



September 20, 2023

The Honorable Burgess Owens
Chairman
U.S. House Education and the Workforce
Subcommittee on Higher Education
and Workforce Development
2175 Rayburn House Office Building
Washington, DC 20515

The Honorable Frederica Wilson
Ranking Member
U.S. House Education and the Workforce
Subcommittee on Higher Education
and Workforce Development
2175 Rayburn House Office Building
Washington, DC 20515

Chairman Owens, Ranking Member Wilson and Members of the Higher Education and Workforce Development Subcommittee:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 68 chapters representing more than 22,000 member companies, I appreciate the opportunity to comment on today's hearing, Strengthening WIOA: Improving Outcomes for Jobseekers, Employers, and Taxpayers. Since the bipartisan reauthorization of the Workforce Innovation and Opportunity Act in 2014, the construction industry has faced new challenges and a workforce shortage that has left many contractors throughout the country in desperate need of qualified, skilled craft professionals. ABC is committed to pursuing policies that recognize these unique challenges and will provide employers with the tools they need to access a well-educated and dedicated workforce.

As the committee looks to reauthorize WIOA, it is critical that this committee consider best practices from industry to better expand opportunities for all of America's workers. ABC supports an all-of-the-above approach for skill development, where construction workers and employers have the freedom to select workforce development strategies that maximize innovation and achieve world-class safety and productivity gains.

For ABC and our members, these programs include just-in-time task learning, competency-based learning, e-learning, work-based learning and industry-recognized and government-registered apprenticeships that provide expanded access to industry credentials, career exploration and postsecondary education skills.

These are approaches to educating construction craft professionals that can address the industry's labor shortage and skills gap, but these solutions are often difficult to achieve when government limits competition to firms that skill their workforce using a specific program or methodology.

Earlier this year, an ABC analysis of U.S. Bureau of Labor Statistics data showed that construction companies will need to hire 546,000 to meet demand in 2023. The analysis also revealed that every \$1 billion in extra construction spending generates an average of at least 3,620 construction jobs. With the federal government working to implement the Infrastructure Investment and Jobs Act, CHIPS and Science Act and Inflation Reduction Act, and the hundreds of billions of dollars in funding for construction provided by these bills, worker demand in the industry will only increase.

WIOA reauthorization provides the opportunity to upskill, educate and grow a productive construction workforce that will enable the industry to complete projects in an effective and efficient manner. Last Congress, Republicans and Democrats in the House offered proposals for WIOA reauthorization that contained key priorities for ABC, including:

- Changes to state eligible training provider lists that would allow employers and industry partnerships to be certified as training providers;
- Allowing local workforce boards to expand the share of funding they spend on incumbent worker training;
- Codification of existing U.S. Department of Labor grants for community college workforce education;
- More money targeted specifically for skilling workers—at least 70% of the local area allocation;
- Establishment of employer-directed skills accounts;
- Flexibility for local areas to be responsive to employers and align training with the local labor market;
- Increasing the governor's reserve fund to 30% to encourage innovation and align programs with local demand;
- Leveling the playing field for nonregistered apprenticeships; and
- Removing the 10% cap on pay-for-performance contracts.

ABC is hopeful that the committee can move forward with a WIOA authorization that will modernize this legislation for the workforce needs of today and the future. Thank you for your consideration of ABC's concerns.

Sincerely,



Kristen Swearingen
Vice President, Legislative & Political Affairs