

Committee on Ways and Means
Subcommittee on Human Resources
U.S. House of Representatives

“Getting Incentives Right:
Connecting Low-Income Individuals with Jobs”

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GREATER DALLAS

Thank you Chairman Buchanan, ranking Member Doggett and distinguished members of the Subcommittee for allowing me to present testimony today. Thanks also to our partners at Omni Hotels – Barbara Doucet, for joining us. I am Laurie Bouillion Larrea, President of Workforce Solutions Greater Dallas, the Workforce Investment Board serving the City of Dallas and Dallas County. Within Dallas County, a population of 2.5 million people, we have an unemployment rate of 3.7%, workforce is critical to our continued rapid growth. The 13 county area of North Central Texas is one of the fastest growing areas in the United States, now well over 7 million residents. Dallas-Fort Worth – Arlington had the third largest national year-over-year increase in new jobs totaling nearly 99,000 as of December 2015. Talent is in demand! Our options are to up-skill current workers, import workers from other states, pull youth into the workforce at an earlier age, and/or educate, train and alleviate barriers for those not working. Despite our robust economy and diversity, too many people in Dallas remain challenged by poverty, under-employment, limited opportunity and not realizing their full work-potential.

The Dallas workforce system's mission - "achieving competitive solutions...for employers through quality people and for people through quality jobs." The primary customer in the Dallas workforce system is and always has been our employers. Jobs make life possible! Better jobs provide for better lives.

I have been chief executive of the Dallas system since 1989, and in that time, I've witnessed dramatic swings in the economy, talent requirements, and public subsidies. The only constant has been that meaningful work benefits families better than welfare.

We've made huge strides in workforce systems leading to quality and efficiency via the Texas delivery model. We are blessed in Texas with bipartisan legislation allowing that "most" of the federal employment and job training funds are implemented under the authority of the twenty-eight local boards. Texas' Big 5 programs that comprise our **single** talent pipeline include *Temporary Assistance for Needy Families, Wagner-Peyser Employment Services, Supplemental Nutrition Assistance Program, Child Care and Development Funds, and a recent accomplishment of Congress, the Workforce Innovation and Opportunity Act of 2014...thank you!* These federal grant sources are awarded to the Texas Workforce Commission - a single state authority. The system approach in Texas converts "programs" into a highly visible, usable talent identification, preparation and facilitated system connecting employers to the right job seekers. In the past two years, our board accepted the challenge to additionally manage adult education. Our partnership with the Dallas County Community College District is founded on work-based learning, emphasizing sector-based career pathways. In the coming months, we will further realize the WIOA vision by fully embracing employment of people with disabilities as another talent link to our system. We recognize that employers want a talent pipeline, irrespective of the job seekers' socio-economic, demographic or programmatic "tag". They want the viable workforce that will keep their work moving forward.

In our system, TANF plays a large part in the talent pipeline. We've divided the staff work of our multiple funding silos into two categories – talent development and employer services. Isn't that the function of "workforce" dollars – no matter the federal funding source?

Despite a dependence on subsidies from TANF, job seekers stand on their own merit without the special “door” marked welfare. The stigma is removed, and the job seeker concentrates on their attributes as a future employee. Not every job is a solution. We may have to re-place any job seeker a few times to secure a fit, but we know “work teaches work” and there is no substitute for experience. We understand that historically, subsidies can perpetuate subsidies. Either one, in isolation without the other, is “not” the solution. The “work” model for self-sufficiency is far more beneficial to the individual, the family and the community than perpetuating subsidies while “waiting for change to occur.” Texas recognizes that work is the first step. This isn’t a mere substitution of a paycheck for a welfare check! The ripple effect is enormous. Beyond replacing the welfare benefit with earnings, we see a slow, but steady decline in dependency on food stamps, Medicaid and to a slightly lesser extent, childcare subsidies. Some programs have even registered improved academic performance for the children within the family.

In three years, since the conversion of the Texas system to concentrate on the TANF Full Work Rate at the exclusion of all other outcomes, Dallas has recorded increased participation from 31% to 45%, and a simultaneous decrease in our required TANF customers by more than half!

After securing a job, we continue to work with TANF customers to build independence from government subsidies. High school credentials and English skills may be required to meet employer expectations. Currently, we partner with Irving ISD and Sheraton Hotels to provide work-based learning to their current employees.

Investments are required to provide quality care for children of dependent families, enable the parent to meet workplace attendance requirements, and hopefully enable children to start Kindergarten on level with their peers! We see childcare as an investment in the near future – Cradle to Career. Teens within the family need to stay in school and work. Although we need additional resources to serve more teens, Dallas currently provides early employment to young people! Our Mayor’s Summer Intern Fellows Program provides placement to freshmen and sophomore high school students, many from the poorest areas of southern Dallas. These jobs reward academic accomplishments with quality private sector jobs and great role models. Inspiring a student to work and earn is key to disrupting the perpetuation of dependency. Aspirational teens have hope that their future will be different!

Thank you for this opportunity to share our perspective as you seek solutions and build incentives to connect people to jobs.