

**STATEMENT OF
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U.S. DEPARTMENT OF LABOR
BEFORE
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COMMITTEE ON HEALTH, EDUCATION, LABOR AND PENSIONS
UNITED STATES SENATE**

"THE STATE OF THE AMERICAN CHILD"

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Good morning Chairman Dodd, Ranking Member Alexander, and Members of the Subcommittee. Thank you for inviting me to testify about the Labor Department's role in improving the state of America's children.

Mr. Chairman, it is my great honor and distinct pleasure to have this opportunity to reflect on your 30-year career as one of this nation's leading advocates for America's workers and children. Because of your service, the lives of working parents and their children are more prosperous, healthier, and more fair. You have fought for the rights of women, minorities, children, and those whose voices are not always heard. These Americans may not know your name. But they know the products of your endeavors. And your efforts, very simply, have made their lives immeasurably better.

Your impressive accomplishments in the House of Representatives and in the U.S. Senate were motivated by a simple but fundamental principle: workers don't merely work. They are more than economic inputs into America's economy or costs on an employer's ledger. They are people --- whole people --- and our workplace policies must value their contributions in the

workplace while respecting the realities of their everyday lives. Workers are also parents, spouses, and adult children of aging parents. Their families need both their economic support *and* their loving care. Your dedication to this vision has helped to humanize the American labor market and American workplaces so that millions of workers can satisfy both of these needs. As you reminded your colleagues just a few years ago, “When we talk about a more compassionate America, nowhere is that more evident than in our caregiving leave policies. No one should have to choose between work and family.” To that, Mr. Chairman, we would add only a resounding “Amen.”

Your departure at the end of this Congress will mark the end of an era and a great loss for America, but your work will live on. At the Labor Department, we share your values and we are committed to carrying on your work. We also fully expect that we will hear from you, even after your retirement, if we stray from the path you have laid out.

On behalf of Secretary Solis, the seventeen thousand men and women of the U.S. Labor Department, and the millions of working Americans whom we serve, thank you for your outstanding leadership and service.

Secretary Solis’ Vision and Good Jobs for Everyone

Secretary Solis has laid out a simple and straightforward vision for the Labor Department: *Good Jobs for Everyone*. We are the Department of *Good Jobs for Everyone*. Good jobs can be found in safe and healthy workplaces, and in fair and diverse workplaces. Good jobs support a family by increasing incomes and narrowing the wage gap, while providing opportunities to acquire the

skills and knowledge that workers will need for the jobs of the future, particularly in high-growth and emerging industry sectors like “green” jobs. Good jobs help middle-class families remain in the middle class. They also provide upward mobility and a pathway to the middle-class for low-wage workers and those disenfranchised from the labor market. Good jobs facilitate the return to work for those individuals who experienced workplace injuries or illnesses and are able to work, while providing sufficient income and medical care for those who are unable to do so. Good jobs ensure that workers have a voice in their workplaces, and provide health care coverage and retirement security. And finally, good jobs provide workplace flexibility for family and personal care-giving. Mr. Chairman, we believe that this vision nicely reflects your life’s work on behalf of working families.

In the remainder of my testimony, I will discuss how Secretary Solis’ vision of *Good Jobs for Everyone* seeks to address the concerns of working families and children from birth through the beginnings of adulthood. The Labor Department administers programs that help ensure good jobs for parents and, in doing so, provides access to a better childhood for their offspring. Simply put: children have the greatest opportunities when their parents can provide them with economic security and family stability. But the Labor Department also assures that children have the opportunity to acquire the education and develop the skills they need to become productive contributors in the new American economy and, in turn, the economic bulwarks for their families. Just as you have advised, Mr. Chairman, our goal and the goal of our partners in the agencies testifying here today is to help workers succeed as whole people, in the workplace and in the home.

Workplace Flexibility and Leave: Families Balancing Life's Demands

The right to take job-protected leave to care for a child who is sick is absolutely essential to the concept of a “good job.” It recognizes the dual role that working parents play. The seemingly never-ending juggling act that parents face in trying to balance work life and family life begins as soon as a baby arrives, continues beyond that first call home a school nurse makes when a child has a fever or a broken bone, and remains when a call comes from a nursing home to resolve a health issue for an ailing parent. That is why one of the tenets of Secretary Solis’s definition of *Good Jobs for Everyone* is that a good job “provides workplace flexibility for family and personal care-giving.”

You know better than anyone, Mr. Chairman, that the Family and Medical Leave Act (FMLA) provides this necessary flexibility. The passage of the FMLA was the most important legislative event of its time for the lives of working families. This landmark law gave working Americans the right to take unpaid leave to be there for their families when it counts: when a child, parent, or spouse has a serious illness, or when a baby is born or adopted. The FMLA has helped more than 50 million Americans balance the demands of the workplace with the needs of their family and their own health, and in doing so promoted the financial stability and economic security of American working families. As President Clinton noted when he made the FMLA the first legislation he signed into law, your bill set a long overdue standard of fairness in the workplace. Mr. Chairman, there can be no doubt that without your hard work and persistence, the FMLA would not have become the law of the land, and countless American workplaces would be void of the basic standard of fairness it mandates.

The impact that the FMLA has on the health and well-being of our nation's children cannot be overstated. More mothers and fathers have the opportunity to bond with their newborns. Employees recuperate more quickly and completely from illness resulting in greater productivity upon their return. Children are healthier, infection rates in childcare facilities decrease, and parents are less likely to postpone or skip their children's vaccination schedules all because their parents are provided job-protected sick leave.¹

Guided by Secretary Solis, the Department of Labor has recommitted itself to the enforcement of the FMLA. The Department's Wage and Hour Division (WHD) ensures that workers' FMLA rights are protected. In one instance, WHD was able to successfully assist a working mother who was a manager at a Dollar General store near Houston, Texas. She needed leave from work for the birth of her child and notified her employer two months before she was to give birth. The employer, however, failed to properly notify the employee of her rights and responsibilities under the FMLA, and subsequently terminated her employment while she was on leave for the birth of her child. Fortunately, a WHD investigator was able to recover several thousand dollars in back wages for this new mother. Such gross violations of the law are inexcusable and will not be tolerated.

As you know, Mr. Chairman, family life is constantly changing, and the rules and regulations that govern workplace flexibility must keep pace. The Department is committed to ensuring that all working parents have the tools they need to balance work and family life – even if their families do not fit the “traditional” definition. The Department recently updated FMLA

¹ Vicky Lovell, Ph.D., “No Time To Be Sick: Why Everyone Suffers When Workers Don't Have Paid Sick Leave,” Institute for Women's Policy Research, 2004.

guidance to respond to the ever-increasing diversity in modern American families. Seventeen years after the enactment of the FMLA, the Wage and Hour Division published a new Administrator's Interpretation clarifying that the definition of a "son or daughter" includes the concept of *in loco parentis* -- that is, the person who has day-to-day responsibility for a child is entitled to take job-protected leave to care for that child who is seriously ill. Under this interpretation, the brother who receives a call in the middle of the night that his sister and her infant daughter have been in a serious car wreck; the woman who is awaiting the birth of her same-sex partner's biological child; or the grandmother who is the sole guardian of a grandchild forced to stay home from school because of an asthma attack, are entitled to take the necessary leave because they have assumed the role of a parent.

More than 100,000 children growing up with same-sex parents can benefit from this important interpretation of the FMLA, while countless children being parented by grandparents, domestic partners, and other extended family members will also benefit. The specific make-up of a family should have no effect on the life of a child, nor does it change the pivotal role a caregiver plays in that child's development. The Labor Department's updated FMLA guidance is yet another small step towards ensuring that all children, regardless of the family they come from, are properly cared for.

While the FMLA is essential to the workplace flexibility needed by today's working families, Mr. Chairman, you have acknowledged that it has its limitations. As it stands, the FMLA provides eligible workers only with *unpaid* leave, and many families simply cannot afford to miss a paycheck. In 2008, the Department's Bureau of Labor Statistics (BLS) found that only 61

percent of private-sector employees are offered paid sick leave for their own illness or injury.

Only 23 percent of the lowest 10 percent of wage earners had access to paid sick leave, and only 17 percent of that group had access to personal leave. The Administration supports your efforts to secure more access to paid leave for American workers. As you know, the President's budget included an initiative to encourage states to set up paid leave funds.

In addition, at a hearing about the H1N1 flu pandemic you chaired last year, I was proud to announce the Administration's strong endorsement of your Healthy Families Act. Your great friend Senator Edward M. Kennedy introduced this important legislation, and I applaud you for continuing to champion this bill. The Healthy Families Act would provide workers with seven days of paid sick leave. This fundamental workplace benefit will assure that workers can stay home if they or their children are sick, and do so without fear of losing their job or critical income. We look forward to continuing your fight to get this important legislation enacted.

Health Care

For decades, as health care costs rose astronomically, insurance companies imposed more and more restrictions on health insurance policies, and fewer employers offered health benefits, American workers found it harder and harder to provide for their families' most basic need for health care. As important as the rights protected by FMLA are, they can be substantially frustrated when a parent who takes FMLA-protected leave to care for a sick child cannot afford to take that child to a doctor. The Patient Protection and Affordable Care Act (Affordable Care Act) will completely change the quality of life for the millions of American families who live in fear of doctors' bills or a notice from the insurance company that their policy had been canceled.

Mr. Chairman, you have been a true leader in the fight for guaranteed health care for children and were instrumental in the passage of health care reform. Throughout your career, you have fought for health care reform based on your deep belief that quality, affordable and accessible health care for every single American should be a right, not a privilege. Passage and enactment of the Affordable Care Act has secured your place in history as a champion for the ordinary working Americans, all of whom will benefit from this new law.

The benefits this law will provide for working families are immense. Even low-income workers will have the peace of mind that comes with having quality health care coverage for the whole family. Workers will decide what job works best for their families based on relevant factors, like pay, location, career advancement opportunities, and job satisfaction. No longer will workers be held hostage to a job simply because they cannot afford to lose the health care benefits that come with it. Now, all workers will have access to quality affordable coverage. Simply removing the pre-existing condition limitation will have a profound effect on American workers. Workers with chronic medical conditions will not be tied to one job for the rest of their lives. As workers find jobs that better match their skills, employers will benefit as well.

At the Department of Labor, we are proud to be one of the lead agencies implementing the Affordable Care Act. The Department has worked with the Departments of Health and Human Services and Treasury to issue regulations on coverage of preventive services, preexisting condition exclusions, lifetime and annual limits, rescissions, patient protections, grandfathered health plans, and most relevant to this hearing, the extension of coverage for adult children. I

will talk more later about how the Department helps ease young adults' transition into the workplace, but I would like to note that the Affordable Care Act's requirement that health plans and insurance companies extend coverage for adult children up to the age of 26 significantly helps young adults make good decisions about their first jobs, instead of being driven into a job just for health care coverage or risking living without care while they job hunt.

Income Security

As I mentioned earlier, the Department of Labor views workers as pillars of the economy ***and*** their families. To support a structure, a pillar must be strong and grounded on a solid foundation. In human terms, workers must earn wages that allow them to support their families and have the necessary skills to keep those jobs. Poverty is antithetical to a safe and secure family. My former colleague Dr. Harry Holzer testified at the first hearing of this series on the "State of the American Child" about how unemployed parents and childhood poverty are linked to negative long-term consequences for the future employment and earnings of children. When parents struggle to provide for their children's needs, children suffer in both the short- and long-term, and recognition of this link magnifies the implications of the current economic crisis. As witnesses at that first hearing discussed, the recent recession and continuing unemployment crisis will have lasting impacts on today's American children.

That is why the Labor Department helps families by fighting for wage earners to get the pay that they are entitled to and providing them with a solid foundation of training so they can secure the jobs that will help them secure or find their place in the middle class.

Ensuring Fair Pay

The growing number of female breadwinners in this country means that the financial health of families increasingly depends on women. With nearly 9 million working women who are also heads-of-household, the Labor Department is committed to making sure that pathways out of poverty are open to women as much as they are to men. Often, however, the mere opportunity is not enough. As the Chairman knows well, gender wage inequalities stubbornly persist, and women of color often bear a disproportionate share of this burden.

For this reason, Mr. Chairman, thank you for championing the Paycheck Fairness Act for the last seven Congresses. You have been at the very forefront of this fight, and it is a fight this Administration has pledged to continue. Enacting this important legislation would enhance the Equal Pay Act and bring economic justice to America's working women; in doing so, this country would take another step towards ensuring that many fewer mothers would have to choose between paying the bills and caring for their loved ones.

Though President Obama affirmed his commitment to equal pay for women by signing the Lilly Ledbetter Fair Pay Act into law, Secretary Solis, this Administration, and you, Mr. Chairman, all agree that more must be done. As a result, the President established the National Equal Pay Enforcement Task Force. The Department's Office of Federal Contract Compliance Programs is working with other agencies across the government to ensure that the promise of equal pay for women is fulfilled.

Fathers and Transitional Jobs

Responsible fathers are also crucial to the economic security of families. The President is firmly committed to promoting and supporting responsible fatherhood. As part of this commitment, the

Labor Department's Employment and Training Administration (ETA) is working closely with the Department of Health and Human Services' (HHS) Administration for Children and Families (ACF) to launch a new initiative to test and evaluate transitional jobs. Transitional jobs typically provide subsidized employment, supportive services and job placement assistance to participants with little work history. These opportunities help vulnerable workers overcome substantial barriers to work, build a resume, and move into long-term, unsubsidized employment. ACF has provided technical assistance on how child support enforcement would affect program approaches in the Labor Department's Transitional Jobs demonstration projects for low-income non-custodial parents. We believe that stable employment for fathers will have long-term beneficial effects for their children.

Job Training for the Youth of Today, Parents of Tomorrow

The Department of Labor invests in job training for all workers. It is another tenet of *Good Jobs for Everyone* that a good job provides opportunities to acquire the skills and knowledge for the jobs of the future. Secretary Solis and Assistant Secretary for Employment and Training Jane Oates have testified before the HELP Committee numerous times on the Department's full array of job training programs and how they support the economic security of America's families through lifelong job training, knowledge, and skills acquisition. I will not take the Committee's time to go over these programs again. As I mentioned earlier, however, these programs are critical to helping families reach and remain in the middle class in a 21st century economy.

Instead, I would like to focus on the Department's job training programs that benefit young adults who are just leaving childhood and entering the world of work. The Secretary's vision of *Good Jobs for Everyone* includes ensuring that young people have access to careers in high-

growth industries and the skills they need to compete in the global economy. This vision aligns with your determination, Mr. Chairman, to improve life opportunities for our children and youth. In due time, children become adults and have their own children. Putting these young adults on a track to gainful, skilled employment early in life is the best way to ensure not only their own success, but the future success of their children. Research suggests paid work experience may improve educational and employment outcomes for at-risk youth.²

Under the Workforce Investment Act of 1998 (WIA), the Department administers Youth Activities funds allocated to state and local areas to deliver a comprehensive array of youth workforce investment activities. These activities help ensure that youth obtain the skills and knowledge needed to succeed in a knowledge-based economy, and emerging industry sectors such as healthcare and “green” jobs. WIA authorizes services to low-income youth, ages 14 to 21, who experience barriers to employment. Many eligible young people are deficient in basic skills, and are frequently homeless, runaways, pregnant or parenting, criminal offenders, school dropouts, or foster children.

As you know, Mr. Chairman, WIA programs serve both in-school and out-of-school youth, including youth with disabilities and other youth who may require additional assistance to complete an educational program or to secure and hold employment. By providing them with access to tutoring, alternative secondary school services, summer employment, occupational training, work experience, supportive services, leadership development opportunities, mentoring, counseling, and follow-up services, participants are prepared for both post-secondary education

² Edwards, K., and A. Hertel-Fernandez. 2010. “The Kids Aren't Alright: A Labor Market Analysis of Young Workers.” *EPI Briefing Paper #258*, Economic Policy Institute.

and ultimate employment. The WIA Youth program typically serves between 250,000 and 300,000 youth per year.

These young people are indeed fortunate that you and your colleagues in the Senate fought to ensure that the American Recovery and Reinvestment Act (Recovery Act) included increased funding for WIA programs. The Recovery Act provided an additional \$1.2 billion in WIA Youth funds, with an emphasis on summer employment. The Recovery Act also allowed the Department to increase the age of eligibility for youth services to 24 years of age. DOL's ETA is encouraging summer youth programs to develop work experiences that would expose young people to jobs in the emerging "green" economy. For example, in Philadelphia, Pennsylvania, many youth received a combination of postsecondary training with worksite experiences in green jobs. Some of these youth participated in a partnership with Temple University, which provided them with Environmental Research Internships and experience working with researchers in the field. The summer work experiences described above are especially critical for low-income youth. This Recovery Act funding enabled more than 325,000 diverse youth to experience employment during the summer of 2009. Of these youth, approximately 159,000 were African American, 7,000 were American Indian or Alaska Native, 6,000 were Asian, and 87,000 were Latino.³

Recovery Act funding also enabled ETA and ACF to promote subsidized summer employment opportunities for similar low-income youth. To date, we are aware of at least 15 states that will be using the Temporary Assistance for Needy Families (TANF) Emergency Contingency

³ Mathematica Policy Research, Inc., "Reinvesting in America's Youth: Lessons from the 2009 Recovery Act Summer Youth Employment Initiative." Contract Number DOLU091A20968. February 26, 2010.

funding provided in the Recovery Act for summer employment programming, giving youth access to a multitude of support services and occupational skills training.

Unfortunately, the summer youth programs have not yet been funded this summer. Funding these programs is essential, even at this late date. We hope that Congress will still act so we can help students this summer and into the fall.

In addition to the WIA services described above for low-income students enrolled in high school, the Labor Department also provides alternative pathways to successful employment for disconnected youth and those who do not graduate from high school. One such initiative is the Department's YouthBuild program, which provides job training and educational opportunities for low-income or at-risk out-of-school youth ages 16 to 24. By providing these youth with the opportunity to acquire academic and work-related credentials while constructing or rehabilitating affordable housing for low-income or homeless families in poor communities, the YouthBuild program creates opportunities to re-engage out-of-school youth in education, skills training, and leadership development while serving their community. Many YouthBuild program graduates continue on in community or four-year colleges to gain the education and skills that they need to be productive in the 21st Century economy.

Recently, YouthBuild programs have begun providing training in green construction techniques, which will help youth compete for jobs in a changing construction sector. The Lake County YouthBuild program in Northern Chicago trains its young people in green construction and has begun installing solar water heating and solar electricity in the low income housing that it builds

in its community. In addition, the Department has introduced a new Apprenticeship Training Program, designed specifically for YouthBuild, to support the transition of our young people into apprenticeship opportunities in high-growth, emerging sectors of the economy. In Portland, Oregon, YouthBuild created a registered apprenticeship program with the Laborers Union to train its students in weatherization skills, and created green career tracks in several fields for its YouthBuild graduates in partnership with Portland Community College.

The Labor Department's most intensive program that assists youth with employment is Job Corps. Established 46 years ago to help fight the War on Poverty, Job Corps helps at-risk youth with education and job training in an effort to halt the perpetual cycle of poverty that claims the livelihood and future success of far too many American children. By providing a foothold for graduates to ascend beyond low-wage jobs through training and education, Job Corps gives many of its graduates a pathway to the middle-class. Job Corps students and graduates earn academic credentials, such as a High School Diploma or GED, and industry-recognized certifications, state licensures, or apprenticeships in their career technical training area. These credentials ensure that graduates have attained the skills and knowledge necessary to compete in today's labor market, including emerging industries, like green jobs. By operating 123 centers in 48 states, Puerto Rico, and the District of Columbia, Job Corps provides training and education opportunities to young men and women nationwide. Additionally, on-site daycare services at 28 of these centers, allow students who may be parents to fully participate in the program

We have heard numerous success stories from impressive Job Corps alumni. Some years ago, James Sollome thought he was on the verge of starvation. His father was in prison and he was an

unemployed high school dropout who had been living out of his car for four months. While job-hunting at a local unemployment office, James was informed of the opportunities available at the Excelsior Springs Job Corps Center. In a little more than a year after joining Job Corps, James graduated with his GED and earned his certificate of completion in painting. He went on to college, and in the coming year, he is expecting to graduate with a Ph.D. in pharmacology and toxicology from the University of Arizona.

Another success story comes from a woman in the Chairman's home state of Connecticut. Roccina Blash, a native of Waterbury, graduated at the top of her class in the Emergency Medical Training (EMT) program at New Haven Job Corps Center. In May 2010, Roccina accepted a full-time position with American Medical Response Ambulance Service. She is not alone in her success. There are thousands of Job Corps students who have launched thriving careers with the assistance of the Department of Labor.

It is programs like these that typify the Department of Labor's role in maintaining and promoting the state of the American child. By taking often disenfranchised, low-income youth and placing them on a career pathway with job-training and support, the Department of Labor helps them on the path to lifelong income security and economic stability and a better future for their children.

Making Sure First Jobs Are Safe and Successful

While the Department helps youth transition into the working world, it is also part of our mission to ensure that youth are employed only in jobs that are safe and age appropriate. Part of building a long-lasting and productive relationship between young people and work is making sure their

early experiences are positive ones. An unsafe or age inappropriate job is unlikely to be a successful job. A good job is a safe job – no matter how old or young you are.

Towards this end, the Department vigorously enforces the child labor provisions of the Fair Labor Standards Act. The Department recently published new child labor rules governing the employment of youth in nonagricultural industries, which became effective on July 19, 2010. These changes, which represent the most sweeping revisions to our child labor rules in over 30 years, are crafted to improve the occupational safety and health of the workplaces of the 21st Century and the realities faced by working youth and their employers. These rules reflect the hard work and commitment of the Labor Department's Wage and Hour Division and Occupational Safety and Health Administration, along with our partners at the Department of Health and Human Services' National Institute for Occupational Safety and Health. The new regulations give employers clear notice that there are certain jobs children are simply not allowed to perform. They also expand opportunities for young workers to gain safe, positive work experience in fields such as advertising, teaching, banking and information technology, as well as through school-supervised work-study programs. With the completion of these rules, DOL staff have turned their attention to strengthening the regulatory protections for children working in agriculture.

These strategies work. Last year, Wage and Hour investigators found children working in the blueberry fields of North Carolina. While we assessed civil money penalties against those farmers and farm labor contractors for the violations, our staff also engaged the local community, local departments of social services, and State migrant education consultants, to

provide alternatives to children whose parents are in the fields and to provide education on child safety. This year, when we sent investigators back into the fields unannounced, we found no children working in the blueberry fields of North Carolina. We strongly believe that our efforts to prevent young workers from being employed in unsafe occupations and industries will lead to fewer injuries and fewer deaths.

Conclusion

Mr. Chairman, your absence from the Senate will be a great loss for America's working families and children. As President Obama said on the announcement of your retirement, "You have worked tirelessly to improve the lives of children and families, but your work is not done." In tribute to your legacy and in full recognition of the work yet to be done, we will fight to ensure that your vision of a humanized labor market and compassionate workplaces lives on at the Department of Labor.

My testimony illustrates the ways that the Labor Department enables America's children to succeed and thrive across various life-stages. We are hard at work to realize *Good Jobs for Everyone* – for today's workers and their families, as well as the workers of the future. Thank you for inviting me to testify today. I would be happy to answer any questions the Committee may have.