

**STATEMENT OF
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BEFORE THE
EDUCATION AND THE WORKFORCE COMMITTEE
UNITED STATES HOUSE OF REPRESENTATIVES**

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Good morning, Chairwoman Foxx, Ranking Member Scott, and Members of the Committee. I am Monty Sullivan, President of the Louisiana Community and Technical College System (LCTCS) and President of Rebuilding America's Middle Class (RAMC), a coalition of state and individual community college systems from across the country that share the belief that community colleges are one of America's primary solutions to building a strong, more competitive workforce and therefore, a strong middle class. On behalf of Louisiana's twelve two-year colleges and the 150,000 students we serve each year, as well as RAMC, thank you for the opportunity to be here today to discuss what I see as a crisis in our nation's education and workforce system.

With each information cycle and technological advancement, the skill requirements of the workplace are ever increasing. Last week, the President of Microsoft, Brad Smith, wrote a [blogpost](#) noting the advance in artificial intelligence expected by 2033 would instead be here in 2023. He and others have signaled the profound impact this new technology will have on jobs and education. This is just one example of why we need to ensure our nation's system of education and workforce development can provide the skills that individuals will need to succeed in our ever-changing economy.

We are already far behind, as reflected in our nation's near-record 11 million unfilled job openings.

Louisiana leads the nation in unfilled jobs and we are also expecting tens of thousands of new jobs to materialize from the shift to a new energy economy and a rapidly expanding industrial sector in fields like liquefied natural gas (LNG) and chemical manufacturing. Not to mention health care workforce shortages, which are impacting the daily care of those in Louisiana and throughout the country. The market for talent is exceptionally tight and seems to be growing tighter by the day.

At the same time, we have people sitting on the sidelines who want to work but have not yet obtained the education and skills needed to participate in the modern economy. The United States labor force participation rate was 62.4 percent in January, a rate that has been dropping for the last several decades from when it was 67 percent. This translates into millions of more individuals not in today's labor force.

With relatively low labor force participation rates we have a significant pool of untapped talent stranded in this economy. We must forge a policy environment that broadens opportunity in this nation. Central to this policy must be the recognition that almost every good job in America requires preparation beyond a standard high school diploma. Therefore, every American needs some level of education and skills beyond high school whether gained at college, on the job, or even through a free MOOC. In addressing this issue from a policy perspective, we must align education and workforce policy in a complementary manner and not as mutually exclusive.

With that perspective, the following are recommendations for this Committee to consider in order to address at least some aspects of our nation's education and workforce crisis.

1. **Expand Pell Grants to cover short-term / workforce programs:**

The single most important step Congress can take in helping address our nation's skill shortage is to immediately authorize the use of Pell Grants for workforce programs. Students need the shortest and least expensive pathways to employment with opportunities for advancement throughout their lives.

In the last three years, our community colleges in Louisiana have graduated roughly 15,000 students from short-term workforce programs using state funds. The results have been astounding. First, students who complete these programs have very strong job placement rates (above 90 percent) and demonstrate wage improvements of 20 percent in their first year on the job (Glass, C., *Strong Wage Gains from Short-term Credentials*, Old Dominion University, Community College Leadership Research Report, Fall 2019).

More broadly, in Louisiana we have recognized an earnings premium for our students who complete short-term workforce programs that is greater than the initial earnings of students in traditional credit programs that are Pell Grant eligible. Clearly, these credentials are demonstrating value to employers.

Yet those shorter-term programs, with clear value in the market, are reserved for those who have money in their pocket and do not need to rely on a Pell Grant for their education. Effectively, we are limiting the ability for a broad swath of Americans to quickly gain the skills needed to obtain a good job.

Enacting the Promoting Employment and Lifelong Learning (PELL) Act would be a profoundly important step toward addressing this current policy need. I congratulate you, Chairwoman Foxx, along with Representatives Stefanik, Banks, Hinson, and Thompson, for your vision in bringing forward this legislation, which RAMC has endorsed. I also appreciate the several other efforts in Congress to expand Pell Grants

for short-term programs and strongly urge Congress to come to consensus on legislation that, when passed, will enable a significant increase in the number of students across the country who will have a new opportunity in how they improve their skills.

2. Update and Improve WIOA:

Under the Workforce Innovation and Opportunity Act (WIOA), Louisiana has 15 Workforce Development Areas each with its own local Workforce Development Board (WDB) that is led by a representative of business and includes partners such as community colleges and local non-profits. These Boards collectively oversee 62 American Job Centers and numerous affiliate one-stop centers that provide entry for individuals seeking workforce and employment services as well as related supportive services.

Collectively, in the program year ending last June, 5,655 adults (including dislocated workers) were served under WIOA in Louisiana, of whom 3,676 received “training” services (as defined under WIOA). [Note, this proportion of those in “training” is higher than the national average.] Across the two programs for adults and dislocated workers, roughly three quarters of participants were employed six months after exiting and they had average quarterly earnings of \$6,697 and \$8,459 respectively. A vast majority of all participants left with a credential.

In 2021, to help address what had often been a disconnect between our colleges and WDBs, LCTCS led an effort to hold individual meetings with each WDB along with representatives from K12 education, economic development, corrections, children and family services, non-profits, and four-year colleges. We collectively developed a regional workforce ecosystem that continues under the leadership of our community colleges and is convened by our regional economic development organizations with regional employers. This work has helped us to build the human and programmatic infrastructure needed to meet our workforce needs.

However, despite these types of efforts, we must recognize that we will not meet the needs of those seeking to obtain skills or the needs of the business community by relying on the current WIOA system. In many ways, the program is simply stretched too thin in attempting to serve so many roles (convener, purveyor of labor market data, provider of career navigation assistance, and facilitator of supportive services, to name just a few). As such, the system is often not able to fully carry out what should be its central function of providing workforce development skills. In fact, in many places less than a quarter of WIOA funds are expended for actual workforce development.

In the past, this Committee has worked in a bipartisan fashion to update these programs, and I hope that you are able to again follow that path, because it is sorely needed. I believe the next reauthorization must, at a minimum, include these reforms:

- Require more funds to be targeted toward providing much-needed workforce development through what are identified as “Individual Training Accounts” under WIOA;
- Improve coordination with the Higher Education Act such as by providing incentives for one-stop operators to leverage Pell Grants – particularly Workforce Pell – so as to facilitate skill development opportunities to far more students;
- Maintain current provisions which require state and local boards to be led by business;
- Remove the current cap under WIOA on pay-for-performance models, allowing states and local workforce boards more flexibility in establishing enhanced accountability systems with providers;
- Provide better tools for states and localities related to labor market information so that individuals can be provided the most accurate and up-to-date information available on what jobs and skills are needed today – not yesterday; and
- Consider changes which would strengthen the role of community colleges in the overall WIOA workforce development system.

3. Focus on Students, Not Systems:

We must establish a “no wrong door” approach to education and workforce that provides a clear path to education and skills attainment. Whether the journey begins as a high school honors graduate or as an adult basic education student, there must be a clear path to an education and the American Dream for everyone.

While our education and workforce systems are intended to lower or eliminate barriers to accessing education and employment, current policies too often place the highest barriers in front of those with the most need. For example, the processes for gaining workforce development services should not require so much information and bureaucracy. Congress should consider an effort, similar to the recent passage of FAFSA simplification legislation, to make other education and workforce programs more accessible. When barriers win out, the impact is not only felt by the individual - we all pay the price when their abilities are sidelined and their potential contributions to our economy and our society go unrealized.

4. Leverage and Promote Employer Partnerships:

Developing America's talent is a responsibility that education systems hold jointly with the business community. Employers need to be part of the solution, but they can't solve this problem in isolation. In particular, small and mid-size businesses must be able to rely on the workforce and education systems to supply them with qualified workers who are ready to work.

The responsibility of any community college or workforce preparation program is to prepare students with the right skills needed to land a job. Knowing what those skills are can only be accomplished when there's active participation and cooperation with employers.

In Louisiana, we have many examples of innovative and highly productive partnerships with industry. In the northwestern part of our state, General Dynamics IT, or GDIT, is working with Bossier Parish Community College where the company employs about 1,000 employees on the premises of the college. GDIT is able to expand the pool of potential employees to include rural populations, which is vitally important in a time of workforce shortages, and our rural communities benefit from salaries in amounts almost unattainable previously to the residents of those small towns.

In the New Orleans area, our Mechatronics apprenticeship program, developed in conjunction with Greater New Orleans, Inc, or GNO Inc, our regional economic development partner, brings together three LCTCS colleges to meet the needs of three manufacturing businesses. Elmer Chocolate, Laitram, and Zatarain's identify promising employees, and each college teaches them a distinct set of skills to jointly prepare a highly sophisticated group of advanced manufacturing workers.

In Louisiana's Fifth Congressional District, partners like Ethridge Pipeline and Conduit, are working closely with Louisiana Delta Community College to develop the workforce needed to lay broadband across our state. The company has donated equipment, taught classes, identified equipment manufacturers, and brought them to the table. In a matter of weeks, our colleges have mobilized to create workforce development programs across the state to meet the workforce demands for one of our nation's strategic priorities.

Every single day, our colleges are working hand-in-hand with a wide array of industry partners to meet the most pressing workforce needs of our state. We have the data that reflect the need. And it is our firsthand experience in the field, talking to business partners and to individuals who seek a better life, that gives me hope that we will meet the moment. But first we must have a strong policy platform that welcomes business partners to the table to help solve this challenge with us.

In closing, I would like to thank you again for the opportunity to share some thoughts with you today. We know that our people and our economies will be more resilient, dynamic, and future-ready if we can free ourselves from historical structures and reconceptualize higher education and workforce development for the modern world. I ask you to imagine each of your districts spread across this great land. Education is the antidote to nearly every single issue we face as a nation. Can you imagine an America where every single household has at least one college degree or high-value industry-based certification supporting that household? Together, we can build a better America for all our citizens. Thank you!