

Statement of Secretary Hilda L. Solis
U.S. Department of Labor
before the Committee on Oversight and Government Reform
United States House of Representatives,
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I. Introduction

Good morning Chairman Issa, Ranking Member Cummings, and distinguished members of the Committee. Thank you for your invitation to participate in today's hearing on "green energy" and the role that green energy plays in economic growth. I appreciate this opportunity to discuss the Department of Labor's efforts related to green jobs, especially in assisting governments, nonprofit groups, and other workforce agencies to provide training to empower workers to acquire the skills they need to succeed in green industries, as well as traditional industries that are "greening."

As we all know, this is a difficult time for American workers and businesses. The current combination of prolonged high unemployment and record numbers of job-seekers out of work for 6 months or more has had profound effects on the labor market. This transformation has created significant barriers for individuals attempting to replace a job they have lost, find their first job, or advance in their careers. But these barriers are not insurmountable.

To achieve a sustained economic recovery, we must out-educate, out-innovate, and out-build our global competitors. It is essential that millions of workers find jobs that pay family-sustaining wages. Green industries, including green energy, provide a pathway for some of these individuals to get good jobs, and to keep and advance in those jobs over the long term.

II. The Demand for Green Jobs Workers

The scope of the "green jobs" sector is broad – these jobs are in every state and every Congressional district. They are not limited to those industries directly involved in the energy sector, like wind or solar electricity or other forms of renewable energy. A majority of green jobs are actually traditional jobs that have been "greened" by new processes, equipment, and technology. The Brookings Institution, in collaboration with the Battelle Technology Partnership Practice, recently published a report entitled *Sizing the Clean Economy: A National and Regional Green Jobs Assessment*. The authors estimated that 2.7 million Americans are employed in positions related to the "clean economy" and that 90 percent of these jobs are located in traditional industry sectors, such as manufacturing. In fact, the report's authors note that more workers are employed in clean economy jobs than are employed in providing fossil fuels. Although much smaller in size than traditional industry sectors, green energy is growing rapidly: these sectors grew at a rate of 8.3% between 2003 and 2010—almost double the growth rate of the overall economy during that time.

The greening of traditional industries is driving innovation in clean and efficient technologies. The jobs emerging from the greening of our economy are good jobs that often pay higher wages than otherwise comparable jobs. However, workers in many traditional fields will need training to retool their existing skills to meet the needs of the green economy. Also, like many other sectors, green and greening industries are being confronted with a graying of the workforce as many of these workers begin to enter retirement age. The New York Times reported last December that “about half of electric utility employees are expected to retire in the next 5 to 10 years.”¹ The increasing skill and labor requirements individuals need to succeed in these evolving careers and the looming retirement of experienced workers contribute to the current and future need for skilled workers in green industries.

III. Department of Labor Investments in Green Skills and Training

As part of his 2011 State of the Union address, President Obama expressed a long-term commitment to green energy. The President set a goal that 80 percent of America’s electricity will come from clean sources by 2035. He also has put forward measures to ensure that the U.S. is the first country to put one million advanced technology vehicles on our roads. These commitments, coupled with private sector investments, will expand our clean energy economy, producing new green jobs in new green industries. Employers will need skilled workers to fill these jobs. Within the Department of Labor, the Employment and Training Administration (ETA) has the primary role in achieving the goal of preparing workers to participate in this expansion. ETA supports successful worker transitions in the changing economy by administering programs that provide employment assistance and job training to individuals in new and emerging fields, including green energy, to meet the current and future needs of employers.

ETA assists States and local areas to better understand labor markets, identify potential skill gaps among workers in the local area, and facilitate the matching of employers with the workers they need. ETA also provides workers with the tools and employment and training services they need to find good jobs. A national network of approximately 3,000 One-Stop Career Centers serves as the cornerstone of the public workforce system. These One-Stop Career Centers bring partner programs together to provide employers, individual job seekers, and workers access to services at one site. ETA also oversees a system of competitive grant programs. Each of these competitive programs has unique eligibility requirements and purposes. Through these grants, the Department promotes strategic partnerships that identify and creatively address labor market demands.

Since 2009, Congress has invested, through the Department’s training grant programs, in green skills training and related activities to prepare American workers for careers with solar, wind, biofuels, and other clean-energy providers. Funding from the American Recovery and Reinvestment Act of 2009 provided the largest investment. The Department has also made investments that build upon the Recovery Act, and has encouraged the workforce investment system to support its efforts to align existing programs with green technology and practices.

¹ Zeller, Tom. “Utilities Seek Fresh Talent for Smart Grids.” *New York Times*. December 29, 2010. Available online at <<http://www.nytimes.com/2010/12/30/business/energy-environment/30utility.html>>.

The Department's experience with these investments illustrates the demand among States and local areas for strategic partnerships that will increase workers' access to green skills training and provide better labor market information.

a. The Recovery Act

The Recovery Act was an unprecedented investment in the green economy. As part of the Recovery Act, Congress provided the Department with \$500 million for competitive grants to fund projects "for research, labor exchange, and job training projects that prepare workers for careers in the energy efficiency and renewable energy industries."² The Department used these funds to support 189 projects throughout the country.

Recovery Act funds made possible five competitive grant solicitations related to green industry sectors.

- State Labor Market Information Improvement grants: These grants, totaling \$48.8 million, support the collection and dissemination of labor market information, and enhance the labor exchange infrastructure to provide career opportunities within clean energy industries. Thirty state workforce agency grantees have employed strategies that enable job seekers to connect with green job banks and help ensure that workers find employment after completing training.
- Green Capacity Building grants: These grants, totaling \$5.8 million, increase the training capacity of sixty-two Labor Department grant recipients through a variety of strategies, and provide training opportunities to help individuals acquire jobs in expanding green industries.
- Energy Training Partnership (ETP) grants: These grants, totaling \$99.7 million, fund twenty-five projects ranging from approximately \$1.4 to \$5 million each for training programs that prepare workers for a range of careers including: hybrid/electric auto technicians, weatherization specialists, wind and energy auditors, and solar panel installers.
- Pathways Out of Poverty grants: These grants, totaling \$147.7 million, fund thirty-eight projects through which targeted populations are receiving recruitment and referral services; basic skills, work-readiness and occupational skills training; supportive services to help overcome barriers to employment; and other services at times and locations that are easily accessible.
- State Energy Sector Partnership and Training (SESP) grants: These grants, totaling \$187.9 million, are designed to achieve a number of goals, including: (1) creating an integrated system of education, training and supportive services that promotes skill attainment and career pathway development for low-income, low-skilled workers leading to employment in green industries and (2) supporting states in implementing a statewide energy sector strategy. Thirty-four awards ranging from approximately \$2 million to \$6 million each were made to state workforce investment boards and their partners.

² *American Recovery and Reinvestment Act of 2009*, Div. A, Title VIII(6), P.L. 111-5 (Feb. 17, 2009).

Three of these grant programs — Energy Training Partnership, Pathways Out of Poverty, and State Energy Sector Partnership and Training — were geared towards providing training and placement services in the energy efficiency and renewable energy industries. Additionally, the Department has emphasized within the design of these grant programs the importance of serving populations most in need of services. For example, the Pathways Out of Poverty grants are targeting services to populations that include veterans, unemployed individuals, high school dropouts, individuals with criminal records, individuals with a disability, and disadvantaged individuals within areas of high poverty. The Department of Labor targeted areas of high poverty by encouraging applicants to focus project efforts in communities located within one or more contiguous Public Micro Data Areas (PUMAs) where poverty rates were 15 percent or higher. PUMAs are geographic areas designated by the U.S. Census Bureau.

Many of the Department's green training grantees have embraced the importance of strategic partnerships and are developing new approaches and strategies that benefit the public workforce system's dual customers—employers and jobs seekers. For example, in Detroit, Michigan, one grantee, the Southwest Housing Solutions Corporation, convenes employer advisory committee meetings every six weeks to seek out collaborative efforts with organizations such as the United Way and the Michigan Department of Transportation to facilitate placement of their program participants. These employer networking events and other regular meetings between employers, training managers, and grantee staff are building integrated approaches to expand the workforce system's capacity to support and spur green job growth.

These programs and partnerships are starting to show results. As of June 2011, over 52,000 people have participated in our Recovery Act-funded green training grant programs. Approximately 60 percent of these individuals were unemployed when they entered the program and needed training to find a new job; the remaining 40 percent were incumbent workers who already had a job but needed to upgrade their skills. To date, our data show that over 26,000 program participants have completed their training. Approximately 15,000 of those individuals did not have a job upon program entry. Of those individuals without a job when they started the program, 52 percent have found work so far, with 83 percent of these individuals obtaining employment in the same industry or occupation for which they trained. We expect these numbers to continue to rise.

In addition to the targeted investments, the Recovery Act also provided short-term increased funding for several of the Department's already existing programs. This influx in funding largely benefited traditionally hard-to-serve populations, such as at-risk youth, low-income adults, and older workers. For example, in Indiana, funding was used by a partnership of organizations that included the Department of Workforce Development, Indiana Department of Natural Resources, Indiana Department of Transportation, and Indiana National Guard to provide 2,000 youth with green work experience at Indiana Department of Natural Resources worksites. These work experiences led participating youth to complete work-readiness goals, obtain part- and full-time positions, and enroll in post-secondary school or training programs.

I have had the opportunity to see these training investments in action as I have traveled throughout the country. In July, I visited the Santa Clara Valley Transportation Authority. The Authority has developed a fleet of 90 hybrid buses that were built in Hayward, California. The

Department has partially funded a partnership between the Authority and the Amalgamated Transit Union to train Authority workers. I met workers who have found new, sustainable jobs that support their families, such as Peter Reyes, who was laid off from his job in the banking industry and is now working as hybrid bus driver.

In April, I visited Viking Drill and Tool, a grantee in Minnesota. Viking has partnered with the Blue Green Alliance in St. Paul. Their grant is helping to fund the GREENPower program. The GREENPower program is training manufacturing workers to fill the jobs being created in the clean energy economy. The grantees designed GREENPower training to increase workers' skills, including by teaching workers green manufacturing techniques and processes, to make them employable in the green economy. I met with workers who have already gotten new, better jobs as a result of their new skills. I heard from Viking's management about the cost savings their business has realized through their efforts at conserving and recycling. In addition to saving on energy and materials consumption, the company also has lowered its waste disposal costs. Instead of paying to dispose of the oil it uses as part of its production process, Viking is now reclaiming, and then reusing, up to 50 barrels of that oil every day. That is 50 barrels the company does not have to buy each day. At the suggestion of a worker, Viking has also been able to save on packing material costs by recycling used cardboard boxes turning them into packing fill. Viking's president was justifiably proud to note that his company is more competitive as a direct result of the company's participation in GREENPower.

These are just some of the examples of the investments to date that are making a difference for workers and employers across the country.

b. Building on Recovery Act Investments

While the largest influx of funding for green job training was provided through the Recovery Act, Congress has continued to provide the Department with resources to build upon the Recovery Act investments. As an example, last year Congress provided funding for the Department to establish the Green Jobs Innovation Fund. Under this fund, the Department recently awarded six grants totaling \$38 million to programs designed to expand the pipeline of workers with the skills needed for green jobs through evidence-based strategies that leverage Registered Apprenticeships, pre-apprenticeship programs and community-based partnerships to build sustainable green career pathways.

One of the Green Jobs Innovation Fund grants went to Jobs for the Future, Inc., based in Boston, Massachusetts. This past July, Jobs for the Future began its plan to serve over 1,000 participants spread among several cities across the country. The grant will leverage the grantee's expertise in green sector training and the capacity of its affiliates to enhance and expand green career pathway training programs for unemployed, dislocated, and lower-skilled incumbent workers. This innovative program has a "dual customer" orientation – meeting both the pressing workforce needs of employers as well as the needs of workers seeking career advancement opportunities in those sectors.

c. Building on the Strong Record of Success in the Department's National Programs

In addition to the training and related grants that comprise most of the Department's direct support of potential green job workers, the Department's "national programs" have been working to adapt participants in existing, non-green-job-specific programs to the new green economy. Funding for some of these initiatives has come through the Recovery Act, while others represent initiatives within regular programmatic appropriations. For example, at the request of and working with employers, our ETA Office of Apprenticeship has identified several new occupations as apprenticeable occupations, including Wind Turbine Technician, Energy Auditor and Analyst, and Geothermal and Well Drilling Operator.

The Department's YouthBuild program targets out-of-school youth and provides an alternative education pathway to a high school diploma or GED. YouthBuild programs are at the forefront of training low-income youth in green construction techniques, preparing youth for green jobs in the building industries. In some instances, such as Casa Verde YouthBuild in Austin, Texas, youth are being trained in occupations that are green job specialties, such as solar panel installation, while building energy-efficient, affordable homes in East Austin for first time homebuyers. Several programs, including ReSource YouthBuild in Burlington, Maine, and Comprehensive Community Solutions in Rockford, Illinois, offer de-construction certifications. Most YouthBuild programs have modified their construction training programs, incorporating cutting-edge, energy efficient and sustainable building practices. Youth leave the program with skills that will enable them to seamlessly incorporate green building practices into any future construction job they may have.

The Department's Job Corps program also trains the next generation of American workers for the next generation of American jobs. It has trained more than 15,000 students in green training programs, including in areas such as advanced manufacturing, construction, solar panel and photovoltaic installation, and SmartGrid technology. For example, at the Clearfield Job Corps Center in Utah, 14 students recently graduated from green training programs, including Renewable Resources, Overhead Line Construction, and Advanced Automotive. Each of these students has already found a job.

Further, the formula programs funded under the Workforce Investment Act's (WIA) Adult and Dislocated worker programs have successfully incorporated green skills training. For example, performance data reported for the second quarter of Program Year 2010 show that participants who completed the WIA Adult and Dislocated Worker programs and received training in green occupations had better outcomes than those who received training in non-green occupations.³

IV. Leveraging Information and Measuring Long-Term Effectiveness

To maximize the impact of the Federal investments in green industries, the Department established an online Green Jobs Community of Practice. This online community serves as a tool for identifying and sharing best practices related to green jobs skills and training to improve program practices for workforce system customers. The Community of Practice hosts a variety

³ Workforce Investment Act Standardized Record Data

of stakeholders including other Federal agencies, the public workforce system, grantees, and green employers. Posts made to the site receive hundreds of views and over 8,600 users have registered on the site. This site also has been used by the Department as a vehicle to provide technical assistance. Additionally, feedback that was obtained through this online community helped shape the development of the Green Jobs Innovation Fund.

To ensure that the Department's green jobs-related grants lead to the most effective outcomes, the Department also has launched three evaluation projects. The first evaluation is an implementation study of the four Recovery Act-funded "training and placement" grant programs. This study will examine all 152 of these grants, to understand in-depth, their implementation, explore the extent to which these grantees employed promising practices that could advance the field, and evaluate whether successful grantee outcomes are associated with these practices. The Department expects to receive a final report in July 2012. The second evaluation is an impact evaluation of four grantees – two of which are green jobs related. This will rigorously test whether investments in training for green jobs using specific training approaches make a difference in participants' future earnings. An interim report is due in March 2014, with the final report due September 2017. The third evaluation, currently in the early stages of data collection, will study the implementation and outcomes of the State Labor Market Improvement Grants. This final report is expected in the fall of 2012.

Throughout all of our efforts to help workers prepare for and obtain green jobs, the Department has remained cognizant of its responsibility to be a good steward of public funds. Therefore, we have emphasized accountability and transparency. The Department continuously monitors and evaluates our green investments to make sure that they are achieving their objectives and are the best use of the funds. On a quarterly basis, the Department aggregates data reported from grantees to ensure that programs are serving the intended workers and achieving the positive outcomes that workers and taxpayers expect. Measuring the effectiveness and ensuring the transparency of our investments in job training is of paramount importance to the Department.

V. Green Initiatives Beyond Job Training

In addition to the Department's work furthering green skills training and labor market information, the Department also recognizes that green jobs are not good jobs unless they are safe. The Department's Occupational Safety and Health Administration (OSHA) is committed to helping workers and employers ensure the safety of the often new processes, techniques, and materials implemented in green jobs. For example, OSHA recently awarded a grant to the Sustainable Workplace Alliance to conduct free training classes about hazards involved with spray polyurethane foam, a weather insulating and sealing agent that contains a chemical that could cause work-related asthma. Further, OSHA has developed a website that provides information on OSHA requirements that apply to green energy industry sectors, including wind, biofuels, solar, and other renewable energy sources.

OSHA also has provided educational material and compliance assistance to employers in the green energy industry at numerous meetings and conferences. For example, in April 2010 OSHA hosted a Small Business Forum, "Green Jobs: Safety and Health Outlook for Workers and Small Employers." The Forum focused on strategies that small businesses can use to reduce

safety and health hazards in their green workplaces. Just last month, OSHA signed an Alliance agreement with the American Wind Energy Association to partner with the wind industry on developing compliance assistance materials on hazards in that industry.

VI. Conclusion

The Department has taken a comprehensive approach to supporting green industries, including green energy, and the greening of other industries by helping States and localities provide a pipeline of skilled workers to meet the current and future needs of employers. Our approach relies on strategic partnerships at the Federal, State, and local levels. The investments Congress has made through the Department are part of a wide array of public and private efforts to invest in the clean energy economy of the future. Green industries are both an important part of our immediate economic recovery and a permanent component of a successful 21st century economy.

Secretary of Labor Hilda L. Solis

Secretary Hilda L. Solis was confirmed as Secretary of Labor on February 24, 2009. Prior to confirmation as Secretary of Labor, Secretary Solis represented the 32nd Congressional District in California, a position she held from 2001 – 2009.

In the Congress, Solis' priorities included expanding access to affordable health care, protecting the environment, and improving the lives of working families. A recognized leader on clean energy jobs, she authored the Green Jobs Act which provided funding for "green" collar job training for veterans, displaced workers, at risk youth, and individuals in families under 200 percent of the federal poverty line.

In 2007, Solis was appointed to the Commission on Security and Cooperation in Europe (the Helsinki Commission), as well as the Mexico — United States Interparliamentary Group. In June 2007, Solis was elected Vice Chair of the Helsinki Commission's General Committee on Democracy, Human Rights and Humanitarian Questions. She was the only U.S. elected official to serve on this Committee.

A nationally recognized leader on the environment, Solis became the first woman to receive the John F. Kennedy Profile in Courage Award in 2000 for her pioneering work on environmental justice issues. Her California environmental justice legislation, enacted in 1999, was the first of its kind in the nation to become law.

Solis was first elected to public office in 1985 as a member of the Rio Hondo Community College Board of Trustees. She served in the California State Assembly from 1992 to 1994, and in 1994 made history by becoming the first Latina elected to the California State Senate. As the chairwoman of the California Senate Industrial Relations Committee, she led the battle to increase the state's minimum wage from \$4.25 to \$5.75 an hour in 1996. She also authored a record seventeen state laws aimed at combating domestic violence.

Solis graduated from California State Polytechnic University, Pomona, and earned a Master of Public Administration from the University of Southern California. A former federal employee, she worked in the Carter White House Office of Hispanic Affairs and was later appointed as a management analyst with the Office of Management and Budget in the Civil Rights Division.

She was nominated by President Barack Obama to serve as Secretary of Labor on January 20, 2009.