

**STATEMENT OF JULIE SU
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BEFORE THE

**EDUCATION & WORKFORCE COMMITTEE
UNITED STATES HOUSE OF REPRESENTATIVES**

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Chairwoman Foxx, Ranking Member Scott, and members of the Committee, thank you for the invitation to testify today. I am pleased to appear before this Committee to highlight the investments that President Biden's Fiscal Year (FY) 2025 Budget makes in the Department of Labor (DOL or Department).

President Biden knows that good jobs change lives. The \$13.9 billion FY 2025 Budget for the Department continues to build on the Biden-Harris Administration's principles for growing a worker-centered economy from the bottom up and the middle out by creating pathways to good jobs and expanding equitable opportunities, while empowering and protecting workers and their families. The President's Budget does so in a cost-effective manner by proposing some shifts to prioritize critically important programs while remaining within the discretionary budget caps set by the Fiscal Responsibility Act.

Promoting job quality and pathways to good jobs for all workers, especially historically underserved workers.

The FY 2025 Budget expands workforce training that provides pathways to good jobs. It advances the President's historic legislative accomplishments rebuilding the Nation's infrastructure, supporting clean energy, and boosting American manufacturing that have and will create millions of good, high-quality jobs. In support of this effort, the Budget invests in effective, evidence-based training models to ensure that all workers, including women, workers of color, those living in rural areas, and workers with disabilities, have the skills they need to compete for and fill these and other jobs. This includes major new investments through the \$8 billion mandatory Career Training Fund and a new \$50 million investment in the Sectoral Employment through Career Training for Occupational Readiness program, both of which will support the development and expansion of public-private partnerships between employers, education and training providers, and community-based groups to equitably deliver high-quality training focused on growing industries. The Career Training Fund, as proposed in the budget, would provide full funding for 750,000 individuals to enroll in evidence-based, high-quality training programs that are proven to deliver sustained earnings increases.

The Budget also invests \$335 million in apprenticeship programs, increasing access for underrepresented groups, including women, people of color, and individuals with a disability, and diversifying the industry sectors involved. The Department continues making progress on the President's goal to serve at least one million apprentices annually within ten years, advancing racial and gender equity, and supporting historically underserved and marginalized communities. Within the request is a \$50 million increase to expand existing Registered Apprenticeship programs in clean energy and climate-related occupations. This investment will support successful implementation of the Inflation Reduction Act, prepare workers for the in-demand jobs of the present and future, and help build a thriving clean energy economy. Apprenticeship funds will also enhance the Department's support for pre-apprenticeships, youth apprenticeships, and degreed apprenticeships to ensure that more people have access to career pathways.

Similarly, the Department's request includes \$5 million for the Women in Apprenticeship and Non-Traditional Occupations (WANTO) grant program. The Department's Women's Bureau will leverage proven pre-apprenticeship training and Registered Apprenticeship retention models across the Nation, so that more women can enter and succeed in high-quality jobs in a variety of in-demand, nontraditional occupations.

While pursuing career paths, women disproportionately are impacted by the high cost of childcare, which, in turn, impacts their ability to work. The National Database of Childcare Prices shows that childcare prices are untenable for families across all care types, age groups, and county population sizes. Ninety-four percent of all childcare workers in the U.S. are women, and childcare workers receive among the lowest wages of any occupation. As a country and as a government, we must do more to prioritize workers and their families.

The Biden-Harris Administration has invested in the Nation's economy, creating millions of jobs over the past three years. Further, through the Good Jobs Initiative, we have embedded key principles regarding job quality, equity, and worker empowerment in Federal funding to ensure that the jobs that are created are *good* jobs that provide stability and security for workers and their families. In total, the Department has entered into agreements with six other federal agencies, resulting in \$239.6 billion of Investing In America (IIA) funds with equity and job quality incentives included in 141 IIA Funding Opportunity Announcements. To build on this work, this Budget requests an additional \$2 million to provide training and technical assistance to other federal agencies as they work to embed and promote the Good Jobs Principles in procurement, loans, grants, and other Federal financial assistance; and provide a centralized location for information and services on workers' rights. Good jobs accessible to all workers, including workers from underserved communities, are the foundation of an equitable economy, and by supporting workers, we make families and economies more competitive globally.

Protecting the rights, wages, health and safety, and benefits of all workers, but especially the most vulnerable.

One of the Department of Labor's primary roles is to protect workers' wages, benefits, and working conditions. And it is the dedicated public servants at the Department who do that critical work. This is why the FY 2025 Budget requests modest but important increases for the Department's worker protection agencies, particularly funding to maintain enforcement staff.

This includes wage and hour investigators who help ensure children are not working in dangerous occupations. While positive and safe first work experiences can allow young people to develop skills, earn money, and learn what it means to be part of the labor force, a job should not jeopardize a child's well-being or their educational opportunities. And yet, every year, the Department's Wage and Hour Division (WHD) is finding thousands of young workers employed in violation of the law. The Department's request for WHD includes \$7.5 million to support 50 additional enforcement staff to protect our country's most vulnerable workers and combat exploitative child labor. The increased resources will allow WHD to maintain its progress in rebuilding enforcement staff responsible for carrying out mission-critical, evidence-based strategies and delivering on high-impact cases. In addition, the Department requests an additional \$3.8 million for 19 staff in the Office of the Solicitor of Labor (SOL) for legal services to combat exploitative child labor, ensuring that WHD's work has the teeth of legal enforcement. The Department is committed to combatting all forms of illegal child labor because we cannot build our economy on the backs of children.

The Department's work continues by protecting the health and safety of workers in high-risk occupations.

The FY 2025 Budget provides an increase of more than \$23 million over the FY 2024 enacted level for the Occupational Safety and Health Administration (OSHA) to help the agency maintain its enforcement presence, particularly in vulnerable and underserved communities.

This includes staff to investigate high-hazard workplaces, enhancing OSHA's enforcement presence; prioritizing outreach and training in vulnerable and underserved communities; and improving workplace safety and health across the country. Additionally, the agency will continue to carry out critical enforcement and whistleblower programs, standard-setting activities, and compliance assistance programs.

In addition to OSHA, the Mine Safety and Health Administration (MSHA) focuses its worker protection efforts on the more than 322,000 people who work directly in the mining industry at more than 12,600 mines nationwide. The request includes increases of over \$18 million to support MSHA staff, allowing the agency to complete statutorily mandated inspections and investigations and expand efforts to work with the mining community to reduce fatalities, injuries, and illnesses.

The Department further levels the playing field for all employers by holding scofflaw employers accountable and protecting workers from retaliation for enforcing their rights.

Companies that choose to ignore the law and endanger or underpay their employees are undercutting other employers who comply with the law. This is why additional resources for SOL are so critical.

The President's Budget requests an additional \$10.7 million for SOL to help mitigate the effects of over a decade of near-flat funding and the depletion of supplemental appropriated funding from the American Rescue Plan Act. Without additional resources, SOL will have to significantly reduce its workforce, triggering a reduction in cases litigated, reducing pre-litigation advice and assistance, and lessening support for the worker protection agencies in developing and pursuing litigation-worthy cases. Meeting the demand for legal services at all steps in the enforcement process is a critical part of protecting workers' pay, benefits, safety and health, and rights.

The Budget also addresses the Department's international work. The Bureau of International Labor Affairs (ILAB) advances worker rights and promotes a fair global playing field by enforcing trade commitments, strengthening compliance with labor standards, and combating international child labor, forced labor, and human trafficking. The Budget includes a program increase of \$45 million for technical assistance funding related to the U.S.-Mexico-Canada Act (USMCA) following the expiration of the supplemental appropriation in December 2023. This program increase will allow the Department to continue Mexico-specific technical assistance through awards of grants, contracts, and cooperative agreements, primarily to nongovernmental organizations whose projects and activities support USMCA implementation, including building capacity to legislate and implement new labor protections, improve working conditions, stabilize labor relations, and increase public awareness and engagement. ILAB will also continue its enforcement and monitoring of the labor provisions of the USMCA, including use of the facility-specific Rapid Response Mechanism and labor attachés stationed in Mexico to ensure compliance.

Finally, the Department of Labor protects workers beyond the workplace and into retirement by ensuring that their hard-earned and promised benefits are available.

The Department requests \$4.7 million for the Employee Benefits Security Administration (EBSA) to implement provisions of the SECURE 2.0 Act, which was enacted under the Consolidated Appropriations Act, 2023. Although EBSA's reach is extraordinarily broad, with additional responsibilities added by Congress, its budget has not increased proportionally with the increased responsibilities. With the requested resources, EBSA will implement a wide range of retirement-focused provisions and numerous new requirements established under the SECURE 2.0 Act, which includes amendments to existing law as well as new provisions focused on increasing retirement savings, improving rules governing the administration of retirement plans, and lowering the cost of setting up retirement plans.

In addition, the Consolidated Appropriations Act, 2021 included supplemental funds for the Departments of Labor, Health and Human Services and Treasury to implement and enforce the Mental Health Parity and Addiction Equity Act (MHPAEA) and the No Surprises Act. Those

funds expire at the end of 2024, though EBSA's obligations and ongoing work to implement and enforce these laws continues. Fully one-third of EBSA's enforcement staff are paid out of these supplemental No Surprises Act resources, which will soon expire. The Budget request for the Department of Health and Human Services proposes to replenish and extend this supplemental No Surprises Act and MHPAEA funding. The agency, and the participants and beneficiaries it works to protect, can ill afford the precipitous loss of staff that would result from the loss of supplemental funding.

Advancing Equity

The Department remains steadfast in our commitment to building a worker-centered economy in a way that expands equitable opportunities. This begins by ensuring that workers can access the Department and its programs.

The Department is committed to providing meaningful language access for individuals with limited English proficiency (LEP). The Department released its updated Language Access Plan in November 2023 and established the Centralized Office of Language Assistance, a new office within in the Department's Civil Rights Center. This office is dedicated to supporting the language assistance efforts of individual Department agencies to ensure that activities, programs, and services conducted by the Department are accessible to individuals with LEP.

The Department also recognizes the need for expanded disaggregated data by race and ethnicity, as well as gender and other demographics in order to make informed decisions. To better provide this information, the Bureau of Labor Statistics (BLS) has expanded available labor market indicators, including for the American Indian and Alaska Native; Native Hawaiian and Pacific Islander; and detailed Asian and Hispanic or Latino communities. Beginning in September 2022, BLS published data that includes key economic metrics, such as the unemployment rate, employment-population ratio, and the labor force participation rate for the Native Hawaiian and Pacific Islander community, and, in September 2023, began publishing monthly estimates of these metrics for detailed Asian groups. BLS also added labor force estimates for detailed Hispanic and Latino groups to its online database in October 2023.

Finally, the Department also serves workers who have lost their job due to no fault of their own. As the COVID-19 pandemic showed, the unemployment insurance (UI) system is essential, and any delay in this critical earned benefit can have devastating consequences for families, particularly low-income families, and for the economy as a whole. The FY 2025 Budget improves states' ability to serve UI claimants more quickly and effectively by fully funding the formula for determining the amount states need to administer UI benefits based on current economic assumptions. The Budget also proposes resources to continue the Department's work to reduce identity fraud and to provide other critical supports to the states, as well as legislative proposals to improve UI integrity.

The Department continues to use funding received through the American Rescue Plan Act to advance equity in the UI system by ensuring that all workers can securely access their hard-

earned benefits. To date, the Department has awarded \$219 million in grants to 45 states and the District of Columbia to address and improve equitable access to UI programs. Additionally, we have partnered with the General Services Administration and the U.S. Postal Service to provide both online and in-person options for UI claimants to verify their identity. Through the Department's identity verification services, we can ensure that the right payments go to the right workers without creating unnecessary barriers that disproportionately harm the most vulnerable workers.

Conclusion

The Department is putting workers at the center of the Biden-Harris Administration's historic economic agenda and playing a leading role in the most pro-union administration in history.

Thank you again for the opportunity to appear before you today, and I look forward to your questions.