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before the U.S. Senate Committee on Health, Education, Labor & Pensions

Hearing on "The Workforce Innovation and Opportunity Act: Supporting Efforts to Meet the Needs of Youth, Workers and Employers"

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Good morning. I am Monty Sullivan, President of the Louisiana Community and Technical College System, a market-aligned system of twelve public two-year colleges graduating over 30,000 students annually. I also serve as President of Rebuilding America's Middle Class, a Coalition of Community Colleges that aims to rebuild America's middle class by enhancing student success and by promoting the vital role of community colleges. I appreciate the opportunity to address the Committee today on ways to strengthen the broader workforce system by improving the Workforce Innovation and Opportunity Act.

Our country is facing a significant challenge in educating and training our nation's workforce, both to meet the demands of employers, but also to meet the dual challenges facing today's workers of time and economics. Today, we have over 80 million working age adults in our nation that have only a high school diploma, or less. This means that 80 million or one in three of our working age adults do not have the postsecondary education and training they need to acquire career sustaining employment. Today's jobs and the jobs of the near and distant future all require more than a high school diploma. Without postsecondary education and training, these 80 million working age adults are doomed to career tracks that lead to low-paying jobs that often lead to a lifetime of struggle to provide for themselves and their families.

We also just learned from a recent National Student Clearinghouse report that 32 million Americans have attended some college and have not earned a degree. Millions of Americans have sought a postsecondary education but failed to complete the certificate or degree that provides them a path to a better paying job and fulfilling career.

Moving to the employment data picture, our nation has experienced some of its lowest unemployment rates in history. However, that metric fails to capture the real story behind the data. The Bureau of Labor Statistics calculates the Labor Force Participation Rate, or the number of people in the labor force as a percentage of the civilian noninstitutional population 16 years old and over. In other words, it is the percentage of the population that is either working or actively seeking work. In May 2024, the Labor Force Participation Rate was cited at 62.5 percent - meaning more than one in three American working age adults are not participating in the labor force. In Louisiana, the Labor Force Participation Rate lags the nation at 58.6 percent. Meanwhile, there are thousands of available jobs that require skills and education beyond a high school diploma.

This is sobering data that demonstrates that millions of Americans are being left behind economically by lacking the post high school education and training they need to punch their ticket to the middle class. For these millions of Americans and our nation's economic vitality, now is the time to improve how the Federal government supports education and training. This Committee can lead the way in that effort by

passing legislation that strengthens and reforms WIOA and other Federal education and training programs.

At the outset of my remarks, I mentioned challenges facing employers and workers. Employers consistently are challenged to find employees with the education and training they need for specific occupations. Even with what is historically low unemployment nationally and some progress on reducing unfilled job openings in the past year, the Bureau of Labor Statistics tells us that there are 8.1 million unfilled jobs in this country right now. Employers have openings for high-paying jobs that they cannot fill.

When I mention the challenges facing workers, I cited both economic and time challenges. The economic challenge I am referring to is the need for a worker to secure employment that provides them with the earnings needed to support themselves and their family. Unfortunately, we have had a drop in the percentage of Americans that are considered "middle-class" since 1971. According to an analysis by the Pew Research Center, 61 percent of Americans were considered part of the middle class in 1971. In 2023, just 51 percent of Americans are considered middle class. We need to rebuild our middle class in this country, and the single best way to do that is to ensure our nation's workers have the education and training they need to obtain and maintain career sustaining employment.

The time challenge facing American workers is directly related to the fact that 80 million working age Americans have a high school diploma or less. Many of these individuals have families, are single parents, and/or must work while trying to acquire a postsecondary credential or degree. These complexities in their lives mean these individuals need wraparound services that allow them to have any chance of completing education and training programs. These essential services include child care, nutrition assistance, reliable and affordable transportation and even housing aid.

Even with these wraparound supports, however, education and training providers need to meet these students where they are in their lives. They need classes that take place online or around their work schedules. They need certificate or degree programs options that can be completed over months and not years, especially as many working age adults need to attend a postsecondary institution part time due to work and family obligations. An education and training program structure that meets these needs can help bring the 80 million working age adults with a high school degree back into the system and back on the path to the middle class. The same applies to the 32 million adults without a postsecondary credential or degree – these supports can help them succeed at what they started. This is simply an imperative - for the economic betterment of our nation, and most importantly, to reestablish a dominant middle class in America.

In Louisiana, we are ready for change. Right now, we are embarking on an ambitious program to improve the functioning of our workforce and social services systems, aimed directly at lessening the generational poverty that so profoundly hinders our people from achieving the American Dream. Governor Jeff Landry established the Workforce and Social Services Reform Task Force a few weeks ago through executive order. We are already seeing momentum build behind its mission of eliminating siloes and fostering collaboration, with the consolidation of WIOA and Wagner-Peyser services into two rural campuses of our community colleges. We have a long history of delivering SNAP Employment and Training programs through our community colleges, and we are expanding those collaborations to the programs administered by the Louisiana Workforce Commission. We are embarking on new partnerships between industry associations and state entities to address critical needs in healthcare and industrial construction. We are working across all levels of the education system, and with the administrators of all

social safety net programs, to get our people what they need to truly prosper. And with the signing of the Louisiana Legislature's Act 330 just last week, we ensured that the Secretary of the Louisiana Workforce Commission not only has the accountability, but the clear authority, to direct the state's collective workforce strategy to drive economic growth and move our people from dependence to independence. We are ready to go, but for these efforts to really work, we are going to need your help.

The Committee has an awesome opportunity before the end of this Congress to begin to address these challenges by reauthorizing and improving the Workforce Innovation and Opportunity Act. WIOA was last reauthorized in 2014, a decade ago. Our economy and the needs of workers and employers have not stood still over that time. From our perspective in Louisiana, several critical improvements to WIOA are needed to meet the needs of a 2024 employer and worker.

First, WIOA must fund more training services than it presently does. Only 175,831 individuals received training services under WIOA in program year 2022. This is a drop in the bucket for what is supposed to be the Federal government's premier training program. As a point of contrast, six million Pell grants were provided to students under the Higher Education Act for the 2022-2023 academic year; these grants have led to far more training opportunities for qualified individuals, are far easier to access and provide much more significant support. The appropriations for WIOA formula programs should be increased, but a much greater share of those funds should be used for training services in conjunction with the critical wraparound services that make it possible to utilize such training services. One specific example of provisions that should be reconsidered to allow for greater flexibility for training more Americans is to use a broadened definition and approach to the dislocated worker programs. The economic and social implications of the COVID-19 pandemic should serve as a reminder that the current guidelines fall short of serving the needs of our communities, our people and our employers.

Second, WIOA requires Governors to identify eligible training providers to provide training services under WIOA. For too long, becoming an eligible training provider has not focused enough on what we know is critical – that education and training programs provide pathways to high wage jobs that economically sustain individuals and families and that meet the needs of employers and local economies. The Committee has an opportunity to require the use of earnings and other outcomes data to be more selective about which providers and programs are eligible to provide WIOA training services. The American community college is the entity best suited to solve the workforce challenges of our nation. Yet, historically public community colleges are an under-utilized resource by the WIOA training enterprise. Fundamentally, we should encourage strong integrated partnerships between workforce boards and their local community colleges. At the same time, as we are increasing our reliance on data, the selection of eligible training providers should not be an exercise in red tape and bureaucracy.

Third, we must put Adult Education programs front and center in how we support and fund WIOA programs. The 80 million working age adults that I mentioned earlier often need adult education services to put themselves into a position to benefit from career and training services under WIOA. Adult education programs in our nation service more people than all other WIOA titles combined. Very simply, funding for Adult Education programs under WIOA should reflect this fact.

Fourth, we need to empower workers with information about which postsecondary education and training options work best for them. In Louisiana, we use a star system that lets individuals know whether a training program leads to an in-demand and high-paying job. Five stars means that the program is both high demand and high wage as compared to other jobs in the economy. Louisiana is

home to a vast number of manufacturing facilities along the Mississippi River. A key job in nearly all of these facilities is the Process Operator — an individual responsible for keeping production going. That occupation is highest demand and highest wage. Two stars might mean that it is in-demand but does not provide high wages. An example of a high demand occupation with marginal earnings is Early Childhood Education Teacher and both positions are jobs that an individual can be prepared for at a public community college. Establishing a simple way for individuals to gain actionable information and understand whether a program leads to multiple high-paying job opportunities empowers them to meet their economic and employment needs. This concept of the star rating system would be useful for the Committee to incorporate into changes in determining eligible training providers. It is important, however, that tools like this and their assessment of what is in demand and high paying be locally controlled and designed to reflect local and regional economies in States and communities.

Fifth, individuals seeking services through the WIOA system should expect that this system will provide options that work for them. There should not be a "wrong door to enter" within the WIOA system; rather, the options provided should lead individuals to the careers, training and/or wraparound services needed for success. I would urge the Committee to ensure that the eligibility for career, training and/or wraparound services under WIOA are harmonized across one-stop partner programs with an eye toward bringing in other Federal means tested programs in the future.

The Committee truly has a chance to change lives this Congress by improving WIOA. In closing, I ask each of you to pause for a moment and imagine the young child born this year in some of the poorest parts of America- in the Mississippi River Delta or in Appalachia or those on tribal lands. How will we, as a nation, ensure those children can grow up with the opportunity to live the American Dream each of us has been part of throughout our lives. Without an effective education and training enterprise, the future for those children is even more bleak as adults than the struggles they will feel as children. The erosion of the American Middle Class has far-reaching implications for our people, our communities and our nation. Time is of the essence. Thank you for the opportunity to testify and I am happy to respond to any questions that you might have.