May 10, 2023

The Honorable Virginia Foxx
Chairwoman
House Committee on Education &
the Workforce
2462 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Bobby Scott
Ranking Member
House Committee on Education &
the Workforce
2328 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Burgess Owens
Chairman
Subcommittee on Higher Education
and Workforce Development
309 Cannon House Office Building
Washington, D.C. 20515

The Honorable Frederica Wilson
Ranking Member
Subcommittee on Higher Education
and Workforce Development
2080 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairwoman Foxx, Ranking Member Scott, Chairman Owens, and Ranking Member
Wilson:

In advance of this week's Subcommittee on Higher Education and Workforce Development
hearing entitled "Examining America's Workforce Challenges: Looking for Ways to Improve
Skills Development," I am writing to share TechNet's views on how improving our nation's
workforce development system will ensure that the U.S. wins the next era of innovation.

TechNet is the national, bipartisan network of technology CEOs and senior executives that
promotes the growth of the innovation economy by advocating a targeted policy agenda at
the federal and 50-state level. Our membership includes dynamic American businesses
ranging from startups to the most iconic companies on the planet and represents over five
million employees and countless customers in the fields of information technology, e-
commerce, the sharing and gig economies, advanced energy, cybersecurity, venture
capital, and finance.

Currently, the U.S. digital economy accounts for 10.3% of U.S. GDP and eight million jobs,
growing each year at more than double the rate of the overall economy. Technology
underpins all sectors of our economy, making every enterprise more productive and
efficient. It also plays a significant role in protecting our national security by ensuring the
U.S. military is technologically superior to our adversaries.

We must not take America's tech leadership for granted. On March 2, the Australian
Strategic Policy Institute published a report that shows China has taken the lead over the

U.S. in 37 of 44 technologies examined, across the sectors of defense, robotics, energy, environment, biotechnology, space, artificial intelligence, advanced materials, and quantum computing technology. In the long term, China's leading research position means that it has set itself up to excel not just in current technological development in almost all sectors, but in future technologies that don't exist yet.

Fortunately, the 117th Congress laid the foundation for enabling the U.S. to win the next era of innovation by passing the *CHIPS and Science Act*, which invests in our leadership in science, research, and manufacturing and builds U.S. global centers of excellence for emerging technologies to compete with China. This legislation's STEM and workforce training programs, which are authorized but not yet fully funded, will educate students to fill the technology-enabled jobs of the future while training adults to fill vacancies we face today. Without these necessary investments, we will not be able to keep pace with our foreign competitors, further threatening our economy and national security.

TechNet believes that for the U.S. to compete on the global stage, we must also focus on improving our workforce development system. Specifically, TechNet supports efforts to grow and strengthen America's talent pipeline by ensuring equitable access to digital skills training across occupations, encouraging and supporting American students to pursue careers in in-demand STEM fields, particularly computer science education, as well as reforms to our nation's laws to attract and retain advanced STEM degree students from around the world who study at U.S. institutions of higher education to continue their career development in the U.S.

To further leverage these efforts, TechNet supports the expansion of online skills and workforce training programs to provide opportunities for underserved communities, particularly in rural America. This includes tax incentives for employers – especially small businesses – to incentivize significant new investments in the skills of the current workforce, as well as the greater use of innovation and data to make it easier for individuals to find available training opportunities that lead to in-demand and higher-wage jobs.

We appreciate your consideration of our perspective on this important issue and commend you for examining ways to improve skills development in the U.S. Please don't hesitate to reach out if we can be a resource on this issue or if you have any questions. I can be reached at cholshouser@technet.org or (202) 372-7000.

Sincerely,

Carl Holshouser
Senior Vice President