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Funds Workforce Development Increase Worker Skills (HB21-1264)

Testimony to House Business Affairs & Labor Committee

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Thank you for the opportunity to submit written testimony in support of <u>HB21-1264</u>. My name is Andrea Kuwik, and I'm a policy analyst with the Bell Policy Center. The Bell Policy Center provides policymakers, advocates, and the public with reliable resources to create a practical policy agenda that promotes economic mobility for every Coloradan.

We are very excited to see the significant level of support for worker retraining, reskilling, and upskilling in this bill dedicated to those who have been <u>hardest hit</u> bythe COVID-induced economic downturn. Of the groups targeted for support in this bill, we are especially grateful to see the following explicitly included: older workers, women, and communities of color.

While many older workers experienced significant <u>workforce challenges</u> prior to COVID, we expect in the coming months and years, these problems will grow in severity and impact. In the aftermath of previous recessions, multiple studies show older adults are:

- Disproportionately likely to be <u>amongst the long-term unemployed</u>. During the <u>Great Recession</u>, only 41 percent of unemployed adults 62 and older found work after 18 months.
 This compares to 78 percent of those between 25 and 49 years of age.
- At risk for being pushed into early, or involuntary, retirement due to an inability to find meaningful employment. Already, we're seeing signs that a similar occurrence may be happening. Between March and November of 2020, the number of discouraged workers between 55 and 64 grew by over 80,000. Similarly, labor force participation for those aged 65 and older dropped by 2 percent between December of 2019 and 2020.

A recent survey of those aged 50 and older by <u>Changing the Narrative Colorado</u> finds additional training and upskilling opportunities are both needed and wanted. Of the Coloradans surveyed, almost three-quarters say they are either actively looking for work or believe they will be in the coming year. Respondents also note trainings, certifications, apprenticeships, and other resources would be helpful in their efforts to remain in or reenter the workforce.

Additionally, in a recent letter, two dozen community leaders asked the Colorado Department of Labor and Employment to intentionally include older workers in recovery efforts due to many of the reasons mentioned above. We believe HB21-1264 would allow for the provision of many of the recommendations explicitly calledout in this letter to CDLE.

In addition to the special attention given to older workers, women and communities of color would benefit from this program. Both groups are disproportionately represented in occupations with low wages and limited opportunities for advancement. Reskilling and upskilling are critical strategies to help these workers transition to in-demand industries with higher wages.

For example, research by the Harvard Business Review finds 1 in 4 women are at risk of having their jobs displaced due to automation trends, which have only been accelerated by COVID-19. However, given historical equity gaps in postsecondary credentials pursued and occupational choice, the study finds women will need greater supports to transition into in-demand fields, making programs such as this critical for equity in our future of work.

Not only is the emphasis on this population critical for addressing equity gaps in ourworkforce systems, but the flexibility of program fund's use aligns with the recommendations from the <u>Bell Policy Center's Future of Work Advisory Council</u>. Allowing for funds to be used for tuition, transportation, and other needs, reduces equity barriers to access for these groups.

Thank you again for the opportunity to submit written testimony and to Representatives Young and Sullivan for bringing forward this bill. We encourage youto vote in support of this important measure.