

EXAMINING LOCAL SOLUTIONS TO STRENGTHEN FEDERAL JOB TRAINING PROGRAMS

FIELD HEARING

BEFORE THE
COMMITTEE ON EDUCATION
AND THE WORKFORCE
U.S. HOUSE OF REPRESENTATIVES
ONE HUNDRED TWELFTH CONGRESS

FIRST SESSION

HEARING HELD IN LAS VEGAS, NV, AUGUST 30, 2011

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EXAMINING LOCAL SOLUTIONS TO STRENGTHEN FEDERAL JOB TRAINING PROGRAMS

**Tuesday, August 30, 2011
U.S. House of Representatives
Committee on Education and the Workforce
Washington, DC**

The committee met, pursuant to call, at 11:00 a.m., at the Opportunity Village, Ralph and Betty Engelstad Campus, 6050 South Buffalo Drive, Las Vegas, Nevada, Hon. John Kline [chairman of the committee] presiding.

Present: Representatives Kline, McKeon and Heck.

Staff Present: Casey Buboltz,

Coalitions and Member Services Coordinator; Rosemary Lahasky, Professional Staff Member; Brian Melnyk, Legislative Assistant; Brian Newell, Deputy Communications Director; and Livia Lam, Minority Senior Labor Policy Advisor.

Chairman KLINE. A quorum being present, the committee will come to order.

Good afternoon, everyone. Welcome to the latest in a series of field hearings for the Education and Workforce Committee.

It is good to be here in Nevada. We appreciate the time of our witnesses, the time the witnesses have taken to be with us today, and we look forward to hearing their testimony.

I would really like to extend my personal appreciation to the leadership and staff of the Opportunity Village and recognize the men and women who have benefited from the support offered by this remarkable organization.

Opportunity Village has provided hope to more than a thousand individuals with disabilities, and has stood as a model of service to the community. Through your hospitality, you've demonstrated why this organization stands out as the favorite charity of Las Vegas.

We're grateful for your service and for hosting our hearing and for the wonderful cookies that some of us were afforded, the opportunity to be made right here, I think some 3,500 a day. Boy, are they good. So thank you for all of that hospitality.

Since the start of the 112th Congress, members of this committee have made it a priority to actively engage with the men and women whose lives are touched by the policies developed in Washington.

Today marks the sixth field hearing held by this committee during the last eight months—we are getting some feedback here in the sound system.

There we go, okay.

Today this field hearing reflects our commitment to bringing the voices and experiences of the people to federal policymakers. These hearings also reflect our belief that many of the most innovative solutions come not from the nation's capital, but from workers, employers, citizens, and local leaders in towns across America.

With a bureaucracy as vast and complicated as the one that resides in Washington, it is easy to leave government programs on auto-pilot, resulting in less effective support for those in need and wasted taxpayer dollars. Unfortunately, this sums up the state of the nation's job training programs.

According to a recent report by the non-partisan Government Accountability Office, the federal government administers 47 separate job training programs spread across nine different agencies, representing annual taxpayer investment of \$18 billion. 44 programs overlap with at least one other program. Only five programs, only five have been evaluated to determine whether they are effectively serving workers.

Our deficits and debt are skyrocketing and unemployment continues to hover around nine percent, and higher here in Nevada. Wasting the hard-earned dollars of taxpayers and squandering support for workers is unacceptable.

In 1998, Congress passed the Workforce Investment Act, which provided workers with a system of one-stop centers that offer the support they need in a more efficient and effective way, and took a first step toward streamlining job training and employment programs. However, this law is long overdue for reform and as the GAO report makes clear, we have a lot of work ahead of us to enhance support for workers and promote better use of taxpayer dollars.

Just as importantly, we must ensure these services reflect the realities of today's workforce. Last week the Congressional Budget Office released a grim report on our nation's economic future. In the report, the non-partisan budget office projects that a year from now unemployment may be as high as eight and a half percent. The report cites a number of structural impediments hindering hiring across the country, including "a mismatch between the requirements of existing job openings and characteristics of job seekers."

Simply put, unemployed workers would have a better shot at finding a job if they had the skills and training needed for today's workplaces. Many States, including Nevada, have advanced positive solutions that try to bridge the gap between workers and employers. I look forward to learning more about these efforts and how we can advance similar initiatives in Washington.

Before I close, I would like to thank Congressman Buck McKeon, a senior member of this committee, a former chairman of this committee, and currently chairman of the House Armed Services Committee, for being with us and for his dedication to the nation's workers. Thank you, Buck. He has long championed job training reform, and his leadership will be extremely important as this process moves forward.

I would also like to thank Congressman Joe Heck for service on the committee and for his continued advocacy for a better approach to support workers in a more fiscally responsible way.

[The statement of Mr. Kline follows:]

**Prepared Statement of Hon. John Kline, Chairman,
Chairman, Committee on Education and the Workforce**

Good afternoon, and welcome to the latest in a series of field hearings of the Education and the Workforce Committee. It is good to be here in Nevada. We appreciate the time our witnesses have taken to be with us today, and we look forward to hearing their testimony.

I would like to extend my personal appreciation to the leadership and staff of the Opportunity Village, and recognize the men and women who have benefited from the support offered by this remarkable organization. Opportunity Village has provided hope to thousands of individuals with disabilities, and has stood as a model of service to the community. Through your hospitality, you've demonstrated why this organization stands out as the "favorite charity" of Las Vegas. We are grateful for your service and for hosting our hearing.

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Just as importantly, we must ensure these services reflect the realities of today's workforce. Last week, the Congressional Budget Office released a grim report on our nation's economic future. In the report, the non-partisan budget office projects that a year from now unemployment may be as high as 8.5 percent. The report cites a number of structural impediments hindering hiring across the country, including "a mismatch between the requirements of existing job openings and characteristics of job seekers."

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I would also like to thank Congressman Joe Heck for his service on the committee and for his continued advocacy for a better approach to support workers in a more fiscally responsible way. Without any objection, I will now yield to Congressman Heck for some brief opening remarks.

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Chairman KLINE. Without any objection, I would now yield to Congressman Heck for some brief opening remarks.

Mr. HECK. Thank you, Mr. Chairman.

Good morning, and welcome to the Third District of Nevada. I am very pleased in our great State and I'm pleased we are hosting the latest in a series of field hearings of the House Committee on Education in the Workforce.

I'd also like to thank all our witnesses for taking time to be here this morning and joining us. Your testimony will be very valuable as we examine ways to improve job-training opportunities both here in the Silver State and across the nation, and of course, Mr. Chairman, I want to thank you for the opportunity to hold this field hearing here, as well as Congressman McKeon for taking the time out of his busy schedule to participate.

It goes without saying that America is struggling, and Nevada is struggling with high unemployment and economic uncertainty. Jobs are scarce. Competition for employment opportunities is fierce. In Nevada, more than one in ten citizens is jobless. In fact, our State has had the worst unemployment record in the nation for more than a year. Across the country, the unemployment rate has remained above eight percent for 30 months and this is absolutely unacceptable.

Policymakers must do everything possible to foster a strong and competitive workforce. Right now, millions of out-of-work Americans are desperate for opportunities and assistance as they try to build a better future for their families. For these Americans and Nevadans, employment assistance and job training services can be invaluable. Unfortunately, too many of these important programs are not working efficiently.

In an effort to provide better support to the State's struggling workforce, the Southern Nevada Workforce Investment Board, also known as Workforce Connections, has recently taken steps to engage with the local business community. This burgeoning relationship helps Workforce Connections ensure effective job training is available for employment in the region's high-growth job sectors, including healthcare and green energy. The advice the board solicits from employers enhances the services offered, improves job placement opportunities, and encourages a more strategic and effective use of taxpayer resources.

The efforts underway in Southern Nevada can serve as a guideline as we work to modernize the Workforce Investment Act, and that's why members of the House Committee on Education and the Workforce are here today. We want to hear from the business and community leaders about the local economic climate and the needs of the workforce. We want to learn from employment and job training officials about the ways they are helping job seekers, and where they see a need for improvement.

As we work to build a stronger, more competitive workforce, ensuring access to effective job-training opportunities and employment services will be critical. Your thoughts and insights will help us modernize federal job-training programs to ensure they are more effective, more constructive, and more resourceful in the future.

With that, Mr. Chairman, I yield back the balance of my time.
[The statement of Mr. Heck follows:]

**Prepared Statement of Hon. Joseph J. Heck, a Representative in
Congress From the State of Nevada**

Good morning, and welcome to the third district of Nevada. I am very pleased our great city of Las Vegas is hosting the latest in a series of field hearings of the House Committee on Education and the Workforce. I'd like to thank our witnesses for joining us; your testimony will be very valuable as we examine ways to improve job training opportunities both here in the Silver State and across the nation.

It goes without saying that America is struggling with high unemployment and economic uncertainty. Jobs are scarce, and competition for employment opportunities is fierce. In Nevada, more than one in 10 citizens is jobless. In fact, our state has had the worst employment record in the nation for more than a year. Across the country, the unemployment rate has remained above 8 percent for 30 months. This is absolutely unacceptable.

Policymakers must do everything possible to foster a strong and competitive workforce. Right now, millions of out-of-work Americans are desperate for opportunities and assistance as they try to build a better future for their families. For these Americans, employment assistance and job-training services can be invaluable. Unfortunately, too many of these important programs are not working efficiently.

A recent report by the non-partisan Government Accountability Office found 47 separate and distinct job-training programs administered by 9 federal agencies. Of these 47 programs, 44 overlap, offering similar services to the same disadvantaged workers. Despite the \$18 billion price tag for these programs, very few have been evaluated for effectiveness. There is obvious need to reduce costs and streamline support in federal workforce training services.

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As we work to build a stronger, more competitive workforce, ensuring access to effective job-training opportunities and employment services will be critical. Your thoughts and insight will help us modernize federal job training programs to ensure they are more effective, more constructive, and more resourceful in the future. With that, I yield back the balance of my time.

Chairman KLINE. All right, thank you, gentlemen.

I recognize Mr. McKeon for any opening remarks he may have.

Mr. MCKEON. Thank you, Mr. Chairman. I would like to submit my remarks for the record, but I would like to just take a minute and say a couple of things.

I commend you, first of all, for coming here to hold this hearing. We can sit in Washington and hold hearings, but it's very important to get out in the country to find out what's really going on, and I commend you for this and other field hearings that you have held. And I commend Mr. Heck, for you are fortunate to have him representing you here in the Congress.

I've had the opportunity of serving with him. Both of these gentlemen also serve on the Armed Services Committee, the Chairman as a marine, and Mr. Heck is a Colonel in the Army, and they have provided great service to the country. I want to thank the witnesses for being here and for all of you for coming to participate in this.

Unemployment is one of the biggest problems we have in the country and it is not the same throughout the country. Right around Virginia, Washington, D.C., in that area, unemployment is only about six percent. There's a lot of government money that seems to find its way into that area.

But when you come out into the heartland, my district, I come to the Nevada border. I have the largest district in California, so I'm a neighbor all along the Nevada border, up to Lake Topaz, where 395 comes into Nevada, and I have a son that lives here in Las Vegas. So I try to get over here to see him and see what's going on, and I have children that live in Utah, so I drive through here at times to get up and visit them.

But I have been on this committee now since 1993 and served as the subcommittee chair and wrote—when I say “wrote,” the staff always writes, but the legislation Workforce Investment Act and that was passed in 1996 the first time. But we didn't get it through the whole process until 1998, and it has not been reauthorized since then and it really needs to be because when you write legislation you start out with a goal, but by the time it gets through the whole process, it's not what you envisioned.

We started out trying to take many federal programs and block grant them out and get the leadership involved at the local area where the decisions really should be made.

There are a lot of problems with the Act that need to be cleared up and I encourage the Chairman and want to work closely with him as we go through to reauthorize this bill. It really is important. So hearing from you here today as to the things that you see that we can improve in the Act, it's very, very important.

Mr. Chairman, I yield the remainder of my time.

Chairman KLINE. I thank the gentlemen.

[The statement of Mr. McKeon follows:]

**Prepared Statement of Hon. Howard P. “Buck” McKeon, a
Representative in Congress From the State of California**

Mr. Chairman, thank you for calling this very important hearing to examine local solutions to strengthen our nation's workforce training system; and thank you to Congressman Heck for hosting this hearing. I am pleased to have the opportunity to be here and I thank our witnesses for taking the time to come testify before the Committee. I look forward to hearing how we can make WIA more effective at the local level.

Mr. Chairman, it is imperative that the federal government create favorable conditions for job creation and promote policies that help get Americans back to work. Republicans in the House of Representatives have been working diligently to help create jobs. We have passed legislation to allow our domestic energy resources to be developed which will create thousands of jobs; we have ensured that there will be no new taxes and have thwarted any attempts to raise taxes; we have sought to reduce the crushing regulatory burden that constricts the growth of businesses; and, as evidenced by this hearing, Republicans are working to ensure that our nation's workforce training system remains strong through a reasonable set of reforms.

On June 22, 2011, three of my Republican colleagues joined me in introducing the Workforce Investment Improvement Act (H.R. 2295), a bill that builds on reforms proposed by Republicans in recent years to strengthen and improve programs and services under WIA with the concurrent goals of putting Americans back to work and making the United States more competitive in the 21st century. I consider the reauthorization of WIA to be one of the most pressing items on the Education and the Workforce Committee agenda and see it as an integral step to rebuilding our changing economy.

Modernizing our job training infrastructure has been one of the highest priorities of my work on the committee, and will continue to be. I share the belief with my

Republican colleagues that the workforce training system needs to be dynamic and results-oriented so it can effectively serve job seekers and workers in need of re-training. Now more than ever it is imperative that the system functions for the benefit of workers.

The key goals of the bill include:

- eliminating duplication
- strengthening coordinating infrastructure
- improving accountability
- enhancing the role of employers
- and increasing state and local flexibility to better serve our nation's workers

Together, these reforms will ensure the nation's workforce development system can respond quickly and effectively to the changing needs of job seekers and those in need of training. Throughout the process I have worked with numerous stakeholders to improve the legislation and have sought to fully understand from the business community exactly what is needed in order to match job skills to jobs available.

The past Majority on the Education and Labor Committee spent four years talking about the plight of American workers but did virtually nothing to help those workers. It is unfortunate that Democrats refused to address the need to reauthorize the Workforce Investment Act when our nation's unemployment rate continued to climb.

I worked for over six months to make this a bipartisan effort and I was willing to meet my Democratic colleagues halfway on policy, but ultimately they decided they are not willing to compromise for the benefit of American workers. Let me be clear, American workers looking to sharpen their skills to keep up with the changing economy don't see WIA as a partisan, political issue. They see WIA as an opportunity to protect their livelihoods. So while folks in Washington bicker about minutiae, workers of all political stripes are being left behind. House Republicans understand the urgency and are working to reauthorize WIA in the 112th Congress.

13.9 million Americans are currently unemployed with a 9.1% unemployment rate. The number of long-term unemployed (those jobless for 27 weeks and over) is hovering around 6.2 million. In July, 44.4 percent of unemployed persons were jobless for 27 weeks or more. The unemployment situation is not just about cyclical unemployment; there is a structural unemployment component which needs to be addressed, and the reauthorization of WIA is the best way the federal government can play a role. In order to integrate these workers back into our economy we must have a targeted Workforce Investment Act reauthorization, and that is what I am proposing.

My WIA reauthorization bill will do the following:

- Increase efficiency and focus on results
- Eliminate duplication and waste by consolidating funding to streamline program administration and enhance efficiency at the state and local levels
- Streamline state and local workforce investment boards by providing greater representation and influence for local business representatives, education officials, community groups, and representatives of employees
- Ensure the one-stop delivery system is demand-driven
- Strengthen employment services to help job seekers get back to work by incorporating current employment service functions into the description of a new category known as work ready services
- One-stop centers will be required to provide labor exchange services, including job search and placement assistance, as well as appropriate recruitment services for employers
- Remove barriers to job training by eliminating arbitrary provisions of current law that prevent job seekers from accessing training immediately
- Create Workforce Innovation in Regional Economic Development (WIRED) plans which will allow regional areas to integrate workforce development programs, one-stop services, and community and economic development funds into a comprehensive workforce development system

I know WIA reauthorization is a top priority for Chairman Kline and I look forward to working with him further to make that a reality. We must help put Americans back to work, equipped with skills that will aid their success. Members need to understand that this is not just a Washington initiative, but an initiative favored by workers all across America. Thank you again for holding this hearing and I look forward to working to strengthen our nation's workforce training system.

Chairman KLINE. I would point out Mr. McKeon is from a rather large family and I'm sure that the economy in Eastern California, throughout Nevada, and Utah are grateful for that involvement.

Pursuant to Committee Rule 7(c), all committee members will be permitted to submit written statements to be included in the hearing record. Without objection, the hearing record will remain open for 14 days to allow statements, questions for the record, and other extra material referenced during the hearing to be submitted in the official hearing record.

[The statement of Mr. Miller follows:]

**Prepared Statement of Hon. George Miller, Senior Democratic Member,
Committee on Education and the Workforce**

WIA is a lifeline for hundreds of thousands of Americans. Job training is a critical tool in helping put Americans back to work. Unfortunately, Republicans want to eliminate these opportunities. Thankfully, Democrats were able to protect these services in GOP's latest attempt to zero out these effective programs.

The Republicans have yet to offer any plan or an outline of a plan that would help the hundreds of thousands of unemployed workers in Nevada who are desperate for a job. Instead, time and time again Republicans have threatened the job training opportunities that Nevada's unemployed or dislocated workers rely on to try and get ahead and to support their families. The Republicans' lack of real commitment to the serious unemployment crisis we're facing is a threat to our economic stability, to sustainable job growth and our global competitiveness.

Mr. KLINE. Now we get to the point of the introduction of witnesses, and for that, I am pleased to yield to my colleague, Mr. Heck.

Mr. HECK. Thank you, Mr. Chairman. We have two very distinguished panels of witnesses today. I would like to begin by introducing the first panel.

Mayor Andy Hafen was elected as the City of Henderson's 12th mayor in June 2009, which is my mayor. During his elected service, Mayor Hafen has seen Henderson become the second largest city in Nevada, be named as one of the top 100 places to live in the United States. Mayor Hafen is active in the Nevada League of Cities, served as the secretary-treasurer, second vice-president, and ultimately president, elected in 2006.

Mr. Jeremy Aguero is the Principal Analyst for Applied Analysis, well known to those of us in the Las Vegas community for his in-depth analysis of our economic condition. He has been with the firm since its inception in 1997. His areas of expertise include economic analysis, operational model development, and fiscal impact analysis. Mr. Aguero attended the University of Nevada Las Vegas, where he graduated with honors in 1996. After college Mr. Aguero spent 18 months with Coopers & Lybrand and began his tenure with Applied Analysis.

Mr. Darren Enns is the current Secretary Treasurer of the Southern Nevada Building and Construction Trades Council. Anybody who knows the impact of unemployment in southern Nevada, it is those members of the building and trades. Mr. Enns also sits on the executive board of the Nevada State AFL-CIO and is a member of the Plasterers and Cement Mason Local 797. Mr. Enns was born and raised in Southern Nevada. He and his wife Elaine have four sons.

Mr. LeRoy Walker serves as the Regional Vice President of Human Resources for the St. Rose Dominican Hospitals in Nevada. Through his leadership St. Rose has been the recipient of various local and national awards. Mr. Walker also serves on the Southern Nevada Workforce Investment Board, University of Southern Nevada board for their MBA program, and the Nevada Health Care Sector Council.

Chairman KLINE. Thank you, Dr. Heck.

Before I recognize each of you to provide your testimony, let me briefly explain the lighting system. We discussed this before the hearing started, but for a refresher for the witnesses and for all in the room, let me explain how this works.

You will each have five minutes to present your testimony. When you begin, the light in front of you will turn green; when one minute is left, the light will turn yellow; when your time is expired, the light will turn red, at which point I would ask you to wrap up your remarks as best as possible.

After everyone has testified, members will each have five minutes to ask questions of the panel, and we will stay with that, going back and forth, until we've had a chance to explore the subject in some depth.

I would now like to recognize the Mayor, the Honorable Andy Hafen for five minutes. Sir, you are recognized.

**STATEMENT OF HON. ANDY A. HAFEN, MAYOR,
CITY OF HENDERSON**

Mr. HAFEN. Thank you. Good morning, Chairman Kline, members of the committee. On behalf of my colleagues on the city council and the residents of Henderson, I thank you for the opportunity to appear before you.

Before I begin my testimony, I'd also like to express my thanks to Congressman Heck. Congressman Heck represents the City of Henderson and we greatly appreciate him and his gracious invitation to testify before you on a subject that's so important to our future.

I have been asked to speak about our economic situation, the jobs outlook, and some of the initiatives we've undertaken to help improve the employment situation in Henderson. I know our time is limited, so I'll get straight to the point on the issues I have been asked to discuss.

As you're probably aware, prior to 2008 our economy was stronger than it had ever been. For many years Henderson was recognized as one of the fastest growing cities in America.

However, around the third quarter of 2008 we saw signs of an impending economic downturn and realized that our years of growth and economic prosperity were in jeopardy. The ensuing recession caused some very strong declines in our largest revenue streams, in particular, our consolidated tax and property tax.

The consolidated tax, or C-Tax, is made up of sales tax, real property transfer taxes, and several other smaller revenue streams. In 2008 that consolidated tax revenue was in excess of \$92 million, and our consolidated tax last year was just over \$70 million.

On the property tax side, in 2008 our assessed property valuation was \$15.9 billion, and our property tax collections were in excess of \$78 million.

Our assessed valuation this year is less than \$10 billion, and our property tax collections are estimated to be around \$66 million.

Losses in these and other revenue streams caused by foreclosure, decreased property values, high unemployment, lack of growth and other factors have forced our city to cut more than \$105 million from our budget and to reduce our staff complement by more than 200.

According to the Executive Office of the President's Council of Economic Advisors, every \$92,000 in government spending results in one private sector job. Given the dramatic shortfalls to ours and every other budget in this region, that means a diminishment in the amount of job growth we, as a city, are able to promote.

Weak economic indicators and continued uncertainty about our economy continue to stall reinvestment and growth.

According to the United States Bureau of Labor and Statistics, the national unemployment rate is about 9.1 percent. Nevada, by contrast, currently sits at 12.9 percent, and Southern Nevada unemployment is at 14 percent.

All of these factors combined to create a scenario that is certainly ripe with challenge when it comes to job creation and recovery.

However, in Henderson we've made it a priority in our strategic planning efforts to focus on ways to promote a strong and diverse local economy and we believe that despite our continued economic struggles, we've been achieving success in that area.

Every year we review the job outlook in Henderson to ensure we are placing priority in industry clusters that have the highest potential to create new jobs.

Over the last few years our primary focus has resulted in two key areas. The first has been private education, and the second has been healthcare.

Over the last few years, our efforts in Henderson have been able to bring 13 private colleges and universities, the largest number in any State—in any city in the State. We recognize the value of education as a pathway for good-paying jobs and diversification, so this has become a priority for us in our economic development efforts.

In the healthcare arena, we have created the Southern Nevada Medical Industry Coalition. This is a regional collaboration involving members of government, academia, doctors, nurses, businesses and chambers of commerce.

This effort has grown significantly and is now a private, non-profit with statewide representation and is one of the most successful organizations in the region tapping the federal Workforce Connections funding.

This past year alone they've successfully implemented creative programs matching healthcare training applicants with real jobs in the private sector.

As we continue to research growth opportunities for employment, we now find ourselves with a focus on alternative energy, in particular, solar energy. In October, the City of Henderson will host the first annual Global Solar Summit. We've invited the leading

solar panel manufacturers from Asia, Europe, and America to convene in Henderson for a unique business development conference.

We will be matching the leaders of these companies with regional utilities and solar developers. Over 300 companies will be in attendance, in addition to our federal workforce training officials, to promote training and growth opportunities.

We have been working hard to identify the best industries for our region and have heavily utilized federal workforce training programs to support our efforts.

In conclusion, I would just like to say we look forward to working together to create jobs, educate and train the workforce of today and tomorrow, and to rebuild our economy that is bright, vibrant and full of promise for our people. Thank you very much.

Chairman KLINE. Thank you, sir.

[The statement of Mr. Hafen follows:]

Prepared Statement of Hon. Andy Hafen, Mayor, City of Henderson, NV

Good morning Chairman Kline, members of the committee. On behalf of my colleagues on the city council and the residents of our great city, I thank you for the opportunity to appear before you.

Before I begin my testimony, I'd also like to express my thanks to Congressman Heck.

Congressman Heck represents the city of Henderson and we greatly appreciate him and his gracious invitation to testify before you on a subject that's so important to our future.

I've been asked to speak about our economic situation, the jobs outlook, and some of the initiatives we've undertaken to help improve the employment situation in Henderson.

I know our time is limited, so I'll get straight to the point on the issues I've been asked to discuss.

As you're probably aware, prior to 2008 our economy was stronger than it had ever been. For many years Henderson was recognized as one of the fastest growing cities in America.

However, around the third quarter of 2008, we saw signs of an impending economic downturn and realized that our years of growth and economic prosperity were in jeopardy.

The ensuing recession caused some very strong declines in our largest revenue streams, in particular our Consolidated Tax and Property Tax.

The Consolidated Tax, or C-Tax, is made up of sales tax, real property transfer taxes, and several other smaller revenue streams.

In 2008 that Consolidated Tax revenue was in excess of \$92 million dollars. Our Consolidated Tax last year was just over \$70 million dollars.

On the Property Tax side, in 2008 our assessed property valuation was \$15.9 billion dollars, and our Property Tax collections were in excess of \$78 million.

Our assessed valuation this year is less than \$10 billion and our Property Tax collections are estimated to be around \$66 million dollars.

Losses in these and other revenue streams caused by foreclosure, decreased property values, high unemployment, lack of growth and other factors have forced our city to cut more than \$105 million dollars from our budget and to reduce our staff complement by more than 200.

According to the Executive Office of the President's Council of Economic Advisors, every \$92,000 dollars in government spending results in one private sector job.

Given the dramatic shortfalls to ours, and every other budget in this region, that means a diminishment in the amount of job growth we, as a city, are able to promote.

Weak economic indicators and continued uncertainty about our economy continue to stall reinvestment and growth.

According to the U.S. Bureau of Labor & Statistics, the national unemployment rate is at 9.1 percent.

Nevada, by contrast, currently sits at 12.9 percent, and Southern Nevada unemployment is at 14 percent.

All of these factors combine to create a scenario that is certainly ripe with challenge when it comes to job creation and recovery.

However, in Henderson we've made it a priority in our strategic planning efforts to focus on ways to promote a strong and diverse local economy, and we believe that despite our continued economic struggles we've been achieving success in that area.

Every year we review the job outlook in Henderson to ensure we are placing priority in industry clusters that have the highest potential to create new jobs.

Over the last few years, our primary focus has rested in two key areas. The first has been private education as an industry. The second has been healthcare.

Through our efforts, Henderson is now home to 13 private colleges and universities, the largest number of any city in the state.

We recognize the value of education as a pathway for good paying jobs and diversification, so this has become a priority for us in our economic development efforts.

In the healthcare arena, we've created the Southern Nevada Medical Industry Coalition.

This is a regional collaboration involving members of government, academia, doctors, nurses, businesses and chambers of commerce.

This effort has grown significantly and is now a private, non-profit with statewide representation and is one of the most successful organizations in the region tapping the federal workforce connections funding.

This past year alone they've successfully implemented several creative programs matching healthcare training applicants with real jobs in the private sector.

As we continue to research growth opportunities for employment, we now find ourselves with a focus on alternative energy, in particular solar energy.

In October, the city of Henderson will host our first annual Global Solar Summit. We've invited the leading solar panel manufacturers from Asia, Europe and America to convene in Henderson for a unique business development conference.

We'll be matching the leaders of these companies with regional utilities and solar developers.

Over 300 companies will be in attendance, in addition to our federal workforce training officials, to promote training and growth opportunities.

We're working hard to identify the best industries for our region and have heavily utilized federal workforce training programs to support our efforts.

We will continue to rely on these programs to help educate and train workers for these industries in the future.

All of these economic development efforts are vital for us to achieve our goal of providing a strong and diverse local economy.

And all of them depend in great part on our ability to draw on the workforce training programs available to educate the workers these industries require.

So while we are still facing an uncertain economic future, one thing is certain for us, and that is education is vital to create jobs and get Henderson and Nevada back on track.

We appreciate you taking the time to come to Southern Nevada to listen to us and learn about our challenges and our successes.

We look forward to working together to create jobs, educate and train the workforce of today, and tomorrow, and to rebuild an economy that is bright, vibrant and full of promise for our people.

Thank you.

Chairman KLINE. Mr. Aguero, you are recognized for five minutes.

**STATEMENT OF JEREMY AGUERO, PRINCIPAL ANALYST,
APPLIED ANALYSIS**

Mr. AGUERO. Chairman Kline, Congressman McKeon, Congressman Heck, I appreciate the opportunity to testify before you here today.

Your staff asked me to provide a brief synopsis of employment and workforce conditions in Southern Nevada. In addition to my remarks, I have also provided a series of exhibits entitled Southern Nevada Employment and Workforce Trends, and I hope you find this information useful for your purposes.

It is appropriate that you're holding this hearing here today because this region, this State, and this community have been acutely impacted by the recession. After leading the nation in nearly every

measure of economic prosperity, including population growth, job creation, personal income growth and investment for more than 20 years, Southern Nevada now ranks at or near the nation's highest in terms of unemployment, housing price declines, foreclosure and bankruptcies.

The numbers are nothing short of staggering. The local unemployment rate now stands at 14 percent and has been above 10 percent for 31 consecutive months. Although the unemployment rate is below peak levels, its decline is attributable to the exodus of would-be workers from the labor pool, as opposed to new job creation.

Since the recession officially began in December of 2007, Southern Nevada has lost more than 140,000 jobs, 15 percent of its workforce. An average of 3,200 jobs have been lost each month for more than three and a half years. One in every 6.5 workers has been displaced.

Although unemployment has fallen from 15.7 percent to 14 percent during the past 12 months, total employment has still declined by 3,100 positions.

For those lucky enough to remain employed, hours and wages have been cut. The underemployment rate is currently estimated at 23 percent. Average hours worked among private sector workers have fallen by 11.7 percent; average weekly wages by 10.7 percent.

The Bureau of Economic Analysis ranked Nevada dead last in terms of income growth between the first quarter of 2010 and the first quarter of 2011, the last data available. And while the recession may have ended nationally, the bureau also noted that Nevada's economy continued to contract in 2010, shrinking by 0.2 percent.

Even if jobs were being created in Nevada, many displaced workers would likely remain unemployable. This is due to a number of factors, including the disproportionate share of those now unemployed who previously worked in the construction sector. At the economy's peak, construction accounted for more than 12 percent of Southern Nevada's workforce, roughly 2.5 times the national average.

Since that point, more than 72,000 construction workers have lost their jobs, roughly two in every three. The transferability of these skill sets is limited in today's economy, a challenge also confronting scores of service industry and lower level administrative employees whose jobs have been eliminated.

Not all of our challenges are the result of cyclical or structural changes in the economy. Some of our wounds are self-inflicted. Nevada reports among the lowest levels of educational attainment for its adult population. Adding to this challenge, the State has neglected its K through 12 education system for more than a generation, a fact reflected by the lowest high school graduation rate in the United States, and frightening low reading, math and science test scores among elementary and secondary students.

Notwithstanding the best efforts of some, our college and university system has never had the resources, nor the standing to effectively contribute to our State's economic development goals.

I do not want to leave you with the impression that Southern Nevada is a sinking ship. Although unmoored and struggling to find

a safe harbor, there are some notable pockets of prosperity. The tourism industry has reported strong improvements over the past 12 months, adding 8,000 positions. Moreover, core employment—defined as total employment less construction and government jobs—has been positive for most of the past 12 months and is up more than 13,000 positions since bottoming out in August of 2009.

While some businesses continue to struggle, others are again profitable. Conditions are far from good, but they are markedly improved when compared to conditions 12 or 24 months ago. While our community is fatigued and fragile, it is also resilient and resourceful.

I, for one, appreciate your continued efforts on our behalf. Thank you again for being here today and for allowing me to join you.

Chairman KLINE. Thank you, sir.

[The statement of Mr. Aguero follows:]

**Prepared Statement of Jeremy A. Aguero, Principal Analyst,
Applied Analysis**

Chairman Kline, Congressman Heck, and members of the Committee on Education and the Workforce, I appreciate the opportunity to testify before you here today. Your staff has asked me to provide a brief synopsis on employment and workforce conditions in southern Nevada. In addition to my remarks, I have also provided a series of exhibits entitled, Southern Nevada Employment and Workforce Trends. I hope you find this information helpful.

It is appropriate you are holding this hearing here today because this region, state, and community have been acutely impacted by the recession. After leading the nation in nearly every measure of economic prosperity, including population growth, job creation, personal income growth and new investment, for more than 20 years, southern Nevada now ranks at or near the nation's highest in terms of unemployment, housing price declines, foreclosure and bankruptcy.

The numbers are nothing short of staggering. The local unemployment rate now stands at 14 percent and has been above 10 percent for 31 consecutive months. Although the unemployment rate is below peak levels, its decline is attributable to the exodus of would-be workers from the labor pool as opposed to new job creation. Since the recession officially began in December 2007, southern Nevada has lost more than 140,000 jobs, 15 percent its workforce. An average of 3,200 jobs have been lost each month for more than three and a half years; 1 in every 6.5 workers has been displaced. Although unemployment has fallen from 15.7 percent to 14.0 percent during the past 12 months, total employment has declined by 3,100 positions.

For those lucky enough to remain employed, hours and wages have been cut. The underemployment rate is currently estimated at 23 percent. Average hours worked among private sector workers have fallen by 11.7 percent; average weekly wages by 10.7 percent. The Bureau of Economic Analysis ranked Nevada dead last in terms of income growth between the first quarter of 2010 and first quarter of 2011 (the latest available data); and, while the recession may have ended nationally, the Bureau also noted that Nevada's economy continued to contract in 2010, shrinking by 0.2 percent.

Even if jobs were being created in Nevada, many displaced workers would likely remain unemployable. This is due to a number of factors, including the disproportionate share of those now unemployed who previously worked in the construction sector. At the economy's peak, construction accounted for more than 12 percent of southern Nevada's workforce—roughly 2.5 times the national average. Since that point, more than 72,000 construction workers have lost their jobs, roughly two in every three. The transferability of these skill sets is limited in today's economy, a challenge also confronting scores of service industry and lower-level administrative employees whose jobs have been eliminated.

Not all of our challenges are the result of cyclical or structural changes in the economy. Some of our wounds are self inflicted. Nevada reports among the nation's lowest levels of education attainment for its adult population. Adding to this challenge, the state has neglected its K-12 education system for more than a generation, a fact reflected by the lowest high school graduation rate in the United States and frighteningly low reading, math and science test scores among elementary and sec-

ondary students. Notwithstanding the best efforts of some, our college and university system has never had the resources nor standing to effectively contribute to the state's economic development goals.

I do not want to leave you with the impression southern Nevada is a sinking ship. Although unmoored and struggling to find a safe harbor, there are some notable pockets of prosperity. The tourism industry has reported strong improvements during the past 12 months, adding nearly 8,000 positions. Moreover, core employment—defined as total employment less construction and government jobs—has been positive for most of the 12 months and is up more than 13,000 positions since bottoming out in August 2009.

While some businesses continue to struggle, others are again profitable. Conditions are far from good, but they are markedly improved when compared to conditions 12 or 24 months ago. While our community is fatigued and fragile; it is also resilient and resourceful.

I for one appreciate your continued efforts on our behalf. Thank you again for being here today and for allowing me to join you.

Chairman KLINE. Mr. Enns, you are recognized.

**STATEMENT OF DARREN ENNS, SECRETARY TREASURER,
SOUTHERN NEVADA BUILDING AND CONSTRUCTION TRADES**

Mr. ENNS. Thank you. Hello, my name is Darren Enns. I'm the secretary treasurer of the Southern Nevada Building and Construction Trades Council. I would like to start by thanking Ranking Member Miller for the invitation, and Chairman Kline and members of the committee for allowing me to testify today.

I come before the committee on behalf of 20,000 highly trained craft workers in the Southern Nevada area who belong to one of 17 local unions that make up the Southern Nevada Building and Construction Trades Council.

These locals, in partnership with their signatory contractors, run apprenticeship and training programs that provide the skills necessary for a good career in the construction industry. As the apprenticeship system has functioned for centuries, the apprentice works and earns a wage with good benefits while attending class all the while moving to journeyman status. Furthermore, the national scope of all of our unions allows us to bring in travelers with standardized training and certifications, providing reliable and highly-trained workers for our contractors, regardless of the need.

Unfortunately, that demand for workers in our area isn't there anymore, even though Southern Nevada and the country as a whole has gaping needs for new energy and infrastructure.

Because of the lack of construction jobs in Nevada, I have been on the lookout for a way to try to help make things better for the people I represent. For this reason I found myself attending workforce investment board workshops at the local level and listening to all of the ideas that people put forth in order to create jobs.

As the organization that represents the premier training programs in the area, I wanted to share our model for high-skilled training that seamlessly matches people with employment. I also hoped to gather new ideas to ensure we remained the best trainers in the country and to find opportunities to meet new industry demands, and thus create more jobs for my members. I applaud the local board for listening to my ideas and recognizing what the building trades bring to the training world. I hope that our model helped them to find ways to build more connections between training and employment.

I believe, however, we should be trying to create jobs, not students. Unfortunately—

Voice. What we need is jobs. We need jobs. I have been 28 years in the construction industry—

Chairman KLINE. Ma'am, would you wait until he finishes speaking? Thank you very much.

Mr. Enns.

Voice. I want to find jobs for people. That's what I want. I want to hear how you are going to fund these trainings.

Chairman KLINE. Mr. Enns, would you suspend your—

Voice. I want to hear from Joe Heck, what he intends to do about job training and jobs. You don't want to spend money on anything, so where are you going to get the money to do even this program? I support training. But I need a job. I'm going to lose my health insurance. I have a little piddly little IRA that I am going to sell so I can pay my rent, my mortgage for the next—for the end of the year.

Chairman KLINE. Mr. Enns.

Mr. ENNS. I believe we should be trying to create jobs, not students. Unfortunately—

Voice. What we need is a job, you know, it is simply beautiful when you say, driving, trying to move, I have not had a job for six months. I have to pay my rent. I have to do what I have to do.

Chairman KLINE. We would like to hear from the witness in the hearing, if you could please step outside. Mr. Enns, you are recognized.

Mr. ENNS. Thank you. Unfortunately, there is nothing my workforce investment board, or any other, can do to spur meaningful job creation. Businesses are cautious—

Voice. Can I ask you, are you going to remove everybody who is asking for jobs? Please, Mr. Heck, is that what you are doing in the Congress.

Chairman KLINE. If there are others who would like to disrupt the hearing, we would like to get through that as quickly as we can. No.

Mr. Enns.

Mr. ENNS. Businesses are cautious and hoarding cash, afraid to create a job in these uncertain times. I can't blame them, when they can't be sure if the government is going to slash needed programs that generate real economic activity and cut off their unemployment benefits, or if real help will come from Washington, D.C. to put our economy back on track, like rebuilding our infrastructure, investing in new energy projects, or helping people like my members with mortgage relief.

During this recession our members have continued to build their skills, even with the lack of work. The journeymen craft workers have gone back to the classrooms for journeyman upgrade classes so that they can better serve the contractors who they—when they finally do go back to work.

In the State of Nevada we supported OSHA 10 and 30-hour training for all construction workers and all of our many craftspeople have returned to the classroom for that safety training that is now a State law. In my experience as a member of the Plasterers and Cement Masons Local 797, I know that we as union

members are very well trained, and yet our industry is still plagued with high unemployment. So when discussions start to go the direction of training, it seems to me that we're not going to get anyone to work this way.

Despite the best efforts of the local workforce investment board, I personally never saw anyone go to work as a result of their efforts. We need to be creating jobs, so my local workforce investment board can begin the hard work that the Southern Nevada Building Trades have been doing for decades: Providing meaningful training, leading to good careers, directly connected to employment and industry needs.

It is a good feeling when you are able to send someone to a job that they may not have gotten without your efforts. I'd encourage Congress to pursue that feeling. Wouldn't you feel great if you returned to your district to see your constituents repairing a structurally deficient bridge or building a new, clean and safe school.

I would like to close with personal account of a conversation I had with my grandfather, who was my instructor in the plastering trade many years ago. We had a job on the west end of Las Vegas that sat on a golf course. We stopped for a break at lunch time, high on a building that had a commanding view of the Las Vegas Valley. After eating and enjoying the view, I commented to my grandfather about how much the city had grown in the last several years of my short recollection. He agreed and he said—and I said “It has to come to a stop sometime.” He laughed and said, “We have been saying that for 30 years.”

Well, it's been another 20 years since then and I'm saddened to report that we have found the day when it stopped. Construction craftspeople are now suffering the worse unemployment in Nevada history. We need your help to create jobs. Building trades have been taking care of the training, in our industry anyway, for decades, and we will continue to do so. Thank you.

Chairman KLINE. Thank you, sir.

[The statement of Mr. Enns follows:]

**Prepared Statement of Darren Enns, Secretary/Treasurer,
Southern Nevada Building and Construction Trades Council**

Hello my name is Darren Enns and I am the Secretary/Treasurer of the Southern Nevada Building and Construction Trades Council. I would like to start by thanking Ranking Member Miller for the invitation, and Chairman Kline and the members of the committee for allowing me to testify today. I come before the committee on behalf of 20,000 highly trained craft workers in the Southern Nevada area who belong to one of 17 local unions that make up the Southern Nevada BCTC. These locals, in partnership with their signatory contractors, run apprenticeship and training programs that provide the skills necessary for a good career in the construction industry. As the apprenticeship system has functioned for centuries, the apprentice works and earns a wage with good benefits while attending class all the while moving to journeyman status. Furthermore, the national scope of all of our unions, allows us to bring in travellers with standardized training and certifications; providing reliable and highly-trained workers for our contractors regardless of the need. Unfortunately, that demand for workers in our area isn't there anymore. Even though Southern Nevada and the country as a whole has gaping needs for new energy, and infrastructure.

Because of the lack of construction jobs in Nevada I have been on the lookout for a way to try to help make things better for the people I represent. For this reason I found myself attending workforce investment board workshops at the local level and listening to all of the ideas that people put forth in order to create jobs. As the organization that represents the premier training programs in the area, I wanted to share our model for high-skilled training that seamlessly matches people with

employment. I also hoped to gather new ideas to ensure we remained the best trainers, and to find and all opportunities to meet new industry demands and thus create more jobs for my members. I applaud the local board for listening to my ideas and recognizing what the Building Trades bring to the training world. I hope that our model helped them find ways to build more connections between training and employment.

I believe we should be trying to create jobs, not students. Unfortunately, there is nothing my workforce investment board, or any other, can do to spur meaningful job creation. Businesses are cautious and hoarding cash, afraid to create a job in these uncertain times. I don't blame them, when they can't be sure if the government is going to slash needed programs that generate real economic activity and cut off their unemployment benefits, or if real help will come from Washington, DC to put our economy back on track—like rebuilding our infrastructure, investing in new energy projects, or helping people like my members with mortgage relief.

During this recession, our members have continued to build their skills even with the lack of work. The Journeymen craft workers have gone back to the classrooms for journeyman upgrade classes so that they can better serve the contractors when they finally do go back to work. In the state of Nevada we supported OSHA 10 hour and 30 hour training for all construction workers and all of our many craftspeople have returned to the classroom for that safety training that is now a state law. In my experience as a member of the Plasterers and Cement Masons Union local 797 I know that we as union members are Very well trained, and yet our industry is still plagued with high unemployment So when discussions start to go the direction of more training, it seems to me that we're not going to get anyone to work this way. Despite the best efforts of the local WIB, I personally never saw anyone go to work as a result of their efforts. We need to be creating jobs, so my local WIB can begin the hard work that the Southern Nevada Building Trades have been doing for decades—providing meaningful training, leading to good careers, directly connected to employment and industry needs.

It's a good feeling when you are able to send someone to a job that they may not have gotten without your efforts. I'd encourage Congress to pursue that feeling. Wouldn't you feel great if you returned to your district to see your constituents re-pairing a structurally deficient bridge or building a new, clean and safe school?

I would like to close with a personal account of a conversation that I had with my grandfather who was my instructor in the Plastering trade many years ago. We had a job on the west end of Las Vegas that sat on a golf course. We stopped for a break at lunch time high up on the building that had a commanding view of the Las Vegas Valley. After eating and enjoying the view I commented to my grandfather about how much the city had grown in the last several years of my short recollection. He agreed and then I said "It has to come to a stop some time" He laughed and said "we've been saying that for 30 years..." Well, it's been another 30 years since that day and I'm saddened to report that we have found the day when it has stopped. Construction craftspeople are now suffering the worst unemployment in Nevada history. We need your help to create jobs. The Building Trades have been taking care of the training, in our industry anyway, for decades and will continue to do so.

Chairman KLINE. Mr. Walker, you are recognized.

STATEMENT OF LEROY WALKER, VICE PRESIDENT, HUMAN RESOURCES, ST. ROSE DOMINICAN HOSPITALS, NEVADA MARKET

Mr. WALKER. Thank you for this opportunity. There are many who would say that there's no longer a nursing shortage. Rest assured that once we turn the corner related to our economic situation, the nursing shortage will be even deeper than we could imagine. Please recognize many of our staff are waiting for an economic recovery prior to announcing their retirement.

I say this as I see our staff come to human resources on a weekly basis, checking on their retirement benefits. Therefore, programs must be in place now to address what could be a mass exodus of our caregivers in the new future.

In an environment in which costs are spiraling out of control, healthcare is challenged to reduce costs. One area we find in which costs can be reduced is in our on-boarding and orientation of candidates for various positions. Our environment is one in which more and more legislation requires more and more training, much of which we find ourselves responsible for in order to provide safe patient care. These types of programs, while necessary, certainly do not reduce the costs of healthcare.

Within my organization we've identified issues that have an impact on on-boarding and implementing various programs to address skill gaps.

Every new hire is required to have a thorough background check completed pre-hire. This check is conducted against a national database. It is unfortunate when we find a new graduate candidate that cannot pass the background check, due to issues that may have occurred prior to even applying to nursing school. This type of scrutiny, while necessary, also results in delays in the hiring process.

We have found that nursing schools have typically provided clinical assignments, rotating students through the community. While these clinical assignments are necessary, they do not serve each organization well since equipment, documentation, and quality may differ throughout the community. As a result, St. Rose has developed a relationship with Roseman University—that's a for-profit entity—to provide an on-site nursing program tailored for the future needs of St. Rose. These students learn one way to do things, and that's the St. Rose way, and they're less likely to leave the organization, since they have received their training through the organization.

Due to the rotation of students throughout the community for their clinical experiences, we found the need to implement a different program, called the Versant Program. It is designed to provide new graduates with the opportunity to have up to 18 weeks of additional training and mentorship within our organization as they transition from life as a student to life as a professional. That's an addition of 18 weeks of added costs to train a new graduate in areas that are important to the organization.

We provide a multitude of certifications on-site for staff to ensure that they maintain the qualifications for their positions. Additionally, we provide education assistance programs to our staff.

We recruit nationally for trained clinical staff. However, we are challenged by the current economic situation in which selling of homes in other parts of the country makes it difficult to recruit in the once attractive Las Vegas market, even with our very attractive housing buyers market.

We continue to build relationships with various students throughout the community to ensure that their curriculum and students can better meet the needs of the employer upon graduation.

While we are regularly attempting to address issues related to the skill gaps with our nurses, we all must be cognizant of the fact that shortages exist in virtually every allied health profession.

Nevada is ranked 32nd in the nation in respiratory therapists per capita. We currently average 28.1 respiratory therapists per 100,000.

Nationally, the projected growth of imaging techs is 17 percent by 2018. Nationally we currently average 66.9 radiologic technicians per 100,000.

The American Registry of Radiologic Technologists board of trustees has formally approved the associate degree as the minimum educational requirement for the certification examinations beginning January 1st of 2015. This is something we need to address now. That will be the minimum certification.

Training needs within the—I'm sorry, coders will be required to learn and adapt to new requirements surrounding ICDT-10 in order for hospitals to be appropriately reimbursed.

Training needs within healthcare are complex and have resulted in a need to have organizations to ensure that staff is trained properly. Additionally, the partnering with various educational systems to ensure that their curriculum is in alignment with our needs has become more necessary than ever. As we each find the need for more and more healthcare, we must find a better, more efficient way to ensure that staff is appropriately trained and prepared to provide the care we need.

In closing, the support of government and the business community is essential to insure that Nevada has the healthcare professionals we need in the future. It is through these initiatives that we will train the leaders of the future and provide opportunities for Nevada to retain our investment in those who will care for current and future generations. Thank you.

Chairman KLINE. Thank you, Mr. Walker.

[The statement of Mr. Walker follows:]

**Prepared Statement of LeRoy Walker, Regional Vice President,
Human Resources, St. Rose Dominican Hospitals**

While there are many who will say there is no longer a nursing shortage, rest assured that once we turn the corner related to our current economic situation the nursing shortage will be even deeper than we could imagine. Please recognize many of our staff are waiting for an economic recovery prior to announcing their retirement. I say that as I see our staff come to Human Resources weekly, checking on their retirement benefits. Therefore, programs must be in place now to address what could be a mass exodus of our caregivers in the future.

In an environment in which costs are spiraling out of control, healthcare is challenged to reduce costs. One area we find in which costs can be reduced is in our on-boarding and orientation of candidates for various positions. Our environment is one in which more and more legislation requires more and more training, much of which we find ourselves responsible for in order to provide safe patient care. These type programs, while necessary, certainly do not reduce the costs of healthcare.

Within my organization we have identified issues that have an impact on on-boarding and implemented various programs to address skill gaps.

- Every new hire is required to have a thorough background check completed pre-hire. This check is conducted against a national data bank. It is unfortunate when we find a new graduate candidate that cannot pass the background check due to issues that may have occurred prior to even applying to nursing school. This type scrutiny, while necessary, also results in delays in the hiring process.

- We have found that Nursing schools have typically provided clinical assignments rotating students through the community. While these clinical assignments are necessary, they do not serve each organization well since equipment, documentation, and quality may differ throughout the community. As a result SRDH has developed a relationship with Roseman University (a for-profit entity) to provide an on-site nursing program tailored to the future needs of SRDH. These students learn one way to do things, the SRDH way, and are less likely to leave the organization since they have received their training with us.

- Due to the rotation of students throughout the community for their clinical experiences, we have found the need to implement the Versant Program which is designed to provide new graduates with the opportunity to have up to 18 weeks of additional training and mentorship within our organization as they transition from life as a student to life as a professional. That is 18 weeks of added costs to train a new graduate in areas important to the organization.

- We provide a multitude of certifications on site for staff to ensure they maintain the qualifications for their positions. Additionally, we provide education assistance programs to our staff.

- We recruit nationally for trained clinical staff. However, we are challenged by the current economic situation in which selling of homes in other parts of the country, makes it difficult to move to the once attractive Las Vegas market, even with our attractive housing buyers market.

- We continue to build relationships with the various schools throughout our community to ensure that their curriculum and students can better meet the needs of the employer upon graduation.

While we are regularly attempting to address issues related to the skill gap with our nurses, we all must be cognizant of the fact that shortages exist in virtually every other allied health profession.

- Nevada is ranked 32nd in the nation in respiratory therapists per capita.
- We currently average 28.1 respiratory therapists per 100,000
- The population over 65 is projected to grow by 90% by 2020
- Nationally the projected growth for imaging techs is 17% by 2018
- Nationally we currently average 66.9 Radiologic technicians per 100,000
- BLS predicts that 76,000 additional imaging and radiation technologists by 2018

- American Registry of Radiologic Technologists (ARRT) Board of Trustees has formally approved the associate degree as the MINIMUM educational requirement for its certification examinations beginning Jan. 1, 2015.

- Coders will be required to learn and adapt to new requirements surrounding ICDT-10 in order for hospitals to be appropriately reimbursed.

Training needs within healthcare are complex and have resulted in the need for organizations to ensure that staff is trained appropriately. Additionally, the partnering with various educational systems to ensure that their curriculum is in alignment with our needs has become more necessary than ever. As we each find the need for more and more healthcare, we must find a better more efficient way to ensure that staff is appropriately trained and prepared to provide the care we need.

The support of government and the business community is essential to insure that Nevada has the healthcare professionals we need in the future. It is through these initiatives that we will train the leaders of the future and provide opportunities for Nevada to retain our investment in those who will care for current and future generations.

Chairman KLINE. I want to thank all the witnesses for your testimony and for your patience.

We are going to now start a series of moving back and forth among the members of the committee to ask questions and explore some of the issues that you have raised. We are going to try to stick to our own five minute rule. Rosemary will remind me, I'm sure.

Let me start by saying that we have heard some discussion here about we need jobs, and that's the job. We need jobs. We need the economy growing and we need to match up the skills with the jobs that are available.

We are struggling with a system that is not working efficiently or effectively. Sometimes it hasn't been measured. When I was first elected I went to visit a one-stop shop in my home county, the largest county in my district, and it was a very nice tour, very nice people, representatives of the community college, members of the board.

We walked through the facility and I saw places where there were computer stations and people sitting at the computer stations working on resumes, and I asked the question, I said, "Well, how many people come in here?" And they gave me a number, a fairly substantial number of people looking for work, and this is when the economy was in pretty good shape, back in 2003. And I said, "Well, how many of those people get jobs?" Well, they didn't know.

I said, "Well, then, how you know that this is working?" And they said, "Well, we have 100 people a month or something come through and get help with their resumes." And I said, "That's nice, but how many of those get a job?" And they didn't know.

We are doing a very, very poor job, I think, around the country of really measuring whether or not the efforts that we're putting in are doing what they are supposed to do.

So we have a number of issues to explore here today. We've had some comments from you about what is working and what is not working and clearly, again, one of the reasons that we are here is that the Southern Nevada and Las Vegas area is struggling with pretty high unemployment, and certainly we know the building trade has had a big, big hit here, as it has many places in the country.

Let me start by going to the mayor. You said that you and the council had picked out some industry clusters to look at ways to sort of enhance the economy and open up jobs here in Henderson and you were focusing your efforts on growing industries in two key areas: education and health care. And you mentioned some of the work in healthcare, and not so much in education, but I've got two questions here: How did you pick those two areas, and how is that working out in both areas.

Mr. HAFEN. Well, first I would like to tell you that we have a great economic development director, and through some of his analysis and assessments, he came up with these two industries as being lacking in the city—well, in Southern Nevada. So that's the way that those two industries, education and healthcare, were focused on in the City of Henderson.

Chairman KLINE. There wasn't enough industry representation, or there was an unmet demand.

Mr. HAFEN. I think a little bit of both. Of course Congressman Heck, Dr. Heck can tell you that healthcare in this Southern Nevada area, and I believe in the country, is a major up-coming employment center.

Chairman KLINE. What are your efforts in reaching out to develop the education sector? What are you doing about that.

Mr. HAFEN. The thing that I think we've done very well with that is we have been out actively in the community and outside of our own borders recruiting. As I said in my testimony, we have 13 private colleges in the City of Henderson that are up and running and are successful, and of course we have a great number of students attending those colleges and universities.

Chairman KLINE. Are these in the private sector, for-profit or not-for-profit or a combination.

Mr. HAFEN. A combination.

Chairman KLINE. A combination, okay. Well, that's one of the reasons we like to come out here and hear about the innovation

that's happening in the locality, that we are not getting some of those ideas so much back in Washington.

I see I've got more questions. We are going to go through a couple of rounds here, but rather than start another question when I'm clearly going to over-run my time, I will in turn yield five minutes to Mr. McKeon.

Mr. MCKEON. Thank you, Mr. Chair. The little disruptions we had, people are really frustrated throughout the country. Actually, that was a very mild disruption, compared to some of the town hall meetings I've seen.

People are frustrated. They want jobs. I don't know what jobs they want; I don't know what their training was, how do we—you come from different fields. You really focused in on nursing, and I think what you alluded to is we think we have solved the nursing problem because the economy has slowed everything down and we think we have now enough nurses, knowing that we don't. And so that's a fairly important sector.

Everybody—I shouldn't say everybody, but probably everybody in the field knows you need nurses and I know that there are schools providing that training. How do they find out what other things, what are the, specifically, what do you think the factors are that are causing people that create jobs from creating them? What's holding people back?

Who creates jobs? Entrepreneurs? Some industries create jobs, but they come after the economy is already booming. Somebody has to get the economy moving. What do you see as the impediment to the creation of jobs? Anybody?

Mr. AGUERO. Mr. Chairman, I'll move up to the mic and attempt to answer the question. I think it is a very difficult one. Is the question that you are asking nationwide or here in Southern Nevada?

Either one. Well, let me tell you, I think I know a little bit more about Southern Nevada than I do the nation as a whole. Let me tell you that I don't think it is one thing. I think it's any number of things.

The first question you asked is where are jobs created. Here in Southern Nevada jobs have largely been created, more so over time, by very large companies: hotels, casinos, those types of things were the impetus for most of the job creation.

Over the past decade, however, about 90 percent of the job growth we did have, before the economy turned downward, was hotel-casino jobs. These are other industries, business and professional services, education and health services, manufacturing, distribution-type industries that were largely leading the type of industry that we had.

The second question sort of bridged, okay, how do we—what are the impediments? Why is that not happening today? Relative to why it is not happening today, I think, number one, is just the pure uncertainty of the economy.

This economy, much like the balance of the nation, was sort of seeing some leveling off and even some movement upward until the slew of very difficult circumstances that hit the nation: Rising gas prices in the early spring; tornadoes; a tsunami with nuclear implications; debt crises both here at home and overseas.

All of those types of things created some degree of significance, a significant degree of uncertainty within the economy. Right here at home we have not done a very complete job, if you will, of sort of answering the question: How we are going to fund our State and local governments over a longer term. Again, leading to uncertainty.

I would also add to that the other impediments are things like education. I tend to believe that education is what you have after you've forgotten everything they taught you in school, borrowing that from someone else, surely.

But we have failed to educate our children and now we're shocked and stunned that they are not employable. And come on, certainly that's not all of them. But the fact that we as a nation have focused more on fiscal capital and less on human capital, while nations outside of our borders have gained ground on us from education, means that our students have a competitive disadvantage within the workforce.

I think that the combination of those two things: the uncertainty and the fact that we are simply not prepared for the jobs of today, much less the jobs of tomorrow, are likely causing the impediments that you asked about.

Mr. MCKEON. Yes.

Mr. WALKER. And I would like to tie into some of that. I agree with the comment, but one point I would like to drive home is as students graduate from some of these college programs, we are re-educating because they are not getting all the things that we need as an employer for them to do for us as that employer.

To say that I have to educate somebody for an additional 18 weeks because this is how we do things within our organization, in my mind says why aren't we talking more to the colleges to ensure that they know what we are looking for as an employer, so that they are ensuring that those students get those things, so that we're not paying those additional dollars.

Chairman KLINE. The gentleman's time has expired. Dr. Heck.

Mr. HECK. Thank you, Mr. Chairman. My thanks to the panel for taking the time to be here today and I share the frustrations of those who voiced their concerns. And on a personal level, I have a 24-year-old daughter who is a recent graduate from UNLV with a degree in hotel and restaurant management, our premier school at UNLV, just moved away from Las Vegas because she couldn't find a job here. Just last week she has moved away from Las Vegas to find a job elsewhere.

I know we need jobs here in Nevada. It has affected my family. Mayor, I'm blessed that I've lived in Henderson my entire time that I have been in Nevada. We have had visionary leadership, both yourself and your predecessors, in a very deliberative and stepwise progression of growing Henderson into the city that is one of America's most livable cities.

We mentioned the 13 universities and schools and I've visited most of them since being elected and I'm very impressed by what they offer. Not only do they bring talented folks to our city as employees, but they are also educating the future generations and we certainly have grown to being the medical epicenter of Southern Nevada, with Touro, the State college, and the nursing program.

How do you see that as tying into the new development of the medical village, hopefully coming on-line in the not too distant future, growing those type of jobs? How big of a role do those universities and entities within Henderson play in helping to create the other jobs, the construction jobs, building that village and the staffing of the village, once it is up and running?

Mr. HAFEN. They will play a very important role. As Mr. Walker commented, what we need to do is somehow put together our colleges and our universities with developments such as Union Village and make sure that the educators are teaching what the workers need to know. And there's going to be some very high technology and cutting-edge operations at that Union Village Center.

So our education and universities need to be able to give these types of developments those students that can be up and running from the very start.

Mr. HECK. Is that interchange taking place today? What can be done to foster that communication between the employer and the developer and those that are actually doing the training of our future workforce?

Mr. WALKER. That's a conversation between the employers and those educational institutions because as they sit down and develop curricula I, for one, have insisted, especially as it relates to nursing curricula, that they sit down and talk to our C and E. They know what our organization needs. So they talk about how the curriculum can be tailored such that individuals can step out of those programs and immediately be able to start doing things within our organization.

While you are speaking of nursing, it is far more than nurses. It's the radiology imaging, respiratory therapy, it is all those things.

Mr. HECK. But those conversations are on-going, or they have started.

Mr. WALKER. Those conversations have started.

Mr. HECK. Started, need to foster and grow.

Mr. WALKER. Yes.

Mr. HECK. Mr. Enns.

Mr. ENNS. I don't mean to butt in, but I'm afraid I might not get a chance if I don't. What I wanted to notice here was that we have been looking at one side of the picture, in my opinion, and I have been involved in these talks for over, probably about two years now, obviously, because of our economy. And we keep hearing the same words over and over again: employer; developer; educational institutions.

But the one thing that we are leaving out is the people. We have, what we are working on here, what we are talking about here is a long-term solution. While I don't discount that we should have a long-term solution for the education and the promotion of jobs in the State of Nevada, what we, one thing we aren't focusing on is the people who are out of work in the State of Nevada. And you mentioned, Mr. Heck, that the highest unemployed percentage of unemployed people in the State of Nevada is construction workers.

I haven't heard anyone say that so far today, except for myself. And so if we want to change the unemployment statistics in the State of Nevada, what's the quickest way to change it? Find a way

to put the people to work that are out of work. It's not just construction workers, but that's who I represent.

So how do we do that in the quickest way possible? I think we should be talking about that, also, not just the up-coming fields, and the education that's required to get people—I'm not sure, I do know some construction workers who have gone into the nursing field, I'll tell you that. But they are few and far between. And I don't know how we are going to get 40 or 50,000 construction workers into the nursing field.

So we've got to look at ways, in my opinion, that get those that are out of work to work. If it is not in construction, it may be in something else. I would support the idea of alternative energy and renewable energy stuff in the State of Nevada. This is a perfect place for that, and I think that, you know, we talk about it a lot. We are making some end roads toward building renewable energy in the State of Nevada.

But that's the quickest way, in my opinion, to get those numbers changed, is to put those people back to work and we have a perfect way to do it and it does require education to do that.

Chairman KLINE. Thank you. I am mindful that we have another panel, and I want to make sure I leave time for them. But I think we have enough time to go through another quick round of questions here while we have this panel.

So I'm the Chairman. I get to make that decision. That's what we are doing to do. So I'll recognize myself and try very hard to strictly adhere to our own five-minute clock because we do have the other panel.

I want to continue to explore the discussion that Mayor Hafen and Mr. Walker, Mr. Heck were having about connecting the employer with the educational institution. We've had a number of hearings, field hearings, as I mentioned earlier, around the country. One of the things that we have heard is in the educational institution itself, that there be members of the business community who are on advisory boards, for example, helping to develop the curriculum.

Mr. Walker, you said you need 18 weeks more of training. It seems to me that's a problem that we ought to be able to solve. Workforce investment boards, there is a requirement under the Act that there be employers, business representatives on that.

It seems to me we need to start to make that connection and I would like to hear from you, Mr. Mayor, or from anyone who has had direct experience with that to see where there are examples where that connection is being made to not only help identify the jobs that are available, and then what we are doing about connecting the people who are training for those jobs with where the job openings are.

Mr. HAFEN. Maybe I can offer this: We, myself and the other council members, go out on a weekly basis and we visit businesses in the City of Henderson. One of the trends that we saw in some of those visits was that, especially in some of our industries, the business owners were saying hey, we just don't have the educated workforce that can maintain some of the equipment that we have.

I think where we are lacking, maybe as a city and city council, is we didn't go that one step further and through this testimony

today, I intend to include educators and the universities and some of the private colleges in the City of Henderson in these weekly visits so that we can coordinate between education and the employer to exactly what their needs are.

Chairman KLINE. Well, let me interrupt for just a second. It seems to me that's the way it was supposed to be set up. That's why we have hearings like this is to find out what's working and what's not working.

Back to my original comments about going to a one-stop, walking through and asking how many people actually got jobs and being given the blank stares, they really didn't know, they weren't tracking that. So they didn't know if it was working.

But that system is designed to help connect the training preparation of workers with where they are needed. That's why you have the make-up that you have on the board. But that's currently not working because we have Mr. Walker's testimony that says they are not prepared, the workers are not prepared, nurses and radiologists and so forth and they have to get additional training.

There's a disconnect there and I hear the same thing from the mayor here, says that out and about, as all mayors should be, and that's a very good thing and there's a disconnect. So that's part of what we are exploring here.

I know Mr. Enns has testified that in the apprenticeship and journeyman and union training system it is designed for connect, but there don't happen to be jobs available there right now. So there is a connect between training and what they need to do, there just aren't the jobs there. So there's going to have to be some crossing over, and I know not every construction worker is going to go into nursing. I certainly hope they don't. One of these days I'm going to have a leak in my roof and I want to make sure there's somebody there to do it.

But we have a disconnect and I'm trying to explore if there's anything here that you are seeing where we can make that connection. Mr. Enns?

Mr. ENNS. I'll state it again, that you can have all the education you want and put people through four and six and eight years worth of college to prepare themselves for the jobs that will be available in the future, and even for the jobs that may be available today, although they may be few and far between.

But you are still going to have tens of hundreds of thousands of people across the country that are sitting at home out of work.

Chairman KLINE. No question, until the economy gets going, we are going to have a high jobless rate. That's an important issue which we need to address as a Congress and a nation.

But the specific issue before us now is how do we connect the available employees with the jobs that are there, and there seems to be a continuing disconnect. Mr. McKeon.

Mr. MCKEON. Thank you, Mr. Chairman. Whose responsibility is it to create jobs?

Mr. HAFEN. I would like to go back to that. You asked that question before, too, and it is actually all of ours: It is the private sector; it is the public sector; it is the business people.

Quite frankly, I think one of the problems that we have, especially in this economy, and I'm not going to be too Pollyanna-ish

here, but people need to have hope and faith that things are going to get better. And what I try to do when I'm out and about is let people know that Henderson is open for business, and I think if you just get that attitude changed within our country, that things will start loosening up and get better.

Mr. MCKEON. Whose responsibility is it to create jobs.

Mr. AGUERO. I would echo what the mayor said. I think it is all of our responsibility to create jobs, particularly those that have them today. The small business owner; the large business owner, to try and keep people employed.

I think at the heart and soul of this community, respecting the fact that some places like construction have been disproportionately impacted by the downturn because they simply can't hold on. I can't tell you how many business folks I have talked to, large and small, that have done everything that they can to bring jobs back, as well as through most of the downturn, try and keep as many people working as long as possible for as long as possible.

So going directly to your question, I think what is reflected in this community and continues to be reflected today, is that it is everyone's responsibility, large and small, across all industries: public sector; private sector, to help folks get back to work.

Mr. MCKEON. You know, I was visiting an aerospace company in my district that builds wings and they were expanding to a new building. This was years ago. And they said they had problems keeping people that could run the computers and do the things that they wanted them to do and they tried to advance from within and they said when they would get somebody trained, a larger company, Lockheed, would hire them away.

So they had a real quandary. And we talked a little bit and I got them together with the city, with the community college. They found out that some of the taxes they were paying were not going to the city that they should have. We were able to get that fixed and they were able to then have some seed money. And I went to the community college and they agreed they would provide a professor and now they have—this was years ago, but they got it started very shortly after that.

The seed money from the city provided the computers and the community college provided a professor and the business provided the classroom location. Now they have two full-time professors in there and they don't care, they said send the Lockheed employees, and the Northrop employees because there's enough for all of them to do. So communication was very, very important.

The question you asked about how do we get people working right now. I come from a business background. I did not look at the government as it being their responsibility to create jobs. I didn't look at it as my responsibility to create a job.

But if I wanted to grow my business, it became natural. As I grew, it created more jobs. And I've talked to a lot of business people now, people that are in the field that would normally be creating jobs. They say uncertainty.

I was in the retail business. Why would I want to open a store in this kind of environment? I just want to hunker down and try to exist, try to get through it. Regulations, government regulations, when my dad was a young man and first went into business, it was

very simple. Now a days you have to get all kinds of licenses, permits, and pass all kinds of requirements to start a business. It's very difficult. And then to keep it going, and that also creates uncertainty.

Then financing, when we wanted to open a new store we could go to the bank and borrow money. Ever since the collapse a few years ago, lenders are getting hit by regulators. So a loan that they would make a few years ago that was a very good loan is now a bad loan, and they get criticized for it.

So it always, it used to be the saying that if you need money, you can't get it. If you don't need it, you can get it. That is in spades now, and you have to be able to prove without uncertainty that you can repay that loan. There is no risk-taking.

So it is very difficult, so an entrepreneur that will create jobs, somebody that wants to start hiring right now, put people to work right now, is reluctant to do so. And we are in a real catch 22. We need to loosen up some of those regulations, loosen up some of that financing, and that's what got us into the pickle we are in. So it is like who is going to take the first step. Yield back.

Chairman KLINE. The gentleman's time has expired. Dr. Heck.

Mr. HECK. Thank you, Mr. Chair. Mr. Aguero, I certainly appreciate and have long appreciated your passion for education here in Southern Nevada. I don't think you ever give a presentation without underscoring the importance of our educational experience, both K through 12, and secondary, and the challenges we've faced for decades, especially looking at the newer ideas of trying to concentrate on science, technology, and math.

The good part of this committee is while one part is workforce, the other part is education. It's the Education and the Workforce Committee. So I get to try to have an impact on both sides.

One of the other issues we are working on currently is the reauthorization of the Elementary and Secondary Education Act which will bring some other information back to Washington. But I'm going to ask you a question, and then I want to transition to Mr. Enns for the follow-up.

Certainly we've had, we had very robust growth in the construction industry, just because of who we are and how fast we were growing. The joke was we were the only place where construction workers were building homes for other construction workers.

In your years of being here, in your experience of really knowing the economic analysis of Southern Nevada, do you foresee us ever returning to those levels of construction or growth where those over 100,000 construction jobs that are gone would come back.

Mr. AGUERO. No, sir, I do not. And principally I think the statistics bear it out, to some degree. At the peak of the market some 112,000 people were employed in the construction trade here in Southern Nevada alone. It represented 12, 12 and a half percent of our workforce. The national average is somewhere in the five and a half range, even when the economy was performing comparable well.

Today, after having lost two out of every three construction jobs, we are now only back to about four and a half percent of our workforce in construction, something consistent with the national average.

Now, that isn't to say that we don't have some infrastructure that needs to be put to work, and some folks can be put to work, that some of the buildings that we have in Southern Nevada don't, or won't require some degree of refurbishment or continued effort, we have. I think we can sustain those levels.

That said, the ability to transition those employees to that level of 72,000 displaced construction workers back into the construction industry simply defies logic, given what we know in terms of the needed development.

Mr. HECK. So Mr. Enns, I appreciate the fact obviously that our construction industry is the most decimated part of our economic foundation here in Southern Nevada. But with the projection that, unfortunately, all those construction workers that have done incredible work in making the city and town what it is, will probably never be able to be reabsorbed back into the construction workforce, what is it that we can do for them.

We can say we are going to start construction projects and I'm a big supporter of green energy and renewable projects, but there was just a report that the government spent \$40 million and created less than 20 green jobs out of it.

We can keep doing green energy projects and give them the job to put in the solar field for six months. What's going to happen when that goes away? Hopefully there's hope on the horizon about a big project that will be approved to go in Laughlin, where you're talking about 4,000 construction jobs.

But what is it—I understand we've got folks that need jobs now. What are we going to do for the construction workers that will never, unfortunately, probably be able to be absorbed in the construction industry full-time again in Southern Nevada.

Mr. ENNS. I'll tell what you can't do, we can't write them off and say, well, we can't fix it, so I'm sorry.

Mr. HECK. I agree. That's why I'm asking, what can we do.

Mr. ENNS. I think we have a lot of opportunities in Southern Nevada. I'm a little more optimistic than Mr. Aguero here, and we work together a lot. But I am—I do work in the construction field and I can see lots of great opportunities.

You mentioned the solar industry. It's a great opportunity here in Southern Nevada. We have something that you don't have throughout the whole rest of the country. I'm not an economist, and I'm not a military man, either. But I do know that our nation suffers from, if you will, we are—we require a lot of oil from other countries in order to keep our nation afloat, and that can be a big security risk to us.

We need to find ways in our country to find our own ways of creating energy in this country, without having to go get it somewhere else, I believe. Southern Nevada is a great place for an entrepreneur to start up a business. Mr. McKeon, you mentioned about private businesses. Every single contractor that hires our workforce is a private company. Every one of them.

Even the ones that do the solar projects around the country, and I would submit that there aren't very many solar projects that get built in six months. Most of them are at least a year, sometimes two to four years for the construction, and I don't think in the construction industry, I don't think we are asking for 100,000 jobs this

year or next year, or even in five years. We would settle for 10,000 this year and maybe 10 or 15 or 20,000 next year.

I think we need to make end roads in that direction and one of the things that you, all of you can do, without overspending the taxpayers' money, Mr. Aguero mentioned that there's a lot of—there's a lack of trust, that banks are not giving loans, there's an uncertain marketplace that we have today and you can't get a loan, even if you want a loan. Do you know how many people would build a solar project if they could get the funding to do it?

But one of the things you can do is back these people so they can get their loans. Government backing would be very helpful. And like I say, I'm not an economist and I don't understand all the money parts of it, but my understanding is that a good percentage of those would be able to be built and run on their own and never really need the government's money, only the government's co-sign and signature. That would be a way to get a lot of people to work. And I'm with you, Mr. Heck. I understand we're not going to get 100,000 jobs back in Las Vegas in the next couple of years, but some progress and some hope would sure put us in the right direction.

Chairman KLINE. Thank you, sir. The gentleman's time has expired. I thank the whole panel. Excellent testimony. That's terrific engagement and questions and answers.

Thank you for appearing today. We'll ask you to step back and make room for the next panel.

[Recess.]

Chairman KLINE. Okay, the second panel has arrived. Thank you for being so prompt.

I'm always a little bit concerned when we have two panels that there will be time for the second panel and you all will have wandered off to use the facilities or something. So thank you very much for being prompt.

I would now like to represent—or to recognize Mr. Heck for the introduction of the second panel.

Mr. HECK. I thank you, Mr. Chairman. It is now my pleasure to introduce our second distinguished panel.

Mr. Edward Guthrie has served as the executive director for Opportunity Village since 1994. Prior to coming to Opportunity Village, Mr. Guthrie served as the executive director of a similar organization in upstate New York and Maryland for almost 20 years.

Opportunity Village operates one of the largest custodial service firms; owns the second largest document destruction firms in Las Vegas; and every year it serves over 400,000 meals to our servicemen and women stationed at Nellis Air Force Base.

Mr. John Ball was named Executive Director of Workforce Connections, Southern Nevada Workforce Investment Board in November of 2007. Mr. Ball has held a variety of public sector leadership positions, has served as a city councilor, county commissioner, and in a cabinet office for two governors. Prior to entering public service, Mr. Ball owned and managed a real estate brokerage firm and served in two tours of duty for the United States Air Force in Vietnam. Thank you, sir.

Ms. Rebecca Metty-Burns is the executive director of the College of Southern Nevada, Division of Workforce and Economic Develop-

ment. Ms. Metty-Burns has over 16 years experience in the hospitality industry as a human resources leader and project director, supervising corporate training, international project development, and in organizational development initiatives.

She also has extensive experience in workforce curriculum, design and training assessment.

Chairman KLINE. Thank you, Dr. Heck.

A very quick reminder, the light system, I know it is going to be a little bit difficult for Mr. Guthrie to see the light. As you noticed, I wasn't quick to drop the gavel at the end of five minutes, but please try to—I think it is a—

Mr. BALL. It is a short leash.

Chairman KLINE. It is a short leash. The light will turn green at the start of the testimony and after four minutes it will turn yellow and then red. Rosemary will do her best to stay right on top of it.

Mr. Guthrie, thank you again for the wonderful hospitality here. I've enjoyed your cookies, water, the facilities, so thank you again, and you're recognized for five minutes.

**STATEMENT OF EDWARD GUTHRIE, EXECUTIVE DIRECTOR,
OPPORTUNITY VILLAGE**

Mr. GUTHRIE. Thank you, Mr. Chairman. Chairman Kline, Congressman Heck, Congressman McKeon, and our other distinguished guests, I want to welcome everybody to Opportunity Village.

As you said, my name is Ed Guthrie and it's been my distinct pleasure to be the executive director of Opportunity Village for 17 years now.

When I was recruited to Opportunity Village back in 1994, I was told there were only three things that people in Southern Nevada could all agree on: one of them was Runnin' Rebels basketball; the other one was Nellis Air Force Base; and the third one was Opportunity Village, and everybody in the community seems to support all of them.

We were started in 1954 by a small group of parents of individuals with intellectual disabilities. We got here about the same—we started about the same time Bugsy Siegel arrived in town. We were here before Howard Hughes and we have outlasted both of them. Another entertainer that you might remember is Elvis Presley. Opportunity Village has been around so long that every scarf that Elvis Presley ever gave away was sewn here at Opportunity Village. One of the little known facts about Opportunity Village.

We have provided, last year we provided assessment, training and rehabilitation for about 1,400 adults with disabilities, primarily those with intellectual disabilities. We do it through a number of different areas. About 400 of those individuals are individuals with very severe disabilities. They're in day activities, community programs. The other thousand individuals are people that are either placed in employment or are trained and then assessed and placed in competitive employment out in the community.

Here at Opportunity Village we believe people should have choices, informed choices, and so we offer a variety of different programs for individuals. One of our more successful programs is the Job Discovery program. It is a school-to-work transition program

that we have been running with the Clark County School District for the last eight years now.

About 80 students with severe intellectual disabilities come through this program every year. They get a chance to sample five different jobs for nine weeks each. We have found that they get the chance then to make all the stupid mistakes that you and I and others all made when we were high school kids on our first job. So they make them on these jobs. With our support, they learn from those mistakes and they are able to go on and find jobs in the community.

We clean over two million square feet of government commercial office space. If you happened to have a glass of wine last night with your dinner here at one of the restaurants, the wine was supplied by Southern Wine and Spirits. We clean Southern Wine and Spirits.

If you are a veteran, and you go to a VA clinic here in town, that's cleaned by Opportunity Village. If you needed to pull a permit to do a construction project at the government offices of Clark County, the government center is cleaned by Opportunity Village, and if you stop at the restroom at McCarran Airport, the restroom attendants are from Opportunity Village as well.

We have the second largest document destruction company in Nevada. People with disabilities and Opportunity Village shred over 20,000 pounds of confidential documents every day.

We are also the postal service for Nellis Air Force Base. We deliver a thousand pieces of mail every day, on the average, at Nellis Air Force Base, and our people with disabilities have been able to acquire all the clearances necessary to deliver confidential, as well as regular mail out at Nellis Air Force Base, and then as Congressman Heck said, we serve over 400,000 meals every year to the airmen and women out at Nellis Air Force. We operate all four of their dining facilities.

On the lighter side, if you look around this room, you will see some art on the walls. All the art in this facility was developed by people with disabilities. We've been able to sell over \$100,000 worth of their art throughout the community, and if you happen to go to the Encore tonight, you will see at least one of our pieces of art hanging in the Encore here in one of the major casinos in Las Vegas.

Then our cookies. Our cookies are my favorite part of the program because one of my parts of my job description is to go over and taste-test the cookies periodically to make sure they meet the high-quality standards of Opportunity Village, and we deliver about 3,500 cookies a day to the employee dining rooms of all of a number of the different casinos here in town.

Finally, we package coffee and other condiments. I was telling somebody earlier, I don't know if Jeremy Aguero sells, but we have our own economic indexes, in addition to Jeremy's. Ours is the chocolate index. We package a lot of the chocolates that the guest room attendants place on your pillows when you go to stay at one of the hotels, and we can tell you the economy is not growing very quickly. It is growing. Either that, or we'd have chubbier guest room attendants than we had last year because we are packaging

more chocolate this year than we packaged last year at the same time.

We are an example of a public-private partnership. The building that you are in, the Kitty Rodman center here—Kitty Rodman is right above your head, right over there—was built as part of a \$44 million capital campaign. \$5 million of that money came from state and public funds; the balance of those funds was raised from private donors like the Ralph and Betty Engelstad Foundation, Kitty Rodman, Steve and Karen Thomas, Joyce Mack, Tom and Leslie Thomas are some of the major donors that contributed, but there were a whole bunch of other small contributions that came into Opportunity Village as well.

Our annual operating budget is similarly a public-private partnership. Only 25 percent of the revenue used to operate Opportunity Village comes from fee-for-service revenue, either through Medicare, Section 110 money from the Rehabilitation Act, or other government money. About 45 percent of the revenue comes from the contracts that we discussed earlier, and a good 30 percent of the money is fund-raising, support from the general public.

If I were to give you some examples of how the community supports Opportunity Village, if you come back at holiday season, you can't have spent a holiday season in Las Vegas without knowing the Magical Forest at Opportunity Village. Literally thousands of volunteers help us.

We have one of the few pine forests in the Mojave desert. We planted it ourselves. We own three trains and a carousel, and literally thousands of volunteers help us staff this event for 40 nights in a row and we raise \$1.2 million to help operate, to help fill in the gaps for the funding for Opportunity Village.

Chairman KLINE. Sir, if you could wrap up your testimony.

Mr. GUTHRIE. Very good.

I guess the three things that I would like to talk about is how you can help us to help people with disabilities. One of them is we would like to see you allow greater flexibility in the Rehabilitation Services Act portion of the Act. That portion of the Act, the Section 110 basic grant is part of that Act and that's a formula driven on population.

The population of Nevada has risen; the State match is not available because the money is simply not in the budget to do that. So individuals with disabilities end up waiting for services. Private individuals and public agencies would be willing to work with the State and others to come up with State match, but we need to be more flexible with that.

I think we also need to be able to say that we need to instruct the RSA, the Rehabilitation Services Administration, that a placement in a—at a job at Nellis Air Force Base, even though it's with a small group of other people with disabilities, is as valued a placement as a placement at a job where the individual is the only person with a disability on the job. So any changes to that part of the Act we think would be detrimental to people with disabilities.

The AbilityOne program I know is under the jurisdiction of this committee. It is not the subject of this meeting, but I think the AbilityOne program is an incredibly valuable program for people with disabilities. Nationwide over 50,000 different people have jobs

through it with agencies like Opportunity Village because of the AbilityOne program, and I think anything you can do to encourage subcontracting and other avenues like that to expand that program is incredibly valuable.

Then lastly, I think the Section 14(c) program under the Fair Labor Standards Act protects the ability of individuals who cannot make minimum wage, do not have the ability to produce at that level, to receive a wage.

Opportunity Village has over 700 people in our program that are paid special minimum wages, based on their productivity. Nationwide 430,000 individuals receive special minimum wages because of this, through the Section 14(c) program.

If you were to try to subsidize the wages of all of those individuals with disabilities throughout the country, it would cost you an additional \$4 billion. I don't think this is the time for the Federal government to try to take on an additional \$4 billion dollar debt.

Chairman KLINE. Thank you, sir, for your testimony.

[The statement of Mr. Guthrie follows:]

**Prepared Statement of Edward Guthrie, Executive Director,
Opportunity Village**

MR. CHAIRMAN, CONGRESSMAN HECK AND OTHER DISTINGUISHED MEMBERS OF THE COMMITTEE: Welcome to Opportunity Village. My name is Ed Guthrie and it's been my distinct pleasure to be the Executive Director of this fabulous agency for the past 17+ years. When I was recruited to Opportunity Village, I was told that there are only three things that everyone in Las Vegas can support: Runnin' Rebel Basketball, Nellis Air Force Base and Opportunity Village. A lot has changed in Las Vegas in the past 17 years but the support of our community for Opportunity Village and the people we serve has only grown.

Opportunity Village was started in 1954 by a small group of parents of children with intellectual disabilities. We've always been a part of the fabric of Las Vegas. Opportunity Village started about the time Bugsy Siegel arrived in town and before Howard Hughes, and we've outlasted both of them. Another little known fact is that Opportunity Village sewed all the scarves that Elvis gave his loving fans when he played at what's now the Las Vegas Hilton.

Opportunity Village provided assessment, training and employment services to 1,408 youth and adults with intellectual and other disabilities last year. We serve people with all levels of disability and everyone who attends Opportunity Village receives a paycheck every two weeks. Approximately 390 of the most severely disabled people we served in FY-2011 were in therapeutic day training (non-work) programs while over 1,000 people with severe disabilities were in vocational assessment, vocational training or employment programs. Of those 1,000 people over 60% were in community employment or training programs that led to community employment.

At Opportunity Village, we believe in informed choice. We do not believe that "one size fits all". People with disabilities should be offered a range of opportunities. That's why we offer a variety of options from which people with disabilities and their families can choose, consistent with their strengths, interests, and needs.

- The Job Discovery program is a school-to-work transition program that offers students with intellectual disabilities, who are in their senior year of high school, the opportunity to experience five different jobs for nine weeks each. They get the chance to make all the stupid mistakes that most high school students make on their first job and they get to "try on" a career.

- Opportunity Village cleans over 2 million square feet of government and commercial office space and we employ people with disabilities to do the cleaning. Our crew that cleans all 350,000 square feet of the Clark County Government Center was just honored by the County Commissioners. You may have used one of the rest rooms we cleaned at McCarran Airport.

- We are the 2nd largest document destruction company in Nevada. People with disabilities at Opportunity Village shred over 20,000 pounds of confidential documents every day.

- We are the postal service for Nellis AFB. We deliver an average of over 1,000 pieces of official and private mail every day. Our people with disabilities have the security clearances to handle all the confidential correspondence.

- People with intellectual disabilities serve over 350,000 meals every year to the brave men and women through our food service contract at Nellis AFB.
- If you notice the art on the walls, this art was created by people with intellectual disabilities. We sold over \$40,000 of their art, some for as much as \$2,500/piece.
- If you smell cookies baking that's because Opportunity Village bakes over 15,000 cookies per week for the employee dining rooms at the Venetian, the Mirage and other hotel/casinos.
- We package coffee for all the properties operated by Caesar's Entertainment and room amenities for other hotel/casinos. In fact, we have our own "economic indicator" that we call the "chocolate index". We package the chocolates that the housekeeping staff leaves on your pillow and, although the economy is still slow, we are packaging more chocolates than we did last year.

Opportunity Village is a great example of a "public-private" partnership. The building you are in, the Kitty Rodman Event Center, was built as part of a \$44+ million capital campaign. A little over \$5 million was public money but almost \$39 million was from private contributions. Some were from major donors like the Ralph & Betty Engelstad Foundation, Kitty Rodman, Tom and Leslie Thomas, Steven and Karen Thomas, and Joyce Mack but there were hundreds of other donors who contributed too.

Opportunity Village's annual operating budget is also an example of the "public-private" partnership. Approximately 25% of our revenue is from government fees and grants (e.g. Medicaid, RSA Section 110 funds, etc.). About 45% of our budget is contract revenue from baking cookies, delivering mail, cleaning floors, etc. and the other 30% is fundraising income from the people of Southern Nevada.

Opportunity Village also uses the Medicaid Home & Community-Based Services (HCBS) waiver to provide services to some of the most severely disabled adults in Nevada. Federal bureaucrats at the Center for Medicaid and Medicare Services (CMS) are proposing changes to Medicaid regulations that will deny funding to services like those provided here at Opportunity Village. Please help us safeguard access to these valuable services for people with the most severe disabilities.

Let me give you a couple of examples of how the community supports Opportunity Village:

- Everyone who has spent a holiday season in Las Vegas knows the Magical Forest. Opportunity Village owns one of the few pine forests in the Mojave Desert. We planted hundreds of pine trees at our West Oakey campus and every year we decorate them with millions of lights. We own two small trains as well as a carousel. We need 75 volunteers a night to run the Magical Forest and every year thousands of people volunteer and tens of thousands pay to see the trees, ride the train and eat the funnel cakes. Through the efforts of our volunteers we raise over \$1 million per year.

- Have you ever seen a sea of ten thousand people dressed as Santa Claus? Well, if you are in Las Vegas on the 1st Saturday in December, you'll see thousands of Las Vegans dressed in Santa suits to participate in the "Great Santa Run", a 5k that raises over \$300,000 each year to benefit Opportunity Village.

I could talk about Opportunity Village all day but the purpose of this hearing is to highlight local solutions to strengthen job training programs.

People with intellectual disabilities have an unemployment rate of almost three times the rate for the average person. So, if the unemployment rate for average folks in Las Vegas was 13.8% in June, 2011, then the unemployment rate for folks with intellectual disabilities was over 40% and it's been that way all year.

Opportunity Village paid almost \$3.9 million in wages to people with intellectual disabilities in FY-2011 and we estimate that people with severe disabilities placed in competitive employment after receiving services at Opportunity Village earned another \$2.3 million last year.

Opportunity Village found community employment for 111 people with severe disabilities in FY-2011. Our research shows a reduction of \$5,000/year in welfare, Medicaid, food stamps and other benefits for every person that we place in community employment. People with disabilities gain independence and self-esteem from working, and they reduce their dependence on other benefits, which saves taxpayers!

You can help us build on this success by:

- Allow Greater Flexibility with RSA Section 110 (Basic Grants): Opportunity Village uses Rehabilitation Act section 110 funds to provide assessment, training and placement in community employment for people with severe disabilities. Nevada, like many States does not have the State tax revenue to leverage all the federal dollars that are available, so people linger on waiting lists for services. Encourage RSA to allow private agencies (and individuals) to contribute the "State match" so people don't have to wait for services. Instruct RSA that a placement of an individual on

an AbilityOne contract or “state-use” contract is an acceptable “closure”. In addition, please do not adopt amendments to the Rehabilitation Act that limit opportunities and choices currently available to persons with the most significant disabilities, including work experiences in mobile work crews.

- AbilityOne: The AbilityOne program allows Federal agencies to purchase goods or services from community rehabilitation programs (like Opportunity Village) without going through the competitive bid process so long as 75% of the people working on these contracts are people with severe disabilities. Encourage Federal agencies to make better use of the program. For example, encourage designated subcontracts for AbilityOne when the Department of Defense awards “base operating contracts” to large contractors. Another example would be to encourage Federal agencies to use AbilityOne when they are contracting for custodial, grounds maintenance, or other services on leased space.

- Section 14(c): Section 14(c) of the Fair Labor Standards Act allows community rehabilitation programs (like Opportunity Village) to pay individuals with severe disabilities less than the minimum wage if their disability impedes their productivity. In 2009, over 430,000 people with severe disabilities throughout the US received a special minimum wage; over 700 of those individuals were at Opportunity Village. Every one of the individuals served by Opportunity Village receives the dignity and self-respect that comes from earning a regular paycheck. If the federal government had to subsidize the wages for the almost 727 people at Opportunity Village who make less than minimum wage so that they could make at least minimum wage, it would cost the federal government approximately \$6.7 million per year. This is not the time to ask the federal government to subsidize \$6.7 million per year in wages to people with disabilities. Section 14(c) enables these individuals to receive the tangible and intangible benefits from working. Please oppose any and all efforts to eliminate or phase out this important provision of law. People with the most significant disabilities deserve the opportunity to work and they are counting on you to preserve this opportunity.

- The Importance of Jobs for People with Intellectual Disabilities: People with intellectual disabilities want to be able to live, work and play in our/their community. We need to assure that they have good quality services to enable them to succeed. If you look at the Opportunity Village logo, you’ll see one person offering another person a “hand-up” * * * not a “hand out”. Please help us help them. Opportunity Village and similar community rehabilitation programs throughout the country are doing great things for people with intellectual disabilities (and the families who love them). They deserve your support.

Mr. Chairman, That’s the end of my comments. I want to thank you for accepting our hospitality and listening to our concerns.

Chairman KLINE. Mr. Ball, you are recognized.

**STATEMENT OF JOHN BALL, EXECUTIVE DIRECTOR,
NEVADA WORKFORCE CONNECTIONS**

Mr. BALL. Thank you, Chairman Kline, Congressman McKeon, and Congressman Heck. Welcome to Southern Nevada and thank you, Mr. Chairman, and the Ranking Member Miller for the opportunity to share ideas with you today.

You have heard a lot about why this is the best place in the country to have that conversation, so I’ll dispense with that section and insert a couple of comments on some of your previous questions.

Just to note that in Congressman Heck’s district the Foliot Furniture project which is outlined in our written remarks is a great example of a funded partner of ours. Easter Seals worked really closely with the new firm to specifically tailor training for over 80 new employees and get them on the job and get that green furniture production facility up and running very successfully.

Mr. Walker’s hospital is a great beneficiary of another of our funded partners, the Southern Nevada Medical Industry Coalition, which actually grew out of the city manager’s office in the City of Henderson. It has over 600 members across the State, with the

help of a healthcare sector council. They have helped us kind of slice and dice why some of those problems have occurred, in terms of getting educated nurses into jobs.

So for the time being we are funding a very successful program through the SNMIC to get that training for nurses, that bridge training that gets them successfully in the hospitals with the employer.

Let me, Mr. Chairman, your question was how many of these people get a job, so let me pull just a couple of numbers out of our testimony and highlight that. In the face of the kind of circumstances that you have heard about in Southern Nevada, these programs are working very well. So listen to these numbers.

In the program here just ended two months ago, in our adult program we placed—or our entered employment rate, so this is not training, these are people going into jobs—was 72 percent against our DOL target of 63 percent.

Our retention rate was 82 percent, versus the DOL target of 70, and our average earnings in those jobs was \$11,771, against the DOL target of \$11,500. Once again, in the toughest labor market in the country, these programs can work.

In our dislocated workers program, our entered employment rate was 76 percent against a target of 70; our retention rate was 86 against the target of 80. So once again, it is working.

On the youth side, and I think we are particularly proud of this, given the dropout rates that you heard before, our placement in employment or education was 78 percent, versus a federal target of 40 percent, and our attainment of degree or certificate was 63 percent versus 40 percent.

Our State energy sector partnership, which is funded under the Recovery Act, just finished its last quarter ahead of goal. Last February 2nd, on National Job Shadow Day, we placed over 3,000 young people in businesses across Southern Nevada, by far the largest number in the country. And our new youth program is operating with some numbers that I would be happy to cite, but you might not believe me, they are that spectacular at this point.

So what we see, and I think what we can talk with you about over the next few months, are clear examples of how when business, labor, education, and local government get together, these programs can work. They are not without their difficulties and failures, but the track record is there.

Let me cite very quickly three key cornerstones we think of any new act or reauthorization that we put together. The first is local flexibility. Mr. Chairman, you mentioned this tendency to think that despite all the goodwill and intelligence in Washington, D.C., in our case San Francisco or Carson City, there's nobody that knows this labor market like the business and labor leadership of Southern Nevada.

So I just wanted to say one thing, when you are looking at what that new legislation looks like, that the Workforce Investment Act is an empowerment model. So every overly restrictive, overly restrictive regulation or policy or procedure or directive that you allow into that Act is a diminution or a reduction of our ability to meet the challenges and opportunities in the local labor market. So

I hope you will be brutal and vigilant about how that language comes out in the act.

Second, the local private sector leadership is key. Now, we've got business, labor, education, and local government. But those first two are the strongest cornerstones of our work. Business and labor are the folks that are out belly to belly with the realities of the labor market every day, in a global economy. So that information, through their eyes, that gets fed back to us in our working committees and staff level, that we can analyze and then interpret into new programs, that allows us to be competitive and produce the kind of numbers you are talking about.

So I just want to highlight that whatever you do about membership or anything else, I hope you'll give us the maximum flexibility at the local level to choose that membership and understand that front line business and labor knowledge is what's key to this.

Finally, I want to say, Mr. Chairman, we are extremely appreciative that the future workforce is represented in the Workforce Investment Act. We have to have that ability to build that pipeline over the next five, ten, fifteen, twenty years, and I just want to say young people that are coming out of the schools today are competing with literally hundreds of millions of young people across the globe that we didn't have to compete with when I was coming out of school. So they need every advantage we can give them and that early and successful connection to the world of work is an absolute key there.

So programs like job shadows, internships, work experiences, summer youth programs are a critical part of our arsenal, and they need to be adequately funded to work, and I hope they will be in the new version of the federal workforce policy.

You have, Mr. Chairman and members, I think the toughest policy area and program area at the national level right now. We wish you great success in continuing to improve our playing field, and we commit ourselves to working with you over the next few months.

Chairman KLINE. Thank you very much.
[The statement of Mr. Ball follows:]

**Prepared Statement of John Ball, Executive Director,
Workforce Connections**

Chairman Kline, Ranking Member Miller and Members of the Committee, thank you for the opportunity to present this testimony today, and welcome to Southern Nevada. Certainly you could not have picked a more relevant labor market to visit in your quest for information and ideas regarding the strengthening of the federal workforce system. We are pleased to share with you a few examples of approaches that are working here in the face of the country's most challenging local economy, and a few lessons learned about preparing a globally competitive workforce in the 21st century.

The work being done by Workforce Connections (we are the WIB serving Southern Nevada, including Clark, Esmeralda, Lincoln and Nye counties) and our community partners has evolved rapidly in the last three years in response to the dramatic shift from years of abundant economic growth to a state of survival for Southern Nevada's workforce. As one of only two WIBs serving the state, our close cooperation with Nevadaworks, the WIB serving Northern Nevada, allows us to align policies and programs to assure effective services across the diverse geography and local economies of the state. Specific examples of Workforce Connections' initiatives and data trends are presented in this testimony to illustrate how Workforce Investment Act initiatives are impacting Southern Nevada communities.

Nevada is suffering from the worst unemployment rates in the country (a high of 14.9% in 2010); a grim real estate outlook, both commercially and residentially; the collapse of our construction industry and severe downturn of gaming and hospitality; and the highest dropout rates in the country. If you're looking for the stark definition of the Great Recession, you can find it here. Responding to these challenges, Workforce Connections and our partners have deployed a range of efforts to aid in job creation, upgrading skills and intensive support to job seekers. The need for timely and sustainable recovery in this region has never been greater, and designing and implementing creative and customized solutions locally, where opportunities and resources are well understood, has proven to be a highly effective model for the workforce system. The performance of our regional workforce system over the last four years, in spite of the negative economic environment, has been truly impressive. Attached to our written testimony are graphs of our performance over those four years. Here is a quick extract: in the program year which ended just two months ago, our WIA formula Adult program had an entered employment rate of 72% against a goal of 63%. Our retention rate was 82% against a goal of 70%. Our average earnings were \$11,771 against a goal of \$11,500. In our Dislocated Worker program, entered employment was 76% against a goal of 70%, retention rate was 86% against a goal of 80%, and average earnings were \$14,060 against a goal of \$14,500. In our WIA formula Youth program, placement in employment or education was 78% against a goal of 40%, attainment of degree or certificate was 63% against a goal of 40%, and literacy and numeracy gains were 23% against a goal of 29%.

We look forward to a robust consideration of appropriate performance measures as part of the WIA Reauthorization discussions. I would note here that while our focus has recently, and rightfully, turned to job placement as an outcome, the importance of skills credentials, certificates and diplomas should not be minimized. In an increasingly competitive global economy, demand-driven credentials will be an important passport to career success.

Aligning Economic Development and Workforce Development at the local level

Policy and program flexibility at the local level allows successful WIBs to implement and continuously improve new programs that keep pace with the dynamic real time evolution of local and regional economies. WIA Reauthorization should include a thorough elimination of the numerous outdated and obsolete provisions and traditions that hamper the ability of local WIBs to keep pace with the needs of business and labor in the new economy, and do not improve performance accountability in any meaningful way. As local and state economic development and workforce development systems increasingly align, the timely input from businesses, labor, education and elected officials that drives successful WIBs can be a tremendous asset to intersystem alignment if WIBs are empowered to move at leadership speed with their partners. With economic and workforce development alignment, participation from private businesses, labor and education, and demand-driven industry sector strategies hitting the ground in Southern Nevada, economic recovery is moving forward along the road to long term sustainability.

Southern Nevada utilizes the resources of the Workforce Investment Board and its partners to put ideas into action. These resources include a broad spectrum of current information and experienced thinking from a wide variety of community partnerships that are:

- Coordinating training providers, educational institutions, business sectors, organized labor and a diverse group of support agencies to respond to the needs of job seekers
- Identifying market driven strategies relevant to Southern Nevada employers
- Supporting businesses with growth strategies, layoff aversion, placement of qualified applicants in new positions, or retraining existing employees for expanding opportunities
- Helping rural communities achieve successful and sustainable local niches within the regional economy
- Committed to building a community ethic that values education and preparing the future workforce for successful careers

Example: Foliot Furniture

Starting in 2009 Easter Seals of Southern Nevada, a funded partner of Workforce Connections, placed approximately 70 participants in a WIA On The Job Training Program to help Foliot Furniture, a manufacturer of green-commercial furniture, expand their business into a facility in southeast Las Vegas. The successful program not only helped workers gain employment but also created jobs in the emerging green economy sector; a sector recognized for its economic potential to diversify the local economy and provide substantive career growth opportunities.

Workforce Connections: shoulder to shoulder with business and labor on the front lines of a changing economy

Local workforce systems have the information and service networks to respond immediately to local employment shifts. The most dramatic loss of jobs and business in Southern Nevada has occurred in the construction and gaming/hospitality industries. In 2010, over 30% of construction jobs in Nevada disappeared. The completion of major projects like City Center and the Hoover Dam Bypass dovetailed with the cancellation of planned undertakings such as the Echelon and Fontainebleau resorts and the lack of funding for other needed infrastructure projects to decimate the construction trades. At the same time, traditional visitors from across the country lost personal income, resulting in layoffs throughout the hospitality and retail sectors. To offset the loss of these and other jobs, Workforce Connections has deployed industry sector strategies to transition workers into emerging markets that can better diversify the regional economy while building career pathways for its workers.

Example: Rapid response efforts at the Sahara Hotel and Casino—1,000 workers terminated at once

Workforce Connections conducted three Employment Edge workshops for the Sahara Hotel and Casino employees being laid off with the closing of the property in May of 2011. Thirty days prior to the closing, three-hour workshops were held covering career self assessment, resume writing, online job search, interviewing techniques and a number of other topics related to securing new employment. In addition, staff from Workforce Connections, DETR/One Stop Center, Nevada Partners Inc., AFL-CIO, AARP, NV Energy, and several other agencies were present to connect the employees to additional services and training, with the goal of easing and speeding their transitions to new jobs, in a classic example of the kind of crisis performance that local WIBs have been carrying out across the country for years, out of the limelight but right where the action is in the process of economic renewal.

Let me return briefly to the issue of infrastructure investment. There is a golden opportunity for a high ROI (Return on Investment) infrastructure strategy in the Intermountain Southwest, a region of which Southern Nevada is the hub. It has been said that Las Vegas used to be in the middle of nowhere, and now it is in the middle of everywhere. Projections are that the Southwest will continue to have relatively high population growth rates for the foreseeable future, but the infrastructure to support critical transportation, energy development and transmission, and water resource management is not keeping pace. We previously mentioned the completion of the Hoover Dam Bypass Bridge, and we hope you have the opportunity to take the short trip out just past Boulder City to see this latest wonder of American engineering and construction. But it is a 21st century bridge shackled by a mid-20th century highway. Las Vegas and Phoenix remain the largest adjacent American cities not connected by an interstate highway. In the other direction, nearly half of the goods imported into this country now come through the ports of Southern California. Much of that cargo is transported across the Southwest, destined to be increasingly bottlenecked by insufficient highways and railroads. Anyone who has driven Interstate 15 between Los Angeles and Las Vegas is amazed at the lack of passenger rail service in that corridor. As alternative energy sources are developed in the Southwest, transmission infrastructure is about to become a key consideration. And the movement of water to meet the growing needs of cities, industries and agriculture in the Southwest will continue to require new capacity for storage and distribution.

That's an impressive list of infrastructure needs, and the construction collapse in the Southwest has left in place a highly skilled workforce in the construction trades and building related professions. A portfolio of infrastructure projects across the Southwest could benefit from and help sustain a highly skilled workforce, and build a foundation for prosperity across a region that some demographers are referring to as the New American Heartland.

Strategic efforts to develop Southern Nevada's Health Care Sector

As in many parts of the United States, the health care sector is and will remain a strong segment of local economies. The sector will continue to provide many family wage jobs, as well as the career ladders and lattices that make those jobs accessible to many workers in a system with well-designed, relevant training programs. The Nevada Health Care Sector Council was established in response to Nevada Senate Bill 239. This legislation required industry sector councils to convene for the purpose of identifying needs and practices that best meet regional economic development goals. Working closely with the State Workforce Investment Board, the council identifies and supports job training and education programs, and is charged with

informing the State WIB of health care organizations that have the greatest likelihood of meeting regional workforce development and economic goals.

To do this, the council is engaged with health care industry leaders in defining and addressing their workforce challenges and with that input, developing programs to align worker skills with industry needs. Council participants are representative of Nevada's health care, labor, education, business and government sectors. By promoting collaboration and encouraging the private sector to take ownership and investment in industry growth, the council is helping to ensure the long-term competitiveness of the health care sector in providing care to local communities and contributing to Nevada's economic health.

Example: Work Session with Health and Human Services

Members of the Nevada Health Care Sector Council recently met with Herb Shultz, Regional Director of the U.S. Department of Health and Human Services to discuss Nevada's determinant statistics. Dr. John Packham, from the University of Nevada Reno, presented health care minimum data sets for key professionals in Nevada. Holly Balmer and Dr. Hyla Winter, from the Nevada System of Higher Education, highlighted a survey sent to public and private institutions of higher education. Mr. Shultz shared information regarding health care reform and offered suggestions as to how the Council could benefit from upcoming funding opportunities and training programs for long-term unemployed health care professionals.

Green Economy Sector Strategy

In support of statewide energy sector strategies, state energy policies and the Governor's overall workforce vision, Workforce Connections has an integrated team dedicated to developing Southern Nevada's energy efficiency and renewable resource workforce. Strategic alignment with Nevada's economic development agencies provides partnership possibilities with new employers requiring workers equipped with green skill sets that lead to job opportunities for Nevada's dislocated workers. The existing WIA funded partners network plays a key role in identifying adult participants seeking green job training.

Youth participants in local WIA programs are taking part in the Nevada State Energy Sector Partnership (SESP) pre-apprenticeship green curriculum intended to expose them to green career pathways. Designed with an accessible "plain English" approach, the curriculum covers principles of renewable energy, energy efficiency, energy generation and conservation, recycling, food supply chains, water conservation, and other sustainable practices.

Example: Ganix Bio-Technologies

The Latin Chamber of Commerce is currently running an On The Job Training program with the innovative aquaculture company, Ganix Bio-Technologies that has built a 30,000-square-foot shrimp farm just 30 miles north of the Las Vegas strip. Participants in the program are being exposed to the cutting-edge sustainable farming concepts in a unique example of how Southern Nevada can supplant job losses by supplying the skilled workforce needed to fulfill capacity in the green economy sector.

Youth Development efforts to build our future workforce

With a focus on preparing the future workforce, Workforce Connections coordinates many efforts to motivate and support youth in Southern Nevada toward educational success and career readiness. The primary goals of this effort are to increase Nevada's high school graduation rate and encourage a community ethic that values education.

Workforce Connections is proudly working with the Nevada Public Education Foundation and partners across the state to align youth development programs with the research-based Ready for Life / Shared Youth Vision policy framework, including recently reorganizing our several WIB youth programs to be consistent with that framework. With the strong support of Governor Sandoval and community leaders throughout Nevada, the Ready for Life movement is uniting the business and education communities in a common effort that recognizes the necessity of education and workforce training as the foundation of our future economy.

Workforce Connections is currently building a partnership with the new leadership of the Clark County School District (CCSD), one of the largest and most challenged school districts in the nation, as they launch a major initiative to increase the high school graduation rate. Their plans to improve the performance of Southern Nevada students involve individual assessment plans to define and overcome deficiencies, regular connection with adults to track progress and provide guidance, and participation from the community in mentoring students towards post-secondary success. Toward this last element, Workforce Connections is actively convening the

business community as well as community service organizations specializing in youth development in meeting the demand for meaningful connections to the workplace.

Example: Project 5000 Kids Job Shadow Day, February 2, 2011

Nevada's high school graduation rate ranks last in the country. Project 5000 Kids (P5K) aspired to make Nevada first in something positive by participating in National Job Shadow Day. On February 2, 2010 P5K paired 3,127 students with 90 Southern Nevada business locations and succeeded in hosting the largest Job Shadow Day effort in the nation. Participating companies included the City of Henderson, the Southern Nevada Water Authority, Las Vegas Review Journal, Desert View Hospital in Pahrump, Station Casinos, MGM Resorts International, and Caesars Entertainment. Students from 49 schools from Panaca to Pahrump got behind-the-scenes exposure to career opportunities available to them if they stay in school.

Dr. Lisa A. Edler, Community Partnership Coordinator for East Career and Technical Academy noted, "The gratitude is still brimming over today and the messages of 'stay in school' and 'go to college' were equally emphasized by each employer. It was the most successful event I have seen teachers and students attend in CCSD." As a direct result of the event, a number of students have applied for internships at the businesses they visited. Southwest Career and Technical Academy connected with representatives from Mandalay Bay and has invited them to serve on an advisory board for their Culinary and Hospitality programs. Business executives too were inspired by the caliber of students they got to meet and have a new confidence in our future workforce. "We don't always get to see the best of young people today, as negative attention tends to dominate the media," Said Rachel Kryder of BEC Environmental, Inc., "It made me feel very optimistic to be reminded of all the hard working and enthusiastic students out there that too often are overshadowed."

Example: The Green Monster Truck

In a fine example of local program collaboration and strategic alignment, YouthBuild Las Vegas and the Nevada SESP team have piloted a unique green energy training program for youth know as the Green Monster Truck. Being launched into full service for program year 2011, the Green Monster Truck is a mobile classroom powered by the sun. Equipped with solar arrays and batteries that power on-board training systems, the truck is a hands-on experience that teaches renewable wind and solar energy generation, electrical wiring and residential energy auditing concepts using the very same tools and techniques used by professional energy auditors in the field.

Local leadership from business, labor and education

Another key strength of the WIA system is the strong role of local business, labor and education leaders and organizations in developing relevant, demand-driven strategies and training programs, as well as providing experienced and skilled oversight of the investments and business processes of local WIBs. In addition to the majority business leadership on the Board of Directors, Workforce Connections works continuously with local chambers of commerce and professional development organizations to gather real-time information on the workforce issues affecting day-to-day business while promoting programs that support job growth and retention to employers.

- Our continuous business outreach efforts include current partnerships with:
- Las Vegas Chamber of Commerce, Board of Trustees and several committees
 - North Las Vegas Chamber of Commerce, Board of Directors
 - Henderson Chamber of Commerce, organized Business Roundtable summit
 - Boulder City Chamber of Commerce
 - Mesquite Chamber of Commerce
 - Las Vegas Latin Chamber of Commerce
 - Las Vegas Asian Chamber of Commerce
 - Urban Chamber of Commerce
 - Women's Chamber of Commerce of Nevada
 - Nevada Development Authority
 - Nevada Restaurant Association
 - Nevada Staffing Association
 - Southern Nevada Human Resource Association

Example: Business Roundtables

In a grassroots economic development effort Workforce Connections has convened a nine-part series of business roundtable discussions for business owners, managers and professionals. Partnered with local chambers of commerce, the roundtables host a panel of economic and business experts who share information on the current

state of affairs and future economic outlook of Southern Nevada followed by a dialogue with attendees to develop actionable projects intended to provide positive and enterprising benefits to local businesses. The series expects to host 1,000 attendees by the end of 2011.

In conclusion

Chairman Kline and Ranking Member Miller, we will conclude by offering you our continued cooperation and support as you chart the future of the federal workforce system. In Southern Nevada, we know that it works. While we have had the nation's highest unemployment rate for some time, we now also have the most rapidly declining unemployment rate. The resources of the WIA system and the local partnerships it supports have been a successful part of that progress. The timely infusion of additional formula funds and new ARRA funding was absolutely critical to our region's ability to expand and improve vital workforce services at the most critical moment in decades. Local flexibility is a key strength of the system, and should be reflected in the rethinking of everything from WIB membership requirements to outdated funding silos to the percentage of system funding that reaches the local level, where the information and action is. Another key strength of WIA is its reach into the future workforce. Again, the ability to customize strategies at the community, school district and neighborhood levels is paramount, and the importance of strong summer youth employment programs in linking educational success and workforce readiness is evident nationwide.

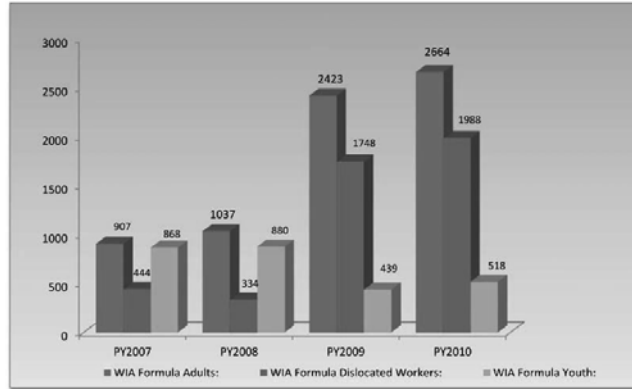
Thank you again for the opportunity to testify. Enjoy your visit in Southern Nevada, and Godspeed on your journey home.

Measurement of performance

The following pages include graphical information representing Program Years 2007-2010 historical Common Measures Performance for people served by Workforce Connections.

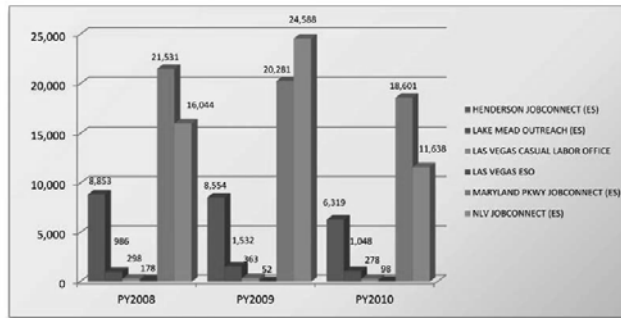
Clients Served

WIA Clients Served



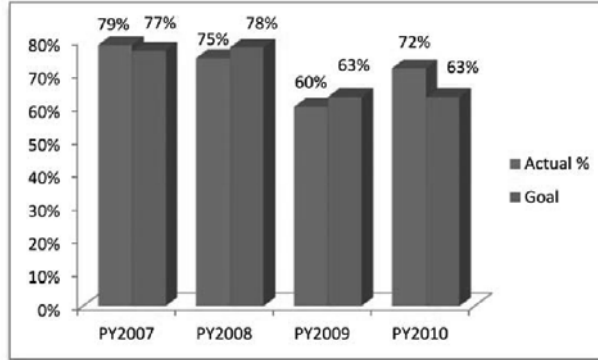
Note: Program years 2009/2010 includes ARRA Stimulus clients as well.

One-stop Center Clients Served

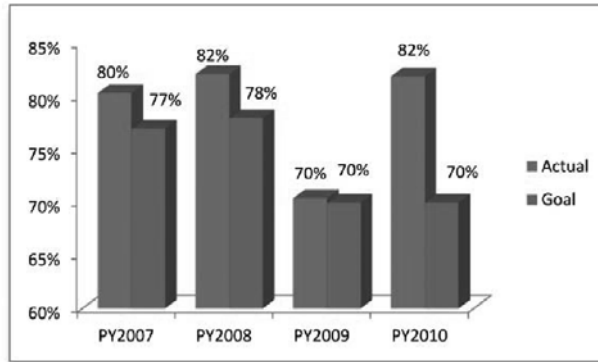


WIA Formula Adult Program (Program Years 2007-2010)

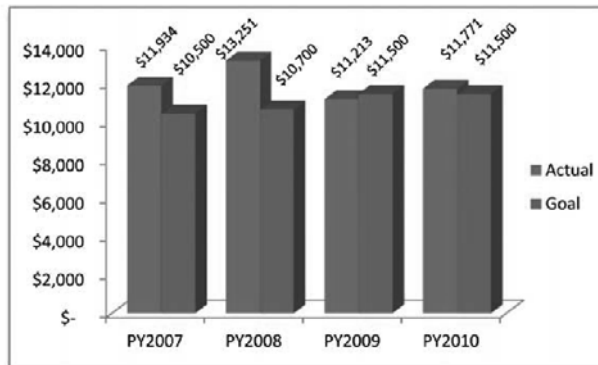
Entered Employment



Retention Rate

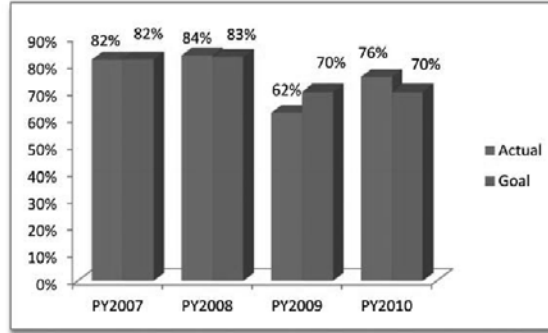


Average Earnings (6 months)

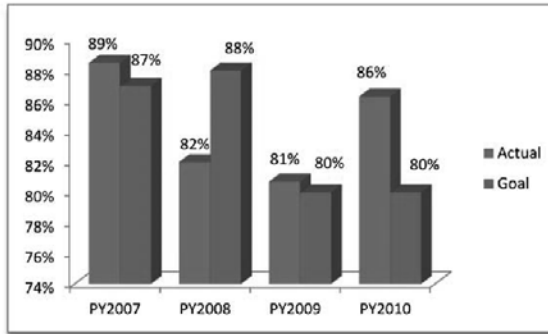


WIA Formula Dislocated Worker Program (Program Years 2007-2010)

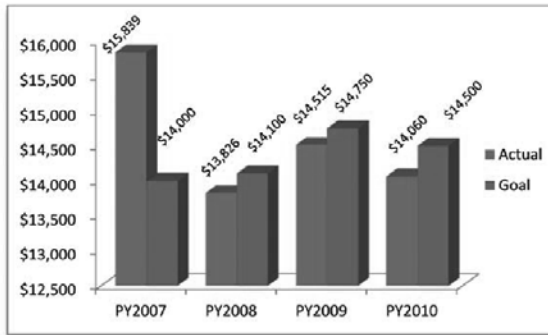
Entered Employment



Retention Rate

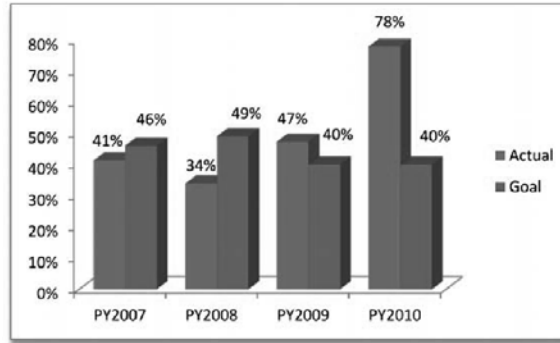


Average Earnings

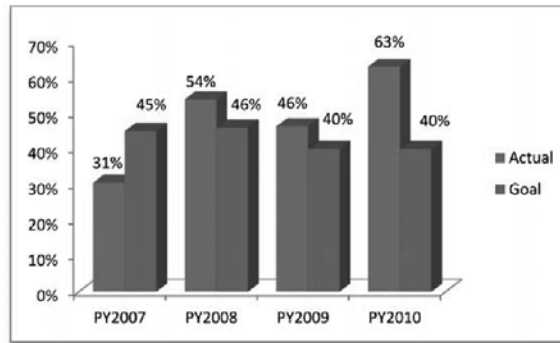


WIA Formula Year-round Youth Program (Program Years 2007-2010)

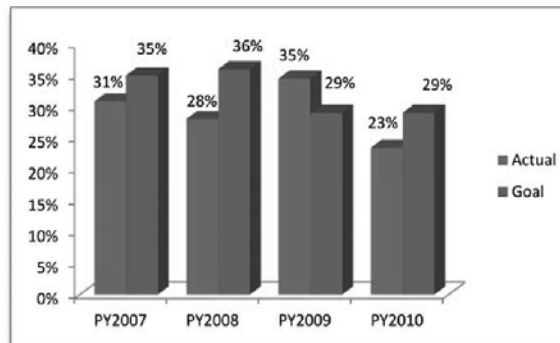
Placement in Employment of Education



Attainment of Degree or Certificate



Literacy and Numeracy Gains



Chairman KLINE. Ms. Metty-Burns.

STATEMENT OF REBECCA METTY-BURNS, EXECUTIVE DIRECTOR, DIVISION OF WORKFORCE AND ECONOMIC DEVELOPMENT, COLLEGE OF SOUTHERN NEVADA, LAS VEGAS

Ms. METTY-BURNS. Chairman Kline and members of the committee, thank you very much for the opportunity to talk with you about job training programs at the College of Southern Nevada.

I'm with the Division of Workforce and Economic Development at CSN. We operate industry driven workforce programs that support the enhancement of skills and education for the Southern Nevada workforce.

Within the workforce programs we've had mixed results with the ability to access and utilize Workforce Investment Act funds. We continue to find it challenging and frequently frustrating to provide the training and education the local workforce needs when confined to the limitations that come with the fund.

At times we are choosing to opt out of requesting the funds when requirements demand cumbersome bureaucratic administration be put in place over a focus on quality delivery of education. Often funds are tied up in case management with the remaining training dollars being so few they can't make a significant impact. The certificate and degree programs at the college are not even eligible for WIA funds, even though a more in-depth educational approach may be the more appropriate pathway for job placement, a higher wage, or long-term success.

Within the division, our workforce programs are self-funded. We must deliver programs local industry demands. We have moved forward to develop our own solutions to fund innovations needed in program design and delivery in order to impact our community.

Our first focus was to remove the silo from programs funded with WIA money and strategically extend their impact. Our Adult Education program receives WIA Title II funding. We have started blending our workforce training expertise with our basic skills classes in order to more effectively serve our students.

A core skill for many careers in Las Vegas is, of course, customer service. English as a Second Language for Luxury Las Vegas Customer Service was developed in partnership with two hospitality companies. We utilized our own reserve funds, no WIA funds, to build curriculum. We embedded ESL instructors in the hospitality operation in order to assign curriculum with realistic guest interactions and to reflect customer service standards in our workforce.

The employers and employees were highly satisfied with the results, and our assessment shows exceptional gains, even with shorter instructional time.

We ask you to consider adjusting WIA performance measures to allow flexibility in education and training measurements to reflect meeting competencies required of business and industries as successful program operation.

Many of our students enter into programs with skill levels that would require extended instruction. As an example, 114 entering GED preparation students were recently assessed and we found 49 percent are entering the program with a third grade to sixth grade equivalent level in their language and math skills.

We recognize we must provide more than a single method in instruction to impact these students, so we redesigned the cur-

riculum and the approach. We're using a hybrid approach as students attend instructor-led classes and do course work on-line and an accelerated approach that incorporates instructors on-line and individualized tutoring. Students will also take the WorkKeys assessment, providing students the ability to obtain the National Career Readiness Certificate as well.

We are overwhelmed with the need to improve basic skills for a large part of our workforce. Over 17 percent of the Clark County workforce does not have a high school diploma.

As you are making decisions on how to direct available funds, please place Adult Education on the priority list.

It is with the technical skills training that it seems most difficult to work with WIA funds. We've decided to target our program development around job gaps in the workforce, rather than chasing funding trends. For example, while funding was available for green jobs training, we couldn't find job openings in the local area. However, there were jobs for dialysis patient care technicians.

We designed the patient care technician training programs so students receive instruction at Workforce Division, and then through a partnership with the local dialysis clinic the students also receive 220 hours of clinical experience. The program was started with a donation of refurbished equipment and reserve funds were utilized for curriculum.

From our first classes, 23 of the 24 students were unemployed. Currently, 19 are now employed as patient care technicians. Our current class orientation had 40 potential students attending. However, we are only able to enroll 12 at a time.

The demand for these students continues to grow as local dialysis clinics look to our students to fill available positions.

Many of these students are interested in continuing their education to more advanced healthcare roles. We hope you will consider aligning WIA funding for advanced certifications and degree attainment through the community colleges.

The opportunity to reauthorize the Workforce Investment Act is a call to action. Allocating investment in community colleges allows greater reach to more of the workforce and the ability to train the technology to compete globally. Funding decisions need to be tied to education programs that demonstrate industry-required skills, abilities and knowledge, to provide the best opportunity for job attainment or job retention. Community college workforce programs are well positioned to deliver holistic approach.

Hold us accountable, but have the accountability make sense to the needs of the community and have measurements and outcomes that reflect the competencies needed by industry. Most of all, include higher education as a significant stakeholder in the decisions on program investment and innovations for workforce development.

Again, I want to thank you for the opportunity to testify in this vital discussion, investing in our workforce. The College of Southern Nevada truly appreciates the work and time. You are helping to improve our workforce and community.

[The statement of Ms. Metty-Burns follows:]

**Prepared Statement of Rebecca Metty-Burns, Executive Director, Division
of Workforce & Economic Development, College of Southern Nevada**

Chairman Kline and members of the Committee on Education and the Workforce, welcome to Nevada and thank you for the opportunity to talk with you about job training programs at the College of Southern Nevada. I am Rebecca Metty-Burns, Executive Director of the Division of Workforce & Economic Development at the College of Southern Nevada. The Division operates industry driven workforce programs to support the enhancement of skills and education for the Southern Nevada workforce.

Within our workforce programs we have had mixed results with our ability to access and utilize Workforce Investment Act (WIA) funds. We continue to find it challenging and frequently frustrating to provide the training and education that the local workforce needs when confined to the limitations that come with WIA funds. At times we are choosing to opt out of requesting the funds when the requirements demand a cumbersome bureaucratic administration be put in place over a focus on quality delivery of education. Often funds are tied up in case management with the remaining training dollars being so few they cannot make a significant impact. The certificate and degree programs at the College are not even eligible for WIA funds as the timeframe exceeds what WIA will allow, even though a more in-depth educational approach may be the more appropriate pathway for job placement, a higher wage or long term success.

Within the division our workforce programs are self-funded. We must be able to cover the costs of the programs and division staff expenses or we do not operate. We can't rely on federal metrics to prove our validity; we must deliver programs local industry demands. We have moved forward to develop our own solutions to fund innovations needed in program design and delivery in order to impact our community.

Our first focus was to remove the silo from programs funded with WIA money and strategically extend their impact and link students with a more holistic approach to skills attainment. Our Adult Education program receives WIA Title II funding. We have started blending our workforce training expertise with our basic skills classes in order to more effectively serve our students.

A core skill for many careers in Las Vegas is of course customer service. ESL for Luxury Las Vegas Customer Service was developed in partnership with Aria Resort and Casino and the Four Seasons of Las Vegas. We utilized our own reserve funds, no WIA funds, to build curriculum so the materials could be used for many programs, not solely those funded by WIA. The hospitality companies offered full access to our ESL instructors and we imbedded them in the hospitality operation while they were designing curriculum in order to use realistic guest interactions and understand customer service standards for our local workforce. We then piloted two classes with employees of the partner companies. Our goals were to improve student understanding of customer service standards and to increase their skill level with customer service vocabulary and conversation. The employers and employees were highly satisfied with the results. We also ran the traditional assessments we use to measure language competency with these industry focused classes. In a typical class we look for a 3-4 point test gain after 70-100 hours of instruction. These classes were shorter, 50-60 hours. However, one group was right on target with a 3.5 point gain; another group gained a phenomenal 10.75 average increase on their post-assessment.

We ask you to consider adjusting WIA performance measures to allow flexibility in education and training measurements to reflect meeting competencies required of business and industry as successful program operation.

Over the past 5 years the Adult Education programs have had over 18,500 enrollments for classes for GED attainment, English as a Second Language and Civics. Many of our students enter in to programs with skill levels that will require extended instruction, so a student may enroll multiple times. We recently held a registration for the start up of several new GED classes. We assessed the skills of 114 GED Preparation students and found 49% are entering the program with a 3rd grade to 6th grade level equivalent in their language and math skills. Half of these students are currently working in our workforce. We know these students will need a great deal of time and a steady pace to build basic skills in order to obtain their GED Certificate. However, we also have the other half of the population that has the foundational skills to move more rapidly towards taking the GED exam.

We recognize we must provide more than a single method in instruction to impact these students. We need to fund and incorporate technology and increase interaction to improve results and provide workforce related skills at the same time as GED attainment. So we redesigned the curriculum and the approach. To answer the

needs reflected in the extreme range of levels, the program focuses on increasing individual attention, appropriate pacing and blending of workforce skills. To introduce students back to the learning process and provide a supportive environment, the GED 100 Series for students with a third to sixth grade level equivalent was designed to steadily and progressively build their basic skills in a more traditional classroom environment.

Students at the next skill level enter our GED Studio which is a hybrid approach as students attend instructor lead classes as well as do course work on an online GED program. By providing the additional online resource, students will be able to accelerate through the program as well as develop their computer skills.

The final step is our GED XL, an accelerated course that will incorporate an instructor, online GED program as well as individualized tutoring. The GED XL course will also offer the opportunity for students to work on their next steps upon receipt of their GED Certificate. Students will take the WorkKeys assessment, a nationally recognized workforce skills assessment. This also provides students the ability to obtain a National Career Readiness Certificate. Students then meet one-on-one with a coach to discuss career interests and options. We introduce them to an online tool that helps them build a resume; search jobs and provides information on local wages and forecasted job openings.

As you are making decisions on how to direct available funds please place Adult Education on the priority list. We are overwhelmed with the need to improve basic skills for a large part of our workforce; over 17% of the Clark County workforce does not have a high school diploma. These new approaches need initial funding to develop curriculum and purchase technology, however, they serve students better, accelerate learning and provide employers with a higher skill employee.

We are excited about these programs and we are committed to the students that work so hard to improve their lives with educational attainment. We will continue to research, design and implement workforce programs that will take them from basic skills achievement through opportunities to start careers with technical skills training. It is with the technical skills training that it seems to be most difficult to work with WIA funds, even though that training is where job opportunities are connected.

We decided to target our program development around the job gaps in the workforce rather than chasing funding trends. For example, while funding was available for "green jobs" training, there were no job openings in the local area. However, there were jobs for dialysis patient care technicians but no dialysis training programs in Nevada outside of internal company programs. The Patient Care Technician training program was designed so students receive instruction in the Workforce Division and through a partnership with a local dialysis clinic the students also receive 220 hours of clinical experience. Students who successfully complete this program are prepared for the national Patient Care Technician exam and to work in a dialysis clinic. The program was started with the donation of refurbished equipment and reserve funds were utilized for curriculum and for new equipment.

We've been able to first pilot and then run two additional classes, however we are limited to 10-12 students at a time due to lack of space for more students and dialysis equipment. Since the training started 24 students have completed the program. Twenty-three of the 24 students were unemployed. Currently nineteen (79%) are now employed as Patient Care Technicians in dialysis clinics in Nevada and surrounding states. Students must pass a national certification exam and to date, 83 % of students taking the exam have successfully passed the exam on their first attempt. The classes are filled on a first-come, first-serve basis. In preparation for our current class an orientation had 40 potential students attending and yet we are only able to enroll 12. The demand for these students continues to grow as local dialysis clinics have discontinued their own training programs and look to students from our training program to fill available positions.

Where could WIA funding help? This course could be offered more often or we could increase the number of students if we had additional space and equipment. Creating a healthcare lab would actually impact many of our healthcare programs allowing increased enrollments and more hands-on training.

Many of these students are interested in continuing their education to more advanced healthcare roles, something we need locally and nationally. We encourage you to add WIA funding for advanced certifications and degree attainment through the community colleges.

The opportunity to reauthorize the Workforce Investment Act is a call for action. Allocating investment in the community colleges allows greater reach to more of the workforce and the ability to train the workforce with technology needed to compete globally. Funding decisions need to be tied to education programs that demonstrate industry required knowledge, skills and abilities to provide the best opportunity for

job attainment or job retention. Community college workforce programs are well positioned to deliver a holistic approach. Hold us accountable but have the accountability make sense to the needs of the community and have measurements and outcomes that reflect true progress based on the competencies needed by industry. Most of all include higher education as a significant stakeholder in the decisions on program investment and innovations for workforce development.

Again I want to thank you for this opportunity to testify during this vital discussion regarding investing in our workforce. The College of Southern Nevada truly appreciates the work and time you are dedicating to helping us improve our workforce and our community.

Chairman KLINE. Thank you very much, all three of you, for your testimony.

As you saw earlier, we'll go through a series now of questions to further explore some of your testimony. I very much appreciate the recognition that Mr. Ball and Ms. Metty-Burns gave to the importance of businesses, business leaders, if you will, in making a connection and it makes sense as part of the discussion we had with the last panel as we go forward.

We sense a fair amount of red tape out there and some bureaucratic impediments that might be getting in the way as well and we want to explore both of those things.

Mr. Guthrie, you have kind of a unique challenge here, and you are stepping up, and really, really helping a challenged part of the community, and let me start with you. In terms of impediments that are coming from Washington that you would like some help removing, call it red tape or unnecessary regulation, or something like that.

Mr. GUTHRIE. Again, I would go back to the rehabilitation services portion of the WIA reauthorization. I think that there's certain things that people decide certain jobs are better than other jobs because of social inclusion, or something like that. My experience has been with people with disabilities, especially some of the folks with intellectual disabilities, if I can get them a job for eight, ten, \$12.00 an hour, they don't care if they are working with other people with disabilities or whether they are working with people without disabilities. What they really want is the same thing you and I want. They want the most money they can get for their efforts, and they want good benefits, if they can get them, to go along with it. And where the job is and how the job is positioned aren't really as important to them as it is to some of the bureaucrats in Washington, D.C.

Chairman KLINE. Thank you.

Mr. Ball, you asked for flexibility. You would be surprised to know that we are all for flexibility, as long as there is some accountability out there because we want it to work. That's the bottom line, we want this to work.

We shouldn't be spending a dime on these programs, if it doesn't produce. So I was very much—I very much appreciated your comments about the people here in Southern Nevada know better than the people in Washington, D.C., or I think you said Sacramento or Carson City, or something like that. It makes perfect sense to me and we want to do that. I'd venture to say, not speaking for my colleagues here, that we would be inclined to support that.

Again, I want to get at the role of local business leaders and how you are able to incorporate that because it seems to me that if

there isn't communication between the people who have the jobs to offer and those that are getting potential employees ready, it's never going to work. So can you again just expand a little bit on that link between the business leaders.

Mr. BALL. Yes, Mr. Chairman. As I say, a big part of our program and the success of our board and our partners in the region has been a constant outreach to the business and labor community, and keep that conversation going all the time. We have a series right now, a series of round tables with about nine chambers of commerce across the region, sitting down with about 100 at a time and it's working out, primarily it's small business owners and having a back and forth dialogue for couple of hours.

Chairman KLINE. This is a formalized process or a regular process.

Mr. BALL. It is something we started a few months ago, just out of the box with it. It is totally an extemporaneous impulse on our part. We are tying it to an aggressive approach of moving from the traditional rapid response approach to business failure, to the more aggressive layoff aversion approach where we actually get with businesses, understand what's going on in their sector ahead of time, and can design programs to help them stay in business.

So that's an example of the process we use. I don't think there's a better example of the result, Mr. Chairman, than I mentioned before the Southern Nevada Medical Industry Coalition. Over—I'm sure that Congressmen Heck is familiar, probably all of his friends are members of that thing, and most of the hospitals, clinics, professionals across the State.

So these sector strategies that we have been using for ten or twelve years in some parts of the country really work and the strategy that's been employed by that group over the last five or eight years, fortunately, finally now includes an employment portion, which it did not before.

But it gives that targeted sector and that is targeting not just broadcasting our money, shotgun approach, but a rifle approach on what the statisticians like Mr. Aguero tell us are the key places where we can maximize the return on investment in the public sector expenditure, forming these councils around those sectors, and allowing the executives, the labor, and others to come to the table and talk about—as partners, not as competitors—how their industry can benefit from all the private side investment and cross-fertilization, but also the strategic investment of the relatively small public sector funds that we have.

Chairman KLINE. Thank you. I see our time has expired. Mr. McKeon.

Mr. McKEON. Thank you, Mr. Chairman. I also touched on that local flexibility. As I mentioned earlier, when we start out to write a bill into law, it generally doesn't end up, because of all the things you have to go through to get it through. The flexibility was one of our principles that we were trying to have in the law.

I come from a local government background. I served on a school board for a number of years, and the city council. So when I talk local control, I'm talking local, not State, not federal, not even county. Right now, whether that may be a county, a city, it may be a community.

What, flexibility, what would you do to change the law right now to provide flexibility.

Mr. BALL. Mr. Chairman and Congressmen, my request for you, my hope would be that every, at every point in your process that you have a choice between flexibility and dictation from a higher level, you would choose flexibility specifically, that you will always lean forward in that direction because it crosses almost everything that's going to be in your bill. Somebody at the State, regional, and federal level is going to have a perfectly well-founded opinion about.

I would ask you to demur from that and accept the local wisdom that makes these operations work. There are a lot of examples and it would be everything from who sits on a local board, do we really need somebody in a back room in Washington, D.C. saying this position in this agency in Southern Nevada should hold this seat on this board? That person in this labor market might not, by virtue of how their organizations are organized under State government, might not be plugged into the labor market at all. You have sat on city councils that—

Mr. MCKEON. One thing we did is require there be a majority of business people.

Mr. BALL. That's right.

Mr. MCKEON. Because we don't have, we found that if you get everybody else, without the business community you couldn't really connect with the jobs and prepare people for jobs if you don't know what they are.

Mr. BALL. Yes. And my earlier remarks said that's the key.

Mr. MCKEON. What is the problem? For years we have been working on this, and I would talk to Senator Kennedy, and say let's get this done; to George Miller, let's get this done. They were held up on their side by unions. What is the problem?

Mr. BALL. Well, I think you heard in the previous panel some of the concerns that some of the organized labor has. Some of that is valid concern. But, you know, as we say that in our view, the answer to the problems of democracy is more democracy.

The answer to the problems of how these local boards work is to go to the strengths of the model and that is that local flexibility and the business-labor partnership that should be brought to bear in working on these problems. You can't fix that by decree out of Washington, D.C. You have to have leaves at the local community.

So I think of it as we do, spending a lot of time nurturing those relationships, building, once again the medical industry is a great example.

Mr. MCKEON. You already do that here. But the labor leaders in Washington were telling them that for whatever reason you can't reauthorize this bill because maybe they didn't like the majority of business. I don't know what it is.

Mr. BALL. Well, please keep in mind also the community colleges have interests, the workforce boards have lobbying organizations that have their interests, labor does at the national level, the chambers of commerce. Everyone has that point of view at the national level.

My point to you, please try to remember, that is none of those allow for the idiosyncrasies of 550 service delivery areas in the

country. So I'm making the point that every time you go for a national one-size-fits-all set of wording about how this thing needs to work in Timbuktu and in Tucson, you are giving up the basic strength of the model, which is the innovation and creativity of the local knowledge, based on a belly-to-belly of information source at the labor market that allows us to tune programs on a daily, weekly, monthly basis. You don't get that.

Mr. MCKEON. I have a bill that I've introduced. It's on the web. If you could go to it, if you see places where we could fix where we are not being flexible, I would just appreciate anything that you could send to me on that. Because, again, my district, I go from L.A. County, which is huge, L.A. city, to Bridgeport County, the county seat has 500 people. So I mean tremendous differentiation, in one Congressional district, out of 435. And we try to solve all of that out of Washington, and it doesn't make sense.

So I would really like to, any comments that you have, anything that you could tell us where we are stepping over, because we don't want to do that.

Mr. BALL. We would be happy to do that.

Mr. MCKEON. Thank you. The gentleman's time has expired. Dr. Heck.

Mr. HECK. Thank you, Mr. Chairman.

Ms. Metty-Burns, what's the interaction between the College of Southern Nevada and the Workforce Investment Board? What's the relationship that you have? Are there federal obstacles—you talked about several obstacles that you face. Are there obstacles in that relationship that need to be addressed.

Ms. METTY-BURNS. I think a lot of the obstacles come from the dialogue that's just been occurring with the flexibility. A lot of what we want to do is go in and make sure we are looking at the educational program design, reach out to business leaders to do that, to make sure that those are matching up.

The limitations without funding may mean that there's case management that has to be involved and that's over here in another sector, and it may not allow us to actually make use of those fundings the way that the businesses said we would like you to match this educational program up. So I think that's been one of the challenges, is trying to work with whatever the parameters are in place that they have to answer to, and we certainly have other parameters we have to answer to as well. Sometimes they are not matching up.

Mr. HECK. Mr. Ball, any comments.

Mr. BALL. If I could, we have a couple of great examples of success stories with the college, and one notable place where we could not get together, just last year we allocated \$600,000 to the college for services in a rural county and the restrictions of our business model and the regulations we have to meet literally made it impossible for the college to design that program and operate it within their policies of the college. So they ended up returning, or not being able to utilize those funds.

Mr. HECK. Was that a regulation or an issue on a federal level, or issues within the community college, the College of Southern Nevada, within the college system and the workforce connection system, or was it Washington.

Mr. BALL. Congressman, I don't think there's a single part of that issue that we could not have worked out. There are some realities about the business models that are—that don't fit.

Mr. HECK. Thank you. I appreciate that. Mr. Ball, I've got to ask, because your impressive statistics beg the question: How did you achieve that level of success? What's your best practice model?

Mr. BALL. Well, a piece of it is moving to sector councils from broadcast funding to targeting the places where the jobs are. The other is a very close connection with the business and labor so we know what the training is going to take to actually make the placement, and finally it is, I think, Southern Nevada, given the crash of our business model, for 20 years people didn't have to worry about workforce development here, but in the last three or four, they have started paying attention to what it takes for the community to come together and build the kinds of coalitions that the medical industry and the green economy are building now, and focus on outcomes, and not just on activities.

Mr. HECK. Thank you. Mr. Chairman, I'll yield back the balance of my time.

Chairman KLINE. Thank you, gentlemen. I see we are nearing the end of the allotted time. Mr. McKeon, did you have another question you would like to get in.

Mr. MCKEON. A comment, or question.

Chairman KLINE. The gentleman is recognized.

Mr. MCKEON. Thank you, Mr. Chairman. The thing we see sometimes in the education committee is rivalries between traditional colleges, community colleges, for-profit colleges, organizations, and it seems like the traditional schools kind of look down on the proprietary schools and the community colleges, and I find that the proprietary colleges and community colleges many times can be much more responsive. They are more interested in jobs.

The major traditional universities seem like they are interested in an education. If that leads to a job, you know, so be it.

I think there's room for all of them, and I try to tell them why we are fighting each other. Our competition should be China, India, other places around the world, not ourselves, because there's room for everybody. We're turning away students every year.

The proprietary schools have really grown in the last three years and they are providing an edge and they are not taking away students from traditional schools, none of them that I know of are hurting. They are not looking for students, they are turning away students.

So I don't know if you want to comment on that or how you see that affecting getting people into the job market. I'm interested in your comment.

Ms. METTY-BURNS. Well, I think certainly competition in any area is a good thing. Everybody can bring something else to that. Really, the division that I have as part of the college is to answer to that immediate need of industry so that we can pull the best of programs and deliver customized training to businesses and industry, similar to answering any questions about where can we educate for jobs.

I also think there is a lot of programs being looked at very hard about how are we delivering education overall in the colleges and

universities to get the jobs when they are done, and I think that's a major topic of discussion at this point, and certainly as we are working very hard to bring basic skill levels up, because if you can't get people placed in the jobs until they have some basic skill levels that allow them to get the technical training, and all of those are convergent.

There is plenty for everyone to do, quite honestly. There's plenty for all of us to do.

Mr. BALL. Mr. Chairman, if I might just very briefly, one area where we would call on all the educational institutions to take a look, and I think we share these concerns with organized labor and industry, is that in our dislocated workers programs, the academic calendar, the class scheduling, under the current established traditions of those institutions does not match the needs of dislocated workers.

We need to look at a radically changed schedule which goes for full day, classroom scheduling full week, and get dislocated workers retrained into the jobs we know are out there. There are a lot of vacancies that just need skill adjustment and get them out the door, instead of having to wait two or three quarters or semesters to get the sequencing in our traditional system.

You asked the question earlier about the construction workers. I just want to give you an example out of the Pacific Northwest. When we converted from a timber economy and construction economy up there, I worked with high tech leaders from the Silicon Valley to Seoul, Korea, changed the State tax laws, created incentives around investment and a new plan, and cross-trained a generation of timber fallers and mill workers into what are now high tech fab plants. Intel alone, 15,000 jobs in Washington County in the Silicon forest. The average wage in those jobs is \$110,000 a year.

Now, it was challenging to get the guys that were used to shuffling trees and limbs around to a plate of silicon, and understanding that if they dropped it, it didn't just bounce, but \$200,000 of investment went down the tube.

But it worked and it was because the educational institutions worked with us and with the employers to target that training to get the workers in there, get them skilled and in the plant.

Chairman KLINE. Thank you very much. I want to thank the witnesses for your testimony, and for a really engaging conversation, I think it is very helpful.

Clearly, Mr. Ball, we talked about flexibility. There's a lot of flexibility here. We are looking for flexibility in educational institutions; we're looking for flexibility from the federal government in how the boards are formed because we want it to work.

If, at the end of this process, we have reauthorized a bill and it is not working, we are not getting people the training they need for the jobs that are available, we clearly will have failed.

So I very much appreciate the information we gathered today from both panels. I want to thank the witnesses again for your engagement.

There being no further business, the committee stands adjourned.

[Additional submission of Mr. Kline follows:]

**Prepared Statement of Danielle Milam, Development Director,
Las Vegas-Clark County Library District**

My name is Danielle Milam, and I serve as Development Director for the Las Vegas-Clark County Library District. On behalf of the Board of Trustees and leadership of the Library District, I welcome Chairman Kline and other distinguished guests to Las Vegas. We would like to express our appreciation to you and our Congressman Joe Heck, for your leadership in addressing the question we are most interested in here in this region: how can we get Americans back to work quickly, with the 21st Century skills that will ensure employability, productivity, and economic security in the long term?

Public libraries today embody the spirit of American entrepreneurial innovation, self-discovery and self-improvement. In our Library District's service area of 1.5 million people, over 656,000 residents are active library users. Last year people checked out 12.6 million items. We hosted 6.5 million visits and 1.4 million computer sessions, making us one of the busiest urban public libraries in the nation. Of the 13 branches here in the metro Vegas Valley, five branches circulate over a million items a year. Our newest facility, which opened in May this year, is circulating over 100,000 items per month and kids pour in from neighboring schools at 2:30 to get on the computers. In some of our 12 rural locations in remote Clark County, we are the only source of community internet access.

These statistics illustrate what has been happening in libraries since the beginning of the local recession in spring 2009. Despite a 30% drop in local tax revenues (property and sales), the Library District has maintained seven-day-a-week, 60 hour-a-week service, for the reasons you have heard today—in our region, a great number of people need to find jobs, keep their homes, get on the internet and access information for school, health or business.

Since early 2009, the Library District has seen demand soar for programs that support employment search and placement: resume preparation and job readiness classes; career research, assessments, and self-study certifications; computer training and English language instruction. We have experienced a boom in volunteers, with close to 80,000 hours contributed last year by people who are in between jobs, looking for jobs, or trying to build employment resumes. We have seen more people showing up in our branches with their laptops to take advantage of free public Wifi, as households cut expenses, including their monthly internet connection.

The Library District is actively and successfully building stronger working relationships with schools, colleges, universities, and a wide variety of strong local agencies like Opportunity Village, SCORE, RSVP, AARP, Vegas PBS, KNPR, Three Square, and Catholic Charities. In that context, we are defining our role, and realigning our resources and strategies for adult learning to respond to local residents' need to search for jobs and prepare for job interviews, retool workforce skills with new digital literacies, reinvent or expand their small businesses, or do business with employers or government agencies which are increasingly only accessible online.

One of our most successful new programs is E.A.S.E. (Educational Assistance to Sustain Employment). This prototype program, funded jointly by the Library District and Department of Education, leveraged federal funding with our considerable expertise in providing adult literacy, citizenship, and English language instruction, and our knowledge of how to improve the reading, writing, and verbal skills essential to attaining and retaining employment. Another initiative in development, the Youth Digilab Design Studio, will provide youth with technology and training to produce digital products ranging from videos to powerpoint presentations to publications. We know that the result of this program will be youth who are ready for 21st Century employment environments.

We have also tuned up our portfolio of online resources which are available to job-seekers 24/7. Our website, which was accessed 3.8 million times last year, has prominent links to resources at the Department of Labor—Employment and Training Administration, the Nevada Career Information System, and private vendors like Resume Maker, BrainFuse (an online homework help and tutor service) and LearningExpress (which provides free online practice tests such as courses for realtors and civil service, or tests, such as the GED, SAT and others). Our cardholders enjoy 24/7 access to a variety of local, regional and national newspapers and business research databases, such as Business Source Elite and Reference USA. We have strong ties to local employers and support their employment recruitment efforts with links to Gaming Work Permits, for example, and local employer job posting sites.

When thinking about improving the employment pipelines of the U.S., it would be remiss not to mention the most critical role played by public libraries: promoting reading and school support. Every week our Library District holds hundreds of read-

ing programs for families with young children, provides homework support for school-age youth, and information or instructional programs for people transitioning from school to work or work to school. Current research points to reading and new digital literacies as critical foundations for education, employment and entrepreneurial success.

Industrialist Andrew Carnegie called libraries “People’s Universities” because they support career and workforce development, support people who want to better their lives, their employment opportunities, and their ability to thrive in increasingly complex business environments.

Today’s public libraries are models for digital skill diffusion and workforce development. Every day over 300,000 Americans get job-seeking help in public libraries. The number of libraries with free public WiFi outnumbers and augments the access provided by private enterprises, like Starbucks.

We are reducing the digital divide. Our Library District is one of 5,400 libraries nationally that offer free technology classes for those who need to retool quickly with new digital skills. We also are one of 13,000 U.S. public libraries that offer career assistance, available many more hours a week than the Department of Labor’s 3,000 One-stop career centers.

As we all learn to maximize diminishing public resources and increase the return on our public investments, this is a good time to look at the public libraries which are already built, staffed, and outfitted with internet access, public Wifi, technology, trainers and specialty programs provided in collaboration with community partners in all sectors.

Today’s situation is urgent. It is time to consider new workforce development models that are scalable to the high levels of unemployment, that can quickly mobilize resources to those in need, where they are, fueled by their inspirations and inquiries.

The motto of many libraries today is “Start Here. Go Anywhere.” It reflects the free choice way people use library resources in times of transitions. We urge you to include public library roles and resources in the design of strategies to get many people to work, quickly, with relevant and current workforce skills.

Again, many thanks for your attention and leadership on this issue. Many thanks to our host today, Opportunity Village.

[Additional submissions of Mr. Heck follow:]

DEPARTMENT OF EDUCATION,
700 E. FIFTH STREET,
Carson City, NV, September 6, 2011.

Congressman JOE HECK, D.O.,
Nevada, 3rd District, 132 Cannon Building, Washington, DC 20515.

DEAR CONGRESSMAN HECK: I would like to officially thank you for hosting the recent U.S. Congressional Hearing “Examining Local Solutions to Strengthen Federal Job Training programs.” I submit this follow-up testimony as a way to inform and educate about the tremendous need we have in Las Vegas and across Nevada for basic skills training, GED preparation, transitions to postsecondary and Career Pathways programming, and to demonstrate how they are tied directly to workforce and economic development.

Over 18% of the U.S. population aged 16 and older do not have a high school credential and are not currently enrolled in an education program. Nearly 70% of jobs in the near future will require some postsecondary education or training. To close this gap it is imperative improve the basic education and skills training of our existing workforce.

On August 5th, 2011, the Bureau of Labor Statistics released data that showed the unemployment rate rose for high school dropouts (15% nationally) while it simultaneously fell for high school graduates (9.3%) and college graduates (4.3%).

As you know, we have one of the highest dropout rates in the nation right here in Nevada. The number of 16 to 19 year olds not enrolled in school and without a high school diploma ranks us 52nd in the United States, behind Puerto Rico.

There are 160,000 students on adult education waiting lists across the country. We have people lined up around the block in Las Vegas, waiting to access adult education programs that they know will help them build their skills and re-enter the workforce.

Approximately 50% of the nation’s unemployed youth age 16–21 are functionally illiterate. The average income for a high school dropout is approximately \$11,000. The average income for a high school graduate or GED recipient is approximately

\$23,000. For someone with an Associate's degree it is approximately \$35,000, and for a Bachelor's degree it is roughly \$50,000.

This is critical in a state like Nevada where we have no state income tax. Consumer spending is crucial to our state and local economies. High school dropouts making \$11,000 a year are not the solution to an economic recovery.

Three out of four food stamp recipients score in the lowest two literacy levels. 75% of state prisoners lack a high school diploma, and 60% of state prisoners are functionally illiterate. It costs approximately \$23,500 to incarcerate an individual in the state of Nevada. On the other hand, Nevada WIA Title II programs' cost per student is \$531. Our programs help build Nevada adults' basic skills, get them into college, get them out of the costly social service system, and get them a job. Adult Education is one part of the solution to turning around the economy and getting Americans off the unemployment line.

Moody's Analytics recently released their Economic Outlook for Las Vegas. One of the three listed weaknesses was "Low Educational Attainment." According to a 2009 NevadaWorks study, Northern Nevada's largest challenge to economic recovery is a "Shortage of Highly Skilled Workers."

Nevada Adult Education is already collaborating with local businesses to provide on-the-job skills training. The College of Southern Nevada has adult education programs in place with the MGM Grand, the Aria, and the Four Seasons, to name a few. CSN helped design a customer service training program for non-native English speakers working for the Four Seasons Hotel Las Vegas, and according to management the program helped them obtain the AAA Five Diamond Award rating, resulting in a tremendous positive economic impact for the business.

The Office of Management and Budget under the Bush Administration rated Adult Education as "Effective," which is its highest rating. WIA Title II programs are extremely cost effective, at an average cost per student of only \$531 in Nevada. In fiscal year 2010 we served over 9,000 Nevada adults, and in the height of the recession and in the toughest job market in the country 54% of our students seeking employment found it, and 83% of our students wanting to retain or improve their employment did so.

Here in Nevada and across the country, the jobs crisis is an education crisis. Adult Education programs are cost-effective, deliver great return on investment, and enable Nevadans to re-enter the workforce. We appreciate your support and are working hard to get Nevada back on track.

Sincerely,

BRAD DEEDS, *Adult Education Coordinator,
Nevada State GED Administrator.*

Prepared Statement of John Kelly, NISH

DEAR CHAIRMAN KLINE AND MEMBERS OF THE COMMITTEE: Thank you for taking time to focus on strengthening federal job programs, including the critical issue of employment of people with disabilities. As a national nonprofit agency facilitating the employment of tens of thousands of individuals with significant disabilities through the AbilityOne Program, NISH is pleased to share our insights and recommendation on this important issue.

As former NISH Board Chairman Ed Guthrie noted in his hearing testimony we do not believe that effective job training programs can be achieved with a "one size fits all" approach. People with disabilities must be afforded a range of opportunities and a variety of options which will enable them to highlight their strengths and accommodate individual interests and needs.

The AbilityOne Program is the largest source of employment of people who are blind or have significant disabilities in the United States. Nearly every American has benefited from the AbilityOne Program. Visit the Statue of Liberty, the Library of Congress, the Washington Monument, the Kennedy Center, or any of the Presidential Libraries, and it is likely that you have benefited from the hard work of AbilityOne employees. If you call the IRS customer service line, chances are good that you will be speaking with a person with a significant disability. American soldiers in their uniforms are likely wearing garments made by people with significant disabilities through the AbilityOne Program; and, more and more of those employed through the AbilityOne Program are, themselves, returning servicemen and women.

As the Committee examines local solutions to strengthen federal job training programs and evaluates what works and what doesn't work in providing job training and employment opportunities for Americans with disabilities, NISH and the AbilityOne Program are proud to share a strong record of achievement and to talk about our current successes in providing employment to tens of thousands of Ameri-

cans. For our employees—and their friends and family members—the AbilityOne Program plays a vital, irreplaceable role in their lives.

Currently, the AbilityOne Program employs more than 47,000 Americans who are blind or have significant disabilities through government purchases of products and services provided by nonprofit agencies. In 2010, NISH/AbilityOne nonprofit agencies employed 42,500 employees who earned an average hourly wage of \$11.23. The Program enabled these agencies to further employ another 81,500 individuals with significant disabilities outside of the Program.

NISH is the national nonprofit agency designated by the US AbilityOne Commission, an independent Federal Agency, to support local nonprofit agencies that participate in the AbilityOne Program and provide employment opportunities for people with significant disabilities through federal contracts for services and products. NISH supports the NPA network as well as federal customers by providing business development and contract management assistance, engineering and technical advice, legislative and regulatory guidance, professional training and communications assistance.

Through the AbilityOne Program, the federal government leverages procurement policies that support the important societal goal of providing employment to people who are blind or have significant disabilities while demonstrating integrity and good stewardship of federal contracting dollars. The Program is a cost-effective way to help people who are blind or have significant disabilities achieve greater independence as it enables many individuals to reduce dependence on government cash assistance and join the ranks of taxpayers.

As a priority source of supply, the AbilityOne Program partners with federal customers to fulfill its mission through the delivery of quality products and services. The Program advances several lines of business that offer varying levels of skills requirements ensuring that AbilityOne employees have jobs that meet their needs today and upward mobility for tomorrow. These areas include:

- Call Center Support
- Contract Closeout
- Custodial Services
- Dining Facility
- Fleet Management
- Food Service Management
- Grounds Maintenance
- Housekeeping Services
- Laundry Services
- Military Products
- Total Facilities Management

AbilityOne employees do more than deliver high quality products and services at a fair market price; they also return value to the American taxpayer. A recent independent study revealed that employment in key AbilityOne business lines reduced AbilityOne employees' use of government entitlements. These studies also identified a substantial return on taxpayer investment in the AbilityOne Program.

Employment opportunities created through the AbilityOne Program have increased substantially over the last two decades. During this same time period, employment for people with significant disabilities in the commercial sector has remained flat or decreased slightly, and employment for people with significant disabilities in the federal government remains low. AbilityOne has been a critical source of employment for individuals with significant disabilities at a time when alternative options are diminishing or not available.

AbilityOne and NISH have crafted dynamic strategic plans to address these growing employment needs. These plans include tactics that leverage state-of-the-art technologies and cutting-edge rehabilitation supports leading to upward mobility and independent community living goals for people with significant disabilities in the AbilityOne Program.

An example is the Quality Work Environment (QWE) initiative which provides a program-wide framework to implement AbilityOne Employer best practices to optimize earnings for people with significant disabilities and capitalize on career advancement and community-based employment consistent with the individual's informed choice. QWE is a continuous improvement process that can be tailored to the needs of each AbilityOne agency and its employees. A QWE clearinghouse is now under active development for nonprofit agencies to exchange and share these best practices.

Additionally, since 2003 AbilityOne Program has had a Memorandum of Understanding with the U.S. Department of Veteran Affairs, Compensated Work Therapy (CWT) Program. The partnership agreement promotes local relationships between AbilityOne nonprofit agencies and Veteran Affairs CWT offices. This allows VA to

pre-screen veterans to match AbilityOne job requirements and to refer qualified veterans with significant disabilities to participate in AbilityOne job coaching programs. Approximately 2,100 veterans with disabilities have been employed since partnership inception.

Lastly through our Institute for Economic Empowerment, NISH is pursuing a major research and development activity: Expanding Choice for Individuals with Intellectual and Developmental Disabilities. Through this initiative we seek to expand supported employment opportunities for employees (including those currently working in facility-based settings) and clients (e.g., day habilitation) of community rehabilitation programs and transition-age youth with significant disabilities. We also seek to ensure that these individuals have the information and experience necessary to make an informed choice among real employment alternatives that include community-based, integrated employment.

NISH looks forward to continuing to work with Congress, the Administration, and the disability community to find solutions through a variety of strategies—including the AbilityOne Program—to the unacceptably low rate of employment for people with significant disabilities.

Thank you for considering our statement. Please contact John Kelly at jkelly@nish.org or (571) 226-4691 if you have any questions.

**Prepared Statement of Brian Patchett, President and CEO,
Easter Seals Southern Nevada**

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE: My name is Brian Patchett and I serve as President and CEO of Easter Seals Southern Nevada (ESSN), a non-profit organization that helps children and adults with disabilities in the Las Vegas region live independently and succeed in the community. I am pleased to provide local perspective on how Easter Seals Southern Nevada teams with businesses and other workforce and community partners to train and find jobs for Nevada residents, including those with disabilities.

While I will concentrate my testimony on local solutions and services, I did want to briefly highlight Easter Seals' national commitment to employing people with disabilities. Individuals with disabilities are underrepresented in the workplace despite their enormous talent and ability. Easter Seals and its nationwide affiliate network believe individuals with disabilities should be empowered and supported to find jobs in their communities that match their personal interests and abilities. Fifty Easter Seals affiliates across the country help people with disabilities find and retain jobs through individualized, person-centered employment services, including employment planning, skills training, job search and development, and job placement. Easter Seals does not support the one-size-fits-all approach to employment services that limits choice for individuals with disabilities. Easter Seals and its national affiliate network support the decisions and choices of consumers and their families.

Easter Seals Southern Nevada

For three decades, Easter Seals Southern Nevada has helped people with disabilities become self-sufficient by providing education and direct services. ESSN professional staff can be found throughout the region helping individuals with disabilities of all ages live, learn, work and play in their communities. For example, an ESSN early intervention therapist facilitates a social skill groups for children to help them meet developmental targets through physical and occupational therapy strategies. A trained ESSN professional organizes a community outing for seniors with disabilities who participate in our adult day program. An ESSN staff specialist helps a young adult learn to cook, ride a bus and balance a checkbook through our supported living program. Since becoming CEO in 2004, Easter Seals Southern Nevada has nearly doubled in program and staff size to help serve more individuals with disabilities throughout our region. Last year, we provided essential community services to more than 6,000 Nevadans.

Employment Services at Easter Seals Southern Nevada

I would like to focus the remainder of my testimony on our job training and employment services. Nevada has the highest unemployment rate in the country.¹ The unemployment rate among individuals with disabilities nationwide is even higher.²

¹U.S. Department of Labor Bureau of Labor Statistics, July, 2011, <http://www.bls.gov/web/laus/laumstrk.htm>.

²U.S. Department of Labor Bureau of Labor Statistics, July, 2011, <http://www.bls.gov/news.release/empsit.t06.htm>.

Easter Seals Southern Nevada is working with local, state and federal partners to help address high unemployment by providing Nevada job seekers (including those with disabilities) with the tools and skills needed to succeed in the workforce. We partner with area businesses, local and state workforce investment boards, and federal agencies to respond to immediate workforce needs by providing innovative and effective employment services. Easter Seals Southern Nevada employment specialists assist jobseekers by assessing their work interests and abilities, building strong resumes and interview skills, providing skills training, assisting in job search and development, and offering on-the-job training and follow-along supports. For example, Easter Seals Southern Nevada received Workforce Investment Act (WIA) adult and dislocated workers funding through our local workforce investment board, Nevada Workforce Connections, to help find and train workers for a furniture manufacturing plant that opened in 2010. We partnered with the employer and held a large job fair on campus to recruit skilled candidates. An example would be an experienced and certified forklift driver who has a physical disability and is hearing impaired. The employer accommodated by using a laser light for the candidate to guide safely which enhanced the audible back up alarm and horn for maneuvering. In addition, we partnered with the Nevada Housing Division to provide jobseekers with basic weatherization and green energy training. Several skilled trades, such as unemployed construction workers, flocked to this opportunity to expand their credentials to enter the green market. Nevadans with varying disabilities, low-income persons, seniors, and veterans were in this pool of candidates. These are great examples of how federal programs are utilized by states and communities to address local challenges and opportunities.

Our primary employment mission is to help jobseekers with disabilities learn skills to successfully enter the workforce or to return to work after an illness or injury. We utilize vocational rehabilitation (VR) funding authorized through Title IV (Rehabilitation Act) of the Workforce Investment Act. The Nevada Bureau of Vocational Rehabilitation (BVR) refers Nevadans with disabilities to Easter Seals Southern Nevada for employment services, including assessment, training, and placement. Easter Seals Southern Nevada also provides assistive technology evaluations, workplace assessments and training and other tools to help individuals referred to us by BVR succeed in the workplace through simple technology accommodations. Individuals with disabilities can also work in our warehouse facility or at one of our community worksites, doing real work and earning a paycheck which furthers their ultimate goal of independence. Easter Seals Southern Nevada specializes in training and employment in culinary and food service, plant care and horticulture, janitorial and grounds keeping, and fulfillment and inventory control.

Recommendations for Improving Vocational Rehabilitation

The vocational rehabilitation program continues to be the principal federal program for helping people with disabilities find work. I would like to offer recommendations for improving the VR program from the vantage point of both a VR consumer and professional. At age seven, I became legally blind when blood vessels burst across the macula leaving a residue of scar tissue that impaired my vision. When I turned 18, I had my first experience with vocational rehabilitation services—as a VR client. In addition, my educational and professional careers have intersected the vocational rehabilitation system. I earned Masters' Degrees in Rehabilitation Counseling and Public Administration from Syracuse University and have dedicated my entire career working to help increase employment opportunities for people with disabilities, first as a certified rehabilitation counselor and now as president and CEO of a major provider of vocational rehabilitation services. I have worked with vocational rehabilitation programs in several states. I have watched the evolution of the Rehabilitation Act of 1973 to today. My recommendations are based on my personal and professional experiences with the vocational rehabilitation system.

I. School to Work Transition: Preparing high school students with disabilities for the world of work has been one of the great challenges for the vocational rehabilitation system. My experience as a consumer of VR services and as a program partner in several states, including here in Nevada, has led me to conclude that few states provide this service in any meaningful way. To increase transition success, students with disabilities, beginning at age 14, should have access to transition services, including: career exploration, career counseling, assistive technology, job shadowing, summer employment, mobility training (i.e. access to buses), resume building, college exploration and employment. The vocational rehabilitation system must include a greater focus on the transition of students through better coordination with schools and increased access to transition and employment services.

II. Access to Assistive Technology: Assistive technology (AT) is a device or service which helps a person to access some part of life. Assistive technology may be an adapted keyboard for someone who has difficulty typing, software that enlarges characters and images on a screen for an individual who is visually impaired, or adjustable desks for persons using mobility devices such as a wheelchair. Assistive technology tools help individuals with disabilities to successfully perform the essential functions of a job. Unfortunately, Nevadans with disabilities who qualify for VR services often do not receive adequate assistive technology services and devices. Lack of AT services was common in VR systems I worked with in other states. An assistive technology evaluation should be offered in an individual's employment plan. In addition, individuals must receive training on the technology to increase their success on the job.

III. Supported Employment: From my experience, an individualized plan for employment developed by a state vocational rehabilitation counselor does not always provide access to the supports an individual needs to be successful in the workplace. Job coaching and especially assistive technology are areas that are usually lacking in this process—both of which are critical components of job maintenance. The vocational rehabilitation system must improve access to employment supports, including group supported employment, to increase employment of people with the most significant disabilities.

Conclusion

Vocational rehabilitation and other federal job programs that allow state and community partners to address local employment needs must be strengthened in the reauthorization of the Workforce Investment Act/Rehabilitation Act. Easter Seals Southern Nevada has a demonstrated record of success in developing employment solutions for local workforce needs. We welcome the opportunity to continue our work with local, state and federal partners through critical federal training programs within WIA. Thank you for the opportunity to share with you some local examples of how Easter Seals Southern Nevada utilizes federal workforce training programs to help businesses and jobseekers in Nevada. Thank you.

[Additional submission of Mr. Aguero follows:]

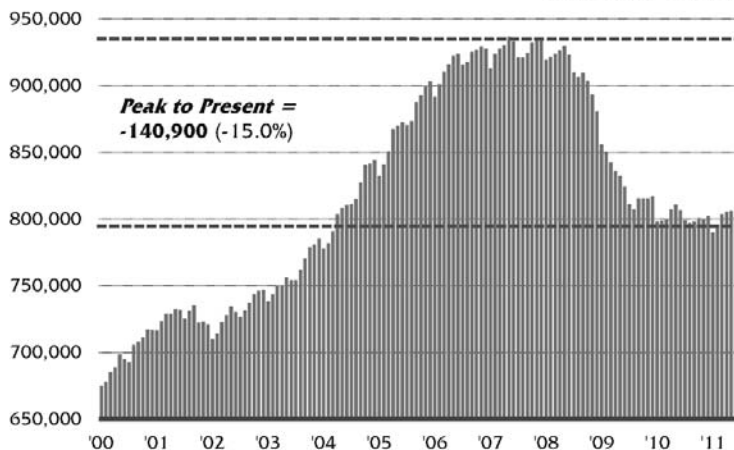
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OVERVIEW OF SOUTHERN NEVADA EMPLOYMENT AND WORKFORCE TRENDS

Prepared for the U.S. House of Representatives Committee on Education and the Workforce
Las Vegas, Nevada | August 30, 2011

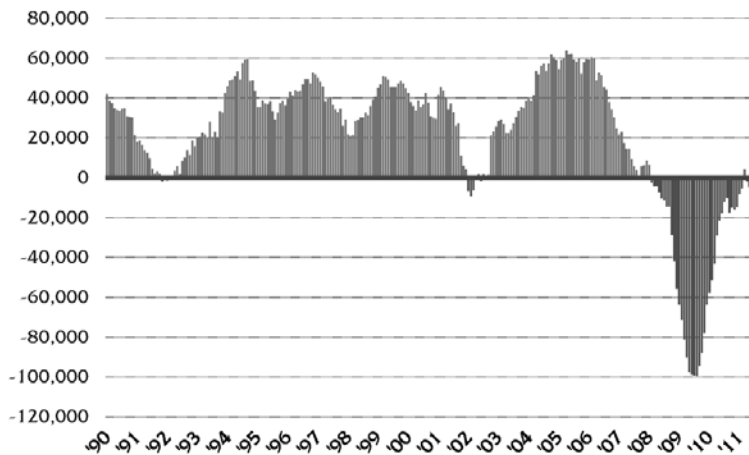
RESEARCH. ANALYSIS. SOLUTIONS. ECONOMIC ANALYSIS - FINANCIAL ANALYSIS - ADVISORY SERVICES - HOUSING/LEASING CONSULTING - INFORMATION TECHNOLOGY/WEB-BASED SOLUTIONS
LITIGATION SUPPORT/EXPERT ANALYSIS - MARKET ANALYSIS - OPINION POLLING/CONSUMER SENTIMENT ANALYSIS - PUBLIC POLICY ANALYSIS

Las Vegas MSA Employment Monthly Series



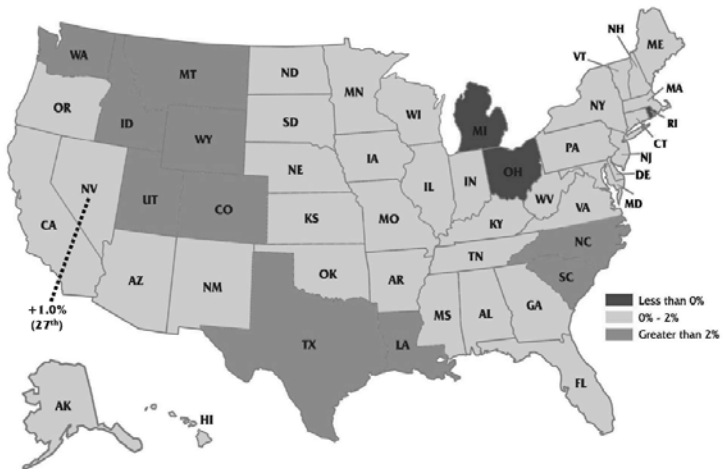
Calculations by Applied Analysis; Source: Nevada Department of Employment Training and Rehabilitation

Las Vegas MSA Employment Growth Year-Over-Year Growth



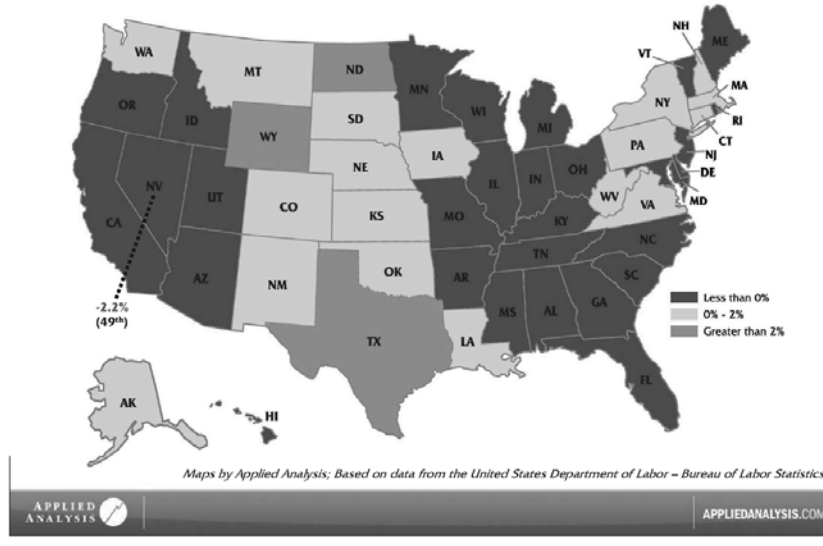
Source: Nevada Department of Employment Training and Rehabilitation

United States Employment Growth 2007

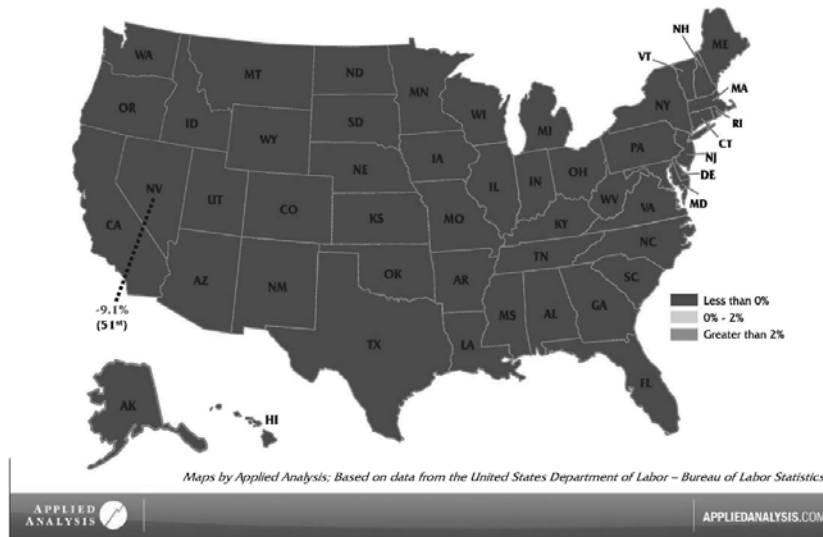


Maps by Applied Analysis; Based on data from the United States Department of Labor - Bureau of Labor Statistics

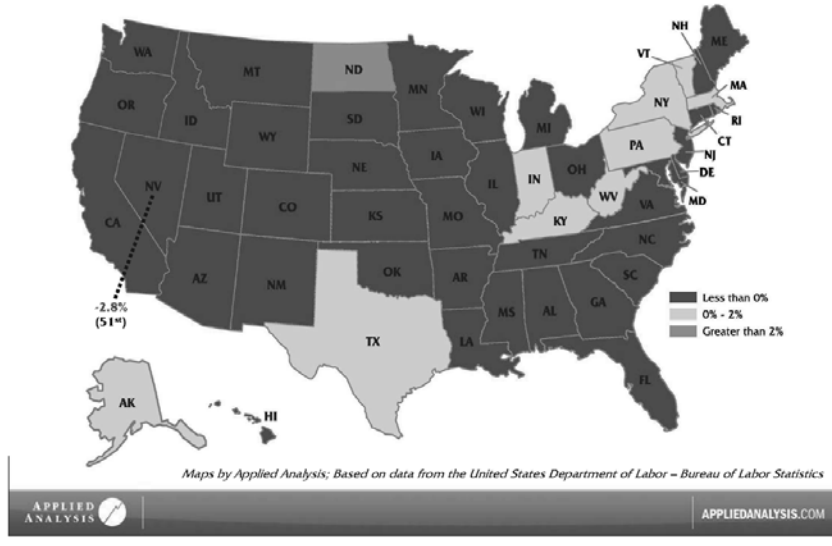
United States Employment Growth 2008



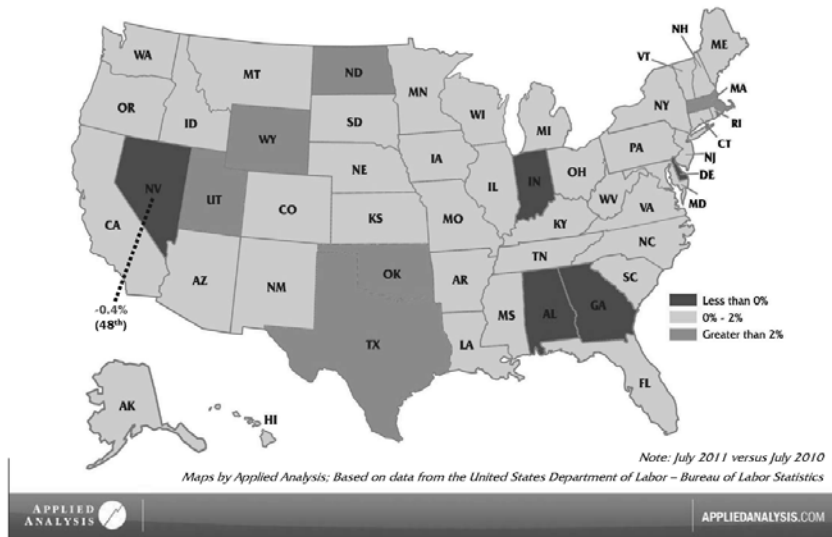
United States Employment Growth 2009



United States Employment Growth 2010



United States Employment Growth 2011 (p)

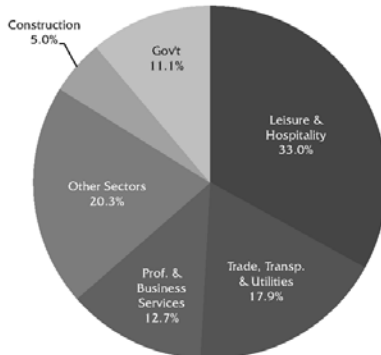


Employment Distributions

As of July 2011

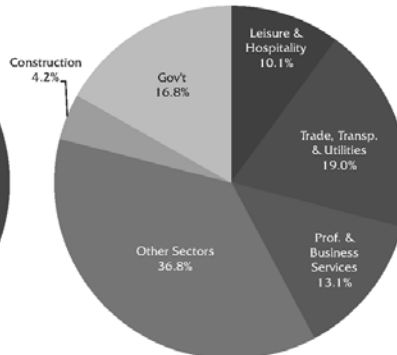
Las Vegas MSA

Note: Not Seasonally Adjusted



United States

Note: Seasonally Adjusted



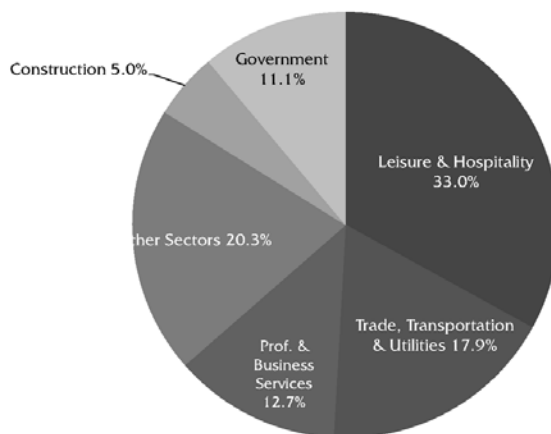
Sources: Nevada Department of Employment Training and Rehabilitation; United States Department of Labor - Bureau of Labor Statistics



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Las Vegas MSA Employment Distribution

As of July 2011

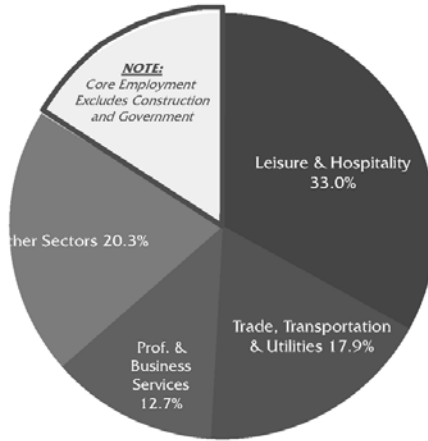


Source: Nevada Department of Employment Training and Rehabilitation



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Las Vegas MSA Core Employment Distribution As of July 2011

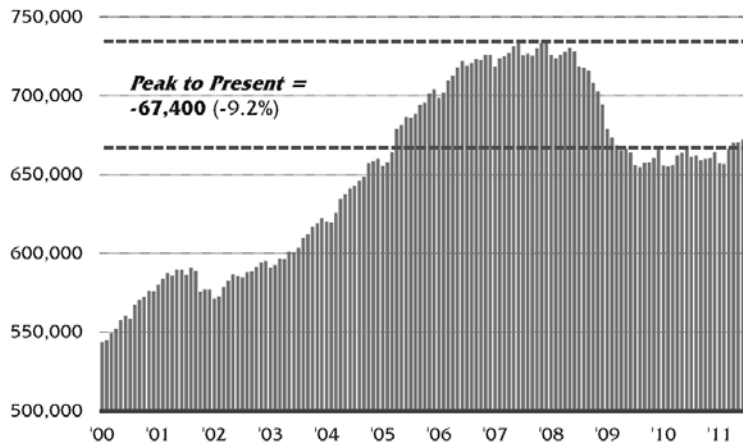


Source: Nevada Department of Employment Training and Rehabilitation



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Las Vegas MSA Core Employment Monthly Series

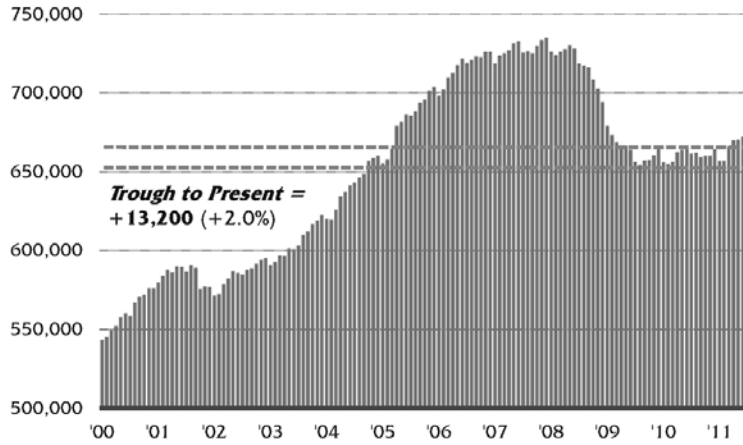


Calculations by Applied Analysis; Source: Nevada Department of Employment Training and Rehabilitation



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Las Vegas MSA Core Employment Monthly Series

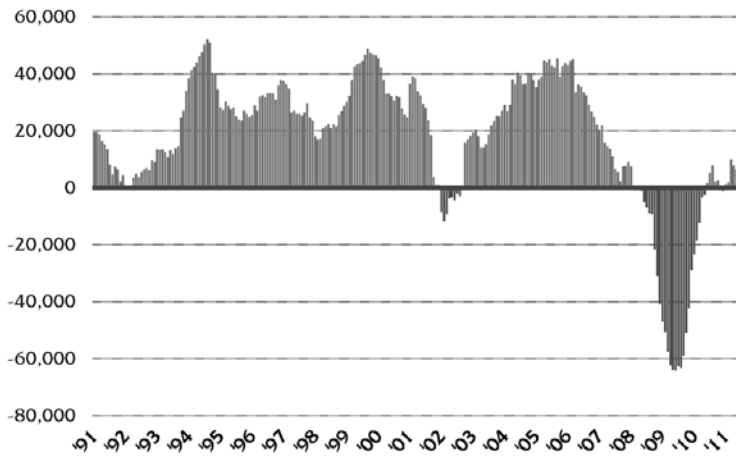


Calculations by Applied Analysis; Source: Nevada Department of Employment Training and Rehabilitation



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Las Vegas MSA Core Employment Growth Year-Over-Year Growth



Source: Nevada Department of Employment Training and Rehabilitation

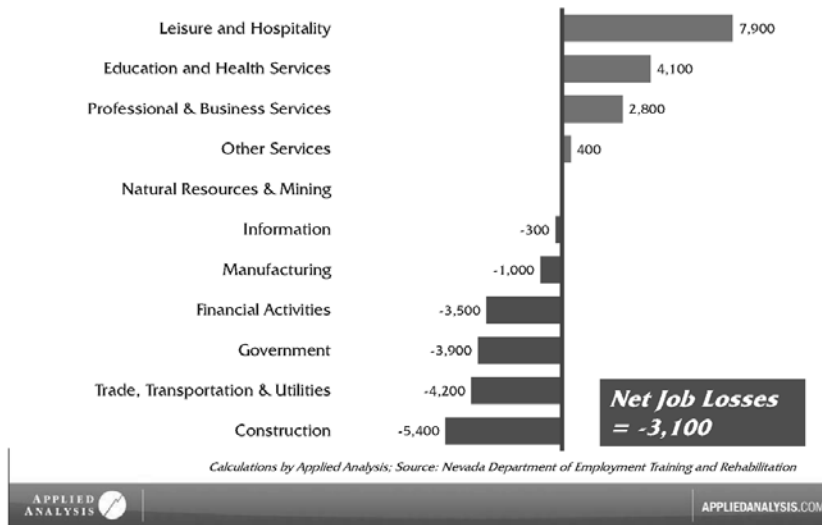


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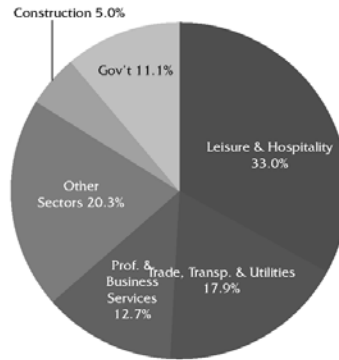
Las Vegas MSA Employment Growth By Industry | Past 5 Years



Las Vegas MSA Employment Growth By Industry | Past 12 Months

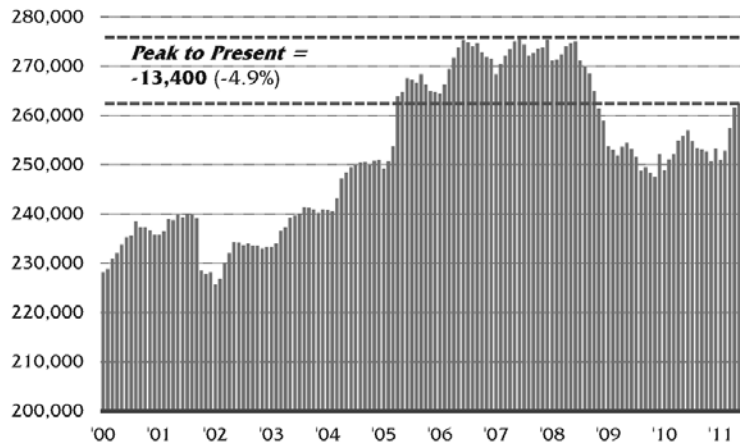


Las Vegas MSA Employment Distribution As of July 2011



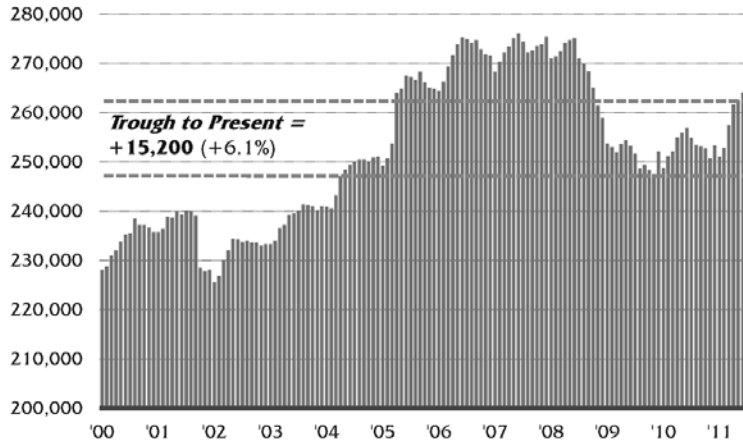
Source: Nevada Department of Employment Training and Rehabilitation

Leisure & Hospitality Employment Monthly Series



Calculations by Applied Analysis; Source: Nevada Department of Employment Training and Rehabilitation

Leisure & Hospitality Employment Monthly Series

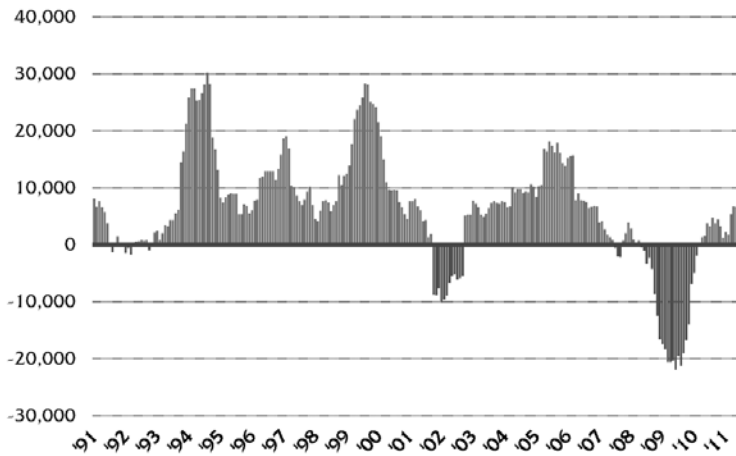


Calculations by Applied Analysis; Source: Nevada Department of Employment Training and Rehabilitation



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Leisure & Hospitality Employment Growth Year-Over-Year Growth

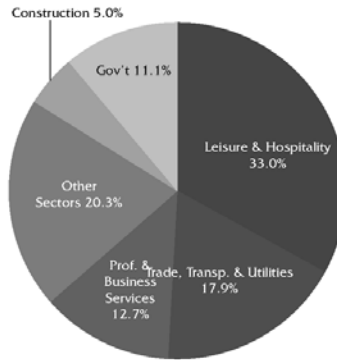


Source: Nevada Department of Employment Training and Rehabilitation



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Las Vegas MSA Employment Distribution As of July 2011

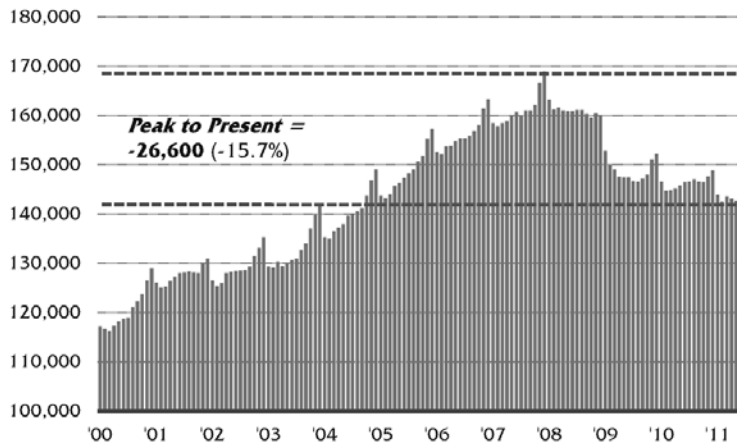


Source: Nevada Department of Employment Training and Rehabilitation



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Trade, Transp. & Utilities Employment Monthly Series

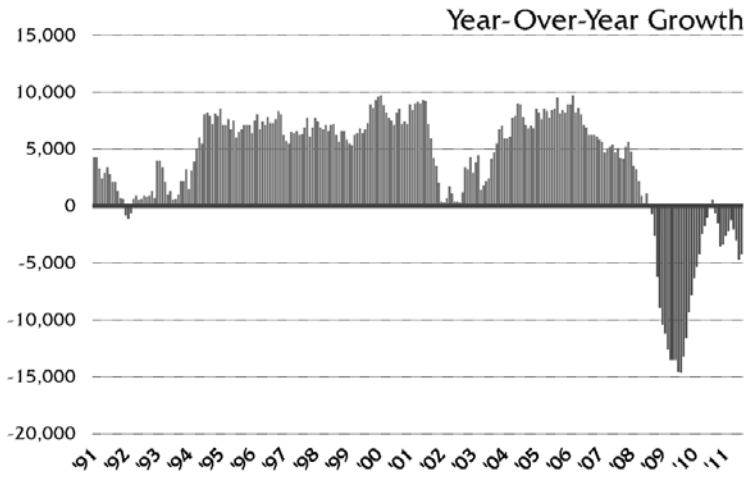


Calculations by Applied Analysis; Source: Nevada Department of Employment Training and Rehabilitation



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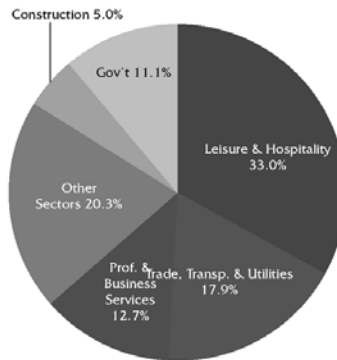
Trade, Transp. & Utilities Employment Growth



Source: Nevada Department of Employment Training and Rehabilitation

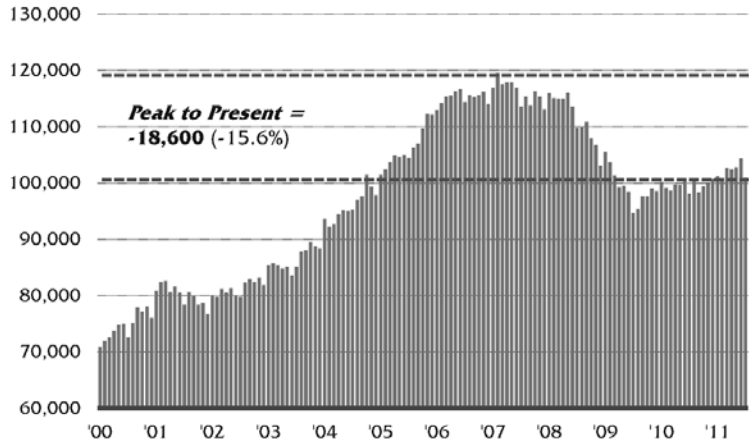
Las Vegas MSA Employment Distribution

As of July 2011



Source: Nevada Department of Employment Training and Rehabilitation

Prof. & Business Services Employment Monthly Series

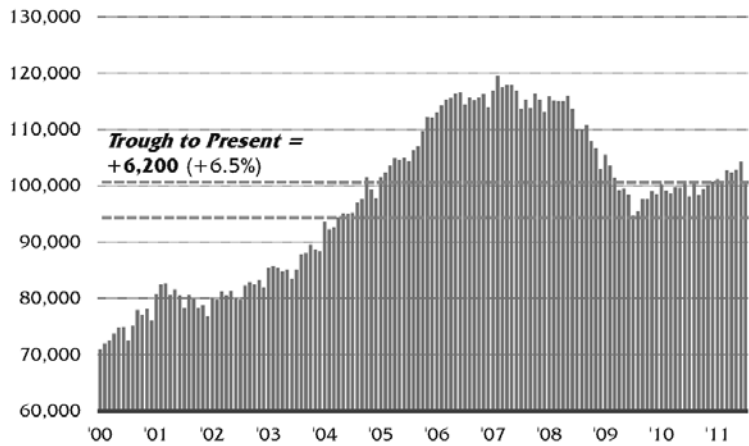


Calculations by Applied Analysis; Source: Nevada Department of Employment Training and Rehabilitation



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Prof. & Business Services Employment Monthly Series

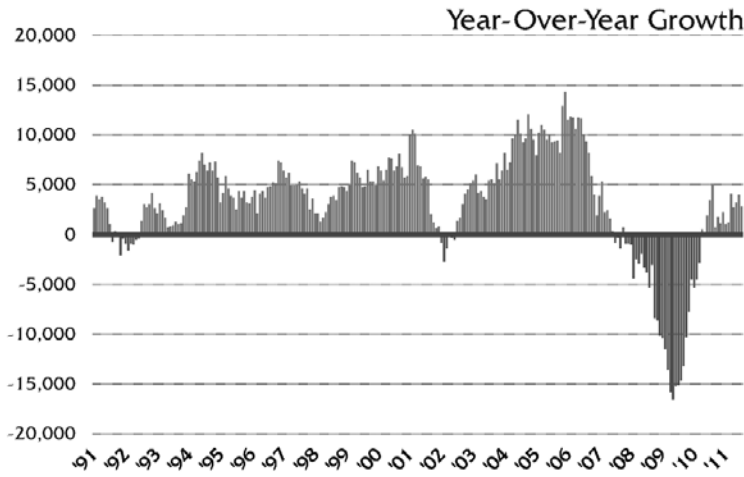


Calculations by Applied Analysis; Source: Nevada Department of Employment Training and Rehabilitation



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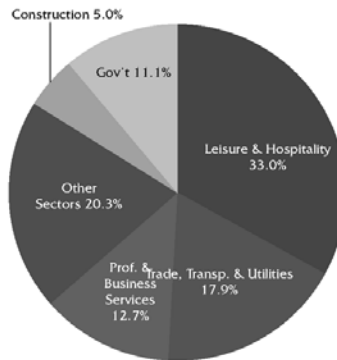
Prof. & Business Services Employment Growth



Source: Nevada Department of Employment Training and Rehabilitation

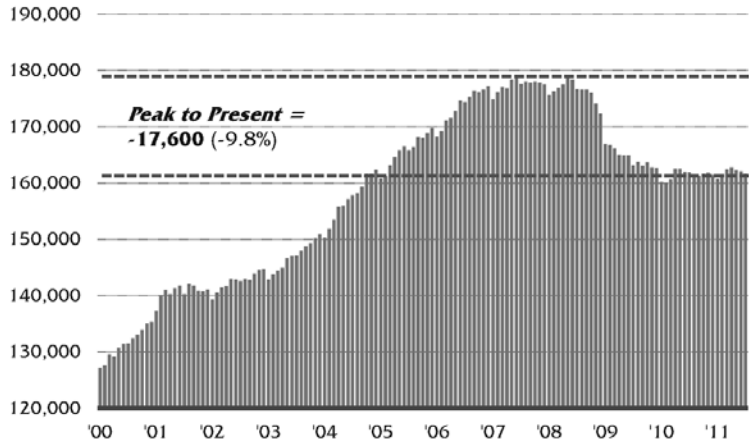
Las Vegas MSA Employment Distribution

As of July 2011



Note: the share for "other sectors" includes manufacturing, information, financial activities, education/health services and other services
 Source: Nevada Department of Employment Training and Rehabilitation

Other Sectors Employment Monthly Series

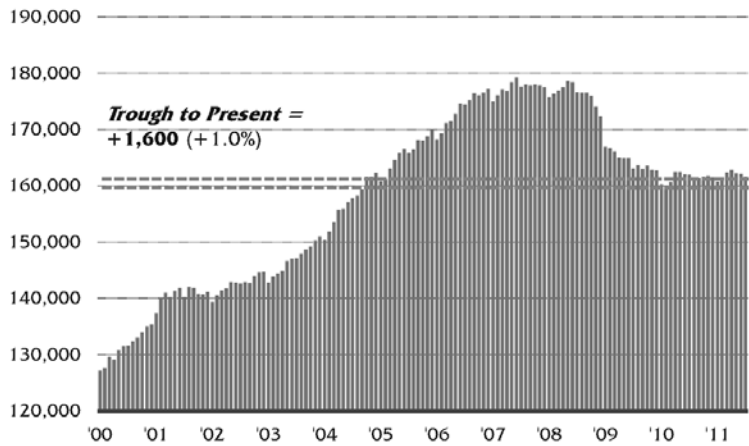


Note: the share for "other sectors" includes manufacturing, information, financial activities, education/health services and other services
Calculations by Applied Analysis; Source: Nevada Department of Employment Training and Rehabilitation



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Other Sectors Employment Monthly Series

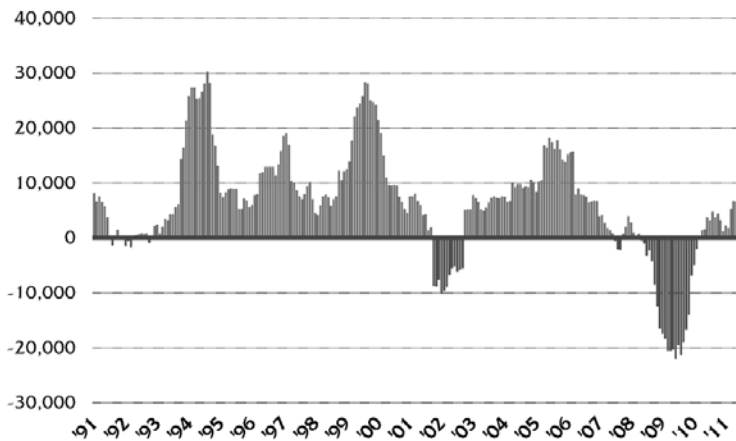


Note: the share for "other sectors" includes manufacturing, information, financial activities, education/health services and other services
Calculations by Applied Analysis; Source: Nevada Department of Employment Training and Rehabilitation



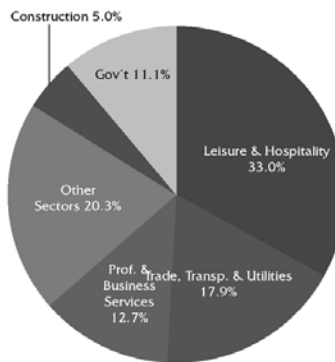
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Other Sectors Growth Year-Over-Year Growth



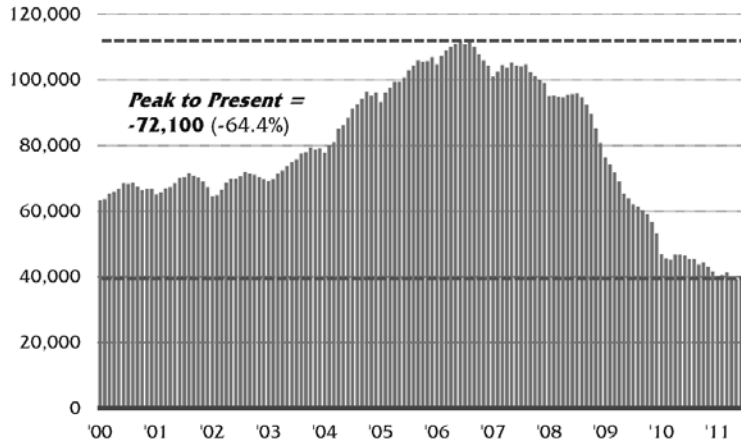
Note: the share for "other sectors" includes manufacturing, information, financial activities, education/health services and other services
Source: Nevada Department of Employment Training and Rehabilitation

Las Vegas MSA Employment Distribution As of July 2011



Source: Nevada Department of Employment Training and Rehabilitation

Construction Employment Monthly Series

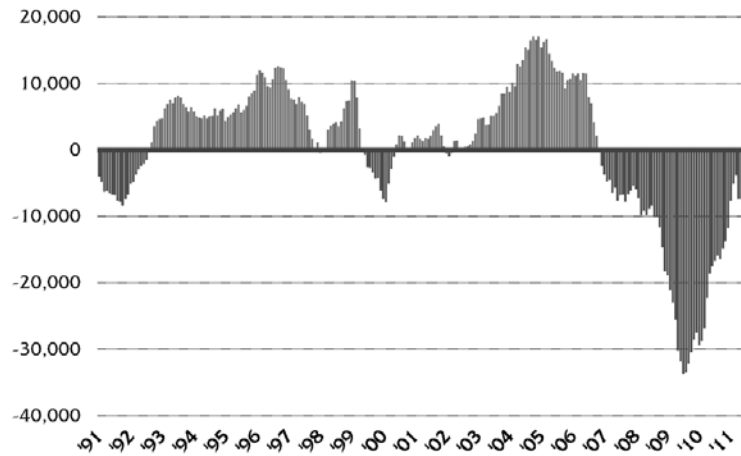


Calculations by Applied Analysis; Source: Nevada Department of Employment Training and Rehabilitation



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Construction Employment Growth Year-Over-Year Growth

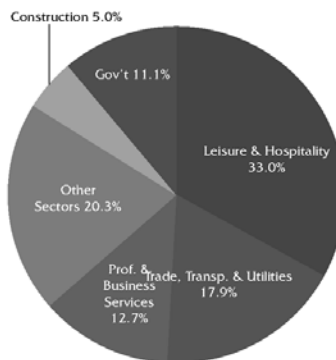


Source: Nevada Department of Employment Training and Rehabilitation



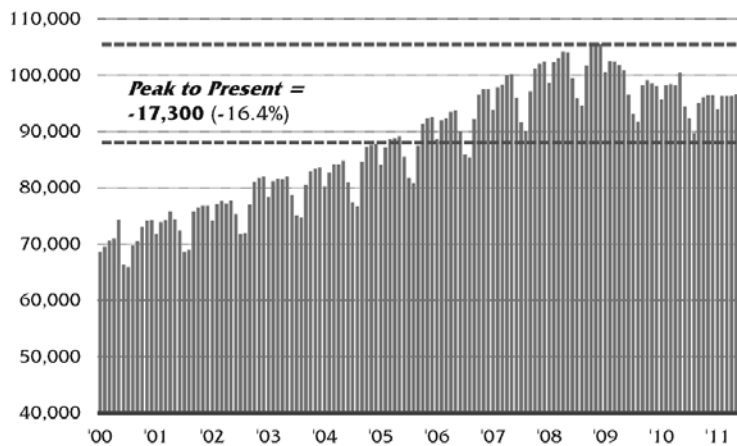
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Las Vegas MSA Employment Distribution As of July 2011



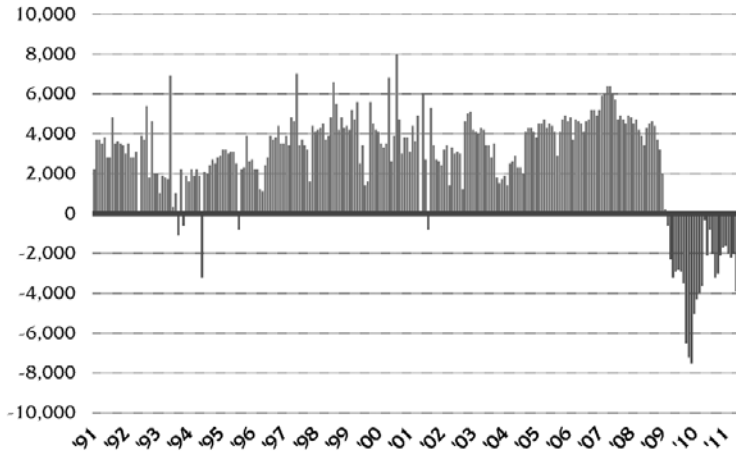
Source: Nevada Department of Employment Training and Rehabilitation

Government Employment Monthly Series



Calculations by Applied Analysis; Source: Nevada Department of Employment Training and Rehabilitation

Government Employment Growth Year-Over-Year Growth

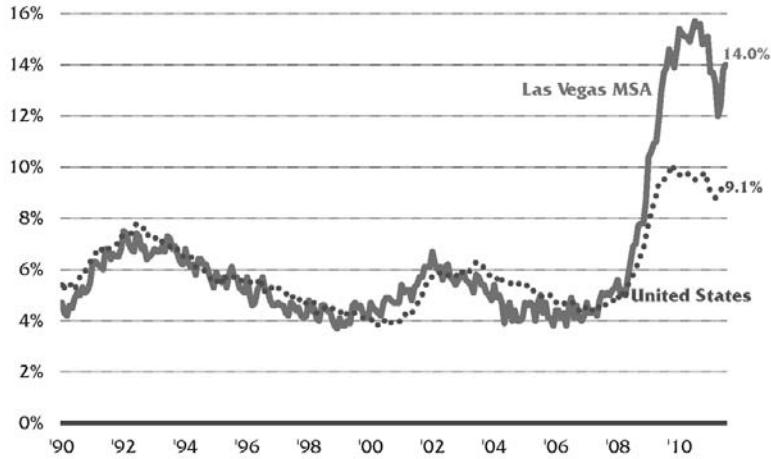


Source: Nevada Department of Employment Training and Rehabilitation



Unemployment, Hours and Wages

Unemployment Rates



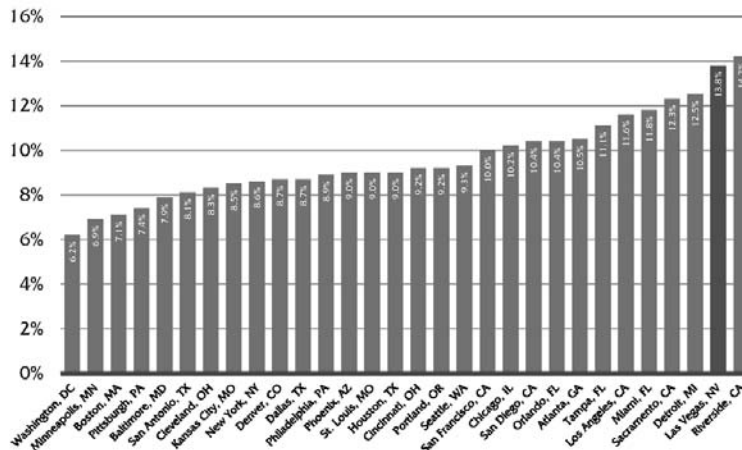
Sources: Nevada Department of Employment Training and Rehabilitation, US Department of Labor – Bureau of Labor Statistics



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Unemployment Rates

30 Largest Metropolitan Areas | As of Jun-11 (Latest Available)

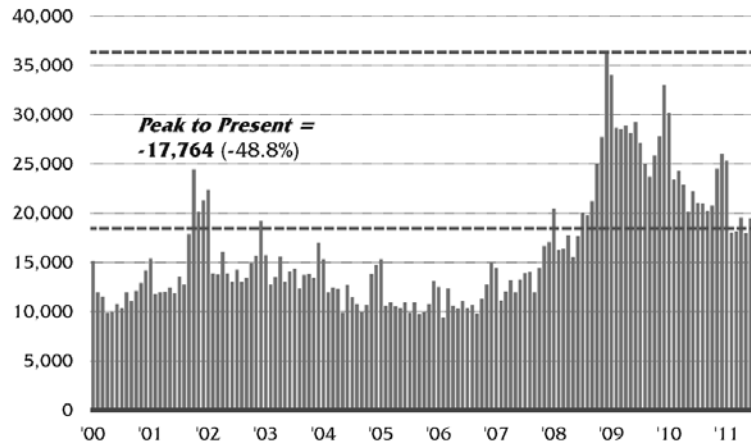


Source: US Department of Labor – Bureau of Labor Statistics



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Nevada Unemployment Insurance Claims/Benefits Initial Claims

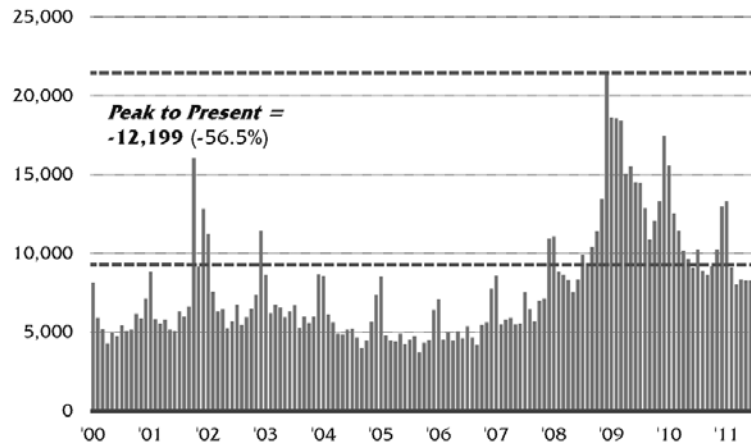


Source: United States Department of Labor – Employment and Training Administration



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Nevada Unemployment Insurance Claims/Benefits First Payments

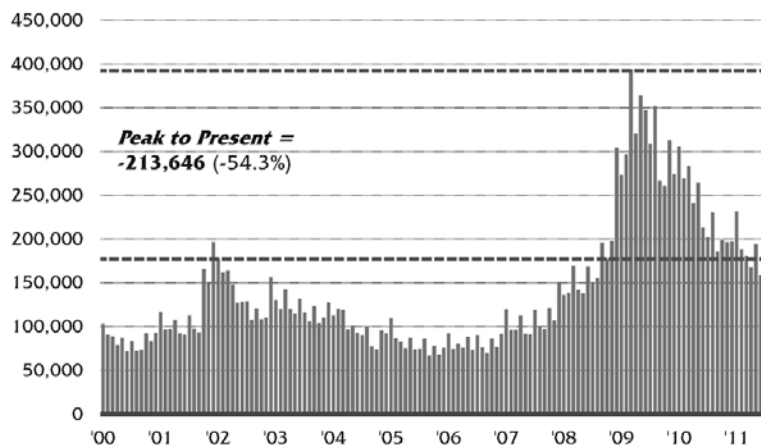


Source: United States Department of Labor – Employment and Training Administration



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Nevada Unemployment Insurance Claims/Benefits
Weeks Claimed

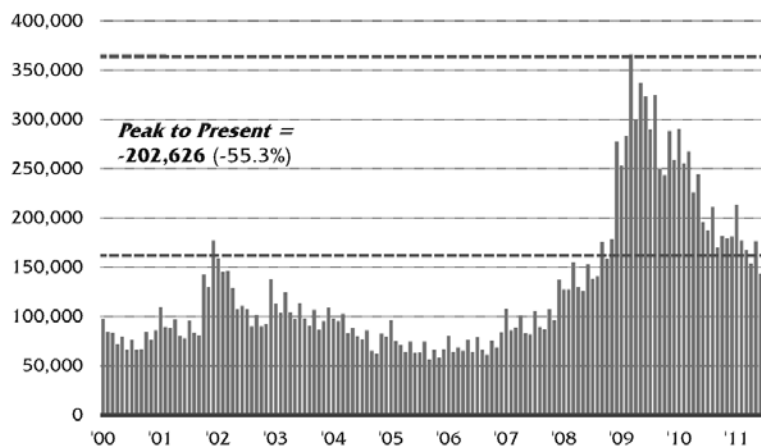


Source: United States Department of Labor – Employment and Training Administration



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Nevada Unemployment Insurance Claims/Benefits
Weeks Compensated

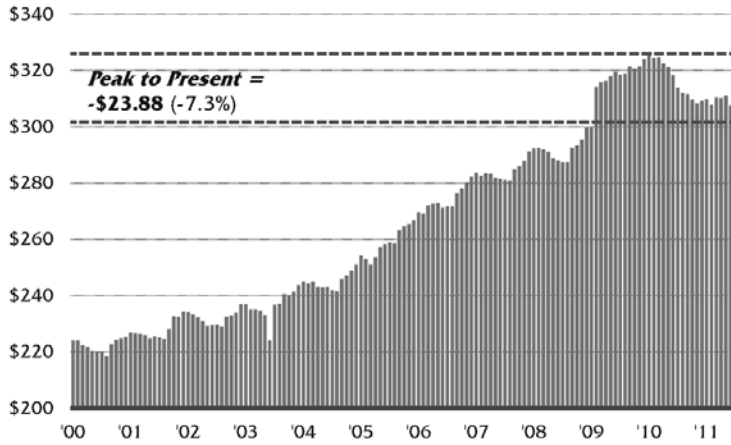


Source: United States Department of Labor – Employment and Training Administration



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Nevada Unemployment Insurance Claims/Benefits
Average Weekly Benefit

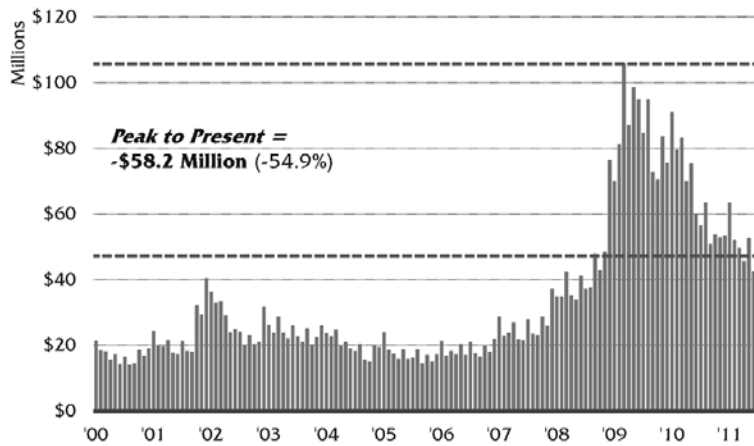


Source: United States Department of Labor – Employment and Training Administration



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Nevada Unemployment Insurance Claims/Benefits
Benefits Paid

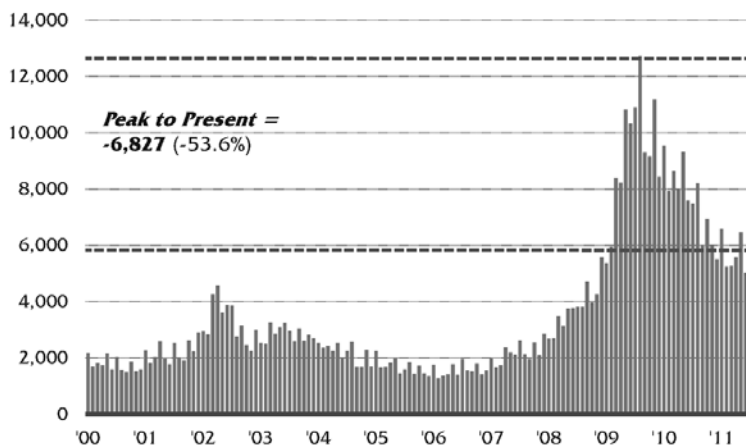


Source: United States Department of Labor – Employment and Training Administration



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Nevada Unemployment Insurance Claims/Benefits
Final Payments

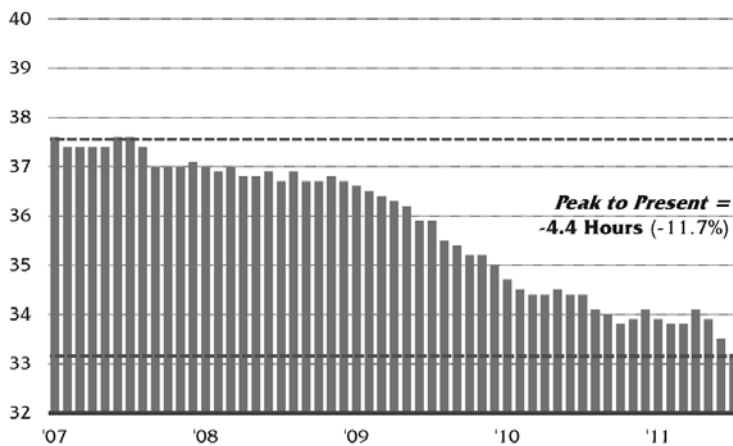


Source: United States Department of Labor – Employment and Training Administration



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Las Vegas MSA Hours Worked
Private Sector | Monthly Series



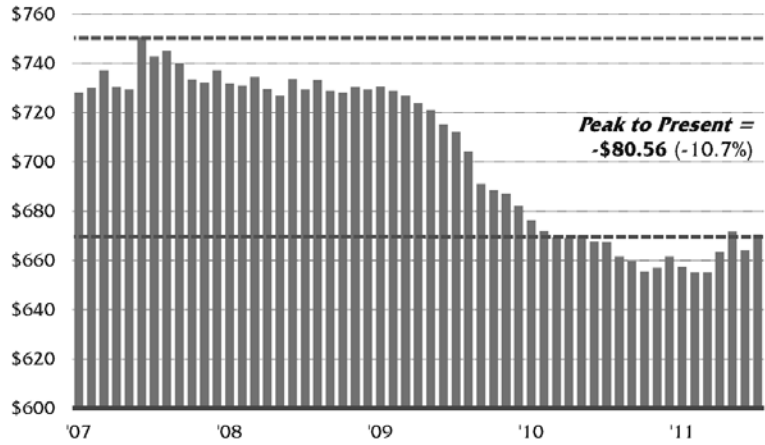
Source: US Department of Labor – Bureau of Labor Statistics



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Las Vegas MSA Weekly Earnings

Private Sector | Monthly Series



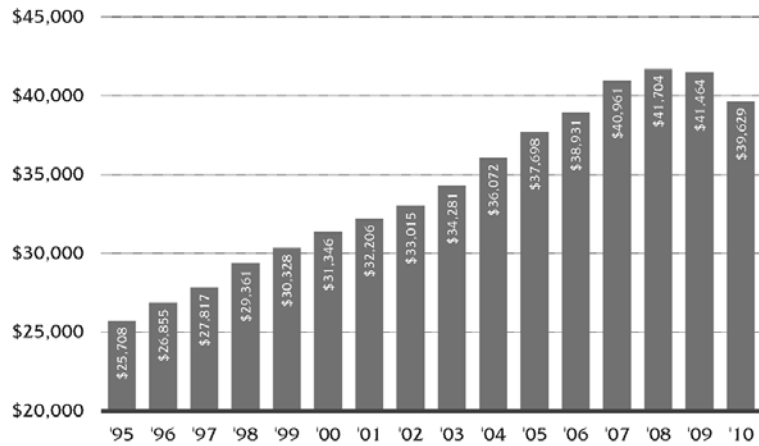
Source: US Department of Labor - Bureau of Labor Statistics



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Las Vegas MSA Annual Wages

As covered by the Nevada Unemployment Compensation Laws (NRS 612)



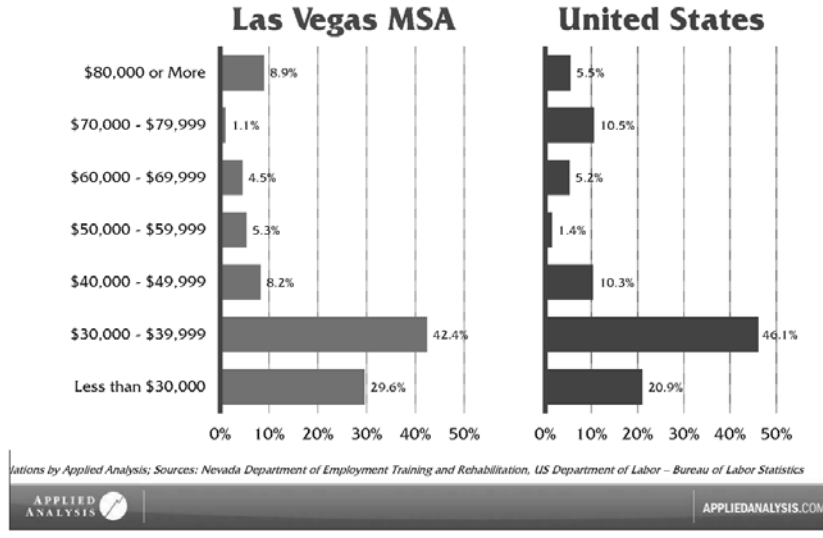
Note: Data does not include federal employment but does include persons covered under reimbursable portions of the Nevada Law. Does not include tip income.



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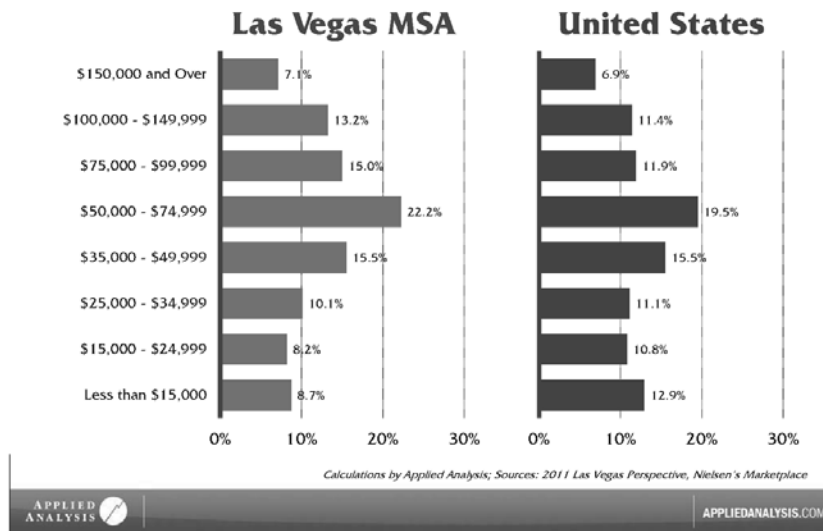
Occupational Wage Distributions

Based on 2010/2011 Wage Estimates | All Private Industries

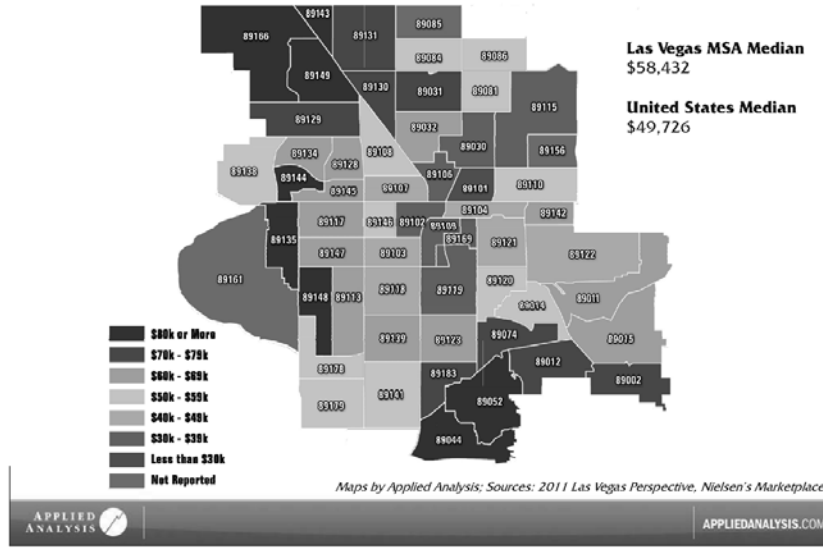


Household Income Distributions

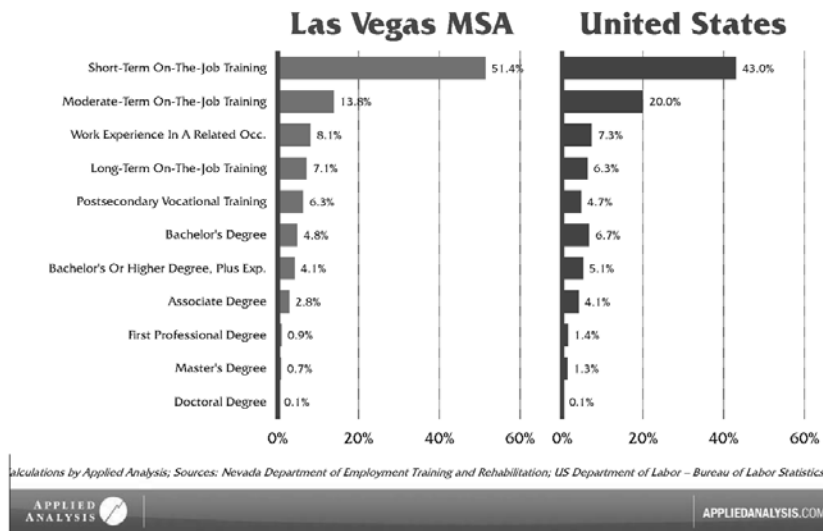
Estimates For 2010/2011



Las Vegas MSA Zip Code Map Median Household Income Estimates

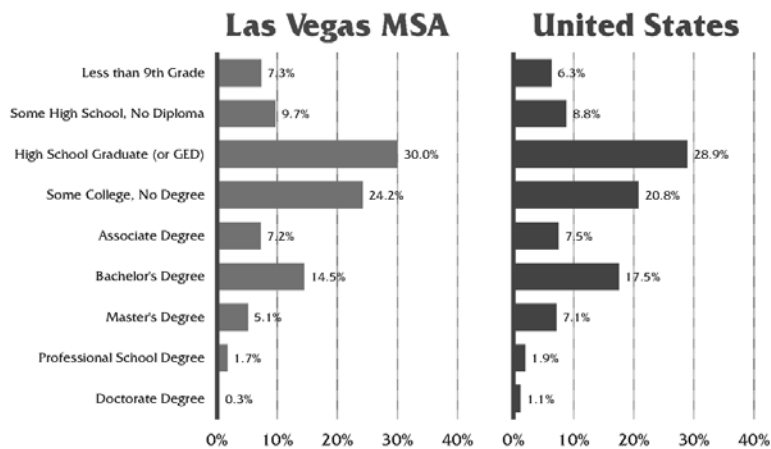


Occupations by Training/Education Level Estimates For 2010/2011



Educational Attainment

Estimates For 2010/2011



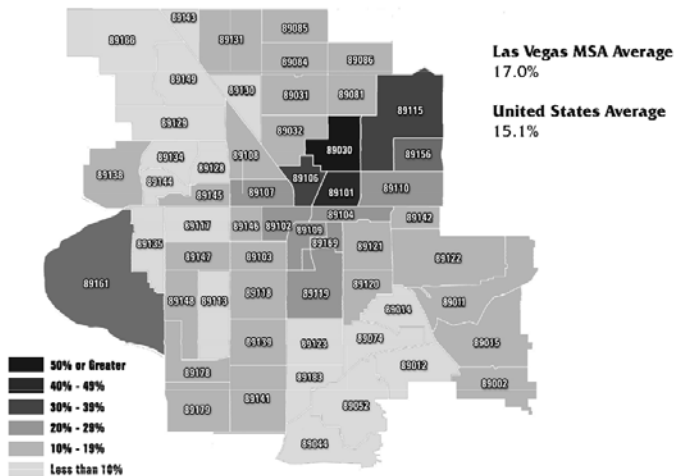
Calculations by Applied Analysis; Sources: 2011 Las Vegas Perspective, Nielsen's Marketplace



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Las Vegas MSA Zip Code Map

Educational Attainment – Less than High School



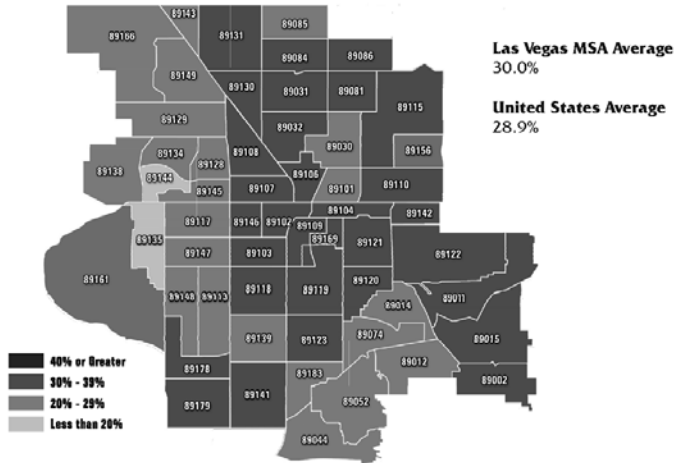
Maps by Applied Analysis; Sources: 2011 Las Vegas Perspective, Nielsen's Marketplace



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Las Vegas MSA Zip Code Map

Educational Attainment – High School Diploma (Only)



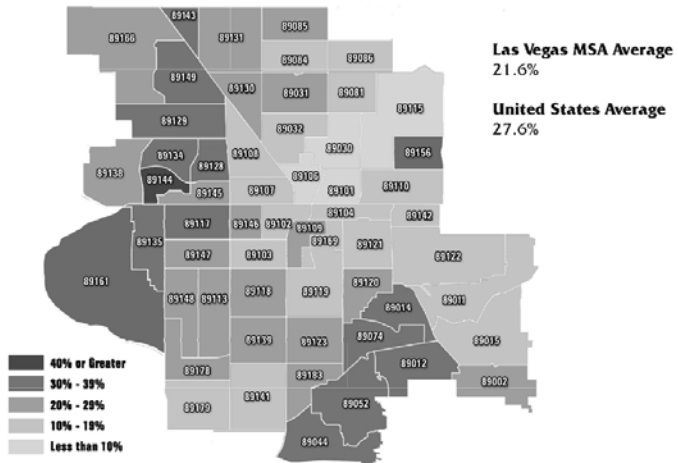
Maps by Applied Analysis; Sources: 2011 Las Vegas Perspective, Nielsen's Marketplace



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Las Vegas MSA Zip Code Map

Educational Attainment – Bachelor's Degree or More Advanced

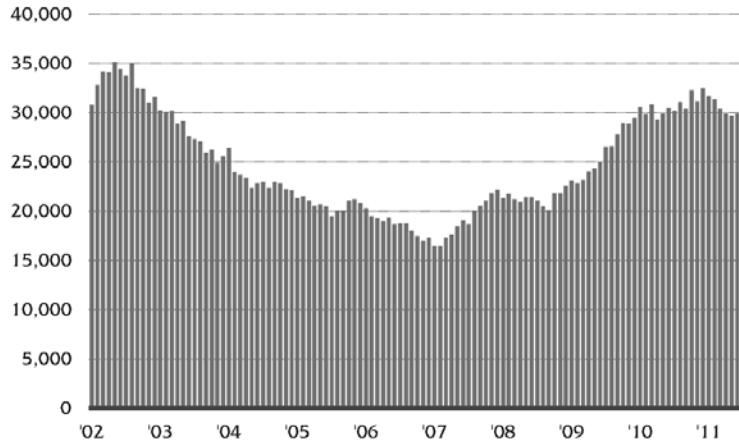


Maps by Applied Analysis; Sources: 2011 Las Vegas Perspective, Nielsen's Marketplace



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Nevada TANF Caseloads Monthly Series

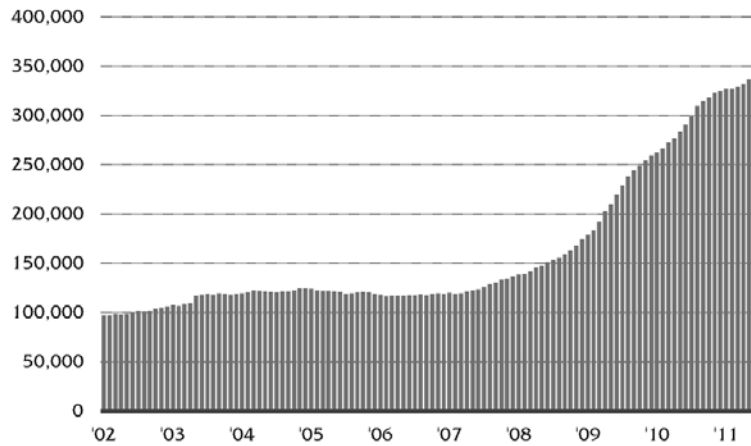


Source: Nevada Department of Health and Human Services
Note: Temporary Assistance for Needy Families ("TANF") grant recipients receive financial and support services based on need



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Nevada SNAP Participants Monthly Series

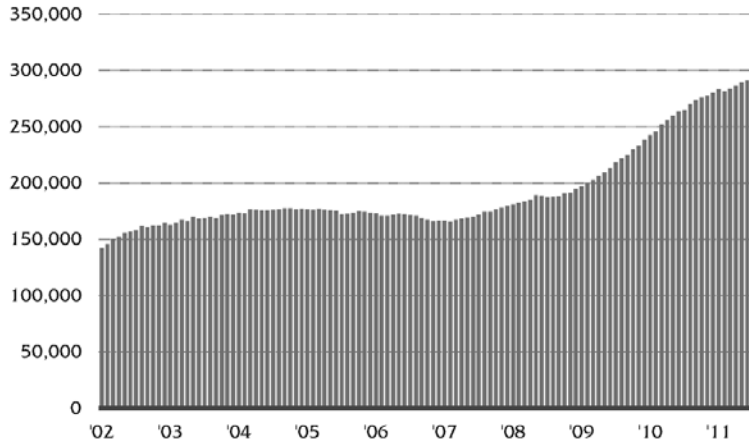


Source: Nevada Department of Health and Human Services
Note: Supplemental Nutrition Assistance Program ("SNAP") assists near poverty families by providing food needed to maintain their health



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Nevada Medicaid Eligibles Includes Retroactive Eligibles | Monthly Series

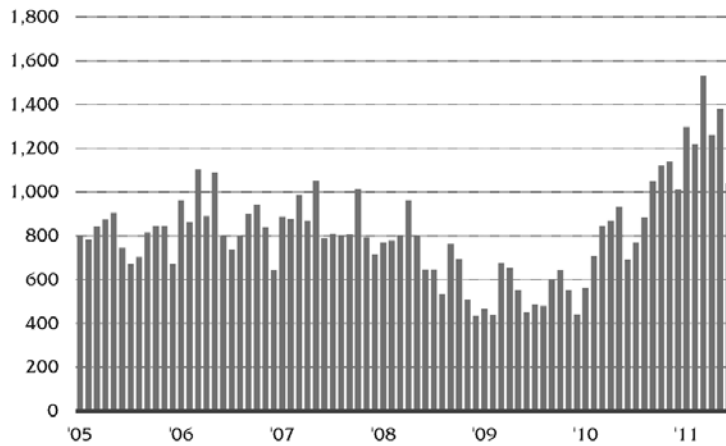


Source: Nevada Department of Health and Human Services



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Calls to Child Protective Services Clark County, Nevada



Source: Nevada Department of Family Services



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ACCSES,
June 20, 2011.

Senator TOM HARKIN, *Chair,*
Senate Health, Education, Labor and Pensions Committee, 428 Dirksen Senate Office
Building, Washington, DC 20510.

Senator MIKE ENZI, *Ranking Member,*
Senate Health, Education, Labor and Pensions Committee, 835 Hart Senate Office
Building, Washington, DC 20510.

Senator PATTY MURRAY, *Chair,*
Subcommittee on Employment and Workplace Safety, 143 Hart Senate Office Build-
ing, Washington, DC 20510.

Senator JOHNNY ISAKSON, *Ranking Member,*
Subcommittee on Employment and Workplace Safety, 131 Russell Senate Office
Building, Washington, DC 20510.

RE: *Comments Regarding Proposed Amendments to the Rehabilitation Act Included*
in Title V of the Staff Discussion Draft of the Workforce Investment Act of 2011

DEAR SENATORS: Thank you for the opportunity to review the Staff Discussion Draft regarding amendments to the Rehabilitation Act included in Title V of the Workforce Investment Act of 2011. ACCSES applauds your efforts to work on a bipartisan basis to expand and improve employment opportunities for all individuals with disabilities, including individuals with the most significant disabilities. ACCSES represents more than 80 partner organizations that work to promote and enhance community-based solutions that maximize employment and independent living opportunities for people with disabilities through collaboration with government and other stakeholders.

Below are our major recommendations for improving the draft bill.

COMMUNITY REHABILITATION PROGRAM (DEFINITION)

Current law defines the term “community rehabilitation program” to mean a program that enables an individual with a disability to maximize opportunities for employment, including career advancement. The bill [page 7, lines 14-17] strikes “employment and career advancement” and inserts “for competitive integrated employment and for career advancement.”

Recommendation: Strike page 7, lines 14-17, thereby returning to current law.

Rationale: This is a definition and thus should accurately reflect the breadth and depth of the services and supports provided by community rehabilitation programs. It is perfectly appropriate for the substantive provisions of the bill to prescribe the specific role of community rehabilitation programs under the Rehabilitation Act i.e., maximize opportunities for competitive integrated employment and career advancement. In fact, many of the other amendments to the bill accomplish this objective.

COMPETITIVE INTEGRATED EMPLOYMENT (DEFINITION)

Under the current regulations implementing the Rehabilitation Act, the term “competitive employment” means work in the competitive labor market that is performed on a full-time or part-time basis in an integrated setting and for which an individual is compensated at or above minimum wage, but not less than the customary wage and level of benefits paid by the employer for the same or similar work performed by individuals who are not disabled. [34 CFR 361.5(b)(11)]

Under the current regulations [34 CFR 361.33], the term “integrated setting” with respect to the provision of services, means a setting typically found in the community in which applicants or eligible individuals interact with non-disabled individuals other than non-disabled individuals who are providing services to those applicants or eligible individuals. With respect to an employment outcome, the term “integrated setting” means a setting typically found in the community in which applicants or eligible individuals interact with non-disabled individuals, other than non-disabled individuals who are providing services to those applicants or eligible individuals, to the same extent that non-disabled individuals in comparable positions interact with other persons.

The definition in the bill [page 8, lines 6-24 thru page 9, lines 1-15] includes new terminology that does not add clarity but rather adds confusion. For example, what does “* * * similar training, experience and skills” mean for someone in supported or customized employment and who needs ongoing services and supports? In the phrase “receives health and employment benefits comparable to those of other employees,” which other employees are being referred to: Finally, what is the meaning

of “at a location where the employee interacts frequently with other employees who are not individuals with disabilities (not including supervisory personnel)”?

Recommendation: Strike page 8, lines 6-24 thru page 9, lines 1-15 and insert:

“(5) COMPETITIVE INTEGRATED EMPLOYMENT.—

(A) IN GENERAL.—The term “competitive integrated employment” means work in the competitive labor market that is performed on a full-time or part-time basis in an integrated setting and for which an individual is compensated at or above minimum wage, but not less than the customary wage and level of benefits paid by the employer for the same or similar work performed by individuals who are not disabled. An “integrated setting” means a setting typically found in the community in which individuals with disabilities interact with non-disabled individuals, other than non-disabled individuals who are providing services to those applicants or eligible individuals, to the same extent that non-disabled individuals in comparable positions interact with other persons.

Rationale: We support adding a definition to the statute but the definition should add clarity, not confusion.

SUPPORTED EMPLOYMENT (DEFINITION)

Under current law, the term “supported employment” means competitive work in integrated work settings, or employment in integrated work settings in which individuals are working toward competitive work. The bill deletes the phrase “or employment in integrated work settings in which individuals are working toward competitive work.” Current law also includes a reference to the need for extended services. This reference is deleted in the bill [page 17, lines 19-24 thru page 18, lines 1-8]

Recommendation:

Strike page 17, lines 19-21 and insert the following:

“(38) SUPPORTED EMPLOYMENT.—The term ‘supported employment’ means competitive integrated employment or employment in integrated work settings in which individuals are working toward competitive work, individualized and customized”

On page 18, line 8, after the word “services” insert the following

“for the period, and any extension described in paragraph 39(C) and extended services after the transition described in paragraph 13(C) in order to perform such work.”

Rationale: Deletions of flexibility in current law will result in diminished employment opportunities for persons with the most significant disabilities.

TRANSITION SERVICES

The bill makes numerous references to “transition services” (which is defined in current law) but on page 12, line 21 strikes the definition.

Recommendation: Strike page 12, line 21.

Rationale: The phrase is used frequently throughout the bill and thus should be defined. The current definition is appropriate.

TRANSITION SET ASIDE AND PRE-EMPLOYMENT TRANSITION SERVICES

The bill (Section 519(b)) adds a new Section 110(b) to the Rehabilitation Act specifying that from any state allotment the state must reserve 10 percent of the allotted funds for the provision of transition services to assist students with disabilities and youth with disabilities in transitioning from education to employment, which includes pre-employment transition services under section 114. [pages 79-80 of the bill]

The bill (Section 522 of WIA), adds Section 114 to the Rehabilitation Act. The new provision specifies that from funds reserved under Section 110(d) and from other sources each state shall ensure that the designated state unit shall provide, or arrange for the provision of, pre-employment transition services for all students with disabilities who are in need of such services. Each local office of a designated state unit must designate at least one staff person to carry out the responsibilities of a local Pre-Employment Transition Coordinator. The Secretary of Education and the Secretary of Labor shall each designate a lead staff person to fulfill the responsibilities of a National Pre-Employment Transition Coordinator. These persons may be assigned additional responsibilities. [pages 88-89 of the bill]

Recommendation: Please clarify: does this provision establish a new “entitlement” for “all” students to receive pre-employment transition services, regardless of the amount reserved for transition services under a state’s allotment or is the obligation subject to the level of appropriations? Also please clarify how this provision works in the context of the “order of selection” provision, i.e., are all students entitled to

these services or only those who are determined to be individuals with the “most significant disabilities”?

RESERVATION FOR WORKFORCE INNOVATION FUND

The bill (Section 519(c)) specifies that if appropriations for Title I of the Rehabilitation Act exceed a specified amount, the Commissioner shall reserve a specified amount, not to exceed \$50 million for Workforce Innovation Funds under Section 142 of WIA [Pages 80-81 of the bill]

Recommendation: Strike page 80, lines 3-25 thru page 81, lines 1-6 or in the alternative amend Section 142 of WIA as follows:

Add the following language to Sec. 142(b)(3):

(D) Community-based organizations, consortia, or intermediaries.—To be identified as a community-based organization, consortia, or intermediary shall demonstrate that

(i) the application has been developed in consultation other state or local stakeholders; and

(ii) leverages and aligns resources of the local organizations and stakeholders to,

(I) improve employment prospects and outcomes for people with employment barriers, including individuals with disabilities, or lack skills needed to find jobs and advance in careers.

Change Sec. 142(b)(5) as follows:

(I) AMOUNT.—The amount of the matching share under this subsection for a program year may not be less than 50 percent 25 percent of the costs of the programs and activities that are carried out under the grant.

Rationale: ACCSES supports “innovative new strategies and activities, or the replication and expansion of effective evidence-based strategies and activities that are designed to align programs and strengthen the workforce development system * * *” However, ACCSES is concerned with the “reservation” that will divert critical funds targeted individuals with the most significant disabilities served under Title I of the Rehabilitation Act.

We are also concerned that the discussion draft would not allow innovative community-based organizations (CBOs) to apply for Workforce Innovation and Replication grants. While CBOs could be included in applications if included in an application from a state partnership or regional entity, innovative activities and partnerships initiated by CBOs, especially in states or regions that are less receptive to change, would be unlikely to benefit from this new source of funds. ACCSES believes that innovative CBOs should be eligible to compete for these funds.

If CBOs were eligible to compete directly for Workforce Innovation and Replication Funds, ACCSES is concerned that the matching funds required under the discussion draft would present a significant challenge for many innovative CBOs and local partnerships. Fragmented and shifting funding sources already present a challenge to implementing and sustaining innovative and promising strategies.

NATIONAL TRANSITION INITIATIVE FOR YOUTH WITH SIGNIFICANT DISABILITIES

The purpose of this new initiative is to demonstrate and increase systemic reforms necessary for promoting the effective transition of covered students from secondary school to competitive integrated employment settings and opportunities and ultimately to create enduring systems of service delivery and training within states that facilitate the transition of covered students from school to post-secondary life with the emphasis on achieving the outcome of competitive integrated employment. [page 129] Covered students are (1) individuals within a specified age range for whom, without an alternative intervention, the anticipated outcome would likely be placement in a segregated facility-based day habilitation program or a vocational or employment program where the individual is paid less than minimum wage, or a lack of further training and assistance and (2) individuals with an intellectual disability, individuals with a developmental disability or individuals with mental illness. [page 130]

Awards may be made to eligible entities to carryout activities aimed at creating systemic reform focused on the improvement of employment outcomes in integrated settings at minimum wage or higher with commensurate benefits for covered students. Eligible entities include a consortium that is managed by a multidisciplinary team to include the State Department of Education, the State VR agency and either the State DD agency or the State Department of Mental Health Services, or both; includes representatives from the developmental disability community and mental health services community as well as individuals with disabilities; and additional public and private entities with demonstrated expertise in providing supported employment services in integrated settings at minimum wage or higher with commensurate

surate benefits and that have a proven track record in successfully running supported employment programs, provide employment services that are exclusively integrated community-based supported employment services resulting in jobs at minimum wage or higher with commensurate benefits and other expertise * * * [page 132-133] Also, under the bill an eligible entity that receives a grant shall not use any funding on activities that result in individuals being placed in center-based services (including sheltered workshops, day habilitation, and similar settings) as an employment or postsecondary outcome. [page 138]

Recommendation: ACCSES supports the purpose of this new initiative, but opposes several provisions included in the bill. If these problematic provisions are not revised, ACCSES opposes the inclusion of this provision.

- (1) On page 129, line 25, delete the word “segregated”.
- (2) On page 132, line 22, delete the word “exclusively”.
- (3) Delete lines 4-10 on page 138.

Rationale:

The use of the word “segregated” is pejorative in the context of the bill and the deletion of the term does not affect the substance of the provision.

Limiting entities that can participate in the initiative to those who provide services that are “exclusively” integrated community-based supported employment services would exclude numerous qualified CRPs who provide supported employment, customized employment as well as center-based employment. This limitation in the bill is of particular concern in rural areas in which only one provider may exist.

The “prohibited activities” provision is a gratuitous statement directed against center-based programs that play a key role in enhancing employment opportunities for significant numbers of persons with the most significant disabilities. The focus and purpose of the initiative is crystal clear without this provision.

EMPLOYMENT OF INDIVIDUALS WITH SIGNIFICANT DISABILITIES AT A SUBMINIMUM WAGE

The bill (Section 559) adds Section 511 to the Rehabilitation Act—Employment of Individuals with Significant Disabilities at a Subminimum Wage. [page 163-170 of the bill]

The provision specifies, among other things, that an entity may not employ an individual at a special wage under Section 14(c) of FLSA, unless the entity has complied with the following—the individual, regardless of age, is receiving work readiness or job training services provided by a certificate holder, as part of the individual’s preparation for competitive employment for a period of not more than 6 months or a longer period, if the individual wishes to continue to receive such services after an initial 6-month period and is reassessed by the agency referring the individual for such services, or an appropriate entity, not less often than every 6 months, to determine the individual’s ability to transition to competitive employment. The bill also specifies that nothing shall be construed to prohibit a VR agency from allowing an individual to receive work readiness or job training services provided by a certificate holder, for a period of not more than 6 months.

Recommendation:

Strike page 165, lines 23-25 and page 166, lines 1-17 and insert after line 3 on page 171 the following:

“(c) Nothing in Section 511 of the Rehabilitation shall be construed to prohibit a designated State unit from allowing an individual to receive work readiness or job training services provided by a certificate holder for a period determined by such designated State unit under Section 101(a)(14) of the Rehabilitation Act relating to extended employment or other employment under special certificate provisions of the Fair Labor Standards Act.”

Rationale: We are proposing a technical and conforming amendment in lieu of the text in the bill. The policy objectives of including the provisions described above are appropriate but the drafting and placement of the provision are confusing. The provisions in the staff discussion draft are confusing because they focus on the ongoing authority of the designated state unit whereas the other three conditions in the bill (pages 163-165) relate to the characteristics of the individuals to be served.

SUPPORTED EMPLOYMENT

Section 563 of the bill replaces current Title VI B of the Rehabilitation Act) [page 173-181 of the bill] Most of the provisions in the bill are consistent with current law, including the submission of a state plan supplement for providing supported employment. One proposed modification in the draft bill relates to the contents of the state plan—supported employment services will include placement in an integrated setting based on the unique strengths, resources, priorities, concerns, abili-

ties, capabilities, interests, and informed choice of individuals with the most significant disabilities. Current law specifies that "supported employment will include placement in an integrated setting for the maximum number of hours possible based on the unique strengths. * * *"

Recommendation:

On page 180, strike lines 14-19 and insert the following:

"(G) supported employment services will include placement in an integrated setting for the maximum number of hours possible based on the unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of individuals with the most significant disabilities."

Rationale: The inclusion language from current law conforms this provision to language used elsewhere in the bill (see page 14, line 13).

ADVISORY COMMITTEE ON INCREASING COMPETITIVE INTEGRATED EMPLOYMENT FOR
INDIVIDUALS WITH DISABILITIES

Section 802 of the bill (pages 227-232) directs the Secretary of Labor to establish an Advisory Committee on Increasing Competitive Integrated Employment for Individuals with Disabilities. In addition to the appointment of specified agency representatives, the bill directs the Secretary of Labor to appoint specified nonagency representatives including at least 2 self-advocates;

2 providers that employ individuals with intellectual disabilities or developmental disabilities in competitive integrated employment and are not using a certificate issued under 14(c); 2 providers of employment services that employ individuals with intellectual disabilities in competitive employment and previously employed such individuals under certificates issued under section 14(c) but are not currently using such a certificate; 2 representatives of a national disability advocacy organization representing adults with intellectual disabilities or developmental disabilities; 2 experts with a background in academia or research and expertise in employment and wage policy issues; 2 representatives from the employer community or a national employer organization.

The bill directs The Committee to study and prepare findings, conclusions, and recommendations for the Secretary on ways to reduce reliance on the use of the 14(c) certificate program except in limited circumstances or for training purposes, increase employment opportunities for individuals in competitive integrated employment, and increase oversight of and accountability for the use of 14(c) certificates.

Recommendation:

Delete page 227 thru page 232.

Rationale:

The bill includes numerous changes to enhance the outcome of competitive integrated employment, including policy directives, comprehensive initiatives (particularly for youth), studies, and authority to the Office of Disability Employment to, among other things, increase employment opportunities for individuals with significant disabilities in competitive integrated employment (See page 226, lines 9-11). The bill also includes numerous data collection and reporting provisions to document the impact of these initiatives. We need to understand the impact of these initiatives so that policymakers in the legislative and executive branches can make informed recommendations. Further, the phrasing of the first duty goes well beyond "reducing reliance on the use of 14 (c)", which was agreed to during the Harkin Retreat. Finally, the selection of non-agency participants excludes many of the key experts in the employment of persons with the most significant disabilities. Query: would it be appropriate to preclude the involvement of farm-state policy experts in a discussion about farm-subsidies?

If you have any questions, please contact me at 202.349.4259 or trfarmer@comcast.net.

Sincerely,

TERRY FARMER,
Chief Executive Officer.

[The 2010 Community Impact Assessment of Las Vegas' Opportunity Village may be accessed at the following Internet address:]

<http://www.leg.state.nv.us/Session/76th2011/Exhibits/Senate/HHS/SHHS653D.pdf>

[Whereupon, at 1:00 p.m., the committee was adjourned.]

