

**Statement of Kelly Tessitore on behalf of Jewish Vocational Service, Boston, Massachusetts  
Before the House Committee on Ways and Means Subcommittee on Human Resources  
“Jobs and Opportunity: Local Perspectives on the Jobs Gap”  
April 12, 2018**

Good afternoon Chairman Smith, Ranking Member Davis, and members of the Subcommittee on Human Resources. My name is Kelly Tessitore and I am the Vice President of Advancement at Jewish Vocational Service in Boston. JVS Boston is a nonprofit, community-based organization in workforce development. Our tagline at JVS is “Skills Jobs Careers” and that’s exactly how we approach our work. We target our services to unemployed and underemployed working-age adults, to low-wage workers in need of career advancement services, and to the businesses that employ them.

I began my career at JVS more than 20 years ago, the same year as the 1996 welfare reform, and since then I have designed and operated dozens of programs for low-income populations. I would like to talk to you today about my experience helping people strengthen skills, access jobs, and build careers.

At JVS we use a variety of models in skills training (for 8 different sectors), education (including high school diploma, ESOL, and college access programs) and job placement. We operate a one-stop career center AKA American Jobs Center. JVS’s greatest strength is our deep relationships with employers. Last year more than 1,200 employers hired a candidate from us, and we worked with 20 employer partners to provide onsite training (primarily English language training) to 1,600 incumbent workers.

Our employer partners tell us they can’t find enough workers with the skills they need, in many cases creating critical labor shortages. Although the current low unemployment rate is encouraging employers to look at hiring populations they haven’t considered previously, most employers need skilled workers. To give them those skilled workers, and because we believe that the best way to lift people out of poverty is to equip them with in-demand skills, we work with employers to build training programs. We look at the positions they need to fill, and the skills and characteristics that make someone a good match for those positions. Currently we are training in: healthcare, biotechnology, pharmacy, information technology, hospitality, banking, food service, and retail. Let me walk you through one of our programs.

Our pharmacy technician program includes training on medications and anatomy, pharmacy law, hospital basics, customer service, and inventory. We partner with pharmacy leaders CVS and Walgreens to provide an externship to each participant. These externships give students real-world experience that helps them adjust to work before taking on a full-time job, and they give CVS and Walgreens access to a pool of trained applicants that can meet their skill needs.

The twelve-week program prepares graduates to take and pass the national Pharmacy Technician Certification Exam. We cover the exam fees, and our graduates pass the certification

exam at higher rates than the national average. The relatively short length of the program is attractive for adults who may not be able to afford to return to school for longer periods of time and are looking to get into the workforce as soon as possible.

Pharmacy technicians can expect to earn an average annual income of \$31,000–44,000. Last year, eight out of every ten workers enrolled in our program were hired. And completing the pharmacy technician program is just the first step in any number of possible career pathways. Students can build upon their pharmacy technician certificate by going to pharmacy or nursing school, or get more specialized training leading to a chemotherapy or a sterile prep certification. Some of our graduates have gone on to become assistant store managers earning more than \$60,000 annually.

This is one of several career pathway programs, which are highly effective at moving people out of poverty. But our fabulous training programs don't serve very many TANF recipients—on average fewer than 10% of participants are on TANF. We have an excellent relationship with our state TANF authority and we work very closely with them. We have spent a lot of time thinking together about why TANF doesn't move people into work and how we could change it. I think at the end of the day there are three major issues.

First, TANF emphasizes job placement and de-emphasizes skills, even though we have 20 years of research showing that “work first” doesn't work—that job retention is poor and people return to assistance, and that we are still seeing generational poverty (in Massachusetts, more than half of young parents receiving TANF today were also members of a household receiving assistance when they were a child). Even though employers can't find workers with the skills they need to fill their critical labor shortages, the structure of TANF restricts education and training activities. TANF hasn't been updated in 20 years and it hasn't kept up with the way that employers are hiring now, and we need changes that will allow and support skills acquisition. Specifically, the 30% caseload limit, the “non-core” activities designation, and the 12-month time limit on education are major barriers to giving TANF recipients the skills that employers need.

Second, TANF is overly complicated for both clients and systems to administer, counting the wrong things that don't focus on work and skill development. TANF has become a benefits processing program focused on preventing abuse rather than a transitional catalyst to work. In my 22 years of working with low-income populations, I can tell you that most of the people I have met do in fact want to work, desperately want to work, but they don't want their economic situation to worsen when they leave cash assistance. People need help navigating their way to economic mobility, and they need help navigating the effects of earned income as they make that transition.

If we want people to use TANF as a transitional catalyst to work, we need to change the rules so that we can incentivize work, allow for training and skill development, and make it clear to participants and to program staff assisting them how working will affect their future benefits.

Specifically, we should treat income and assets differently, and give careful consideration to how TANF interacts with other systems. TANF affects childcare, which affects housing, which affects food stamps, and the interaction of those things makes work risky, instead of the safer choice. We have to change up that paradigm about how the benefit programs interact, so that the investments we are making in people who are in our public benefit programs can work together to launch people into economic mobility. I'm not talking about growing TANF, but once someone is on the caseload, we need to keep them engaged and continuing on a path to self-sufficiency.

Finally, there is a third issue about how work requirements operate and how they affect a program. It is a myth that work requirements motivate more people to work, although they do motivate more people to focus on their monthly participation reports. I have operated at least a dozen programs that feature a work requirement, and in all cases the very real struggle is that compliance becomes the primary deliverable and outcomes take a backseat. To maximize results, work requirements efforts should include these principles:

**Universal compliance:** Public assistance recipients are often involved in or eligible for other services, and efforts to help them achieve self-sufficiency should be complementary rather than conflicting. Programs should not set up potentially conflicting participation requirements, and a participant who is satisfying a participation requirement in one program (WIOA, TANF, SNAP, Medicaid, etc.) should be considered to satisfy all others.

**Client enrollment in approved program meets participation requirement:** Programs should be approved as compatible with the work requirement, and participants enrolled in qualifying programs should be deemed to be meeting the standard. Counting and certifying participation hours for each individual is time-consuming and expensive, and distracts program staff from helping participants build skills and find employment.

**Focus on outcomes (increasing self-sufficiency) rather than outputs (participation hours):** The goal of investments in employment and training programs is to increase participants' employment and income. Work requirements should promote the achievement of participant outcomes—learning gains, credential attainment, job placement—rather than counting their hours of participation.

**Include all services needed in a career pathway model:** Career pathway models allow low-skilled individuals to combine work and education while obtaining in-demand training and postsecondary credentials. State policies that support career pathway strategies make it easier to align adult basic education, job training, postsecondary education, and support services like child care and transportation assistance. Work requirements for public assistance recipients should recognize all career pathway components and accommodate these models.

**Focus on labor market demand and local employer needs:** The focus of workforce development activities should be labor market demand, and developing skills-based solutions to help job seekers meet that demand. Program design must be flexible enough to adapt to regional and local employer needs, and include a range of education, training, and job search activities.