

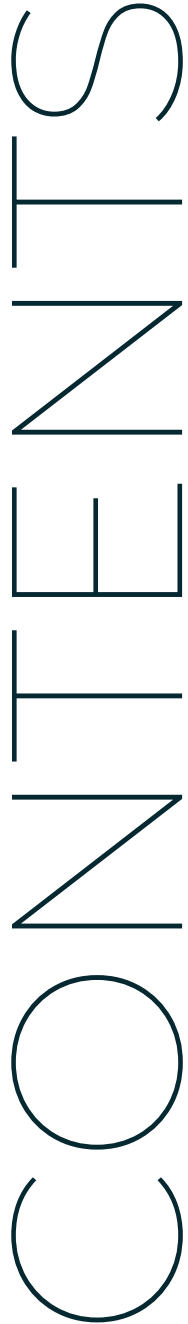


ANNUAL REPORT



Alabama Workforce Council

2023



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I. LETTER TO GOVERNOR IVEY AND THE ALABAMA LEGISLATURE


As the Chair and Vice Chair of the Alabama Workforce Council (AWC), we are pleased to present the 2023 AWC Annual Report and recommendations for improving Alabama's public workforce system.

The year 2023 marked significant achievements, bringing to fruition much of the work initiated by the AWC since 2015. The ATLAS on Career Pathways released its inaugural research report, measuring progress toward the Success Plus postsecondary attainment goal. This report indicated, based on the first three years of data, that we are well on track to surpass the goal set in April 2018. The establishment of a statewide data system like the ATLAS on Career Pathways and the push for increased postsecondary attainment were part of the original recommendations from the 2014 Alabama College and Career Ready Task Force, leading to the formation of the AWC in 2015. We were honored to support the passage of Act 2023-365 alongside you and the Legislature, which officially codified the ATLAS on Career Pathways, Alabama's process for assessing non-degree credential quality and transparency, and the mandate for every student to graduate college and career ready.

Through collaborations with the Alabama Community College System, we are actively promoting innovative training models that combine short-cycle training with supportive services, facilitating individuals in both learning and earning. Most importantly, in December, the Alabama Talent Triad was officially launched. It is the nation's first full-scale talent marketplace that emphasizes skills as the primary unit in the labor market transaction. Using the Alabama Talent Triad, we aim to make strides in increasing Alabama's postsecondary attainment and labor force participation rates, particularly among populations facing challenging barriers to accessing education and the workforce.

While 2023 marked the culmination of foundational efforts, it signifies not the end, but rather the end of the beginning. Looking ahead to 2024, we believe the focus should be on structure and alignment. We aspire to collaborate with you, implementing the recommendations presented herein, to achieve new levels of efficiency and coordination necessary for training and assisting more individuals. Our hope is to collaboratively establish a unified workforce development board to lead a single state workforce development agency, coordinating partners to provide integrated education, training, and supportive services.

We express our gratitude for your ongoing support and leadership.



Tim McCartney

Chair, Alabama Workforce Council



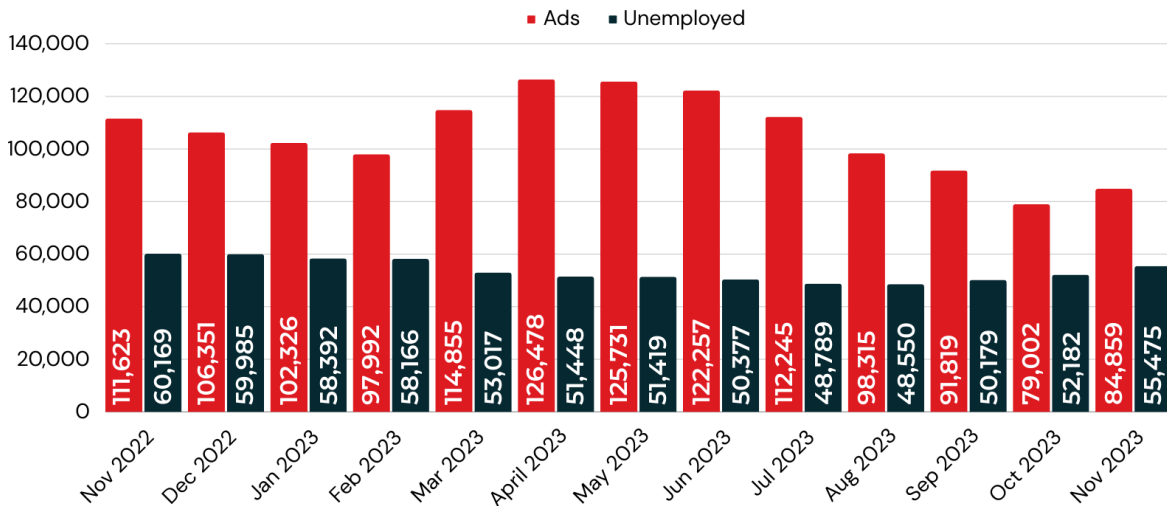
Christy Knowles

Vice Chair, Alabama Workforce Council

II. EXECUTIVE SUMMARY

In 2018, Governor Ivey established the Success Plus postsecondary education attainment goal of adding 500,000 credentialed workers to the workforce by 2025. With labor market conditions nearing full employment in Alabama, meeting the Success Plus goal requires increasing Alabama's labor force participation rate (LFPR). The LFPR is the percentage of the civilian non-institutionalized population age 16 and older who are employed or actively looking for work. As a result, Governor Ivey set a goal of surpassing the national LFPR by 2025.

With a November 2023 non-seasonally adjusted LFPR of 57.1%, Alabama ranks 47th in the nation (tied with Kentucky and above only Mississippi, South Carolina, and West Virginia). A one-percentage-point increase in Alabama's LFPR represents approximately 23,000 additional Alabamians participating in the labor force. Increasing Alabama's LFPR to the national average of 62.8% would add 131,100 Alabamians to the labor force. Alabama's 78.4 percent prime-age labor force participation rate (25-54) also lags 4.9 percentage points behind the national average of 83.3 percent, which represents a delta of 112,700 prime-age Alabamians who are not working.



Our state will not reach its goals with nearly half of its working-age people on the sidelines. Alabama must, and can, do better, but it will require realignment of Alabama's public workforce system to make it more effective and efficient. We must address postsecondary attainment and labor force participation together. Economic growth is booming in areas across Alabama with the highest levels of attainment and labor force participation. In the counties with a low LFPR, there is also limited postsecondary attainment and economic growth.

There are more available jobs than there are unemployed Alabamians. Therefore, we must focus on increasing the number of people participating in the labor market and coordinating our workforce programs. We must focus our efforts on increasing the LFPR with the same passion and focused leadership that we have placed in past years on important issues such as literacy and high school completion. Increasing the LFPR requires shared goals, coordination, and shared accountability metrics.

In the next legislative session, it is time to finish the job of aligning our workforce programs to meet the demands of our economy. Alabama must be a leader in all endeavors, with a particular focus on our workforce. We want Alabama to be a model for talent training and development, inspiring other states to aspire to become as good as Alabama.

This report outlines steps that should be taken through executive action and through the legislative and budgetary processes to align Alabama's workforce system. These recommendations are focused on efficiency and cleaning up the motley mix of programs that are serving far too few of Alabama's employers and job seekers.

This report was developed with the people of Alabama, and the taxpayers of Alabama, in mind. Achieving government efficiency often "ruffles a few feathers," but we present this report as both the customers of, and funders of, Alabama's public workforce system. With that in mind, we offer this report and recommendations for reforming Alabama's public workforce system.

Call to Action—Summary of Policy Recommendations

Consolidate the AWC and the State Workforce Development (WIOA) Board to form the Alabama Workforce Development Board (AWDB). Merge the seven Regional Workforce Councils (RWCs) and local Workforce Development (WIOA) Boards to form seven local Workforce Development Boards.

Designate a single state agency as the single State Workforce Agency (SWA) to administer Workforce Innovation and Opportunity Act (WIOA) Title I and Title III funds. Alabama is one of only five states that have two separate SWAs managing the WIOA Title I and Title III grants as required by WIOA.

Empower a single SWA with a clear mandate to improve performance by requiring increased performance targets, increasing the percentage of funds dedicated to training, to increase transparency and efficiency in career center budgets, to integrate technology and a common intake process for the public workforce system, and to develop an integrated marketing plan based on the AlabamaWorks! brand.

Change the narrative on workforce development to focus less on the unemployment rate and more on the labor force participation rate. Focus on solutions that are working to increase the labor force participation rate, such as skills-based hiring, competency-based education, fostering a talent system based on skills, and providing access to supportive services such as childcare and transportation.

III. POLICY RECOMMENDATIONS

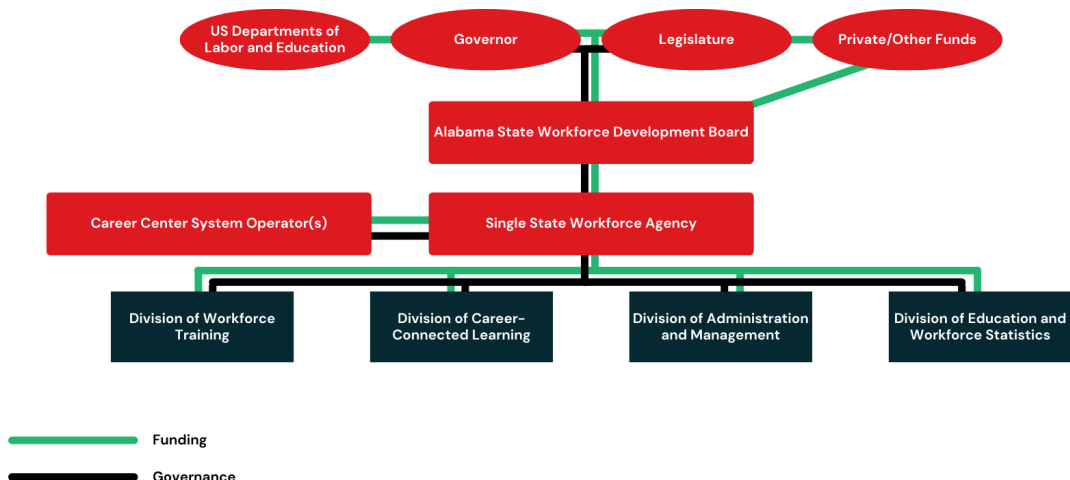
1. Designate a Single State Workforce Agency

Alabama is one of only five states that has two SWAs managing WIOA Title I and III. In Alabama, Commerce manages Title I and Labor manages Title III. Moving to a single SWA for the Title I and Title III programs would ensure that Alabama's Title I and Title III WIOA programs are managed by the same agency.

This proposed consolidation will create a more coordinated, collaborative, and efficient public workforce system that consistently changes the lives of Alabamians for the better.

- **The Work Opportunity Tax Credit.** The WOTC program offers federal tax credits of up to \$2,400 per employee hired from several targeted groups including veterans, SNAP recipients, and long-term unemployed. The only cost to the state is administrative costs, which are offset by USDOL annual grants. In 2022, 55,517 WOTC certifications were made in Alabama, which is higher than the average state workload, but given the unlimited nature of the tax credits, more can be done.
- **The Federal Bonding Program.** The Federal Bonding program provides Fidelity Bonds for hard-to-place or at-risk job seekers. The bonds cover the first six months of employment at no cost to either the job seeker or the employer. Each Bond provides \$5,000 worth of coverage and Bonds may be stacked to increase coverage.
- **The Jobs for Veterans State Grants Program.** The Jobs for Veterans State Grants Program should be located with the other federal grants programs under the purview of the single SWA.
- **The Alabama Career Center System.** In keeping with the consolidation efforts across the SWA and broader workforce system, the Alabama Career Center System staff and infrastructure should be included in the single SWA. As currently constituted, the system is hampered by significant administrative and overhead costs. Using co-location and virtual service delivery, Alabama will be able to ensure more federal workforce dollars reach the job seeker and employer.
- **The Unemployment Insurance (UI) Program, Unemployment Compensation Trust Fund, and Reemployment Services and Eligibility Assessment (RESEA) Program.** The federal UI program and the state UC Trust Fund should be included in the single SWA to ensure that unemployed people are integrated in the workforce. The UI and the workforce systems are designed to be integrated, as evidenced by the recent federal rule on Wagner-Peyser (WP) staffing flexibility promulgated by USDOL. The RESEA Program should also be included in the single SWA since it is intended to be integrated into WIOA.

ALABAMA WORKFORCE DEVELOPMENT GOVERNANCE STRUCTURE



The single SWA should be composed of four operating divisions.

1. The Administration and Grants Management Division will house the administrative staff for the single SWA; will serve as the fiscal agent; and will support the Regional Workforce Boards, The Alabama Committee On Credentialing and Career Pathways (ACCCP), and the Alabama Committee on Credential Quality and Transparency (ACCQT).
2. The Education and Workforce Statistics Division will manage the Workforce Information Grants to States and the ATLAS on Career Pathways.
3. The Workforce Training Division will manage Alabama's WIOA Title I and III programs, the Federal Bonding Program, the Jobs for Veterans State Grants Program, the Unemployment Insurance Program, the Reemployment Services and Eligibility Assessment (RESEA) Program, the Work Opportunity Tax Credit, and the Trade Adjustment Assistance (TAA) Program.
4. The Career-Connected Learning Division will include the Alabama Office of Apprenticeship, federal workforce grants, and the Alabama STEM Council.

2. Consolidate the State Workforce Development Board and the Alabama Workforce Council

Legislation is needed to consolidate the State Workforce Development Board (WBD) and the Alabama Workforce Council (AWC) to form the Alabama Workforce Development Board. Legislation is needed to consolidate the seven local WIOA boards and the seven Regional Workforce Councils (RWCs) to form the seven Regional Workforce Development Boards (RWDBs). The State Workforce Development Board, or WIOA Board, was never codified in state statute. To have one workforce board, the board must comply with 20 CFR§679.110 regarding the required members of the State Workforce Development Board. It is important that the committees of the AWC, such as the Alabama Committee on Credentialing and Career Pathways (ACCCP) and the Alabama Committee on Credential Quality and Transparency (ACCQT), which were created as committees of the AWC, are transferred to the Alabama Workforce Development Board. Section 41-29-295, Code of Alabama 1975, should be amended to require the Alabama Workforce Development Board to submit an annual state workforce development plan, which must include funding recommendations for existing workforce programs, recommendations for sunseting programs and developing programs, and recommendations for performance and accountability metrics for workforce programs. The annual workforce plan should include a marketing and outreach plan that focuses on how workforce programs will be coordinated to meet the needs of individuals who are facing barriers to entering the workforce. Section 41-29-300, Code of Alabama 1975, regarding the Regional Workforce Councils, should be amended with language creating seven Regional Workforce Development Boards, which should be merged with the RWCs and the local Workforce Development Boards (local WIOA boards).

3. Provide Dedicated State Funding for Supportive Services

It is no secret that the largest barriers to entering, and persisting in, the workforce in Alabama are benefits cliffs and the associated lack of supportive services. Childcare and transportation are consistently cited as the largest barriers to employment. For years, there has been much talk and “admiring the problem” when it comes to expanding access to childcare and transportation. There are many local “pockets of excellence” providing access to childcare and transportation through programs designed to expand the capacity of family-based childcare providers, programs focused on subsidizing the cost of childcare and the wages of childcare workers, as well as ridesharing programs and municipal and county-based transportation programs for low-income, rural, elderly, and disabled Alabamians. Nevertheless, there is no dedicated state funding for childcare or transportation in Alabama. Alabama provides no funding for a state childcare tax credit or employer matching program for providing childcare. Alabama also provides no state funding for transportation, which makes meeting federal matching requirements difficult for local stakeholders when attempting to establish transportation systems. There are right ways and wrong ways when it comes to policy interventions to expand access to childcare and transportation.

The wrong ways to address childcare and transportation are to erect new benefits cliffs by creating individual-level benefits that might cause people to work fewer hours or to earn less out of a fear of losing the childcare or transportation benefits. The supply and the demand side of the market must be bolstered to address the classic market failure for childcare caused by the tension between childcare quality and access. The state should invest in an easy-to-administer intervention that would provide a matching program to offset the cost of childcare between employees, employers, and the state. A matching program spreads costs and increases demand, which will also help to increase supply. An employment-based program will also encourage labor force participation. Fully addressing the childcare market failure will require a federal role to make the tax treatment of childcare at the federal level like that of healthcare, whereby employer and employee contributions are treated as non-taxable income. Transportation in Alabama is centered on personal vehicle ownership. Public transportation will only go so far due to Alabama's low population density in most areas. Large public transportation programs are often underutilized. Ridesharing programs and programs that help with managing financial requirements of personal vehicle ownership are more practical interventions.

4. Work Search Reform and Labor Force Participation Enhancement

Under current law, Unemployment Insurance (UI) claimants must make three work search contacts each week to receive benefits. The UI state statute should be amended to require individuals claiming UI benefits to apply for all available and suitable employment through the Alabama Talent Triad based on a match between the competencies in the applicant's digital wallet and the competencies included in the job descriptions. The career centers should also use a standardized, web-based system for initial intake, assessment, and eligibility, as well as career exploration and career search. Participants in means-tested human services programs should be able to be assessed for co-enrollment in WIOA career service training programs. The WIOA partner agencies should adopt data-sharing agreements and should cross-train employees to be able to co-enroll eligible participants into SNAP, TANF, UI, and WIOA training programs at one point of service. The RWDBs should be required to make eligibility determinations for WIOA programs within three business days.

5. Reduce Administrative Costs

Far too much of Alabama's WIOA allocations are being used to fund administration and overhead. Administration represented 57.6 percent of the WIOA Title I allocation for PY2021. The State Workforce Development Board must develop a plan for reducing overhead to a level that is commensurate with the 38 percent budget cut sustained since 2018. A target should be set in the 2024 Combined Plan to get the career center allocation below 20 percent in each local area and statewide. To support the operations of one-stop centers, WIOA requires local areas to engage partner programs in resource-sharing agreements, called Infrastructure Funding Agreements (IFAs). Under WIOA, the IFA and one-stop operating budget must be incorporated into the memoranda of understanding (MOUs) between one-stop partners and the one-stop operator and local workforce development board. Alabama's current IFAs, most recently negotiated in PY2020, are 153 pages long, cumbersome, and have been largely recycled every two years since WIOA was enacted. The IFAs should be renegotiated to reduce overhead spent on commercial leases and should require one-stop operators to collocate one-stop centers within the physical assets of partner agencies. In March 2020, the State Workforce Development Board adopted a policy requiring local areas to increase the amount of WIOA funds going to training activities from 40 percent in PY2020 to 60 percent by FY2023, and reaching this requirement is imperative. Furthermore, the State Workforce Development Board should develop non-traditional hours for service delivery and virtual service delivery. A bipartisan WIOA reauthorization bill, marked up in the U.S. House Education and Workforce Committee in December 2023, A Stronger Workforce for America Act (H.R. 6655), would require at least 50 percent of local area Title I funds to be dedicated to Individual Training Accounts and would require a greater focus on virtual service delivery.

6. Improve Workforce Program Performance

For PY2021, Alabama received \$40.4 million for WIOA Title I programs (adult, youth, and dislocated worker). For \$40.4 million, only 4,191 individuals completed training and of that total only 2,902 individuals received a credential.

COST PER PARTICIPANT TRAINED FOR TITLE 1 WIOA PROGRAMS PY2021 IN ALABAMA

PROGRAM	OVERALL FY2021 FUNDING LEVEL	FUNDING LEVEL FY2021 EXPENDED ON TRAINING SERVICES	PERCENTAGE OF OVERALL PY2021 FUNDS EXPENDED ON ADMINISTRATION	PARTICIPANTS EXITING TRAINING	NUMBER OF TRAINED PARTICIPANTS EMPLOYED ONE YEAR AFTER COMPLETING TRAINING	RELATIVE COST PER PARTICIPANT EXITING TRAINING	COST PER TRAINED PARTICIPANT EMPLOYED ONE YEAR AFTER COMPLETING TRAINING	PERCENTAGE TRAINING RELATED EMPLOYMENT
ADULT	\$12.2 M	\$6.5 M	51.2%	3,134	2,604	\$2,074	\$2,496	42.3%
YOUTH	\$15.7 M	\$8.3 M	67.2%	634	458	\$13,091	\$18,122	15.8%
DISLOCATED WORKER	\$12.5 M	\$2.2 M	54.4%	423	366	\$5,201	\$6,010	44.4%
TOTAL/AVERAGE	\$40.4 M	\$17 M	57.6%	4,191	3,428	\$6,762	\$8,841	34.2%

Source: U.S. Department of Labor, 2023

This was during a time when there were roughly 157,000 job openings in April 2022 and those numbers only slightly decreased to 141,000 in April 2023.[1] For training-related employment in PY2021, only 42.3 percent of adult program completers were employed in an occupation for which they were trained, 44.4 percent of dislocated workers were employed in an occupation for which they were trained, and a dismally low 15.8 percent of youth were employed in an occupation for which they were trained.

ADULT, YOUTH, AND DISLOCATED WORKER PERFORMANCE PY2021

PROGRAM	FUNDING	TRAINING SERVICES	CREDENTIALS	RELATIVE COST PER CREDENTIAL	TRAINING-RELATED PERFORMANCE
ADULT	\$12.2 M	3,134	2,316	\$5,250	42.3%
DISLOCATED WORKER	\$15.7 M	423	300	\$52,533	44.4%
YOUTH	\$12.5 M	635	286	\$43,741	15.8%
TOTAL	\$40.4 M	4,192	2,903	\$13,931	N/A

Source: U.S. Department of Labor, 2023

7. Improve Workforce Budgeting Practices

The State Workforce Development Board should require local workforce development boards to submit annual budgets that categorize spending functions to include staff, leases, equipment, materials, program expenses, training costs, and career services costs. Moreover, the State Workforce Development Board should develop a performance-based budgeting process for the local areas to drive increased performance across the WIOA common performance measures, as well as Alabama's state-specific performance measures. During the Quarter Two Combined Workforce Meeting on June 27, 2023, the State Workforce Development Board adopted a rule requiring the staff to provide a unified and transparent budget format for the local areas and career centers, and it is imperative this step is taken. The State Workforce Development Board should be required to submit a unified workforce development budget request to the Governor prior to the beginning of each Legislative session, which should include recommendations for federally-funded and state-funded workforce training programs.

8. Increase Systems Integration and Data Sharing

Alabama receives an annual Workforce and Labor Market Information to States (WIGS) grant from USDOL. The grant supports the Labor Market Information (LMI) Division of the Alabama Department of Labor (ADOL). The LMI Division should be included in the single SWA so the WIGS grant can be used to support the maintenance of ATLAS.

9. Develop a Unified Workforce Outreach Plan

The 2020 WIOA combined plan includes a new policy that requires all set-aside funds reserved for outreach from WIOA Title I and Title III to be used to promote the AlabamaWorks! brand. Therefore, all set-aside funds reserved for outreach from WIOA Title I and Title III and other state agencies should be used to promote the AlabamaWorks! brand to expand its scale, scope, and reach, which is not currently the case.

10. Broaden Awareness of Underutilized Programs

Many underutilized federal workforce programs can assist with helping people facing multiple barriers to reentering the workforce. Usage should be increased markedly for the Workforce Opportunity Tax Credit (WOTC) and the Federal Bonding Program (FBP). The WOTC is a federal tax credit available to employers for hiring and employing individuals from certain targeted groups who have faced significant barriers to employment.^[2] The WOTC may be claimed by any employer that hires and pays wages to certain individuals who are certified by the SWA as being a member of one of 10 targeted groups. In Alabama, ADOL administers the WOTC. The single SWA should administer the WOTC.

Bonds from the FBP protect employers against losses caused by the fraudulent or dishonest acts of the bonded employee. Examples of such acts of employee dishonesty include theft, forgery, larceny, and embezzlement. Employers receive the FBP bonds free of charge as an incentive to hire these applicants. Each FBP bond has a \$5,000 limit with a \$0 deductible and covers the first six months of a selected individual's employment. The single SWA should require staff to conduct outreach to employers on the Federal Bonding Program. The FBP should be included as part of the single SWA.

11. Establish a Single Website for Alabama’s Public Workforce System

ADOL replaced the JobLink online job database with “alabamaworks.gov” in 2020.[3] Currently, there are two websites called AlabamaWorks, since “alabamaworks.com” is still active. Furthermore, Alabama’s WIOA documents are maintained in three duplicative websites. The “WIOA-alabama.org” website contains WIOA policy documents and the state Eligible Training Provider List (ETPL). The “madeinalabama.com” website is still live with many WIOA-related policies and documents. The “alabamaworks.com” website also contains embedded links to WIOA documents, policies, and programs. Reducing these four duplicative websites to one must be prioritized by the State Workforce Development Board. The “WIOA-alabama.org” website should be eliminated entirely, and active content should be migrated to “alabamaworks.com.” The WIOA-related elements of “madeinalabama.com” should be moved to “alabamaworks.com.” One website for all public workforce system information should be a top priority for the State Workforce Development Board.

12. Revise Outdated Policy Directives and Training Materials

The Governor’s Workforce Investment Directives (GWIDs) must all be reviewed, updated, or replaced with revised GWIDs that reflect the policies included in the 2020, and soon to be 2024, WIOA State Combined Plan. Updated training materials must accompany the updated policy documents. Policies should be employed to increase opportunities for entering training and the workforce, enhancing accountability, and improving outcomes. An additional benefit of a single SWA will accrue from the ability to implement coordinated and standardized training and policies.

13. Employment and Accountability Metrics for Short-Term Workforce Training Programs

Short-term credential programs have proliferated in Alabama over the past five years. New programs, such as the Skills for Success training programs offered through the ACCS Innovation Center, the Alabama Career Essentials and Mobilizing Alabama’s Pathways programs offered through the ACCS Adult Education division, and programs offered by the Alabama Technology Network, have expanded access to training and opportunity for thousands of Alabamians who have told stakeholders that they will reenter education and training through short-term credentials that are aligned to in-demand jobs. However, not all short-term credentials are created equally. The Legislature should establish employment metrics for state-funded, short-term credential programs to ensure that Alabamians who are completing short-term programs are entering in-demand employment. At the federal level, the U.S. House Committee on Education and Workforce marked up a Bipartisan Workforce Pell Act in December 2023 that will establish a three-part, short-term credential quality assurance process that requires short-term programs supported by Pell to be aligned to in-demand jobs identified by the state workforce development board. The Act also provides a quality assurance role for academic accreditors to ensure that the short-term programs result in the attainment of a recognized postsecondary credential. The Act also provides a role for the U.S. Department of Education in ensuring adequate levels of program completion, job placement, earnings, and that the program cost does not exceed the program’s value-added earnings.

14. Expand Access to Registered Apprenticeship and All Forms of Career-Connected Learning

The Alabama Office of Apprenticeship (AOA) serves as a catalyst for expanding all forms of work-based learning and aiding employers with scaling employer-driven training. The AOA was approved as Alabama's state apprentice agency by the U.S. Department of Labor in March 2020. Apprenticeship must be a hallmark of Alabama's workforce system, and the AOA must be better connected to Alabama's public workforce system. The AOA and Alabama's WIOA programs are under the same chain of command, and federal law requires registered apprenticeships to be automatically included on the state ETPL. However, very few of Alabama's registered apprentices are receiving Individual Training Accounts or On-the-Job (OJT) Training contracts through WIOA. The State Workforce Development Board must assist the AOA with penetrating industry sectors for which there are currently few registered apprenticeships, such as information technology. Alabama currently has very few youth registered apprenticeships. The single SWA should be given a mandate to coordinate with the AOA and the K-12 and postsecondary career coaches to provide integrated youth and registered apprenticeships. Act 2019-506 gave the AOA a mandate to coordinate all of Alabama's work-based learning efforts, but the fact that the AOA is operationally separated from the primary training providers has limited its ability to generate integrated apprenticeships with K-12 and postsecondary work-based learning programs. The AOA should be integrated into the single SWA as a component of the Division of Career-Connected Learning. The single SWA should require the Division of Career-Connected Learning to create a career-connected learning statewide strategy for using technology-based career exploration and advising; work-based learning; postsecondary credential attainment; and widespread adoption of learning and employment records, skills-based hiring, and competency-based learning.

Governor Ivey established the Governor's Advisory Council on Excellence in STEM (ACES) in October 2018 to coordinate Alabama's STEM talent development pipeline. On November 8, 2019, the Governor's ACES presented Governor Ivey with Alabama's Roadmap to STEM Success to improve STEM education across the state and to expand the STEM talent pipeline. On September 21, 2020, Governor Ivey established the STEM Council via Executive Order 721.[4] The Alabama STEM Council: (1) advises state leadership on ways to improve STEM-related education and workforce training programs; (2) serves as the primary point of contact for communicating with state and national STEM organizations; (3) oversees the Alabama STEM Roadmap; and (4) coordinates communication efforts to increase STEM awareness. The Alabama STEM Council should be transferred to the single SWA and should be included as part of the Division of Career-Connected Learning. The Alabama STEM Council will be able to collaborate with education and workforce partners more effectively if it is a component of the integrated Division of Career-Connected Learning.

15. Consolidating "Orphan" Workforce Programs

Over the past five years, numerous agencies and private, third-party entities have delved into workforce development policy. While the interest in workforce development is positive, this phenomenon has also resulted in a burgeoning glut of workforce programs across myriad agencies and entities. There are nearly \$200 million in state-funded workforce development line items funded in the FY 2024 Education Trust Fund (ETF) budget. We encourage the Legislature, as a part of its standard process to evaluate and approve annual appropriations, to review all workforce-related programs in the ETF.

16. Enhanced Program Performance and Accountability Metrics

In the 2024 WIOA combined state plan, Alabama should establish new baselines for the six WIOA common performance measures. Negotiated performance should be increased by at least 5 to 10 percentage points for each measure over the course of the four-year plan. Alabama should change the WIOA metrics from being based on inputs to outputs and to outcomes instead of operational indicators. The Governor, through the State Workforce Development Board, may establish additional indicators of performance, such as:

1. Increase in the labor force participation rate;
2. The requirement that all training must be job attached;
3. Tracking the relative change in wages of participants (pre-WIOA enrollment and post-WIOA exit);
4. Determining the cost per positive outcome (positive outcome meaning stackable credential, certificate, or unsubsidized employment);
5. Tracking the percentage of funding expended for job-related skills development; and
6. Expanding the proposed employer measure to include retention with the same employer and remaining employed in the same sector after incumbent worker upskilling.

17. Stronger Connections between State Agencies

Effective collaboration among state agencies involved in supporting workforce development, job placement, and support services is paramount for the success of Alabama's workforce development system. When state agencies work cohesively, rather than in silos, the benefits are substantial. Firstly, streamlined communication and information sharing would enable a more holistic understanding of individuals' needs, ensuring comprehensive and tailored support. A collaborative approach can facilitate seamless referrals between agencies, thereby reducing redundancies and providing individuals with timely and accurate access to training programs and support services. Moreover, a more unified system would allow for real-time tracking of progress, enabling data-driven decision-making, trend analysis, and continuous improvement. Without such collaboration, the workforce development system runs the risk of inefficiency and fragmentation. The intricate web of services, including those provided by WIOA partners and non-profits, must be integrated to create a cohesive and supportive environment that maximizes the impact on individuals seeking jobs and workforce development opportunities.

Enhance Collaborations among State Workforce Entities: Fostering a "No Wrong Door" Approach to Workforce Development

Enhancing collaboration between all state workforce development entities is crucial for the success of workforce development in the state. To ensure a seamless and comprehensive approach, it is recommended that a robust "No Wrong Door" strategy be adopted. In the event that individuals do not succeed in one program offered by a workforce development state agency, they should be directly referred to ACCS to address any gaps in their skills and education. By implementing this approach, individuals can benefit from a continuous and tailored support system, thereby increasing their chances of securing long-term employment and contributing to the development of a more skilled and resilient workforce.

Workforce Development Support for Increased Business Retention

It is recommended that existing workforce programs that have proven successful be enhanced, and new programs be established that support and increase business retention in Alabama as a strategic investment in the state's economic vitality. Alabama businesses are losing employees due to the highly competitive job market and are struggling to sustain their businesses due to low employee retention rates and the difficulty of hiring qualified workers. To address this, these businesses need to be supported with education and training to upskill incumbent workers and to quickly train new employees with needed skills to be successful on the job. It is also recommended to continue the support and funding of the ACCS Innovation Center to support additional training programs aligned with businesses needs for entry-level and middle-skill level jobs. In addition to supporting businesses with their immediate workforce needs, it is imperative that the state bolster educational initiatives that contribute to increased business retention. The Dual Enrollment Scholarship Program stands as a testament to the success of investing in education for future workforce needs. This program has experienced a surge in interest and participation, with over 29,000 students currently enrolled—an increase of 79% since 2018. To further fortify this momentum, and to meet growing demand, it is recommended that the state continue and expand support of this program.

Implement a Shared Case Management System

In support of the recommendations to increase coordination and collaboration of state agencies, it is imperative that a shared case management system be implemented among all core and partner WIOA programs. It is also recommended that the case management system be provided to non-profits that offer support services to assist individuals while they are in a job training program. Moreover, a shared case management system contributes to an improved client experience by providing a holistic view of individuals' journeys and simplifying navigation through different services. Resource optimization can be achieved through the avoidance of redundancy, thereby enhancing cost-effectiveness and efficient resource allocation based on individuals identified needs. A shared case management system can play a pivotal role in creating a more integrated and efficient ecosystem for workforce development, training referrals, and support services, contributing to the overall success of workforce initiatives in the state.

IV. BACKGROUND ON ALABAMA'S WORKFORCE SYSTEM

Alabama's Workforce Alignment Efforts

In 2015, many of Alabama's workforce and economic development agencies were consolidated into the Department of Commerce's Business Development and Workforce Development Divisions. Additionally, the AWC was established as a blue-ribbon panel of business executives and agency leaders. The AWC was designed to advise the Governor on ways to better align the state's workforce education programs with the workforce needs of Alabama businesses. Formally established in 2015 by the Alabama legislature, seven Regional Workforce Councils (RWCs) were created to work with their member counties to develop a regional strategic plan and comprehensive workforce development system.

Since its establishment in October 2018, the Governor's Office of Education and Workforce Transformation has worked to coordinate the combined efforts of Alabama's education and workforce partners to implement Governor Ivey's workforce development strategic plan. The Success Plus attainment goal and the ACCCP were established to connect education and training programs to labor market demand through the adoption of a statewide list of in-demand occupations and fostering skills-based hiring and competency-based education practices. The Alabama Office of Apprenticeship (AOA) was established as Alabama's state apprenticeship agency in 2019, which was the first state workforce agency established in decades.

Since the Success Plus postsecondary attainment goal was established in April 2018, 223,562 credentials were completed in Alabama through 2021. Eighty percent of first-time credential earners between 2018 and 2021 were under the age of 25, 12 percent were between the ages of 25 and 34, and 8 percent were above age 35.

Alabama began developing the 2024 combined plan in August 2023 through a series of stakeholder engagement sessions in each of Alabama's seven workforce regions. The 2024 combined plan will be submitted on March 4, 2023.

The Alabama Talent Triad and the ATLAS on Career Pathways will help agencies, businesses, and individuals make data-informed decisions on how to allocate resources. The ATLAS on Career Pathways was codified by Act 2023-365 on June 1, 2023. The Alabama Talent Triad launched as the nation's first full-scale Talent Development System in December 2023.

Alabama's status as a leader in workforce development policy on the national stage has been elevated through participation in policy academies led by the National Governors Association on work-based learning; participating in the National Skills Coalition's non-degree credential attainment policy academy that has led to a state definition of non-degree credentials of value; and the Brookings Institution's Earn and Learn Policy Academy; and partnering with the Lumina Foundation and Credential Engine to develop a credential and competency ontology for Alabama to power our competency-based learning, career navigation, and hiring efforts.

Alabama has won numerous education and workforce grants, including two federal State Apprenticeship Expansion grants, and it won one of the inaugural six SkillsFWD grants to support the Alabama Talent Triad in December 2023. Alabama established a Pre-K to workforce system that connects the First-Class Pre-K Program to the workforce through Governor Ivey's Strong Start, Strong Finish Initiative. Alabama has repurposed the public workforce system to meet the needs of the post-COVID-19 workforce through the Alabama Workforce Stabilization Program, funded by a \$17.8 million federal Reimagine Workforce Preparation grant awarded to the State Workforce Development Board in 2020, which provides pandemic response employment, layoffs aversion, upskilling incumbent workers, and retooling dislocated workers through an integrated education and training model that provides short-term training, basic skills training, adult education, credentials of value, paid on-the-job learning, career navigation, and supportive services.

Recent surveys conducted by the AWC demonstrate that 90 percent of Alabamians who are unemployed and underemployed are seeking to return to the labor force in the next year, which means Alabama must double down on the career-connected training programs, such as apprenticeships, that allow youth and adults to earn and learn. In the 2023 regular legislative session, the ReEngage Alabama Grant Program was established, which will help adults wanting to reenter education and training. This program will help them gain either two-year degrees or short-term credentials through the Alabama Community College System or four-year degrees at Alabama's colleges and universities.

Alabama's recent efforts have been cited as national best practices for connecting the workforce and the economy by USA Today and Forbes.[5] Site Selection Magazine ranked Alabama as the best state among the South-Central States for workforce development for the last two years (2022 and 2023).[6] Alabama is also coming off the best year for economic development in state history, with \$10.2 billion dollars in new capital investments in 2022. Last year, Alabama created over 13,000 new jobs, bringing the total during the Ivey Administration to 78,000. Despite these successes, the work of aligning Alabama's education, workforce, and human services efforts remains incomplete.

Increasing the Postsecondary Attainment and Labor Force Participation Rates through New Training Modalities

Alabama must pursue a workforce development strategy designed to identify, recruit, train, employ, and retain Alabamians who remain on the sidelines and have not entered or re-entered the labor force. In most instances, Alabamians who are not in the labor force are not avoiding work intentionally. Many people are facing barriers and benefits cliffs when entering the workforce, which are caused when means-tested benefits taper off more quickly than an individual can compensate for the loss through paid employment. To achieve Governor Ivey's goal of ensuring that all Alabamians are self-sufficient, the work of developing competency-based career pathways is being coupled with a continuum of services approach to provide wrap-around services for Alabamians who are struggling to overcome barriers to entering education and the workforce.

Providing access to education and training, coupled with human services, is a method for meeting the complex needs of Alabamians who are facing barriers to entering the workforce. Since the onset of the COVID-19 pandemic, the AWC has conducted a recurring Alabama Survey of the Unemployed and Underemployed, which focuses on the barriers Alabamians face when reentering the workforce in the wake of the pandemic. The survey results continue to underscore the need to provide access to wrap-around and support services, such as transportation, childcare, and housing assistance.

According to the survey results, a lack of childcare causes more than 20 percent of parents to be late or absent from work four or more days a month. Furthermore, just over half of the respondents have lost a job or opportunity because they lack reliable transportation. More than one-third of respondents have declined or delayed a job opportunity because they were afraid that they would lose a government benefit. Alabama's strategy to increase the labor force participation rate centers on providing new modalities of training, including short-term programs and stackable credentials that are aligned to traditional degrees and supportive services, such as transportation and childcare, that Alabamians need to persist in the workforce.

Governor Ivey established annual and aggregate special populations, career cluster, and career pathway attainment targets, by region and statewide, as a strategy for surpassing the postsecondary attainment goal by 2025. Alabama's attainment efforts are focused on high school students (Grades 9–12); out-of-school youth; post-secondary students (18-24 years old); adult learners; veterans; individuals in the corrections system; and populations with significant barriers to post-secondary educational attainment opportunities, including persons with disabilities and special needs individuals, English language learners, first-generation college students, low-income individuals, minorities, rural residents, women, and "individuals with barriers to employment" in the 2020 WIOA Combined State Plan in accordance with WIOA sec. 3(24).

The Federal Reserve Bank of Atlanta has partnered with Alabama to develop a benefits cliff and self-sufficiency tool called the Dashboard for Alabamians to Visualize Income Determinations (DAVID). This dashboard is designed to help individuals understand when they will reach self-sufficiency, based on income, region, occupation, and family dynamics. Alabama launched a suite of technology solutions called the Alabama Talent Triad. The Alabama Talent Triad consists of the Alabama Credential Registry, which is used to provide full transparency for each credential awarded to Alabamians and to tag credentials to the skills and competencies that compose Alabama's in-demand jobs. The Alabama Skills-Based Job Description Generator, the second component of the Alabama Talent Triad, allows employers to create customized job descriptions based on the skills needed to perform the jobs at their firms. The Alabama Talent Triad learning and employment record (LER), the third component of the Alabama Talent Triad, allows job seekers to develop verified resumes and to match directly to skills-based job descriptions generated by employers. The Alabama Talent Triad also provides recommendations for additional training and employment opportunities based on the competency profile of student or job seeker. It is key that the Alabama Talent Triad reaches wider adoption among students, jobseekers, and employers in 2024, and beyond, to create the conditions for a workforce marketplace based on skills.

Aligning Alabama's Federal Workforce Funding Streams

Three federal laws govern the education-to-workforce pipeline: the Every Student Succeeds Act (ESSA), the Carl D. Perkins Career and Technical Education Act (Perkins), and WIOA. Because they are administered across different state agencies, coordinating these federal programs is challenging. ESSA, reauthorized in 2015, provides funding for public education from kindergarten to 12th grade. Perkins, reauthorized in 2018, provides funding for secondary and postsecondary CTE programs. WIOA, reauthorized in 2014, provides funding for federal workforce development activities including job training. ESSA, Perkins, and WIOA facilitate an education-to-workforce pipeline that provides individuals with the academic, technical, and employability skills they need to be successful in the workforce.

Prior to WIOA, federal workforce funds were managed by three local boards to cover the entire state (one each for Jefferson and Mobile counties and another to cover the other 65 counties). The local WIOA boards were realigned to correspond to the boundaries of Alabama's seven Regional Workforce Councils. There are five new local boards and two expanded local WIOA boards. One statewide board and the seven local boards are responsible for overseeing WIOA-funded programs, which include the adult, youth, and dislocated worker Title I programs; the Alabama Career Center System; adult education; and vocational rehabilitation. Alabama's 2020 WIOA Combined Plan was designed to braid federal and state workforce and education funding streams to produce an education-to-workforce pipeline that provides a seamless transition from secondary to postsecondary education, alignment between secondary and postsecondary CTE programs to create career pathways, and co-enrollment between adult education and postsecondary CTE programs. The Alabama 2020 WIOA Combined Plan was a beginning, but the 2024 plan must be written to serve as a strategic and operational plan for the entire public workforce system that drives collaboration, braids funding, and increases performance and efficiency.

For program year 2023, Alabama received \$10.1 million for the WIOA adult program, \$13.2 million for the WIOA dislocated workers program, and \$10.4 million for the WIOA youth program. In Alabama, since program year 2018, there has been an aggregate decrease of 38 percent for the adult program, a 31.6 percent aggregate decrease for the dislocated worker program, and an aggregate decrease of 38.1 percent for the youth program. Congressional funding for WIOA has not kept pace with inflation over the same period. Alabama is punished due to the WIOA funding formula for two reasons. First, the WIOA Title I and Title III programs do not include an automatic cost-of-living adjustment built into the formula, and the formula is budget-neutral. This means that Congress allocates a certain level of funding for the programs nationally. If the needs go up in one state, funds are reduced in other states. Secondly, the WIOA formula is based mostly on the unemployment rate and does not consider dynamic factors such as the number of special populations or the labor force participation rate that unduly affect states like Alabama. Despite the challenges attached to the funding formula, which will take an act of Congress to address, Alabama is not powerless. Alabama must employ leadership, technology, and policy to make the public workforce system more efficient to ensure that the state is cutting overhead rather than training and career services in the face of budget cuts.

DECLINING WIOA ALLOCATIONS

	2018	2019	2020	2021
ADULT PROGRAMS	\$16.3 M	\$14.7 M	\$13.4 M	\$12.2 M
DISLOCATED WORKERS	\$19.3 M	18.3 M	17.4 M	\$15.7 M
YOUTH PROGRAMS	\$16.8 M	\$15.1 M	\$13.8 M	\$12.5 M
WAGNER-PEYSER	\$8.9 M	\$8.8 M	\$8.7 M	\$8.5 M
ADULT EDUCATION & FAMILY LITERACY	\$9.5 M	\$9.3 M	\$9.6 M	\$9.9 M
ENGLISH LANG. & CIVICS EDUCATION (IELCE)	\$275,000	\$284,414	\$287,865	\$291,737
VOCATIONAL REHAB	\$68.3 M	\$65.4 M	\$67.9 M	\$69.0 M

Source: U.S. Department of Labor, 2023

V. OVERVIEW OF THE AWC

Mission and Vision

The AWC is Alabama's foremost workforce development advocacy organization, and it is composed of Alabama's leading industry, education, and workforce executives. The AWC advocates for cutting-edge workforce policies at the highest levels of government to provide a talented workforce for every business in Alabama and to provide every Alabamian with access to an in-demand job.

AWC Vision

The AWC's vision is clear: aligned systems + an educated workforce = a prosperous economy. By 2025, all Alabamians are connected to career opportunities by prioritizing learning aligned with the needs of our economy. To prioritize learning opportunities for Alabamians that are aligned with the needs of the economy, state education and workforce agencies must align their resources and programs.

AWC Mission

Our mission is simple: Understand. Align. Impact. Assess. Repeat. State agencies must align resources. State agencies must impact the 16 discrete populations we are targeting through the attainment and labor force participation goals. The AWC must assess progress towards increasing postsecondary attainment and labor force participation. The AWC must repeat the cycle every year and measure results until the final goal is due on April 30, 2025, of adding 500,000 credentialed Alabamians to the potential workforce and reaching the national labor force participation rate. Between 2018 and 2021, 223,562 Alabamians earned their first postsecondary credential, based on a report issued by the ATLAS on Career Pathways on December 6, 2023. Therefore, Alabama is 44.7 percent of the way towards reaching the goal by 2025 without counting data for 2022 and 2023. The ATLAS on Career Pathways will issue additional reports in 2024 to add data from 2022 and 2023.

AWC Committees

The Alabama Committee on Credential Quality and Transparency (ACCQT)—Governor Kay Ivey, Chair

The ACCQT was codified by Act 2023-365 as an AWC committee. The ACCQT is tasked with developing an annual list of valuable credentials that are aligned to in-demand occupations in Alabama beginning in June 2024. The work of the ACCQT is powered by the Alabama Credential Registry, which is designed to provide the means to register and evaluate all degree and non-degree credentials in Alabama against non-degree credential quality and transparency criteria.

The Alabama Committee on Credentialing and Career Pathways (ACCCP) Committee—John Allen Nichols, Chair

The ACCCP Committee was established by Act 2019-506 to develop annual lists of statewide and regional in-demand jobs; annual competency models aligned to the statewide and regional lists of in-demand jobs; and career pathways. The ACCCP's work is being utilized by education and training providers to align education and training programs to industry demand.

Outreach and Engagement Committee—Steve Hildebrant, Chair

The mission of the Outreach and Engagement Committee is to connect Alabama's education, workforce, human services, non-profits, and the private sector through a segmented marketing strategy designed to increase the postsecondary attainment and labor force participation rates for Alabama's 16 special populations regionally and statewide.

Public-Private Partnership Committee—Phil Webb, Chair

The Public-Private Partnership (PPP) Committee is composed of corporate foundations and business leaders. The PPP Committee has convened over 30 non-profits from across the state to develop and implement innovative programs designed to address barriers to workforce access and success in Alabama.

Human Capital Development Committee—Allen Harris, Chair

The Human Capital Development Committee was established to support the Success Plus postsecondary education attainment goals of adding 500,000 credentialed workers to the potential workforce by 2025 and increasing Alabama's labor force participation rate to the national average by 2025.

The Alabama Workforce Council Regional Workforce Council Support Committee—Christy Knowles, Chair

The Regional Workforce Council Support Committee provides support to each of the seven Regional Workforce Councils (RWCs) for reaching the regional attainment and labor force participation goals.

AWC Select Committee on Abating Chronic Absenteeism in Public K-12 Schools

The AWC Select Committee on Abating Chronic Absenteeism in Public K-12 Schools, chaired by Mr. Allen Harris, was composed of dedicated volunteers from both the education and industry sectors, and it was convened in early 2023 to address the critical issue of chronic absenteeism in Alabama's public K-12 schools. The select committee invested significant time and effort to develop thoughtful recommendations, submitted on August 14, 2023, for reducing rates of chronic absenteeism among both teachers and students. In formulating these recommendations, the select committee collaborated closely with the Alabama State Board of Education and the ALSDE. The committee is currently awaiting the ALSDE response to their recommendations.

VI. 2023 AWC ACCOMPLISHMENTS

The timeline below includes highlights from among the many milestones and accomplishments achieved by the Alabama Workforce Council in 2023.

1. Alabama Talent Triad—The Talent Triad was piloted in the in-demand sectors of manufacturing and healthcare; the platform was made available statewide on October 24, 2023, as part of the Alabama Talent Triad soft launch; and the Talent Triad formally launched statewide on December 6, 2023.
2. Act 2023-365—The Alabama Credential Quality and Transparency Act, Act 2023-365, passed the Alabama Legislature unanimously in both houses. The Act codifies the College and Career Readiness Attainment graduation requirement; the ATLAS on Career Pathways; and the Alabama Credential Registry, a free online public registry of credentials in the state.
3. AWC Chairman Appointed to the ACCS Board of Trustees—Governor Ivey appointed AWC Chairman Tim McCartney to the Alabama Community College System Board of Trustees as an At-Large Trustee.
4. National Governors Association (NGA) Youth Apprenticeship Policy Academy—Alabama was accepted into the NGA Policy Academy to Advance Youth Apprenticeship, which is a peer-learning program that offers year-long opportunities that help develop policy agendas to scale youth apprenticeships.
5. WIOA Combined Plan Stakeholders Engagement Sessions—The AWC participated as a lead partner in the 2024 Combined WIOA State Plan public stakeholder engagement meetings, which were held at community colleges in each of Alabama’s seven workforce regions between August and November 2023.
6. Teacher Registered Apprenticeship Pilot Program—The K-12 Teacher Registered Apprenticeship Pilot Program was established by Executive Order 732 to help solve the teacher shortage, while also better preparing new teachers for the challenges of the classroom.
7. Unlocking Pathways Summit—On September 12, 2023, the AWC, representatives from the Governor’s Office, the Alabama Workforce Council, and other state agency representatives attended the U.S. Department of Education’s Unlocking Pathways Summit, which was held at Mississippi Gulf Coast Community College. Alabama was honored to serve as the regional exemplar for the plenary panel.
8. Alabama Committee on Credential Quality and Transparency (ACCQT)—The ACCQT met for the first time as a committee of the AWC to begin the process of developing the first Compendium of Valuable Credentials, which will be released in June 2024.
9. Success Plus Progress Report—The Office of Education and Workforce Statistics (OEWS) released the first official report from the ATLAS on Career Pathways, which measured progress towards the Success Plus Postsecondary Education Goal, thereby making progress against two of the AWC’s original policy objectives—implementing a statewide longitudinal database system and increasing Alabama’s postsecondary education attainment rate.

VII. 2023 AWC WEBINAR RECAP

In 2023, the AWC Monthly Webinar Series continued to highlight education and workforce leaders who were implementing innovative practices that benefit Alabama. The monthly webinars were packed with guests focused on a central theme each month.

January—Competencies and Credentials as Tools for Developing the P-20W Talent System

The Non-Degree Credential Employer Preferences Survey showed that more than two-thirds of responding employers use non-degree credentials, signaling that competence is used to validate the skills of a job candidate. More than 60 percent of responding employers pay for credentials and training for their employees, and one-third of employers responded that they prefer to hire candidates who possess non-degree credentials over those who do not.

February—Engaging Partnerships Meeting the Needs of Diverse Learners

Alabama continued to look toward resources that address quality childcare access. Empowering new and experienced providers to run their own childcare program provides much-needed services to families in their communities. Jane Oates with Working Nation confirmed that the Governor's plan for Success Plus is exactly where the nation needs to be to improve the labor force participation rate.

March—Building Pathways into the Construction Industry

Alabama is working with universities to address needs in the construction industry. Many opportunities are available in the office or in the field, including drivers, project managers, IT, and accountants. Dunn University, led by AWC member Chris Stricklin, collaborated with a community college to start a state-of-the-art heavy equipment training course. The future is about teamwork and working together.

April—Harnessing Technology to Recruit and Retain Talent

Using IT as a recruiting tool reduces barriers to and creates conversations between individuals and employers. There is learning, flexibility, customer satisfaction, and candidate sourcing available through these resources. The Alabama Talent Triad launched in a pilot phase, and Talent Triad developers asked for engagement from Alabama employers and job descriptions.

May—Ameliorating the Healthcare Workforce Shortage through Skills-Based Hiring and Competency-Based Career Pathways

Alabama partners are addressing the healthcare staff shortage. Healthcare workers have left the industry for a variety of reasons, and now we must focus on replacing the current workforce shortages. High vacancy positions are in nutrition, environmental roles, patient access, rehabilitative services, paramedics, and EMTs. Nursing apprenticeship programs are going to help fill these positions. Flowers Hospital is working with Jersey College as a location to educate the healthcare workforce.

June—Breaking Down Barriers to Workforce Participation

There are many new workforce development initiatives coming out of Washington. The CHIPS and Science Act will increase demand for factory workers at a technical level that requires a certificate or an associate degree.

July—The Role of Advanced Manufacturing in Alabama's Innovation Economy

Alabama is focused on getting people into the workforce by reimagining training, cross-training, and using technology to create policies. The Alabama Technology Network (ATN) Manufacturing Extension Partnership (MEP) has impacted manufacturing in Alabama with 17,705 jobs and \$3.6 billion client impacts. A supply chain database was launched in response to the pandemic supply chain issues, which is free to use within Alabama for manufacturers.

August—State of Workforce Training in the Construction Industry

Construction industry partners are keeping ahead of the challenges facing the construction industry. Industry partners are working to overcome the perception that construction is not a viable path to employment due to the nature of the work. Assistance with relocation and connecting people to available jobs are key strategies for successfully recruiting new workers to the construction industry. Panelists included Chairman Tim McCartney, Mr. Allen Harris of Bailey Harris Construction Company, Mr. Chris Strickin of Dunn University, and Mr. Billy Norrell of the Alabama General Contractors Association.

September—State of Workforce Training in the Information Technology Industries

The demand for workers in the Information Technology (IT) industry has increased nationally. The COVID-19 pandemic changed how people communicate. Demand has increased for cloud engineers, systems security managers, and development operations engineers. People are embracing technology, which increases demand for support specialists and administrators. Short-term certificates and two-year and four-year programs are available to help individuals enter the IT workforce.

2024 and Beyond

The Alabama Workforce Council is working to reassess the AlabamaWorks! Webinar Series. This program was developed during the 2020 COVID-19 pandemic to reach industry partners with relevant information. A new podcast program and video shorts will be announced in 2024.

VIII. 2023 AWC SURVEY RECAP

Alabama Survey of Under-employed and Unemployed, January 4—16, 2023

The Alabama Statewide Survey of the Unemployed and Underemployed was conducted by Cygnal to measure awareness and attitudes towards new job retraining programs in Alabama. COVID-19 as a barrier to work has almost entirely evaporated. The main obstacle to full employment is now transportation, followed by personal health, and familial obligations. Lack of transportation is particularly daunting for low-income and urban jobseekers, while older workers are hampered more by health issues. Earning more money has become the preeminent reason for changing industries.

Alabama Survey of Human Resources (HR) Decision Makers, March 1—March 6, 2023

The Cygnal-conducted Alabama Statewide survey of 318 HR decision-makers revealed the significance of non-degree credentials (NDCs) in Alabama companies. NDCs are recognized as beneficial for employee and job seeker employability and wage increases. Three-quarters of employers prefer applicants with NDCs, particularly in STEM, health sciences, and manufacturing. The IT industry offers the highest wage premium for employees who hold NDCs, followed by human services, architecture and construction, and business management.

Alabama Statewide Survey of Hourly Employees, May 8—May 17, 2023

The Alabama Statewide Survey of Hourly Employees was conducted by Cygnal to help improve the understanding of gaps in services and to improve access to supportive services. The survey demonstrated that 63 percent of parents believe childcare is very important to their ability to work. Transportation is an issue, as 13 percent say they do not have reliable transportation to work. Nearly 6-in-10 workers have missed work due to unreliable transportation.

Alabama Statewide Survey of Unemployed Youth, August 3—21, 2023

Cygnal conducted a Statewide Survey of Employed and Unemployed Youth in Alabama Aged 16-24. According to the Federal Reserve Bank of Dallas, Alabama has the highest rate of disconnected youth who are not in school or working in the country at 18 percent. Personal and family responsibilities are the primary drivers behind unemployment. Over a third of unemployed young people are responsible for caring for a family member. Furthermore, another 24 percent of unemployed youth have an illness or disability (19 percent cited it as their primary reason for unemployment).

Alabama Statewide Survey of People with Disabilities Aged 18-64 September 25—October 6, 2023

The Statewide Survey of People with Disabilities Aged 18 to 64 in Alabama was conducted by Cygnal, and 109 Alabama residents with a disability or other chronic condition responded to the survey. Most respondents are unemployed, and disability-related limitations were the primary reason for unemployment among 88 percent of unemployed respondents. Other barriers to employment include a negative workplace environment and a work environment that is inaccessible or lacks accommodations.

What to Expect for the 2024 Alabama Statewide Survey Plan

Topics for the 2024 Alabama Statewide Survey Plan will dig deeper into barriers to entering the workforce, such as the lack of transportation, childcare, and housing, and employer hiring challenges and preferences.

IX. 2024 QUARTERLY MEETING DATES

- Thursday, March 21, 2024
- Wednesday, June 26, 2024
- Tuesday, September 17, 2024
- Tuesday, December 10, 2024

X. AWC 2023 HAIL AND FAREWELL

The Alabama Workforce Council has made great strides in 2023 through the efforts of our members. We want to extend our deepest gratitude to Melissa Herkt for her dedicated service and invaluable contributions to the AWC. Her commitment has made a lasting impact, and we are truly grateful for the time and effort she devoted to the AWC.

Three members will be re-appointed this year—Peggy Sease-Fain, Ronnie Boles, and Daryle Pilkinton. Their continued commitment to the AWC is a testament to their dedication to enhancing workforce development in our state. Additionally, a warm welcome to our new appointment for RWC representation, Katie Thomas, Director of Southeast Alabama Works in Region 6. Her fresh perspective and expertise will undoubtedly enrich the AWC's endeavors. We look forward to a collaborative and successful tenure with our members.

Thank you all for your unwavering commitment to advancing workforce development in Alabama. Together, we can continue to make meaningful strides in building a stronger, more vibrant future for our workforce.

XI. 2024 AWC MEMBERS



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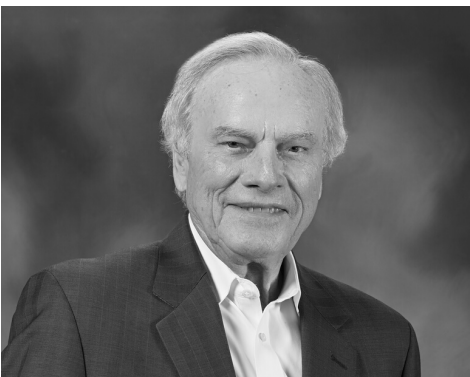
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