



Jobs and Careers Coalition

July 24, 2023

The Honorable Bernie Sanders
Chairman
Committee on Health, Education,
Labor and Pensions
US Senate
Washington, DC 20510

The Honorable Bill Cassidy, M.D.
Ranking Member
Committee on Health, Education,
Labor and Pensions
US Senate
Washington, DC 20510

RE: JOBS Act of 2023 (S. 161); National Apprenticeship Act of 2023 (S. 2122); Youth Apprenticeship Advancement Act (S. 2363); Gateway to Careers Act of 2023 (S. 2402); Investing in Sectoral Training Partnership Act (S.____)

Dear Chairman Sanders and Ranking Member Cassidy,

On behalf of the Jobs and Careers Coalition (JCC), we appreciate the HELP Committee's July 27 executive session to markup five bills drafted to address America's workforce shortages. Despite job gains, the disconnect between job openings and workers filling those jobs is such that there would be 1.9 million more workers on the payrolls if the Labor Force Participation Rate was the same as in February 2020.

The JCC is a Washington, DC-based business group focused on job training and workforce development. Members include employers and employer associations from a broad range of industries experiencing skills mismatches and worker shortages – construction, manufacturing, IT, retail, hospitality and healthcare among others.

For many decades, American higher education has skewed toward traditional academic offerings and bachelor's degrees at the expense of programs that prepare students to meet growing demand for technical skills. Fortunately, this is changing as community colleges and other institutions step up to fill the void by offering shorter-term, job-focused programs developed in partnership with employers.

Unfortunately, federal student aid hasn't kept up with this innovation and the JCC has long supported the Jumpstarting Our Businesses by Supporting Students (JOBS) Act to make Pell Grants available for high-quality, shorter-term job training programs. We are pleased that momentum is building for this change with S. 161 having 37 bipartisan cosponsors, but caution against too many qualifications that could potentially stifle utilization.

The Promoting Employment and Lifelong Learning (PELL) Act, H.R. 496, would also make PELL grants available for high-quality, shorter-term workforce education opportunities. Thus, it parallels the JOBS Act, but the PELL Act's criteria seem simpler and likely to generate more utilization and possibly a higher job placement rate.

The Investing in Sectoral Training Partnerships Act would provide financial awards to eligible industry or sector partnerships for apprenticeship programs registered with the U.S. Department of Labor (DOL) or a recognized State apprenticeship agency. The JCC appreciates the bill's focus on employers and inclusion of industry associations in the mix, and authorizing \$350 million for FY2025 which grows to \$750 million for FY2029. But the bill's priority criteria for the selection of awards seems too narrow with workforce shortages nationwide.

The Gateway to Careers Act of 2023, S. 2402, has goals similar to the Sectoral Training Partnerships Act and seems more flexible regarding workforce development partners. Definitions of "Education Partner" also seem flexible, and grants would go from DOL to state workforce agencies which make subgrants to career pathway partnership applicants. However, this bill goes beyond a short-term education program to a longer-term mentoring program with support services required of career pathway partners. Also, the bill authorizes appropriations for FY2024 but there is no specific amount stated.

The Youth Apprenticeship Advancement Act, S. 2363, would build upon DOL's current program. "Youth" means an individual not younger than 16 or older than 22, and the program share is 75 percent of costs with eligible entities picking up the remaining 25 percent. The JCC is pleased to see this could help a youth apprentice earn an industry-recognized postsecondary credential, but the process to sponsor a youth apprenticeship program can be lengthy and challenging. As such, perhaps some of the \$100 million authorized for the Youth Apprenticeship Advancement Fund for FY2024 through FY2029 might be used to facilitate the application and registration process.

The National Apprenticeship Act (NAA) of 2023, S. 2122, would reauthorize the NAA of 1937. Employer associations in the JCC support the apprenticeship model – indeed many are assisting their members in moving to implement it, and we see much to appreciate in S. 2122, including its concern for streamlining and simplifying the registration process, particularly for small- and medium-sized employers.

However, the attempt to define nontraditional apprenticeship occupations (an occupation in an industry sector which has an average program rate of fewer than 10 percent for each of the five preceding years) and nontraditional apprenticeship populations (a group of individuals with a common demographic trait) seems unnecessary. Making apprenticeship programs more user friendly for employers and employer organizations would be an easier way to pursue this.

Establishing an Office of Apprenticeship in DOL's Employment and Training Administration to administer the NAA of 2023 must be thoroughly vetted by the Committee. Some tasks that would be assigned to the Office could result in bias towards various groups. We note that for construction (sector 23 of the North American Classification System), not less than half of industry sector leaders and experts involved in establishing or updating occupational standards must be from labor unions.

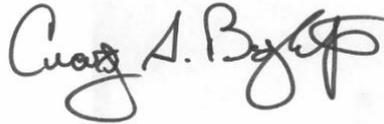
In Title II-Modernizing the National Apprenticeship System for the 21st Century, language to expand intermediary awards includes "national equity qualified intermediaries" serving nontraditional populations. This dubious expansion also states that where practicable, they should partner with a labor organization or joint labor-management organization.

We also have concerns about the scope of training in the bill and definitions for "education and training provider," and what we view to be the bill's onerous reporting requirements. Also, the bill's authorized spending is split between functions in the Office of Apprenticeship and Title II's provisions, which include services such as childcare, elder care, transportation

and housing. But in the aggregate the bill authorizes \$485 million for FY2025 going up to \$973 million for FY2029.

The JCC is eager to see workforce development elevated as a national priority and brought to scale across all sectors of the economy. We look forward to working with the Committee and Congress on a bipartisan basis to advance public policy that encourages and incentivizes employers in all industries to launch and expand earn-and-learn training.

Sincerely,

A handwritten signature in black ink that reads "Craig S. Brightup". The signature is fluid and cursive, with the first name "Craig" being the most prominent.

Craig S. Brightup
Executive Director

CC: HELP Committee Members