



# *The Committee on Energy and Commerce*

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## **Memorandum**

September 15, 2014

TO: Members, Subcommittee on Energy and Power

FROM: Majority Committee Staff

RE: Hearing on H.R. 4526, the 21<sup>st</sup> Century Energy Workforce Development Jobs Initiative Act of 2014

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On Wednesday, September 17, 2014, at 10:00 a.m. in 2322 Rayburn House Office Building, the Subcommittee on Energy and Power will hold a hearing on H.R. 4526, the “21st Century Energy Workforce Development Jobs Initiative Act of 2014,” introduced by Rep. Bobby Rush.

### **I. WITNESSES**

- Ms. LaDoris Harris, Director of the Office of Economic Impact and Diversity, Department of Energy;
- Mr. Harry Alford, President/CEO, National Black Chamber of Commerce;
- Mr. Jim Barrett, Chief Economist, American Council for an Energy Efficient Economy;
- Ms. Paula Jackson, President, American Association of Blacks in Energy; and,
- Mr. Jack Gerard, President/CEO, American Petroleum Institute.

### **II. BACKGROUND**

As our nation continues to recover from the recent recession, one of the consistent bright spots in the economy has been the energy sector. Since 2007 oil and gas industry employment has grown exponentially faster than the total national private sector employment. From 2007 to 2012, total U.S. private sector employment increased by more than one million jobs, representing an increase of 1%, whereas, during the same period, jobs in the oil and natural gas industry increased by more than 162,000 jobs, a 40% increase.<sup>1</sup> According to the Bureau of Economic

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<sup>1</sup> See [EIA Oil and gas industry employment growing much faster than total private sector employment](#), August 8, 2013.

Analysis, in 2013, five of the top States for economic growth owed their success to oil, natural gas, and coal production.<sup>2</sup>

The growth in energy production in the U.S. in recent years has had a transformative impact in numerous places that, until recently, had decreasing or stagnate economic growth. On an individual level, the results are even more stunning and providing opportunities never before thought possible. For example, recent graduates of the South Dakota School of Mines and Technology are now earning more than graduates of Harvard University.<sup>3</sup> Entry level technical jobs in the oil, natural gas, and coal sectors provide opportunities for economic mobility that few other sectors offer.<sup>4</sup>

The growth in energy sector jobs also can provide new employment opportunities for women, African American and Hispanic workers, especially in certain skill areas where their representation has been low. A report released by American Petroleum Institute found that the share of African American and Hispanic employment in the industry is expected to rise from one quarter in 2010 to one third through 2030. Women are expected to fill 185,000 of the projected job opportunities through 2030.<sup>5</sup> In order to achieve these numbers, workforce training is key, along with educational opportunities in science, engineering, technology, mathematics, business, and finance.

H.R. 4526 directs the Secretary of Energy to establish a comprehensive program to improve the education and training of workers for oil, natural gas, and coal related jobs with an emphasis on increasing the number of skilled minorities and women holding such jobs. The Secretary of Energy is directed to work with the Secretary of Education, the Secretary of Labor, State Energy Offices, EIA, Bureau of the Census, industry, and organized labor in developing the program.

### **III. SECTION-BY-SECTION**

#### **Section 1: Short Title**

Section 1 provides the short title of “21st Century Energy Workforce Development Jobs Imitative Act of 2014.”

#### **Section 2: Findings**

Section 2 offers 19 separate Congressional findings regarding the significant opportunities both currently and in the future for African-Americans and Hispanic-Americans in

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<sup>2</sup> Slideshow (2014, July 8) [10 states with the fastest-growing economies](#), The Wall Street Journal Market Watch.

<sup>3</sup> Richter, Joe (2012, September 19) [Harvard Losing Out to South Dakota in Graduate Pay: Commodities](#), Bloomberg News.

<sup>4</sup> Jacoby, Tamar (2014, July 22) [This Way Up: Mobility in America](#), The Wall Street Journal.

<sup>5</sup> See API [Oil and Natural Gas Stimulate American Economic and Job Growth](#), September 10, 2014.

the energy sector, the potential African-Americans and Hispanic-Americans represent to the energy sector, the need to improve minority preparation in certain educational areas, the correlation between hiring in the energy sector is related to certain educational areas, African-American and Hispanic-American students historically have been less likely to choose educational areas related to the energy field, projections for new job opportunities in the oil and gas sector, the types of jobs that will need to be filled in the oil and gas industry, the regions where oil and gas industry jobs will be created, the number of coal mining-related jobs nationwide, the categories of jobs being created in the oil and gas industry, estimates of new pipeline infrastructure to be built and the small percentage of pipelines owned by minorities and women, EIA estimated growth in natural gas production and consumption, EIA estimates that coal-fired electricity generation will remain the dominant source of energy in the Nation's energy portfolio, estimated investment projections for clean energy investment, and the projected growth of renewable energy sources.

### **Section 3: Comprehensive Program For Energy-Related Jobs For The 21<sup>st</sup> Century**

Section 3 provides that the Secretary of Energy shall establish and carry out a comprehensive program to improve education and training jobs for skilled minorities and women. The workforce training is to focus specifically on the energy efficiency industry, pipeline industry, utility industry, alternative fuels, nuclear industry, oil and gas industry, renewable industry, and the coal industry. The Secretary shall establish direct assistance to community colleges, workforce development organizations, and minority-serving institutions. The Secretary also shall establish a clearinghouse to maintain information to help assist the program participants. The Secretary is directed to collaborate with Federal agencies, industry, labor organizations, and educational institutions.

#### **IV. ISSUES**

The following issues will be examined at the hearing:

- What opportunities are there in the energy industry;
- What are the estimates for current and projected representation of minorities and women in the energy sector;
- What needs to be done to provide minorities and women with the education and training to hold jobs in the energy sector; and,
- What role can Federal agencies best play in preparing a future energy workforce.

#### **V. STAFF CONTACTS**

If you have any questions regarding this hearing, please contact Tom Hassenboehler or Jason Knox at (202) 225-2927.