

**Testimony of Mr. Ignacio Salazar
CEO SER-National
Before the Subcommittee on Retirement, Security and Aging
United States Senate
March 28, 2006**

Testimony:

Mr. Chairman and Members of the Subcommittee:

I am pleased to have the opportunity to testify before you today. For over forty years SER-National Jobs for Progress has worked tirelessly to ensure that work force development needs throughout our communities are met. It is our mission to provide a national network of employment and training organizations that formulates and advocates initiatives that result in the increased development and utilization of America's human resources, with special emphasis on the needs of Hispanics, in the areas of education training, employment, business and economic opportunity. We remain steadfast in our continual efforts to cultivate America's greatest resource, people.

The SER Network consists of 42 affiliates operating in more than 200 offices in 19 states, Puerto Rico and the District of Columbia. Since its founding in 1965, SER has served millions of low-income residents with a full spectrum of services in the general areas of education, employment, and housing. We presently manage sixty-one (61) one-stop centers and serve approximately 800,000 individuals through our one-stop network. Our Fortune 100 Corporate Amigos also continue to multiply, with The Home Depot, Border's Bookstores, and CVS pharmacies joining the new list of additions to the family. Last year the SER Network set a self-imposed bench mark by providing services to over one million people, and this year we are well on our way to improving on that

benchmark. In addition, SER is most proud of the fact that we have increased the percentage of Hispanics wherever we serve. In the last two and one half years we have more than tripled our percentage of Hispanics served from nine percent to thirty percent within our SCSEP program, our premier preparation program for older Americans.

In the 2003-2004 fiscal year, SER-National became a recipient of the Senior Community Service Employment Program grant, and since then has adopted the “older workers’ initiative as an essential part of the SER success story. SCSEP plays a crucial role in helping mature workers obtain the necessary skills and access to opportunities that will enable them to continue working after the traditional retirement age. The SER-National SCSEP partnership is one of our most highly touted programs and we look forward to expanding that partnership in the years to come. We at SER realize that with constantly changing demographics it is crucial that the SCSEP program be reauthorized in a manner that will allow us to best serve our communities. To that point, we would like to suggest several recommendations for this committee’s review.

First, we respectfully recommend a change to the community service component, without completely eliminating this component. It would be responsible to reduce this component to serve those participants that are extremely elderly, unable to obtain unsubsidized employment, but willing still to serve their respective communities. These valued services to local non-profit and public bring an inter-generational cohesion to our communities that should not be lost. Obviously, it would be prudent to limit the number of participants serving in this component.

Secondly, we recommend establishing a “bridge” to the private sector. On the job training programs coupled with job internship programs should provide vital resources to further prepare mature workers for the workforce. These programs will also provide a conduit to the local One-Stop System where participants can access other essential resources that will continue to prepare them for employment and allow eligible participants to WIA funding.

Thirdly, part of preparing participants for employment, additional funds should be set aside for the acquisition of basic skills which will improve their ability to compete in today’s job market. We understand that the lack of basic computer knowledge and language deficiencies for a rapidly increasing Hispanic population continue to hinder participants in obtaining employment. Funding should be set aside for these participants to ensure that these difficulties are overcome.

The current system utilizes not-for-profit and public agencies in hopes of providing transition to the job market. In summation, our recommendation is to work together with local agencies to quickly prepare and mobilize a mature workforce.

The following is a list of additional recommendations:

1. Providing funds for support services in the form of transportation assistance to facilitate program participants in accessing their training or internship sites.

2. In reference to the proposed changes as put forth by the Department of Labor, we welcome any changes that will enhance the delivery of services. We believe that changes that support our participants will also benefit the employer community.
3. We recommend maintaining a mix of national and state grantees to operate the program.
4. We agree that the age limit of program participants should be raised above 55, but not necessarily to 65 years of age. We would recommend age 60.
5. We are very much in favor of establishing new income guidelines for program eligibility to align with other federal employment programs.
6. We would support setting time limits for participation in the program to 24 months or perhaps even 18 months.
7. We recommend reducing the amount of program funds spent on wages, currently at 75%, and utilizing these funds for training and or employment incentives such as internships, etc.

8. We would support eliminating 502e projects in order to use these funds for additional participant training and pilot programs within the employer community.

9. Finally, we favor having the three primary program outcome measures: entered employment, retention in employment, and earnings gained.

As one of the newest SCSEP grantees selected three years ago under a competitive bid process, we welcome the continued selection of program grantees via the competitive process.

On behalf of SER-Jobs for Progress and the millions of participants we serve, I would like to thank the committee for the opportunity to present these recommendations as we move forward in our joint mission of preparing America's workforce for the future.

