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March 27, 2023

Good afternoon Chairman LaHood, Ranking Member Davis, and members of the subcommittee. My name is Jacob Maas and I have the privilege to serve as CEO of West Michigan Works! since its creation in 2015.

West Michigan Works! serves as the local workforce development agency and our region consists of 7 counties; annually we serve approximately 3,000 employers and 40,000 job seekers out of 8 service centers, 3 satellite offices, and many home offices.

I am very passionate about the population we serve...especially in our TANF programs. If there is one thing that I have learned over the years it's that when you directly impact an individual, you impact their family and if you are impacting their family, you are making an impact on the community.

I started my career in workforce development 20 years ago working as an Employer Account Representative in the Michigan Works! network. I was working directly with job seekers who were receiving TANF...preparing them for employment, and with employers who would hire, train, and retain those individuals. Early in my career, I was ill-prepared as the barriers were far more complicated than college prepared me for. I remember picking up individuals from their homes to get them to work on time when public transportation failed them. I remember going to an individual's home following up on why he did not show up to work...only to find that he was dealing with a family crisis -- his teenager ran away from home. I also remember running into individuals at our local Meijer who were thankful for working together and excited to tell me about their new job. While the circumstances surrounding each of their lives were unique, it was clear that they were not there for a handout, but rather a hand up.

Our TANF program handled all things employment and training related and gave them the hand up. Those services included orientation to the program, soft skills development, barrier removal, career planning, High School Equivalency or General Education Diploma, referrals to short-term training, support services, transitional supports, and helping retain employment. I held several other positions while working in the TANF program including manager and assistant manager.



In 2010, I transitioned to the administration of programs and since then I have served on several statewide committees involving process and policy improvements to our TANF program. Early in my career, our state was at risk of \$36 million in sanctions for not meeting work participation rates (WPR). The challenge was that our infrastructure and IT systems were ill-equipped to track work participation rates, programs weren't designed to meet work participation rates, and a large number of individuals were enrolled in activities that didn't count towards their participation, despite being better suited to help the individual in the long run. For example, an individual couldn't be enrolled, and still can't be enrolled, into GED full-time. Individuals could only be in training programs for a short period of time before their hours stopped counting even though the individual was on track to get their credential and increase their earnings. We were, and are still, dealing with difficult rules like having the 5th week of job search not count towards participation hours and individuals who are referred to us in the middle of the month who have a slim chance of meeting work participation for the month. It makes no sense to me that their hours wouldn't be prorated for the month depending on when they were referred. Bottom line is that work participation rate doesn't work.

Fortunately in Michigan, due to the partnership we have with our state departments of Labor and Economic Opportunity and Department of Health and Human Services (known as the PATH Program), we have been able to solve these problems through caseload reduction credits where we can enroll a small percentage of individuals into high school equivalency and GED completion. Implemented in 2020, it provides an opportunity for participants to pursue high school completion, or equivalency, without facing the adverse effects of not meeting the work participation requirement. The challenge is that culturally there is still the mindset that we must meet performance locally. In our region we are dealing with five different DHS directors who are held to the standard of work participation rates and one person can fail performance for that DHS, especially in our rural counties.

I applaud the committee's challenge of re-imagining what TANF can look like. Working directly with the population in a variety of roles I have learned a few things that I hope you find useful, and we would like to offer a few suggestions from our organization:

 Focus on outcomes, not outputs. Work participation doesn't work. Consider aligning the outcomes with the Workforce Innovation and Opportunity Act which is about credential attainment, employment, employment retention and earnings.



- 2. When designing the program, we would be comfortable with a framework of participation hours, but as each individual's needs are going to be unique, allow the states and local areas the flexibility to enroll them in programs that are best suited for the individual and certainly allow HS Equivalency/GED and post-secondary training as options. There is enough data to support that having increased education and skills increases earning potential. We have also experienced tremendous success with apprenticeship programs, and we have received national awards for our work. Just as important though would be activities and time for barrier removal. Finding childcare can take time, dealing with legal issues takes time. We need to be able to have the flexibility to address the barriers before we can even help with a plan for employment.
- 3. Maybe a dream to me...but consider integrating programs. Texas and Michigan have unique models where the workforce development boards are delivering Workforce Innovation and Opportunity Act, Wagner-Peyser, Trade Act, and welfare reform. A siloed approach to employment and training programs creates confusion for employers and job seekers alike. Just as our employers don't care which funding streams we are using, neither do our job seekers. At the end of the day our job seekers just want a decent paying job and our employers just want the talent they need to remain competitive.
- 4. Locally we often struggle with the benefits cliff. The fact that individuals can just as quickly be off of benefits as they are on them. We have heard directly from many of our employers, where individuals have turned down a promotion and a raise because of the risk of losing their benefit although not necessarily tied to a TANF benefit. Consider a gradual reduction or a small income deferral period when individuals are transitioning to work and the delays that may occur before the first paycheck.

I'm a firm believer that just as no one organization or person is responsible for the problems we are dealing with, there is no one organization or person who can fix them. Statewide, in addition to working closely with many state departments, we are working locally with our chambers of commerce, employer associations, unions, economic development agencies, individual school districts, schools, community colleges, universities, philanthropic, community and faith-based organizations. So as you can hear...partnerships are key to our overall success!

Local partnerships were key to Jessica Geary's success.

Jessica began working_with one of our career coaches in the West Michigan Works! Allegan service center in August of 2022 after being referred to the TANF program through DHHS. She lacked direction and a plan for her future and had significant barriers to gainful employment.



Jessica had many years of experience caring for people, but she did not have a Certified Nursing Assistant credential nor high school diploma so her previous work did not pay well and she had no potential for advancement. Since her last employment, she could not find work and lacked reliable transportation.

Jessica's career coach gave her the support and motivation she needed to enroll in a GED class through Allegan Adult Education and a CNA training program at Lake Michigan College. Her coach helped her schedule public transportation so she could attend the in-person classes. Jessica began her GED class in August of 2022 and when she was close to completing it, she began her CNA training in January 2023.

Despite her challenges, Jessica persisted. She worked hard in classes, was faithful to PATH program requirements and earned her GED and CNA certification by March 2023.

At the same time, Jessica was working with her coach to update her resume and better represent her skills. Her career coach also brought in West Michigan Works! talent development specialist who helped her practice interview skills and this month, after all her hard work, Jessica accepted a CNA position with Kauhale Otsego.

When Jessica shared this wonderful news with her career coach, she also expressed her thanks for West Michigan Works!' support, stating, "I knew I needed to do something with my life and West Michigan Works! helped me find my way. Once I decided I wanted to obtain my GED, CNA license and work for a really great company, West Michigan Works! helped me by removing all of the barriers that were standing in my way."

In closing, thank you for the work you are doing and I look forward to seeing what you accomplish in the near future. Thank you for your time and attention, and I am happy to answer any questions.

Sincerely,

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Jacob Maas Chief Executive Officer