seek.

3. We need to design our training protocols in ways that support the increased mobility of our workers. We must move towards employer-recognized, industry-based certificates that will be recognized throughout the nation. It is the best investment we can make in the future employability of a worker.
4. Promote a regional response. We've seen in recent years quite a battle between the President's proposal to send most training dollars to the Governors and the Workforce Investment Board's advocacy for maximum local control. One compromise might be incentives for regional strategies. I'm impressed by how many of our economic development and workforce investment strategies are now built upon regions. This is appropriate. In today's world, economic development does not occur on either a state-wide or a local community basis. It is done through regional economies. You should promote and encourage such thinking and cooperation.
5. You must redesign unemployment insurance into some system of employment insurance. American workers, often through no fault of their own, will increasingly face job dislocation and transitions. We need to support the research and design of a system that can provide the skill training and the income insurance necessary to move from one job and profession to another. If we can insure cars, boats, stereo equipment and even pets, we should be able to design some limited program of 3-6 months providing income insurance and retraining funds during a transition.

6. We need to redesign our programs to make them appropriate for the 21st century workforce. I remind everyone that in 2003 we spent \$42 billion on unemployment insurance and only \$6 billion on job training at the federal level. Sometimes it's not just how much we spend – but how we spend it.

7. Design your response appropriately for the global economy of today. I strongly encourage this Committee to recognize the global realities of a 21st century workforce. Many of our new workers are immigrants. The only growth in the workforce in the northeastern part of the U.S. today comes from immigration.

Europe, through their Bologna Accords, is designing a European-wide higher education system consisting of three years of college and two years of higher education related to specific careers. We need to be aware of such programs, and their impact on global competitiveness.

8. Recognize the increased role of graduate education in workforce investment. We used to think of graduate education only in the context of research and Doctoral degrees. That is no longer the case. We now witness a growing interest in professional masters' degrees. And all of us with B.A. degrees who upgrade our skills are actually participating in some form of graduate education.

9. Recognize the appropriate partnership between WIA and Community Colleges. As I travel the nation and speak on the jobs revolution, I'm struck by the turf and money battles between our Workforce Investment Systems and our Community Colleges. The truth is that we need them both, and we need them to partner in the preparation of our future workforce. Local Workforce Investment Boards must provide the leadership in bringing together all sectors of the local business and education communities around current labor market information guiding their workforce investment strategies. Community Colleges must design and deliver flexible training, academics, and professional skills reflecting such vision and strategies for their region. We need both of them. We need them to work together and we need the funding streams to make clear the appropriate roles of each provider. Do everything you can to encourage coordination in the design and delivery of such programs.

Voices from the Country. I want to share with you some thoughts re the delivery of our education and workforce programs from experts across the nation. Here is a sampling of what they said:

A. Recognize the role of P-12 education to our workforce. We need to constantly revisit the need for academic achievement, and its relationship to careers. Harold McGraw III (of McGraw Hill Companies) recently observed that across the nation and “twenty years after the urgent warnings of A Nation At Risk...the level of complacency at lackluster student performance is shocking.” While School-to-Work programs no longer exist at the federal level we must recognize that all students – not just the college-bound – need

academic achievement. And for those most at risk, we can best accomplish this goal by making the appropriate connections to the workforce. The cost of complacency is staggering.

B. An IBM Vice-President chairing New York State's WIB Board: "There is no process for Community Colleges to engage with business to fill existing needs in the workforce. The unstructured process and the lack of consistent funding hinders the ability of these colleges and business to work together to design and deliver an appropriate curriculum as needed."

C. Ohio: "Our local WIB recently worked with Community Colleges to design two 1-week training programs. Each resulted in 100% employment for the graduates. We explained the needs as defined by our labor market research. Thus;

- The WIB determines the training needed.

- The WIB and the Community College work together to design the curriculum.

- The WIB pays for the training.

- The Community College provides the training.

- This needs to become the rule – not the exception of cooperation and program delivery."

D. Washington State: "Sometimes it seems that Community Colleges see WIBs as nothing more than a checkbook for ideas and training. Rather we need to build partnerships at the local level using:

- The local labor market information to define emerging skill sets and jobs.

- The local one-stop for assessments.

- The local Community College for delivery of training."

E. Michigan: "The agendas and focus of Community Colleges and Workforce Investment Programs seem to be growing apart – not closer together. Our mutual goals should be:

- serving our community.

- serving our employer/employee needs

- We must find ways to design and deliver a comprehensive, integrated system (K-12; CC's and WIB's)."

F. Texas: "We need to focus on the development and delivery of workforce issues – not our specific acts or programs. Today, policy and implementation are confused. There is a lack of integration. WIA looks at programs. Community Colleges look at courses. We both need to look at the big picture of training needs.

WIA can not see training as a '2nd chance system,' and Community Colleges cannot see training as 'academic hours.'"

G. New York: "Companies often use private trainers, due to the perceived ability of private trainers to tailor delivery and curriculum to a specific company's needs and timetables. We, together, need to figure out how to serve this need."

H. Florida: "There are four keys to our mutual success!"

1. Understand – what is important to each other. Community Colleges need to understand

WIA performance measures; and WIA needs to understand Community Colleges' academic outcomes and funding streams.

2. Flexible – Think about outcomes, not process.

3. Speed – Develop a sense of urgency to get things done. Business thinks in terms of hours and minutes, not semesters.

4. Personal Relationships – Business believes it is all about personal relationships!

I. Massachusetts: “The key to effective training is knowing your labor market. We must constantly review and upgrade our training based upon changes in our labor market – both in terms of worker needs and business demands.”

J. California: “If you want cooperation between Community Colleges and WIBs, you must start at the senior most levels – sending the message to everyone to work together, and quit fighting for turf. Clarify roles and responsibilities. WIBs are best at bringing people to the table. Community Colleges are best at doing the training.”

Conclusion. This Congress will re-authorize the Workforce Investment Act, the Higher Education Act, and the Vocational Education Act. As you consider these issues it is important for the Congress and the nation to recognize that we live in a very different workplace today than before. Today education is workforce investment and workforce investment is economic development. While we should think globally (recognizing the global knowledge-based economy), we must also act regionally. Today, economic development and workforce recruitment is done on a regional basis. And as we each chart our national, state, regional and local strategies, let us recognize this will require public-private partnership between government, education, and -- most importantly -- the private business community.

In closing, I want to plead for your bipartisan leadership on behalf of the jobs revolution, and especially those Americans who will be most affected by it if we do nothing. And in making this request, I want to close my testimony with the same words we use in closing our book, *The Jobs Revolution*:

“We are growing desperate for leaders who will go beyond speeches to action. America has five, maybe seven, years in which to radically revamp its fundamental assumptions about workforce development and then to act. Whatever is going to be done to prepare us for shortages of workers and skills, increased global competition, disparities in achievement between ethnic American communities and technology that changes while we sleep -- whatever we are going to do, must be done now.

All that is at stake is our children. And our communities. And our future.”

Thank you Mr. Chairman for this opportunity.