

**STATEMENT OF R. ALEXANDER ACOSTA
SECRETARY OF LABOR
BEFORE THE
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION
UNITED STATES SENATE
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Chairman Thune, Ranking Member Nelson, and members of the committee, thank you for the invitation to testify today. I am pleased to outline how the President's infrastructure plan will strengthen the greatest workforce in the world – the American workforce. I share the enthusiasm and support for the President's plan to fully invest in our nation's workforce and infrastructure future.

Last Friday, I was pleased to announce the strongest monthly job creation since President Trump's election with 313,000 jobs added. American job creators have added nearly three million jobs in that time. Unemployment has fallen to 4.1 percent, a 17-year low, and has held steady at that level for the last five months. The February Report also revealed that manufacturing, mining and logging, and construction collectively had the highest month-to-month growth since 1998. The infrastructure plan discussed today has the potential to expand and extend this positive trend for years to come.

The President's Infrastructure Plan for Workforce Development

The President's bold plan to strengthen our nation's infrastructure—including modernizing roads, bridges, tunnels, and airports—presents an important opportunity for Americans to build their career while building a stronger foundation for our nation. This is a great time to be a job seeker in America.

If Congress passes the President's plan, jobs will be created in communities across our nation—from Key West, Florida, to Barrow, Alaska. What is so transformative about the President's plan is it will help strengthen the economy and create jobs in sectors beyond construction, such as hospitality, food service, and retail as infrastructure projects break ground. Americans are ready and willing to fill these jobs, and they will need specialized skills to get hired, putting them on a path to family-sustaining jobs long into the future.

More than 40 years ago, the New River Gorge was an obstacle to swift and smooth transportation in West Virginia. Crossing the gorge meant a 45 minute drive down a narrow bending road to a small, aging bridge. Most drivers would add hours to their trip avoiding the gorge. Using American ingenuity, American steel, and West Virginian grit, a beautiful and record-breaking arch bridge was built that cut that 45 minute trip to 45 seconds. Improved infrastructure improves the quality of life for Americans.

The President's plan not only invests in physical infrastructure, but importantly it invests in workforce development, helping to ensure more Americans are prepared to excel in today's open jobs as well as the new jobs that will be created as infrastructure projects begin across the country. The plan features common sense proposals to make it easier for Americans to access

skills-based learning by reforming a federal bureaucracy that is often too cumbersome and limits Americans from using federal assistance outside of traditional education.

I have seen first-hand the importance of skills-based education. Last year, I visited Truckee Meadows Community College in Reno, Nevada. I was impressed. I toured their HVAC certification program and met their students who had impactful stories. One student told me how the program had changed his life: he had been homeless, addicted to drugs, and close to death. The Department's YouthBuild program taught him the skills necessary to earn \$12 or \$13 dollars an hour in the HVAC industry. He is no longer homeless, he has his own apartment, and sees a future. He is looking forward to graduating as a certified HVAC technician, increasing his salary, and working toward a family-sustaining future. His story is a powerful example of the importance of skills-based education.

The President's plan includes common-sense, targeted approaches to funding and flexibility, expanding and promoting apprenticeships and strengthening evidence-based programs so that Americans obtain education directed toward the same end goal: a good, safe, family-sustaining job.

The President's plan proposes four important workforce development goals:

1. Making high-quality, short-term programs that provide students with a certification or credential in an in-demand field eligible for Pell Grants;
2. Reforming the Perkins Career and Technical Education Program to ensure more students have access to high-quality technical education to develop the skills required in today's economy;
3. Better targeting Federal Work-Study funds to help more students obtain important workplace experience, including through apprenticeships; and
4. Reforming occupational licensing requirements for qualified individuals seeking to work on our nation's infrastructure projects.

Pell Grants

First, the infrastructure plan reflects the reality that there are many educational pathways to family-sustaining jobs. Short-term workforce development programs can provide immediate economic return to job seekers and job creators by helping job seekers gain the skills and education necessary to quickly join the workforce. Currently, federal law prohibits Pell recipients from using their grant dollars on courses and programs that do not meet certain time or length requirements. Thus, the infrastructure plan calls for expanding federal Pell Grant eligibility to high-quality, short-term programs that provide credentials in an in-demand field of work. High-quality programs that can prepare Americans for in-demand occupations in a shorter time frame deserve the same treatment as traditional educational options.

According to the American Association of Community Colleges, in 2014 and 2015, 24 percent of all credentials awarded by community colleges—in areas like business, engineering, precision production, and information technology—were certificates of less than one year. Of all community college certificates, less-than-one-year certificates accounted for 62 percent. Pell Grant eligibility, however, is generally limited to programs equivalent to two thirds of an academic year (600 clock hours or 16 credit hours and 15 weeks). According to the Council of Economic Advisers, workers in infrastructure-related occupations are more likely than workers in non-infrastructure related occupations to have a high school degree or less. Current Pell Grant eligibility overlooks the growing importance of post-secondary, short term credentials to the career entry and advancement of many Americans, including those in infrastructure-related occupations.

Perkins Career and Technical Education (CTE)

Second, the President’s proposal would reform career and technical education programs. Perkins Career and Technical Education is in need of reform—current funds support a broad, fragmented range of programs that often do not meet in-demand industry needs. The infrastructure plan proposes improvements that focus funding on high schools, with an emphasis on earn and learn programs—including apprenticeship and work-based learning—and dual-enrollment programs to provide hands-on, technical experience, especially in STEM-related fields. This strategy will help create a pipeline of skilled Americans prepared to meet the demands of high-growth industries.

Federal Work-Study

Third, there is a need to update the Federal Work-Study program to better support students pursuing career and technical education. Work-Study funds are disproportionately distributed to four-year colleges and universities, disadvantaging quality community colleges and other programs that are more focused on workplace readiness. The President’s infrastructure plan will revamp the funding formula to send these Work-Study program funds to schools with a strong record of enrolling Pell Grant students. Ultimately, the administration’s proposal will better support workforce and career-oriented opportunities for low-income undergraduate students, including those in workforce development programs.

Occupational Licensing

Finally, in addition to helping Americans gain skills for jobs to help build our nation’s infrastructure, the President’s proposal includes provisions to reduce licensing barriers that prevent Americans from using their skills across state lines. State licensing requirements have become increasingly burdensome and frequently create significant barriers to mobility for Americans who want to work in other states. Unfortunately, military spouses and veterans face these barriers more frequently than others given their higher levels of mobility. I have engaged with state and local officials and offered this advice: if licenses are unnecessary, eliminate them. If licenses are necessary, streamline and make them reciprocal with other states. The President’s plan would require that states receiving federal funds for infrastructure projects accept workers

with out-of-state licenses, speeding project delivery, reducing costs, and providing greater mobility and flexibility to American workers.

Conclusion

The workforce component of President Trump's infrastructure plan will empower more Americans to build skills that employers desire and obtain portable credentials that lead to jobs. This will unlock more job opportunities in America and ensure that jobs that are open today are filled quickly and that our nation's infrastructure projects are built by talented builders, architects, masons, engineers, welders, electricians, pipefitters, and craftsmen and craftswomen from across our nation.

The President's proposal will bring America's infrastructure into the 21st Century and create new American jobs. With reforms to help students pursue demand-driven education, the President's plan will also help prepare the American workforce to fill these good, family-sustaining careers. The Departments of Labor and Education are ready and willing to work together to advance the President's infrastructure plan to help enrich and expand our nation's workforce.