

- SUBJECT:** Career development center assessment of job skills
- COMMITTEE:** Economic Development — committee substitute recommended
- VOTE:** 9 ayes — Solis, Keffer, Clark, Deshotel, Homer, Luna, McClendon, Seaman, Yarbrough
0 nays
- WITNESSES:** For — *Registered but did not testify:* Karen L. Pennell, ACT's Workkeys System; David Pinkus, Small Business United of Texas
Against — None
On — Cindy Alexander, Comptroller's Office; Leslie Geballe, Texas Workforce Commission; Jason Sabo, Center for Public Policy Priorities; *Registered but did not testify:* David Dennis, Comptroller's Office
- BACKGROUND:** The Texas Workforce Commission (TWC) is charged with overseeing and providing workforce development services to employers and job seekers of Texas. For employers, TWC offers recruiting, retention, training and retraining, and outplacement services as well as information on labor law and labor market statistics. For job seekers, TWC offers career development information, job search resources, training programs, and, as appropriate, unemployment benefits. Targeted populations receive assistance to overcome barriers to employment.
- DIGEST:** CSHB 2503 would require each career development center in a local workforce development area to administer job-skills assessment tests to targeted recipients of public assistance before they were referred to an employer. The center could test other people on request.
The career development center would have to use the WorkKeys assessment test, developed by the American College Testing (ACT) program, or another equivalent assessment test. If it used the WorkKeys test, the center would have to become licensed as a WorkKeys service center or contract with a licensed WorkKeys service center to administer the test.

A local workforce development board could apply for, receive, and use state and federal funds to administer the tests. If those funds were insufficient, the center could charge a fee to employers who used the centers' services.

A local workforce development board could collect data from the job-skills tests to determine the effectiveness of workforce training and services.

This bill would take effect September 1, 2001.

**SUPPORTERS
SAY:**

CSHB 2503 would allow workforce centers to place people in job positions that match their skill levels. Most people who use the center do not have a solid work history because they cannot keep steady employment. People who lack the skills for certain jobs typically wind up quitting or being replaced, while those placed in jobs that meet their skills level are more likely to enjoy and remain on the job. Assessment testing would provide these persons with a reliable way to quantify their skills and to market themselves successfully to potential employers.

The bill also would benefit employers who use the centers for staffing. The first people to be laid off are the those with the fewest skills. If an employee takes the assessment test and is found to lack certain necessary skills, the employee could attend training and improve his or her skills seeking employment. Assessment tests would provide employers with improved employee selection and advancement procedures, reduced overtime, reduced turnover, increased productivity, fewer legal challenges over hiring processes, and higher employee morale.

CSHB 2503 would increase employers' participation by allowing workforce boards to determine the skills employers need and to focus their training on those skills. Rapidly changing economic conditions mean that employers need to identify potential employees quickly and efficiently. Employers need information on potential employees' communications, problem-solving, and interpersonal skills. The current tests administered by the workforce centers do not measure for those skills.

Costs of running the training centers would be paid from state funds and perhaps by employers. Not all welfare recipients would be tested, only those targeted. Recipients with strong work histories would not need to be tested.

Recipients who lack education would be given academic tests and not assessment tests to determine in what areas they need to be trained. People referred to employers who had their own assessment tests would not be tested by the workforce center as well.

The boards would have flexibility in determining how much they could spend on administering assessment tests. Centers could use assessment tests that were inexpensive and did not charge per test administered. Employers who would prefer assessment tests done on the people referred to them could pay for the test. Currently, Brazos Valley workforce development centers provide skills assessments for employers at a cost of \$15 per session of administering the tests, regardless of the number of tests, and \$5 per assessment test scored. The costs of paying people unemployment would be reduced because more people would obtain jobs quicker due to the training.

The assessment tests would not create bias against certain people, nor would they disqualify people from using the center and being placed with an employer. The tests simply would allow the centers to determine for what skills people need training.

OPPONENTS
SAY:

CSHB 2503 could hinder certain people from obtaining adequate employment through the workforce center. Standardized testing is not appropriate for everyone — for example, people with limited proficiency in English and people who are dyslexic. These people may be able to perform certain tasks well but simply may not test well. The bill should ensure that the workforce development force has flexibility in testing.

It could be expensive and not worthwhile to test every “targeted recipient of public assistance” that used the workforce center. The assessment test must be purchased. This could average about \$20 per person. Centers also would have to become licensed to administer the tests, which would cost thousands of dollars. Although the funds for testing would be within the current appropriations recommended for the Texas Workforce Commission, the money could be used for more important programs. If the state is going to make it mandatory to administer the test, it should not require employers to pay for the tests if the board lacks funds. Requiring employers to pay for the testing could dissuade them from using the workforce centers.

CSHB 2503 is not needed and should not be mandatory. Career development centers already have the authority to administer tests like the Test of Adult Basic Education. Some employers perform their own specific assessment tests and would not be interested in the workforce center's test results. The workforce boards should have discretion as to whether to administer assessment tests.

NOTES:

The committee substitute added the definition of "targeted recipient of public assistance" and would specify that a career development center would have to administer job-skills assessment tests to that target group.

The companion bill, SB 1521 by Lucio, has been referred to the Senate Business and Commerce Committee.