Testimony to the General Assembly Appropriations Committee

Good afternoon Senator Osten, Representative Walker and members of the Appropriations Committee. My name is Alex Johnson. I am the President & CEO of Capital Workforce Partners (CWP), the Workforce Development Board (WDB) responsible for coordinating skills training and workforce development strategies in the 37 communities comprising Connecticut’s North Central Region. We partner intensively with the Connecticut Department of Labor (CTDOL) and numerous other regional partners from industry, community-based nonprofits, educators and training providers on a range of strategic efforts, particularly in building and sustaining an accessible, customer-friendly regional network of American Job Center locations offering a suite of services to prepare job seekers — particularly those confronting barriers — for jobs and careers with regional employers desperate for skilled talent.

I am here today to update you on the critical importance of State budget investments in the work that we do with our numerous partners as we collectively strive to meet the talent needs of employers through a specific set of State-supported workforce development programs and services. Much of our collective work focuses on closing the “middle skills gap” in our North Central Region, where approximately 80% of new jobs require post-secondary education or training beyond high school completion to develop skills valued by employers. At this very moment, employers in key industry sectors cannot find enough sufficiently skilled workers in Connecticut to fill these high-value middle-skill job vacancies in advanced manufacturing, healthcare, construction, transportation, information technology, insurance and financial services. A survey conducted last month documents over 3,000 current job openings in these sectors that regional employers are asking us to fill immediately.

Continuing significant State investments to sustain skills training for unemployed/under-employed job seekers, skills enhancement for incumbent workers and workforce pipeline strategies are essential to meet this employer demand.

Governor Lamont’s proposed budget priorities go a long way in addressing this critical middle-skills talent gap. However, the budget recommendations for CTDOL do not adequately provide the resources needed to support the skills training for untapped talent that CWP and its partners (including Connecticut’s four other WDBs) are trying to implement. I want to call particular attention to two effective jeopardized programs.

The Second Chance Integrated Basic Education Skills Training (IBEST) Program is recommended at $311,000 for FY20, a significant decrease from the $1.27 million in State support appropriated in FY17. We urge the State to return this amount to its previous allocation of $1.27 million. This IBEST program is demonstrably successful in helping to meet the talent needs of participating employers, has a documented high return on investment, and does a remarkable job of reintegrating individuals previously involved with the justice system back into mainstream society and their communities as productive participants in the workforce and contributors to the economy. Over a three-year period, a total of 405 former offenders have been enrolled, with 300 receiving industry-based certificates and 303 entering employment, with an 84% retention rate. On a yearly basis this program has paid for itself — collectively, for each month these returning citizens stay out of prison and work 40 hours per week, they pay $10,000 in taxes. Each month these returning citizens remain free of prison the State avoids estimated potential monthly incarceration costs $800,000.

The Jobs Funnel Program collaborates with the organized Building Trades and minority contractors to support the training and placement of unemployed/under-employed individuals from underrepresented populations in apprenticeship and permanent construction jobs in the building trades. The Jobs Funnel faces a proposed decrease from $197,000 in FY18 to $73,000 recommended for FY20. That reduction in
funding will seriously diminish the impact of this innovative and exemplary construction skills training program targeting underserved jobseekers across our region. For 20 years the State’s investments have expanded opportunities to prepare significant numbers of underserved/under-employed populations for jobs and careers in the building trades. The construction industry faces a rapidly aging skilled workforce, in good-paying jobs. The likelihood of major public infrastructure investments and related construction activity means that this practical skills training, placement and support strategy is necessary and timely. We urge the State to return this program funding to the $197,000 level from two years ago.

While the State Youth Employment Program proposed support of $4 million is critical at a time when employers need a robust future talent pipeline, given the need for greater investments in CT’s future talent development, it is important to restore this funding level to its original $5 million level. Low-income youth with employment experiences are much more likely to achieve post-secondary success and attain middle-skills credentials and diplomas. The youth employment program leverages millions of additional dollars in support services.

We appreciate the support of General Assembly leadership in last year’s session for the Connecticut Apprenticeship Initiative (PA 18-178), authorizing $50 million to underwrite the efforts of employer-led regional industry sector partnerships to provide work-based learning, skills training, apprenticeship and employment opportunities to unemployed/under-employed individuals, helping to fill thousands of existing vacancies in critical industries across the state. On-the-ground implementation will be coordinated through the 5 WDBs. The State Bond Commission authorized $5 million (of the $50 million) in December to support training for up to 1,000 Individuals this year. Compared to the projected opportunity to train and place 10,000 individuals, consistent with employer demand, if fully funded. CWP and its coalition of regional partners look forward to beginning implementation promptly, to demonstrate to employers and job seekers alike that the State is serious about meeting this challenge and knows how to get it done. Clearly there is more than enough documented demand and unfilled job vacancies to support prompt release of the remaining authorized funding by the Bond Commission to support preparation and placement of several thousand additional skilled workers.

We also look forward to the recommended sustained support for the Jobs First Employment Services at the proposed $12.5 [FY20] million level, as a critical investment in TANF-related job search assistance and employment services.

In closing, these specific skills training programs supported and coordinated by CWP in partnership with CTDOL have produced positive results by preparing and supporting thousands of previously unemployed/under-employed individuals and placing them into jobs with employers experiencing significant critical unfilled job openings. CWP and the state’s four other WDBs are ready to work with policy leaders and our State agency partners to create and coordinate effective regional partnerships to produce skilled workers, meet employers’ legitimate talent demands, and generate significant net return on investment to benefit all state taxpayers. Connecticut’s economic vitality and quality of life depends on these sustained State investments in priority workforce development strategies. Thank you for the opportunity to address these important issues.

Alex Johnson
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